

Tax ombud intervention secures R450m Sars refunds

Interventions by the Office of the Tax Ombud (OTO) in the 2017/18 financial year saw about R450m in tax refunds paid to the first top 10 taxpayers.



Judge Bernard Ngoepe

For the financial year, the OTO said, the South African Revenue Services (Sars) had implemented over 99% of recommendations made by the tax ombud, Judge Bernard Ngoepe.

Ngoepe told the more than 100 delegates in attendance at the event that complaints were for Value Added Tax (VAT) and Corporate Income Tax (CIT). The highest refund paid was R158m in VAT. This was followed by R90m, also in VAT.

He added that the organisation has experienced a significance increase in the number of contacts from 670 in the 2013/14 financial year, to over 17,000 in the 2017/18 financial year.

“We are pleased with how we have been able to help promote fairness in the country’s tax administration system and we look forward to working with other stakeholders not to just promote and protect the rights of taxpayers but also promote tax compliance,” Ngoepe said.

“This office has helped resolve thousands of taxpayers’ complaints against the revenue collector in the past five years but there is still much that needs to be done. “We have already brought about positive changes in the Tax Administration Act

which have given us powers to investigate systemic issues and more independence from Sars, amongst others.”

The OTO said it would continue to travel across the country informing taxpayers about its services.

“We are also working closely with our government through the Government Technical Advisory Centre (GTAC), which is assisting in developing a business case for a cost-effective and independent organisational model,” Ngoepe said.

The launch of the report coincided with the OTO's fifth anniversary since establishment.

Ngoepe said the OTO was committed to helping ensure balance between Sars' powers and duties, on the one hand, and taxpayer rights and obligations on the other.

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