

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER 721
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Dr D T George (DA) to ask the Minister of Finance:

- (1) With reference to the reply of the Deputy President to question number 3 on 3 March 2010, to which department of the SA Revenue Service (SARS) should instances of politicians suspected of abusing the state tender process and/or not complying with their tax obligation be reported as requested by the Deputy President;
- (2) what action will be taken against those who are reported?

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REPLY:

- (1) The South African Revenue Service provides access to all citizens to report non-compliance to tax and customs legislation. Alleged non-compliance can be reported directly to SARS via:
 - (a) A Hotline for Non-Compliance, Corruption and Fraud: 0800 00 28 70; or
 - (b) A web-based Suspicious Activity Report. This report can be accessed on SARS's website at www.sars.gov.za. Click on the link "Report a Suspicious Activity".

All reports of suspicious activity are processed by the risk management unit.

- (2) All Suspicious Activity Reports are:
 - (a) Reviewed and assessed for case development;
 - (b) Collated with other information sources;
 - (c) Prioritised; and
 - (d) Disseminated to the relevant SARS business areas for corrective action. Such actions are a continuum which begins with a request for information and progresses to more intrusive intervention, only if it is necessary. Each action therefore, is determined by the response of the taxpayer.

Punitive measures available to SARS to respond to non-compliance include administrative penalties. In the event of deliberate evasion SARS will lodge a complaint with the South African Police for criminal investigation and possible prosecution.