

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 78 [NW82E]
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78. Mr R A Lees (DA) to ask the Minister of Finance:

What are the details of the age analysis of all value-added tax refunds claimed by (a) taxpayers and (b) vendors that had not been refunded to taxpayers and vendors as at 31 December 2021? NW82E

REPLY

The South African Revenue Service, in processing all refunds, will always seek to balance the protection of the fiscus from illegitimate refund claims and the optimal processing of all refunds that are legitimate. This balance is further enhanced when considering that more than R50bn in illegitimate refunds are prevented from flowing out of the fiscus every year through tight risk engine rules.

The following table depicts the ageing of the VAT credit book as at 31 December 2021. The month end reports run on the 3rd of the following month hence the report is dated 3 January 2022.

Age Bracket	Amount
0 – 1 Month	12 124 197 396
2 Months	8 096 487 168
3 Months	6 013 454 301
4 – 6 Months	10 972 108 740
7 – 9 Months	5 197 216 823
10 – 12 Months	3 993 203 326
13 – 24 Months	4 620 035 970
25 – 36 Months	1 181 352 081
37 – 48 Months	928 762 378
49 – 60 Months	717 706 100
60+ Months	2 358 401 594
Grand Total	56 202 925 877

It must be noted that 81% of the book is within 12 months whilst 45% is within 3 months.

SARS at any given time will have amounts outstanding on refunds for a number of reasons including the following:

1. Audit cases amounting to R39.9 billion,
2. Continues Non-Compliant (CNC) amounting to R11.1 billion, *
3. Suspected fraud amounting to R0.369 billion,
4. Credits payable within 24 hours amounting to R2.6 billion
5. Outstanding Returns amounting to R1.8 billion, and
6. Invalid Banking details amounting to R0.5 billion.

* CNC includes cases where SARS is awaiting taxpayer response on long outstanding documents having granted in excess of 35 days for taxpayer to respond.