

New tax bill coming soon

By Michael Bratt 14 Jun 2012

The new Tax Administration Bill will be coming into effect soon and law-firm Edward Nathan Sonnenbergs (ENS) recently held a workshop to brief the public on how it will affect them as tax-payers and business owners.



Based on what was said during the event, the outcome was looking decidedly mixed. While ENS tax executive Ernie Lai King said that many parts of the new legislation favoured SARS and were thus anti-tax payer, there had been some improvements.

However, what was most noticeable was the focus on the areas which the bill did not cover, which according to ENS tax executives it should. This includes a provision for reimbursement for taxpayers from SARS, if the revenue service has been overzealous in taking money from them and an exclusion of any mention of time frames for penalties contained in the bill.

The full implementation of the legislation was also questioned as, according to ENS, the process had been drawn out and what would most likely happen was that different areas of the bill would be rolled out at different times.

Another concern for ENS was that even though the legislation had been drafted it is questionable whether SARS employees had been briefed and trained enough to cope with their new demands, when the full effects of the bill came into play and whether SARS's computer systems had been setup to handle the new system.

One major positive that ENS identified from the bill was the creation of an ombud who would hear service disputes and difficulties that tax-payers had with SARS. However ENS warned that this system would only be truly effective if the right person was appointed to the position.