Preliminary revenue results announcement 2022/23

Commissioner Kieswetter's Address (03 April 2023)

THEME: BUILDING A SOLID FOUNDATION FOR SUSTAINABLE REVENUE GROWTH

"Winning means that we go after every inch!"

Good morning,

Acting Director-General, National Treasury, Mr Ismail Momoniat,

Governor of the SA Reserve Bank, Mr Lesetja Kganyago,

Fellow Directors-General, Ms Phind, Baleni, Ms Avril Williamson, Dr Busani Ngcaweni, Mr Victor Tharage,

Members of the SARS Executive Committee,

Senior officials of National Treasury,

SARS colleagues across the country,

A special welcome to our invited guests present with us this morning,

Fellow citizens of South Africa and

Members of the Media,

Minister Godongwana has unfortunately developed some flu and has apologised.

Welcome to everyone, physically and connected virtually.

A special welcome to many of stakeholders who join us in person today. We have always recognised that we work with and through stakeholders to improve the tax and Customs eco-system. We also recognise the contribution from every taxpayer and trader. This year, we have therefore invited some of our stakeholders, intermediaries whom we have a huge reliance on to strengthen the tax and Customs eco-system, industry leaders who drive the economy and create employment, leaders of civil society and NGOs, senior government leaders who drive various spending programmes, as well as former and current SARS employees without whom the results we announce today would not be possible.

SARS STRATEGIC CONTEXT

- The SARS Mandate is to collect all tax and customs revenues due, improve taxpayer and trader compliance and facilitate legitimate trade.
- In 2019/20:
    - We formulated an inspiring Vision to "Build a smart modern SARS, with unquestionable integrity, that can be trusted and admired,
    - We set a clear Strategic Intent that we would build an administration approach based on Voluntary Compliance.
    - Our Strategic Intent finds expression in 9 Strategic Objectives that guides how we give effect to the SARS Mandate. In brief these are:
        1. To provide clarity and certainty to taxpayers and traders.
        2. To ensure that it is easy and, in some instances, seamless to fulfil tax and Customs obligations.
        3. To detect and respond to non-compliance and make it hard and costly.

4. To develop our employees to be high-performing, diverse, agile, engaged and evolved.
5. To increase and expand the use of data to derive insights and improve outcomes.
6. To build modern and streamlined technology systems that are enabling.
7. To demonstrate resource stewardship, that ensures performance excellence.
8. To work with and through stakeholder to improve the entire tax an Customs ecosystem.
9. To build public confidence and trust in SARS.

- The above informs:
  - How we allocate resources,
  - That we engage with taxpayers and traders based on their compliance behaviour, and
  - That we organise ourselves into segments and geographic regions to demonstrate a taxpayer-centred approach.

SARS HIGHER PURPOSE

We remind ourselves every day, that even though the primary result of our work is revenue collection (and the one that draws the most attention), that our work is about so much more. The Higher Purpose or the WHY of our work has a transformative impact on the social fibre and well-being of all South Africans. Tax revenues enable government to promote economic growth & promote social development that serves the well-being of all South Africans. With the taxes we collect, government provides old age pensions, social relief of distress, child support, and can build schools, clinics and provide other public services. We are pleased that we are joined today by important South Africans whose lives are impacted by our work. I welcome:

Mrs Elaine Jones, a pensioner from Eersterust, Pretoria.
Mr Lesedi Tjie, a 2022 matriculant, from Moloto, Mpumalanga.
I am also pleased to be joined by some of my colleagues,Directors-General who are at the helm of spending the money and delivering services to our people.

Before I turn to the revenue announcement, the main reason for which you no doubt are here today, I wish to provide an oversight how we approach tax revenue management.

It now gives me great pleasure to announce the preliminary revenue collection outcomes for the financial year 2022/23.

HIGH LEVEL OUTCOMES against our three mandate objectives:
Revenue Collected, Trade facilitation, and Compliance improvement

REVENUE (first mandate objective)
For the financial year that ended at midnight 31 March 2023, I am pleased to announce that we have collected a **net revenue amount of R1,687 trillion.** This represents year-on-year a growth of 7,86% (or R123-billion more than last year) against a nominal GDP growth of around 5.8%.
This means that SARS has collected 107.9% of prior year collections, or 99.7% of the estimate set by the Minster 5 weeks ago in his February 2023 Budget Speech.
This revenue performance translates to:
A tax to GDP ratio of 25.4%, and
Tax buoyancy of 1.36.

The **gross tax revenue of R2,068 trillion** represents a year-on-year growth of 9.7%. This is the first time that SARS has exceeded R2-trillion in gross revenue.

Refunds returned to taxpayers of R381 billion represents a year-on-year growth of 18.7%. This is the highest quantum ever paid out in refunds, up R60-billion from last year. Just in VAT refunds the amount of R319 billion represents a growth of 21.5% since last year.

I remain concerned about the abuse, especially of our VAT refund system, but we are pleased that the R381-billion returned into the hands of taxpayers is good for the economy. In fact, refunds this year, represent about 5% of GDP. It is further pleasing that R130-billion and R35-billion of the refund benefit, respectively, were directed to medium to small businesses and individual taxpayers. This is good when business and individuals remain cash strapped.

TRADE FACILITATION (second mandate objective)

For the year under review SARS Customs facilitated a total number of over 7 million trade transactions amounting to R3,937-billion. This represents 18.4% increase from the prior year. Exports amounted to R2,031-billion and imports of R1,906-billion, resulting in a trade balance surplus of R125,83-billion. Of interest, is that the current year trade represents a growth of over 51% compared to the pre-Covid 2019/20 period. Noteworthy is that this trade surplus has contracted from the prior year surplus of R392-billion.

