



JOINT STATEMENT BY THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND THE OFFICE OF THE TAX OMBUD (OTO)

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SARS and the OTO note with concern the recent article published by Sowetan regarding the rising number of SARS eFiling profiles reportedly hijacked by cyber-fraud criminals, resulting in significant financial losses for taxpayers. At the time of the article's publication, the OTO had not yet released the draft report for public comment, and the article contained a number of factual inaccuracies.

The two organisations are established in law to fulfil distinct yet mutually reinforcing roles for the sole benefit of taxpayers and the tax finance system for the country.

SARS not only respects but considers the role of the OTO as an indispensable partner to ensure the functioning of the tax ecosystem is fair and beyond reproach. In this regard SARS has and continues to work hard to address whatever complaints that have been laid with the OTO. The two institutions play a paramount role in the functioning of tax administration. Each institution respects the other's mandate, while both being the cornerstone for the fiscal integrity of South Africa tax ecosystem. The OTO will be issuing its draft report on **1 October 2025**, now that an intensive and extensive engagement with all the role players has been completed.

SARS and the OTO wish to assure the public that protecting taxpayers' information and maintaining the integrity of the tax system remain our highest priorities.

Key Points:

1. Acknowledgement of the Issue

The OTO has been investigating cases of profile compromise for over a year, following numerous complaints from taxpayers and tax practitioners.

2. Growth of Cyber Crime

The organisation observed that in today's digitally interconnected environment, cybersecurity risks have escalated dramatically, posing significant threats to individuals, businesses, and institutions. As personal and financial transactions increasingly migrate online, malicious actors exploit vulnerabilities in authentication protocols, data-sharing mechanisms, and user behaviour to perpetrate identity theft, fraud, and unauthorised system access. Even routine activities, such as accessing tax platforms or updating banking details, have become potential gateways for exploitation. Within the South African tax administration context, these risks are particularly acute. SARS, as the custodian of revenue collection and refunds payment, is a prime target for those with nefarious intent.

3. Collaboration Between SARS and OTO

SARS and the OTO maintain a strong and cooperative relationship. Both institutions are aligned in their objective to protect taxpayers and restore confidence in the eFiling system.

4. Security Measures and Ongoing Efforts

SARS continuously enhances security protocols to mitigate risks and prevent unauthorised access. We encourage taxpayers to exercise vigilance by safeguarding their login details and promptly reporting suspicious activity.

5. Investigation Report and Public Engagement

The release of the OTO's draft report has been delayed allowing SARS to provide detailed input on preliminary findings, ensuring a comprehensive and balanced analysis. Whilst consultations have been extensive between the parties, parts of the draft may still carry areas of difference, which is to be expected in any review of this nature. This cooperative

approach aims to strengthen the report's recommendations and foster meaningful improvements. The OTO will publish the draft report on **1 October 2025**.

6. Reaffirming Commitment to Taxpayers

Both SARS and the OTO reiterate their unwavering commitment to enabling taxpayers to comply with their obligations safely and confidently. We urge taxpayers to remain cautious and report any irregularities through official SARS channels.

The Commissioner said that "We respect that the final report by the OTO will be made public soon, and SARS remain committed to continue its engagement with the public on its substance. The public must be assured though, that SARS continue to work with diligence to ensure the highest level of integrity and protection to taxpayers who uses the SARS digital platform".

The Tax Ombud said that: "The OTO takes the hijacking of taxpayer eFiling profiles very seriously. As an independent institution, the OTO ensures objective oversight and the fair treatment of taxpayers. The OTO upcoming draft report reflects extensive engagement with all stakeholders and is aimed at driving real, practical solutions."

Issued jointly by:

South African Revenue Service (SARS) and Office of the Tax Ombud (OTO)

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