

## OTO INTERVENTION SECURES TAXPAYER A REFUND OF OVER R24 000

The Office of the Tax Ombud (OTO) does not often receive cases involving Turnover Tax Return (TT03) complaints against the South African Revenue Service (SARS) but ensures that when it does, such matters are efficiently dealt with. The case below, which helped secure a tax refund of over R24 000, illustrates the OTO's commitment to dealing with different types of taxpayer complaints. Furthermore, the OTO is pleased that the revenue collector is taking steps to prevent future complaints about finalising assessments that require manual interventions.

### SUMMARY OF COMPLAINT

The complaint relates to a request for SARS to process the manually submitted TT03 form and to issue the 2022 income tax assessment. The TT03 is a final tax return for micro businesses that qualify for the less administratively costly turnover tax system.

### FINDINGS

On 21 July 2022, the taxpayer submitted an ITR12 income tax return. However, SARS could not process the assessment as the taxpayer had submitted the incorrect return. On 23 August 2022, the taxpayer submitted the correct manual TT03 form to SARS. However, SARS then failed to issue the assessment within 21 days from 23 August 2022.

By 22 January 2023, the tax return submission had still not been processed, and the taxpayer lodged a complaint with the SARS Complaints Management Office (CMO) about the delay by SARS in processing the 2022 income tax return and issuing an assessment. The matter was not resolved within the 21-day turnaround time.

The taxpayer lodged a complaint with the OTO on 29 March 2023, and the Office accepted the complaint on 30 March 2023, as the taxpayer had exhausted the SARS complaints resolution mechanisms.

## RECOMMENDATIONS

The OTO recommended that SARS process the manually submitted TT03 form and issue the 2022 income tax assessment to the taxpayer.




## RESOLUTION

SARS agreed with the OTO recommendation, processed the TT03 for 2022, issued an assessment to the taxpayer on 6 April 2023, and paid a refund of R24 502.47 on 12 April 2023.

## LESSON LEARNT

Complaints of this kind are rare, so taxpayers might not be familiar with the steps to be taken when they encounter problems with SARS. This case study demonstrates that, providing taxpayers follow the correct processes, such as exhausting SARS complaints mechanisms before approaching the OTO, such complaints can be quickly and satisfactorily resolved.

## TIPS FOR THE TAX SEASON

-  **Comply with SARS requests, such as for additional information or documentation, and give the revenue collector time to resolve the matter before approaching the Tax Ombud for assistance.**
-  **Approaching the Tax Ombud without exhausting the SARS internal complaints mechanisms might lead to your complaint being rejected.**
-  **Avoid double disappointments and follow the correct processes when lodging a tax complaint with SARS and the Tax Ombud.**

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