

# FAIR PLAY



OFFICE OF THE  
TAX OMBUD

November 2023 | Special Edition

CELEBRATING

# 10 years

OF MAKING TAXPAYERS' RIGHTS MATTER  
2013 - 2023

[#TaxpayersRightsMatter](#)

# 10 YEARS OF MAKING TAXPAYERS' RIGHTS MATTER

October 2023 marked the OTO's 10th anniversary, and we are taking our stakeholders down memory lane by publishing this birthday issue. It chronicles our history and 10 years of ensuring fairness, and includes successes and challenges. Through illustrations and words, it tells the rich history of how an idea was converted into an important institution that has become a beacon of hope and inspiration for taxpayers.

We hope you enjoy it, and that it brings back fond memories, as it did for us when compiling it. We look forward to the next decade filled with excellence in service delivery, making a difference in taxpayers' lives and bringing more positive changes and trust in the South African tax administration system.

**Pearl Seopela**  
Senior Manager:  
Communications and Stakeholder Relations



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 Office of the  
Tax Ombud

# Tax Ombud's Corner

**Ms Yanga Mputa,  
Tax Ombud**



**I'm honoured to be at the helm of this exemplary institution in service delivery as it celebrates its 10th anniversary. Ten years ago, on 1 October 2013, the OTO opened its doors, offering free and impartial assistance to taxpayers with tax complaints against SARS.**

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Today, the institution commands great respect from both the public and private sectors. It is credited with helping SARS improve its service offering and advancing the country's tax administration system.

Over the past ten years, the OTO has championed taxpayers' rights, ensuring they are not forced to pay a cent more or less than what is due. Holding SARS accountable has been at the forefront of our strategic objective to help maintain a healthy balance between taxpayer rights and obligations and SARS powers and duties.

## **IMPORTANT PARTNERSHIPS ARE REASON TO CELEBRATE**

Within the past decade, the institution has cultivated meaningful partnerships with stakeholders, for example, the Recognised Controlling Bodies, government departments, academia, and chamber of businesses and has contributed to improving the country's tax administration system. Our government and private sector partners have opened their communication platforms to

allow us to spread the OTO gospel. Similarly, our partners in the media have been very supportive, ensuring that millions of their viewers, readers and listeners are exposed to the OTO brand.

## **STRUCTURAL INDEPENDENCE DESIRABLE**

One of the challenges we have experienced is delays in OTO attaining structural independence from SARS. The previous Tax Ombud, Judge Bernard Ngoepe, actively campaigned for the OTO to be structurally independent from SARS. However, this is yet to happen. While many stakeholders, including the government, have shown support for a structurally independent OTO, we understand the country's economic challenges and that implementing structural independence should be handled appropriately. That said, we remain optimistic that structural independence of the OTO will be attained sooner rather than later.

## **WORDS OF GRATITUDE**

It would be remiss of me not to express gratitude to the country's first Tax Ombud Judge Ngoepe, who was at the helm of this institution for nine years. He created a strong foundation on which the institution was built, interwoven with integrity, accountability, independence, efficiency, fairness, confidentiality and professionalism. These are the

values that the organisation has espoused since its establishment and that are engraved in our day-to-day activities when dealing with taxpayers' complaints or engaging employees and stakeholders. His approach to promoting and protecting taxpayers without fear or favour and speaking truth to power earned the OTO great respect. We are standing on the shoulders of a giant, and our task is to continue where he left off and further raise the stature of the Office.

I wish to express appreciation to the Ministry of Finance and National Treasury colleagues for their guidance and support and, for walking the road with OTO since its inception in October 2013, and to the Finance Parliamentary Committees for their oversight and support. We are grateful for the cooperation with SARS in resolving most taxpayer complaints lodged with the OTO, even though about 80 per cent of those complaints are resolved against SARS.

I also express my wholehearted appreciation to all the OTO employees, as the OTO would not be what it is today without your commitment and dedication.

**Ms Yanga Mputa**  
Tax Ombud

# HISTORY OF THE OTO



Prof. Thabo Legwaila  
CEO

Let me take you down memory lane, all the way back to the establishment of the Office of the Tax Ombud on 1 October 2013; but before we delve into that, let's take you way back, to where it all started.

