

Media Releases 2010

Western-Cape VAT fraudster drops leave to appeal against 10-year sentence

Pretoria, 20 April 2010 – A labour broker found guilty on 4228 counts of fraud amounting to R6, 4 million for issuing false VAT invoices will now have to serve his full 10 year sentence in prison.

Mr Stephanus Eksteen (56), previously from Gustrouw Road in Gordon's Bay, was sentenced in the Bellville Regional Court on 13 June 2008. He has been in jail ever since, after failing to raise bail money of R75 000.

His wife, Petronella (51) was found guilty of the same offences and is serving a four-year jail sentence. She did not appeal the ruling.

Mr Eksteen notified the court on Friday (17 April) that he would not proceed with an appeal against the conviction and sentence.

As directors of the labour broking business VGS Industrial Supplies (Pty) Ltd, the Eksteens ran two sets of invoices; one with the full and correct amount of VAT for their customers and one with a lesser amount of VAT for SARS. They also contravened 16 offences in terms of the VAT Act by not keeping proper records and not informing SARS of a change of the company's representative vendor.

At the time of his sentencing the court described the broker as the mastermind of the offences which he described as one of the "worst hotbeds of dishonesty" which the court has seen in a long time.

SARS would like to urge all South Africans to continue reporting suspicious activities and tax fraud to our Anti – Corruption and Fraud Hotline on 0800 00 28 70.

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