



PROVINCE OF KWAZULU – NATAL – ISIFUNDAZWE SAKWAZULU - NATALI

DEPARTMENT OF TRANSPORT
UMNYANGO WEZOKUTHUTHA

Enquiries : Miss A Singh
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Reference : T6/17/P

TO: ALL HEADS OF DEPARTMENT
MEMBERS OF THE MOTOR TRANSPORT ADVISORY COMMITTEE
ALL DEPARTMENTAL TRANSPORT OFFICERS

13 SEP 2006

PROVINCIAL TRANSPORT MANAGEMENT (PTM) CIRCULAR NO 17 OF 2006: TAXATION ON SUBSIDISED VEHICLES.

1. Please find attached hereto Transport Circular 06 of 2006: Tax on Subsidised vehicles, dated 29 August 2006 received from the National Department Transport.
2. Kindly ensure that the contents of this circular is brought to the attention of all officials dealing with subsidised motor transport and subsidised vehicle owners within your Department.
3. Submitted for your information and further attention.

For Head: Transport

h: policies/circ/circ 2006/PTM Circular 17 of 2006.Tax on Subsidised Vehicles

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Government Motor Transport

29 August 2006

TRANSPORT CIRCULAR NO. 6 OF 2006

TO ALL HEADS OF DEPARTMENTS, ACCOUNTING OFFICERS AND TRANSPORT OFFICERS.

The taxation on subsidized vehicles has been increased as per the directive received from the South African Revenue Services as applicable from the 1st of March 2006.

A subsidized vehicle will be taxed according to:

- 60% of the Capital contributed towards the vehicle by government
- 60% of the Maintenance allowance that was paid by government.
- 60% of the Insurance premium as paid by government.
- The reimbursement of the actual fuel cost will not be taxed.

Upon submission of the official's log sheets along with their tax return to the South African Revenue Services, the official might be, depending on the number of business kilometres travelled eligible to a rebate.

Please ensure that the contents of this circular are brought to the attention of all subsidized vehicle owners.

Kind regards,

**Andries Schoeman
Deputy Director
Government Motor Transport**