## 1995



- The seed of establishing the Office of the Tax Ombud was planted in the early days of the country's democratic dispensation in the **1995 Third Interim Report of the Katz Commission**. The report recommended that "while the role of the Public Protector as ultimate watchdog over taxpayer and other rights should be recognised and strongly encouraged, the underlying foundation of trust between taxpayers and authorities would be better served by the more direct mediatory role of a Tax Ombudsman or Adjudicator along the lines of the United Kingdom example."

## 2012



- **In the 2012 Budget Review, the Minister of Finance announced the establishment of the Office of the Tax Ombud, stating that "South Africa will establish a dedicated ombud for tax matters.** The office is intended to provide taxpayers with a low-cost mechanism to address administrative difficulties that cannot be resolved by SARS".
- In 2012, the TAA also came into effect. Changes were made in the TAA to include sections 13 to 21, dealing with the powers and duties of the Minister and Tax Ombud. Section 14 of the TAA makes provision for the creation of the Office of the Tax Ombud (OTO).

## 2005



- In the 2005 Budget Review, the Minister of Finance announced the drafting of the Tax Administration Act (TAA), aimed at incorporating into one piece of legislation, certain generic administrative provisions, which were duplicated in the different tax Acts.

## 2013



- On 1 October 2013, the Office of the Tax Ombud came into being, and the Minister of Finance announced the appointment of **Judge Bernard Ngoepe as South Africa's first Tax Ombud**. This marked a new chapter in the country's tax administration system.
- **Nthabiseng Nene, Saro Persaud, Yvonne Jelinek (late), Veronica Molala, Lucy Ngcobo, Obidient Chauke and Lesego Maimela** were seconded from SARS and joined the OTO.
- **On 16 October 2013, the first tax complaint was received**, and within 10 days, on 25 October, the first complaint was resolved. On 20 November, the OTO received a "Thank you" letter from the taxpayer - the first of many letters to come.
- **Advocate Eric Mkhawane** became the OTO's first Chief Executive Officer in December.

# 2014



- By **31 March 2014**, there were **12 employees** (including permanent, seconded and general workers).
- The OTO was officially launched on 7 April 2014.

# 2015



- On 14 August 2015, the OTO underwent a **significant rebranding** with the launch of a new corporate identity and logo and a user-friendly website catering to the growing needs of taxpayers.
- On 1 December 2015, the OTO **relocated from the Hatfield office** to the Menlyn office.

# 2016



- In 2016, changes were made in the TAA to **improve its structure, extend the term of office of a Tax Ombud from three to five years and allow the OTO to conduct systemic investigations** with the approval from the Minister of Finance.
- On 31 March 2016, the Office transformed its complaints management system from a manual to an **automated complaints management system**.

# 2017



- The OTO **conducted its first-ever systemic investigation** and issued a comprehensive report into alleged delayed payment of refunds by SARS. The report found the revenue collector wanting in many aspects.

# 2018



- The OTO conducted its second systemic investigation which was on **SARS's non-adherence to dispute resolution timeframes**.

# 2020



- The OTO appointed its second **Chief Executive Officer, Professor Thabo Legwaila**, following the resignation of Advocate Eric Mkhawane.

# 2021



- The Office had grown to **over 40 employees** from the initial two who started on 1 October 2013.

# 2022



- The Tax Ombud published South Africa's first-ever **Compilation of Taxpayers' Rights, Entitlements and Obligations**.
- The OTO bade farewell to the first Tax Ombud Judge Bernard Ngoepe.

# 2023



- The OTO welcomed the country's **first female Tax Ombud, Ms Yanga Mputa**.
- The institution celebrated its 10th anniversary in October.

# TEAM OTO IS MAKING A DIFFERENCE IN TAX ADMINISTRATION

The OTO would not be where it is today had it not been for Team OTO's individual and collective contribution. Below are Team OTO employees who have been making contributions in taxpayers' lives and helping improve the country's tax administration system. Many others have come and gone, but their contributions have not gone unnoticed. The individuals below have remained and continue to make a positive contribution to the country's tax administration system.

