

Media Releases 2007

Cautionary notice to taxpayers during Filing Season

Pretoria, 25 July 2007 -- The South African Revenue Service (SARS) must caution taxpayers not to be misled by irresponsible tax advice when they complete and submit their income tax returns.

SARS has taken note of public calls during the last 24 hours from certain lobby groups who are advising people - incorrectly - on how to complete their tax returns in a manner of protest. These calls were evidently made in the name of fighting crime but ironically, can potentially influence the actions of honest non-suspecting taxpayers into committing a crime themselves.

Withholding tax is a crime.

SARS must put it on record that the Income Tax Act does not allow for individuals to claim expenses for private household security from their taxable income for the last financial year. Any advice to the contrary has no legal basis.

SARS will reject such claims from individual taxpayers.

Taxpayers must exercise caution when acting on advice from third parties about their tax affairs. There are numerous examples locally and internationally of how big corporate, listed companies went under because of bad tax advice. Individuals can suffer the same fate!

Calls to the public not to pay tax or to make unlawful claims to the fiscus serve narrow political agendas and go against the progress which was made over the last decade to raise the levels of tax compliance in this country.

SARS must warn: we will not stand by idly to see taxpayers being misled by charlatans during this important time of the year when tax returns are issued, completed and submitted to SARS. SARS values its relationship with the honest taxpaying public and will continue to assist those who wish to comply with the law, with the correct completion of their returns during this year's Filing Season.

The deadline for submission of income tax returns is 31 October 2007

Publication date: 25 July 2007