



MINISTRY OF FINANCE  
REPUBLIC OF SOUTH AFRICA

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## **MEDIA STATEMENT**

### **MINISTER GORDHAN OFFICIALLY LAUNCHES TAX OMBUD'S OFFICE**

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The Minister of Finance Pravin Gordhan today (7 April 2014) officially launched the SA Tax Ombud whose objective is to review and address complaints by taxpayers regarding service, procedural or administrative issues relating to their dealings with the SA Revenue of Service (SARS). As announced in October 2013, retired Judge Bernard Ngoepe is the Tax Ombud.

Minister Gordhan said the creation of the Tax Ombud's office added to the sound institutional framework that has been a characteristic feature of our democracy since 1994, a framework that has sustained South Africa's social and economic progress during the past 20 years.

"As the 2013/14 preliminary tax and customs revenue announcement last week illustrated, our tax policy framework has proven to be resilient during the global economic turmoil that has tested South Africa's public finances, its economic policy framework and its regulatory environment."

"We owe a debt of gratitude to the millions of taxpayers in our country who have provided the state with the means to fund its programmes which, in a virtuous cycle, will stimulate growth, job creation and generate higher future revenue. We owe them our deep gratitude and a commitment to spend this money wisely, honestly and efficiently. But also we owe to these taxpayers a tax system that treats them fairly."

"The Tax Ombud is an additional and free avenue to deal with complaints by taxpayers that cannot be resolved through SARS's internal mechanisms. The Tax Ombud's office draws on comparable institutions in Canada and the United Kingdom," Minister Gordhan said.

The Ombud is intended to be a simple and affordable remedy to taxpayers who have legitimate complaints that relate to administrative matters, poor service or the failure by SARS to observe taxpayer rights.

The Tax Ombud may not review:

- legislation or tax policy;
- SARS policy or practice generally prevailing, other than to the extent that it relates to a service matter or a procedural or administrative matter arising from the application of the provisions of a tax Act by SARS;
- a matter subject to objection and appeal under a tax Act, except for an administrative matter relating to such objection and appeal; or
- a decision of, proceeding in or matter before the tax court.

In discharging its mandate, the Tax Ombud's office must review a complaint, and if necessary, resolve it through mediation or conciliation with SARS officials specifically identified to interact with the Tax Ombud's office. The Tax Ombud may only review a complaint after a taxpayer has exhausted SARS' internal complaints resolution mechanisms. Direct access to the Tax Ombud will only be allowed if there are compelling circumstances for doing so.

Tax Ombud Judge Ngoepe said: "Our challenge as the office of the Tax Ombud is not just about affording the taxpayer a fair hearing, or the provision of service; it is much more than that. It is also about providing information that is easily accessible and understandable. In addition, the office treats the taxpayer public with utmost dignity and respect, and provides an open, accountable and timely service. It also renders well-reasoned decisions in respect of actions taken by it."

"The office operates independently of SARS, and also treats with strict confidence the communication between it and the taxpayer. Given all these as well as other considerations, the office of the Tax Ombud expects to contribute towards boosting the taxpayers' confidence in tax administration, resulting, hopefully, in even better tax compliance," Judge Ngoepe said.

Acting SARS Commissioner Ivan Pillay said: "I am sure that I speak for all at SARS when I say that we will do all we can to ensure that the Ombud's office succeeds. The Ombud will keep us on our toes. That's good for the taxpayers. That's good for tax compliance. That's good for SARS. And that is good for South Africa."

"The credibility of SARS and the success of the Ombuds' office will depend on how SARS handles complaints. This is not only a matter of how we handle an individual complaint. It is more importantly, about the system by which we recognise, treat and report on complaints.

"It is also about how complaints are treated as a way of improving the quality of our work as a whole. We will analyse the root causes of complaints, find a way of dealing with them quickly and determine the long term corrective actions necessary to resolve them fully."

The Tax Ombud reports directly to the Minister of Finance and the Ombud's annual report must be tabled in parliament by the Minister.

The contact details of the Tax Ombud are as follows:

Phone: 0800 662 837

Fax: (+ 27) 12- 452-5013

Email: [complaints@taxombud.gov.za](mailto:complaints@taxombud.gov.za)

**Issued by Finance Ministry**

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