

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER 2191

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Dr D T George (DA) to ask the Minister of Finance:

- (1) With regard to the adjustments to the 2008-09 income tax assessments processed by the SA Revenue Service (SARS), how many adjustments were processed as a result of (a) appeals from taxpayers, including the total amount adjusted and (b) assessment errors by SARS, including the total amount adjusted;
- (2) whether any readjustments were processed; if so, (a) how many and (b) what total amount was readjusted?

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REPLY:

- (1) Adjustments made to income tax assessments arise either as a result of a taxpayer submitting a revised declaration or a successful dispute (objection or an appeal), or as a result of an audit that is performed by SARS. A revised declaration submitted by a taxpayer includes any amendments requested by a taxpayer to any aspect of their declaration.

SARS does not, however, currently keep separate statistics for the entire income tax process which specify whether the adjustment made was required due to taxpayer error or an error made by SARS. Such granularity requires automation of the entire income tax process including the dispute process.

As part of the on-going Modernisation Programme such automation and detail is envisaged as a future model for SARS.

- (2) (a) A total of 11 822 formal disputes were filed by taxpayers in respect of the 2008/9 income tax assessments.
- (b) The value of adjustments arising from these disputes was R201million