

## Preliminary Revenue Results for the Financial Year ending 31 March 2005

### Persons and Individuals

Collections amounted to R110,7 bn which is more or less in line with the February 2005 estimate. The printed estimate was increased from R102,1 bn to R106,4 bn in October 2005 mainly due the effect of higher than expected wage increases in certain sectors and improved remuneration of employees by companies. The improved remuneration was broad based across most sectors and specifically retail trade, construction and services sectors.

### Companies

Collections patterns for corporates once again highlight the volatility in payments and the immediate impact of economic conditions on the profitability of companies in different sectors. The printed estimate of R65, 8 bn was reduced to R62, 6 bn in October as the impact of the rand strength affected the resources and export orientated sectors. Corporates with exposures mainly to the domestic economies however started to post major profit gains in the second half of the fiscal year on the back of strong domestic demand, offsetting some of the reduced tax receipts from resources and export orientated companies. The target was therefore revised upwards from R62, 6 bn to R65, 6 bn in February 2005. **The actual outcome of R70, 6b is much better than expected, being R1, 5b above the printed estimate and R5,1b above the Feb 05 estimate.** This is testimony of the strong growth in the following main sectors:

- Financial Services
- Long and Short term Insurance
- Retail trade
- Manufacturing (Certain industries)
- Telecommunication

The active application of 19.3 (Adjustment of provisional payments to reflect latest profit positions) ensured the timeous payment of some big amounts.

### Transfer Duties

Collections come in at R7,7b, R100m less than the Feb 05 revised estimate of R7,2b. Actual collections are however still R1,9b more than the printed estimate of R5,2b and is reflective of the buoyant housing market.

### Excise

Collections came in at R14b, which is approximately in line with the Feb. 05 estimate and printed estimate

### Fuel levy

Collections came in at R18, 8b, approximately in line with the Feb 05 estimate and R14b above the printed estimate

### Customs Duties

Collections came in at R13, 1b, which is R1, 6b above the Feb 05 estimate and R3, 6b above the printed estimate.

The growth in custom duties was fuelled by an increase in imported goods for domestic consumption, on the back of the rand strength and higher available disposable income of consumers.