

STATEMENT BY MINISTER OF FINANCE ON MEDIA REPORTS ABOUT THE SARS COMMISSIONER

The South African Revenue Service (SARS) is a crucial fiscal institution that is highly respected within and outside South Africa.

Certain allegations have been made in the media today (Sunday, 24 March 2013) about possible impropriety involving the Commissioner of SARS. I have an initial report which gives an account of interaction between the SARS Commissioner and certain individuals mentioned in the media reports. From the facts available it is not evident that there has been a fundamental breach of SARS processes.

It must be emphasised that the young Chartered Accountant (CA) did not supply SARS with her CV nor was she ever employed by SARS.

However, to ensure transparency and that SARS' integrity is protected, I have decided to institute a thorough investigation of the matter. After consultations with the Minister of Justice, I will appoint a retired judge to establish whether there was any breach of SARS processes, good governance, the nature of any possible indiscretion and to advise on appropriate remedies where breaches may have occurred.

With regards to some of the other issues raised by the media articles today, it has become evident in recent times that some taxpayers who find themselves in difficulties because of their non-compliance with South African tax and customs laws are increasingly relying on bullying tactics against SARS officials to prevent the pursuit of investigations as prescribed by the law.

I wish to send a categorical message to those taxpayers who resort to these bullying tactics that their methods will not succeed. SARS officials will implement tax and customs laws without fear or favour. All South Africans must pay their fair share of taxes.

ENDS.

Issued on behalf of: Pravin Gordhan, Minister of Finance

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