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THE PRESIDENCY

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It is hereby notified that the President has assented to the following Act, which is hereby published for general information:–

Act No. 2 of 2008: Division of Revenue Act, 2008.

(English text signed by the President.)
(Assented to 31 March 2008.)

ACT

To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2008/09 financial year and the responsibilities of all three spheres pursuant to such division; and to provide for matters connected therewith.

PREAMBLE

WHEREAS section 214(1) of the Constitution of the Republic of South Africa, 1996, requires an Act of Parliament to provide for—

(a) the equitable division of revenue raised nationally among the national, provincial and local spheres of government;
(b) the determination of each province's equitable share of the provincial share of that revenue; and
(c) any other allocations to provinces, local government or municipalities from the national government's share of that revenue, and any conditions on which those allocations may be made,

BE IT THEREFORE ENACTED by the Parliament of the Republic of South Africa, as follows:—

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CHAPTER 1

INTERPRETATION AND OBJECTS OF ACT

Interpretation

1. (1) In this Act, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Public Finance Management Act or the Municipal Finance Management Act has the meaning assigned to it in the Act in question, and—

"category A, B or C municipality" has the meaning assigned to each category in terms of the Municipal Structures Act;

"conditional allocation" means a conditional allocation to a province, local government or municipality from the national government's share of revenue raised nationally, contemplated in section 214(1)(c) of the Constitution of the Republic of South Africa, 1996;

"corporation for public deposits account" means a bank account of the Provincial Revenue Fund held with the Corporation for Public Deposits, established by the Corporation of Public Deposits Act, 1984 (Act No. 46 of 1984);

"financial year" means the financial year commencing on 1 April 2008 and ending on 31 March 2009;

"framework" means the conditions and other information in respect of a conditional allocation published by the National Treasury in terms of section 22;

"Municipal Finance Management Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"municipal financial year" means the financial year of a municipality commencing on 1 July and ending on 30 June;

"next financial year" means the financial year commencing on 1 April 2009 and ending on 31 March 2010;

"payment schedule" means a schedule, which sets out—

(a) the amount of each transfer of an equitable share or any conditional allocation in terms of this Act to be transferred to a province or municipality in the financial year;

(b) the date on which each transfer must be paid; and

(c) to whom, and to which bank account, each transfer must be paid;

"prescribe" means prescribe by regulation in terms of section 47;

"primary bank account"—

(a) in relation to a province, means a bank account of the Provincial Revenue Fund held with a commercial bank which the head of the department in the provincial treasury has certified to the National Treasury as the bank account into which all conditional allocations, other than the Gautrain Rapid Rail Link allocation, in terms of this Act must be deposited; and

(b) in relation to a municipality, means the bank account of the municipality as determined in terms of section 8 of the Municipal Finance Management Act;

"Public Finance Management Act" means the Public Finance Management Act, 1999 (Act No. 1 of 1999);

"quarter" means—

(a) 1 April to 30 June;

(b) 1 July to 30 September;

(c) 1 October to 31 December; or

(d) 1 January to 31 March;

"receiving officer"—

(a) in relation to a Schedule 4 or 5 allocation transferred to a province, means the accounting officer of the provincial department which receives that allocation or a portion thereof for spending via an appropriation from its Provincial Revenue Fund; or

(b) in relation to a Schedule 4 or 6 allocation transferred to a municipality, means the accounting officer of the municipality;

"this Act" includes any framework or allocation published, or any regulation, determination or request made or instruction given under this Act;