#IamTeamOTO



Nthabiseng Nene



Veronica Molala



Lucy Ngcobo



Obidient Chauke



Pearl Seopela



Talitha Muade



Ilonka Etsebeth



Thabo Mkhize



Gert van Heerden



Nico Mokgoko



Nyiko Baloyi



Boitumelo Mothiba



Johanna Malapile



Boitumelo Mosako



Reason Dube



Mpho Maswanganye



Stanley Maringa



Fundiswa Ngqeleni



Francois Viljoen



Mmamelao Malakalaka



Olben Masemola



Thomas Phetla



Hlekani Maluleke



Lebogang Mokoena



Segomotsi Mahlwele



Lulama Njuza



Sipho Mogashoa



Frik Pretorius



Veli Thobela



Xoliswa Shongwe



Reitumetse Weeto



Thabo Legwaila



Barry Hiles



Russel Mamabolo



Yanga Mputa



Katlego Rasebotsa



Siphosihle Mbatha



Zuzile Nkonde



S'ngaye Mkhize



Nokuthula Biyela

# 10 MOST COMMON COMPLAINTS

RECEIVED SINCE ESTABLISHMENT

**W**e have received thousands of tax complaints in the past decade and below are the most common types received.



Fraudulent submission of tax returns, resulting in a tax debt to the taxpayer.



SARS's inability to finalise verification within the prescribed period.



SARS's failure to update banking details within the prescribed period.



SARS's inability to lift stoppers.



SARS's inability to pay refunds within the prescribed period.



SARS not adhering to the turnaround times for objections and appeals.



SARS's inability to issue tax compliance status (Deceased Estate Compliance Letters) within the prescribed period.



eFiling profile hijacking.



Non-response by SARS to taxpayer requests/queries/correspondence.



SARS's inability to issue the outcomes of requests for suspension of payments (Where taxpayers have submitted requests for suspension of payment, SARS takes recovery steps before a decision is taken).





# THE OTO's JOURNEY TOWARD CUSTOMER EXPERIENCE EXCELLENCE

**The OTO is determined to enhance its reputation as a service brand due to the low levels of understanding taxpayers have about the services offered and the complaint-lodging process, which often leads to rejected complaints. Therefore, the Office aims to create a memorable experience and establish itself as a high-quality brand for taxpayers who have utilised its services.**

In the second half of 2022, the OTO contracted a subject matter specialist in customer experience through Enterprises at the University of Pretoria. They were commissioned to conduct an external taxpayer and practitioner study.

This study comprised two parts:

- Measuring the customer experience perception of taxpayers and tax practitioners who utilised the services of OTO, and
- Assessing the customer-centricity journey of the OTO.

The primary objective of the study was to evaluate the current levels of customer experience perception relative to the expectations taxpayers and practitioners have about the services and value proposition of the OTO as a service brand.

A thorough process was undertaken to obtain consent from taxpayers, resulting in a sufficient number of names and contact details to proceed with the survey. Ultimately, a sample of 130 taxpayers and practitioners was reached, and the OTO expressed heartfelt appreciation to the taxpayers and practitioners who willingly participated in the survey.

In cases where taxpayers were categorised as "promoters" (those with a high likelihood of recommending the OTO), the scores were generally very high, even for attributes that scored lower among other respondents. Conversely, some taxpayers were classified as "detractors", and their scores were significantly lower across almost all traits measured.

In summary, the statistically derived critical drivers of overall customer experience (the Customer Experience Index) are as follows:

- I would describe the OTO as a reliable and reputable organisation.
- I generally have positive feelings toward the OTO.
- The OTO treated me correctly, regardless of the outcome of my lodged complaint.
- The staff of the OTO generally possess excellent customer-handling skills.
- During my recent experience, I interacted with a designated contact person at the OTO.

The OTO is committed to this journey and will undertake various design and improvement initiatives to address the identified shortcomings, focusing explicitly on the critical drivers of customer experience.

**THE TOP FIVE AREAS IN WHICH THE OTO RECEIVED THE HIGHEST SCORES WERE:**

1. Based on my experience with the OTO, I will use the OTO again if I need to have a tax complaint resolved.
2. The staff of the OTO generally possess excellent customer-handling skills.
3. The complaint-resolution process with the OTO was hassle-free.
4. I have confidence in the Office of the Tax Ombud's expertise.
5. I believe that the OTO prioritises my long-term trust and confidence.

