



OFFICE OF THE
TAX OMBUD
Ensuring fairness

MEDIA STATEMENT
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PRETORIA: Over R116 million in tax refunds has been paid back to taxpayers through the intervention of the Office of the Tax Ombud (OTO). This amount is only for the top 10 tax refunds paid to taxpayers who had laid complaints against the South African Revenue Service (SARS), Tax Ombud Judge Bernard Makgabo Ngoepe revealed at the launch of his 2019/20 Annual Report today, 2 December 2020.

“Whilst we emphasise that to us saving R500 is as important as saving business millions of rands, it is noteworthy that just the top 10 tax refunds paid to taxpayers through the OTO’s intervention in the 2019/20 financial year exceeded R116 million. The biggest single refund was over R52 million, so you can just imagine how the loss of such an amount could have affected a business,” said Judge Ngoepe.

He added: “We are pleased that as per our tradition for the past six years, we can once again unpack the report and have a constructive discussion on its content and our performance against set targets. This is despite the ongoing COVID-19 challenges and lockdown restrictions, which necessitated a media launch instead of our traditional face-to-face engagement.

“In addition to helping promote a balance between the powers and duties of SARS, and taxpayer rights and obligations, we also provided much-needed assistance to taxpayers who had valid complaints against the revenue collector. We resolved 1 993 taxpayers’ complaints and attended to 10 810 queries, which included requests for our complaints form, advice on tax matters and updates on the status of existing complaints. We evaluated 3 372 complaints, the majority of which were service-related. We are encouraged that SARS implemented 98% of our non-binding recommendations, and this is testimony to the thorough investigations conducted and sound decisions made by the OTO on the numerous complaints we deal with daily.”

Judge Ngoepe reiterated that the OTO will continue to make a difference in the lives of taxpayers and in improving the South African tax administration system by serving as a free, fair and independent complaints resolution and recourse mechanism for taxpayers. “We will strive for excellence in carrying out our mandate, ensuring that taxpayers have confidence in the service provided and feeling that their complaints are being addressed timeously and efficiently.” He added that the OTO’s complete independence from SARS would facilitate taxpayers’ continued confidence in the Office.

Finance Minister Tito Mboweni, in his overview in the Annual Report, gave the assurance that the Office could rely on government’s ongoing support. “We will continue to provide the necessary support to ensure that the OTO not only continues to strengthen the country’s tax administration system, but also makes a difference in the lives of taxpayers. Referring to the COVID-19 pandemic, Minister Mboweni said that in “these trying times, an institution like the OTO becomes very important in supporting and promoting a culture of tax compliance, as well as in protecting the rights of taxpayers”.

In another milestone, the OTO completed its second systemic investigation, which looked into the fluidity of the Pay-As-You-Earn (PAYE) statements of account, as well as the failure by SARS to adhere to the Dispute Resolution Rules, Procedures and Timeframes prescribed in the Regulations and the Tax Administration Act (TAA). “This type of investigation and the resulting report, which was shared with our stakeholders, is of great benefit also to SARS and

the country's tax administration system as it assists the revenue collector to identify and resolve issues which affect the majority of taxpayers," added Judge Ngoepe.

Taxpayers can contact the Office on 0800 662 837 or complaints@taxombud.gov.za or visit the website at www.taxombud.gov.za for more information about when and how to lodge a complaint.

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Notes for Editors

About the Office of the Tax Ombud

The Office of the Tax Ombud is a redress channel for taxpayers that operates under a legislative mandate. This mandate is set out in the Tax Administration Act No 28 of 2011. "The mandate of the Tax Ombud is to review and address any complaint by a taxpayer regarding a service matter, or a procedural or administrative matter, arising from the application of the provisions of a tax Act by SARS."