



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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## **MEDIA STATEMENT**

### **POSTPONEMENT OF THE IMPLEMENTATION DATE OF THE ENVIRONMENTAL TYRE LEVY**

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Today National Treasury announced the postponement of the implementation of the environmental tyre levy to **1<sup>st</sup> February 2017**. This is subsequent to the Budget 2016 presentation, where the Minister of Finance announced that an environmental levy on tyres will become effective **1<sup>st</sup> October 2016** (next month). However, the Minister has decided on the postponement to allow SARS further consultation with all affected parties on the practical arrangements for the implementation thereof.

The objectives of this initiative are to encourage waste reduction, reuse, treatment and recycling and reduce disposal into landfills. It will also help in government's broader efforts to promote greater levels of transparency and accountability.

According to the draft legislation, the tyre levy will be applied at a rate of R2.30 per kg of tyre and implemented through the Customs and Excise Act. The South African Revenue Service (SARS) will be responsible for the collection of revenues, as with all other environmentally related taxes. Revenues from the levy will be deposited into the National Revenue Fund, and an on-budget allocation will be made available through the budget of the Department of Environmental Affairs. This will ensure a more robust and transparent revenue collection and funding mechanism. The principle of extended producer responsibility will be encouraged and all producers and importers of tyres will be required to fully participate in the implementation process.

**Issued by the National Treasury**

**Date:** 22 September 2016