## SEVERAL FOCUS AREAS WERE HIGHLIGHTED FOR IMPROVEMENT

These areas include:

- Enhancing the empathy displayed by staff members about each taxpayer's specific case. Taxpayers expressed a desire for increased flexibility in resolving tax complaints, considering the strict governance and policy framework that the OTO must adhere to;
- The time taken at the OTO to resolve tax complaints;
- Making the process of resolving tax complaints easier, and designating a contact person at the OTO to deal with taxpayers; and
- Giving urgent attention to complaints that are lodged, ensuring the best possible resolution experience.

# 10 YEARS OF DEDICATION: FEEDBACK FROM TAXPAYERS

**T**eam OTO has espoused sound organisational values, often going beyond the call of duty to help taxpayers with their tax complaints. The dedication shown by OTO employees has not gone unrecognised, with taxpayers and tax practitioners alike expressing gratitude for excellent service. Below, we share some of the commendations received.

## PROMPT ASSISTANCE

I would like to thank you for your prompt assistance with my SARS complaints. I have no words to show my gratitude for your professionalism and immediate help on the matter. I rate you 4.9/5 for your excellent service.

## CHAMPION CONSULTANT

I have had no help or hope with my tax issue, and no one could assist me, explain to me or guide me in the right direction as to what to do; even SARS workers failed. I spoke to a patient, kind, well-skilled, good listener and helpful chap. He knows his job; Obidient is his name. He is a champion consultant, and I wish we could have more such great consultants. Keep up the great work. I'm so relieved I spoke to him.

## OMBUD IS EFFICIENT

I can confirm that due to your intervention, SARS has refunded me the amount of R42 324.79 in respect of my VAT credit. I wish to take this opportunity to thank you for your intervention in regard hereto. It gives comfort to taxpayers to know that the Ombudsman is efficient.

## INCREDIBLE SERVICE

Thank you so much for this finalisation letter - I also kept an eye out on the statement of account, and when the refund was made, I did confirm with the client that the money was received. Thank you so much for your incredible service in resolving this issue and protecting taxpayers' rights.

## PURE JOY

I am delighted with your service. You managed to solve what I could not achieve in years. My sincere appreciation and gratitude. When I received the letter from SARS, I called your office to share my pure joy and compliment you on your work.

## THANKS SO MUCH

Thanks so much; I appreciate you looking into this. No doubt the pressure from you has assisted in SARS speeding up their processes.

## 4 STAR SERVICE

We genuinely appreciate the OTO's good work in resolving this matter. The taxpayer is very happy that the interest has been paid out to them and, by default, my manager. We have given a 4 out of 4 rating for satisfaction.

## FINALISED SO QUICKLY

I finally got my refunds for the end of 5/22 and the end of 07/22 paid into my account today. I am so happy. I also got a bonus whereby my refund for the end of 09/22 was paid together with the other two, although it also went to audit. I decided to send every document I knew they requested, but I always do it from the first day to months later. I presume this is the reason why it was finalised so quickly. Ideally, I would like it if the majority of the returns didn't even go to audit, but if they do, I now know what to do. I want to thank you all for your guidance and for assisting me with this.

## SARS MOTIVATION

Thank you very much for your feedback and the OTO's attempts to motivate SARS to comply with its legal obligations.

## ASSISTING THE VOICELESS

My case has been finalised, and I want to thank you and your Office for the assistance. Finding capable people and institutions willing to assist the voiceless without financial gain was quite a surprise..

**\*Note: Taxpayers' details withheld for confidentiality purposes, and their comments have not been altered.**

# OTO COMMUNITY OUTREACH

#TaxpayersRightsMatter



CELEBRATING

# A DECADE OF DEDICATION - LONG-SERVICE AWARD!

Congratulations, Nthabiseng Nene, on your incredible 10-year journey with the Office of the Tax Ombud. Your unwavering commitment has made an impact.

Here's to many more years of success!



## #IamTeamOTO

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This is a quarterly newsletter that is published every three months. We urge our readers and stakeholders to contribute (in the form of articles, important announcements, opinion pieces or letters to the editor) on any matter concerning this Office or tax issues. Your contributions should be emailed to [PSeopela@taxombud.gov.za](mailto:PSeopela@taxombud.gov.za) or [Communications@taxombud.gov.za](mailto:Communications@taxombud.gov.za).

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