

Sars brings in tech to fight illicit trade

The South African Revenue Service (Sars) has embarked on a number of strategic initiatives to curb revenue leakages emanating from illegal and unethical practices in the illicit economy.



The illicit economy ranges from an underground economy, which operates outside the rules and regulations of the country, to organised crime, and includes the illicit trade of products.

South Africa experiences significant losses in excise revenue due to a global increase in the manufacturing, supply and sale of illicit excisable products. In response to this challenge, Sars has embarked on a process to mitigate such illicit and non-compliant activities by means of improved policy, enhanced processes and the use of advanced technology to uniquely mark products, in order to strengthen the enforcement environment and ensure overall control of the supply chain.

Cracking down on illicit cigarettes

The revenue service is looking to introduce the track-and-trace marker technology in the cigarette industry, which will enable the organisation to monitor the journey from cigarette manufacturing plants to points of sale and/or import or export trades. This non-intrusive technological innovation is expected to boost the monitoring and control of duties and taxes in this industry significantly.

A tender for the provision of a production management and a track and trace solution for cigarettes has been published on

the SARS Website.

The reconstituted Illicit Economy Unit at SARS has hit the road running with a number of impactful enforcement activities already in the public domain, whilst continuing with other new and historic investigations in the Enforcement domain.

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