

Media Releases 2010

SARS clamps down on illegal second-hand-car importers

Pretoria, 08 October 2010 - Members of the South African Revenue Service (SARS), along with the South African Police Service (SAPS), Departments of Trade and Industry (DTI) and Home Affairs today ended a week long joint operation targeting illegal second hand vehicle importers in Durban.

The efforts of the joint operation resulted in the detention of 46 motor vehicles worth over R1, 8m. The operation focused on cracking down on non-compliance to the Customs and Excise Act amongst license holders and bonded warehouses.

Nine warehouses were visited during the operation which SARS suspects are part of an illegal scheme whereby second-hand cars are imported to South Africa from Asian countries for the purpose of exporting for sale these vehicles to neighbouring and other African countries. The vehicles in this scheme never leave the country and are eventually sold to unsuspecting South African citizens.

All vehicles detained during the operation will be seized by the state as they have exceeded the maximum time they are permitted to stay at a bonded warehouse. Eight warehouses have been closed pending further investigations.

SARS would like to warn owners of second-hand cars that have been imported into South Africa irregularly, that they may face criminal prosecution. In terms of the Customs and Excise Act, the liability of irregularly imported irregularly, stays with the goods, meaning that the any owner of such a vehicle is solely accountable.

This practice is illegal in South Africa reasons to protect the local motorcar industry and also for safety reasons as these vehicles have different specifications to locally produced and legally imported vehicles. SARS appeals to consumers to purchase their second hand vehicles from reputable and trusted importers, with whom they can confirm the origin/source of a second-hand vehicle they intend to purchase.

The Durban search and seizure operations constitute the first phase of this initiative to improve compliance levels in the industry. SARS and all other related stakeholders will continue with these operations until compliance levels are satisfactory and such levels are sustainable.

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