



NATIONAL ASSEMBLY

QUESTION FOR ORAL REPLY

QUESTION NUMBER: 70 [NO1067E]

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★70. Mr M N S Manana (ANC) to ask the Minister of Finance:

What has he found to have been the cause of the delays in the payment of tax-refunds, which were previously paid out within 48 hours of taxpayers submitting electronic returns, subsequent to the inquiry set up by the Tax Ombudsman into the non-payment of tax refunds after thousands of taxpayers have complained to the ombudsman in this regard?

NO1067E

REPLY:

As you are aware the Tax Ombud has been tasked with reviewing the alleged prevalent undue delay by the South African Revenue Service in paying out refunds.

As such I am informed that two meetings have been held between SARS and the Ombud and data has been provided to the Ombud to facilitate their investigation. At this stage it would therefore be premature to comment on any findings in this regard.

I do however want to give the assurance that SARS is committed to facilitate all refunds that are due as expeditiously as possible.

However it must be noted that the refund process is subject to certain compliance interventions and follows a standardised process in line with legislation.

These steps include but are not limited to:

- A declaration by a taxpayer is subjected to an automated risk mitigation system.

- A declaration is reviewed where risks are identified or refunds are released within 48 hours where no risk is identified and when there are no outstanding returns or debt.
- Where risk is identified, a generic request for information from clients in support of their declaration is sent to the taxpayer. These requests are made in writing to the taxpayer's E-filing account or registered address.
- Evaluation by SARS of the data in support of the declaration is conducted, and requests for further specific supporting documentation is sent to the taxpayer where deemed necessary by the auditor.
- If required an adjustment is made to the assessment.

All these reviews are conducted based on the risk identified by the system and all procedures and legislation is adhered to at all times in dealing with identified cases.