

REPUBLIC OF SOUTH AFRICA

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# NATIONAL PARKS AMENDMENT BILL

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*(As introduced in the National Assembly as a section 75 Bill; explanatory summary  
of Bill published in Government Gazette No. 22357 of 15 June 2001)  
(The English text is the official text of the Bill)*

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(MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM)

[B 38—2001]

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REPUBLIEK VAN SUID-AFRIKA

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# WYSIGINGSWETSONTWERP OP NASIONALE PARKE

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*(Soos ingedien in die Nasionale Vergadering as 'n artikel 75-wetsontwerp; verduidelikende  
opsomming van Wetsontwerp in Staatskoerant No. 22357 van 15 Junie 2001 gepubliseer)  
(Die Afrikaanse teks is die amptelike vertaling van die Wetsontwerp)*

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(MINISTER VAN OMGEWINGSAKE EN TOERISME)

[W 38—2001]

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**GENERAL EXPLANATORY NOTE:**

Words underlined with a solid line indicate insertions in existing enactments.

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## **BILL**

**To amend the National Parks Act, 1976, so as to bring the South African National Parks within the ambit of the definition of “association not for gain” contained in section 1 of the Value-Added Tax Act, 1991; and to provide for matters connected therewith.**

**B**E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

**Amendment of section 18 of Act 57 of 1976, as amended by section 10 of Act 43 of 1986 and section 8 of Act 52 of 1992**

**1.** Section 18 of the National Parks Act, 1976, is hereby amended by the insertion after subsection (2) of the following subsection: 5

“(2A) Upon the winding-up or liquidation of the board it shall donate or transfer its remaining assets, after the satisfaction of its liabilities, to some other society, association or organisation with objects similar to its own.”.

**Short title**

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**2.** This Act is called the National Parks Amendment Act, 2001.

## **MEMORANDUM ON THE OBJECTS OF THE NATIONAL PARKS AMENDMENT BILL, 2001**

### **Background and objects**

1.1 The South African National Parks (“the National Parks”) is registered as an enterprise for purposes of the Value-Added Tax Act, 1991 (Act No. 89 of 1991—“the VAT Act”). The National Parks must pay VAT on any consideration received by it in relation to its supply of goods or services. In terms of the definition of “consideration” contained in the VAT Act, that word includes any payment for the supply of goods or services whether in money or otherwise and whether voluntary or not. According to the South African Revenue Service, the National Parks therefore has to pay VAT on any donation or sponsorship it receives. In terms of the said definition, payments made as an unconditional gift to any “association not for gain”, as defined in the VAT Act, are however not regarded as “consideration”.

1.2 In order to avoid the National Parks having to pay VAT on donations and sponsorships, this Bill seeks to bring the National Parks within the ambit of paragraph (b)(ii)(cc) of the definition of “association not for gain” in the VAT Act.

1.3 The proposed amendment also opens up the possibility for the South African Revenue Service to allow donations by taxpayers to the National Parks as deductions from income tax.

### **Consultation**

2. The following bodies were consulted:
- The South African National Parks;
  - the South African Revenue Service;
  - the National Treasury; and
  - the State Law Advisers.

### **Financial implications for State**

3. There will be financial implications for the State in that revenues from donations and sponsorships received by the National Parks will no longer accrue to the State when the Bill becomes law.

### **Parliamentary procedure**

4. The State Law Advisers and the Department of Environmental Affairs and Tourism are of the view that this Bill must be dealt with in accordance with the procedure established by section 75 of the Constitution since it contains no provisions to which the procedure set out in sections 74 or 76 of the Constitution applies.