Our Programme for Authorised Economic Operators is designed to facilitate trade by providing a “green lane” experience to licensed operators. This year we added 13 new and renewed 31 licencees. The total AEO licencees stand at 159.

COMPLIANCE ENVIRONMENT (our third mandate objective)

Voluntary Compliance

An encouraging trend, albeit slow, is the changing trajectory in the compliance index which has increased from 62.9% to 63.9% (+1%). The Voluntary Compliance Index developed in 2020 in support of our Strategic Intent, measures the overall compliance behaviour of taxpayers across the compliance value chain (registration, filing, declaration and payment). All compliance pillars (except registration) show an improvement. We are engaging in an extensive tax register review, to broaden the tax base and improve compliance.

Public Confidence

It is also noteworthy that public confidence in SARS is improving. From the survey conducted we measured an increase from 71.8% in 2021/22 to 76.5% in 2022/23. The main contributing themes to the increased score were Operational Efficiency, Tax Morality, Tax Diligence, Accessibility and Trustworthiness. Interestingly, public confidence measured only 48% in 2019.

Both these measures augur well for an improving compliance environment, and in support of our strategic intent of voluntary compliance.

TAX REVENUE MANAGEMENT SYSTEM

Over the past four years we have worked hard to clarify the components of the tax revenue management system and made a distinction between the revenue we receive versus the revenue we collect. Specifically, we have shifted our focus to the latter, which reflects the actual work we do that results in revenue collected, whilst strengthening the overall revenue collection system.

This work is what we refer to as the SARS Compliance Programme. This approach recognises that the revenue system is comprised of three interrelated factors that influences revenue performance:

1. The set of tax policy instruments within a given set of economic conditions implies a theoretical revenue outcome. (The domain of the Finance Minister working with National Treasury)
2. The level of tax morality and tax compliance within society attenuates the potential revenue outcome - A reflection of people's confidence in SARS, but also the whole of Government.
3. The Capability and Capacity of SARS to administer the tax and customs laws and implement its Compliance Programme results in the actual revenue collected - The main focus of our Work

In a perfect world, when these three factors work well, we would achieve an optimal tax revenue outcome. We know that this is unfortunately not the case yet….

We are experiencing significant shocks that strain economic activities and influence compliance behaviour. The levels of tax and economic crime remain unacceptably high and erode social cohesion. Given this, tax compliance remains a huge challenge.

The administrative capacity and capability of SARS, become even more essential. For our democracy to work well, and for the fiscal integrity of South Africa, we need a well-functioning SARS.

The Compliance actions administered by SARS focuses on ensuring that the South African Public receive an efficient, effective and professional service from SARS as they seek to fulfil their tax obligations, BUT also that the Government receives the tax revenues due, and that the country's fiscal integrity is underpinned.

I now share some highlights of the financial year that has just ended, which was delivered under exceptionally challenging economic conditions, severe load shedding, and other troubling social phenomenon - all of which impacted adversely on economic growth and profitability.

TAX PRODUCT CONTRIBUTIONS

The significant contributors to this positive revenue performance reported against the previous year 2021/22 namely are:

1.Income Tax increased by R46.2bn (8.3%) to R601.7bn
2. Company Income Tax CIT increased by R24.5bn (7.6%) to R348.0bn
3. Value-Added Tax VAT increased by R31.3bn (8.0%) to R422.2bn (NB: Net)
4. Customs Import Duties increased by R15.9bn (27.4%) to R73.9bn
5. Excise is down R1.3bn (0.8%) to R157.5bn mainly due to the fuel rebate provided by Government

These are all net revenues.

SECTOR CONTRIBUTIONS

The top 5 Sectorial Contributors were:

Finance:	increased by R50bn (9.6%) to R572.4bn (33.9%)
Community:	increased by R9.5bn (5.1%) to R196.0bn (11.6%)
Wholesale:	decreased by R1.8bn (-1.8%) to R102.2bn (6.1%)
Manufacturing:	increased by R2.7bn (3.1%) to R91.9bn (5.4%)
Mining:	decreased by R4.6bn (-11.9%) to R73.4bn (4.4%)

SEGMENTS CONTRIBUTIONS

Large Business and International (LBI) Segment:

The revenue contribution from this segment is R526 billion (+1.7% year-on-year). This segment represents 32% of total collection. The main sectors are Finance, Manufacturing, Mining. The register consists of 43,823 active taxpayers.

Small, medium and micro segment (SMMEs):

The revenue contribution from this segment is R373-billion (11.2% YoY). This segment represents 28% of total collection. The main sectors are Finance, Manufacturing, Wholesale, Retail Trade, Catering. The register consists of 3.2m taxpayers.

Traders (Importers and Exporters):

The revenue contribution from this segment is R488.6-billion (15.6% YoY). The register consists of 379 000 taxpayers. This segment represents 20% of total collection.

In keeping with our strategic approach, we have continued to deepen our segment focus – the next two segments are newly established segments that we are growing.

High Wealth Individuals (HWI) (excl. related entities):

Revenue contribution from this segment is R11-billion, and we are laying the foundation to step up our efforts in the important area which, at present include 58000 taxpayers excluding related entities.

Tax Exempt Institutions:

Revenue contribution from this segment is R14.9 billion, and covers 65,000 entities (PBO's, NPO's etc) - the level of abuse and low compliance in this area remain a huge concern and SARS will step up its focus.

PROVINCIAL CONTRIBUTIONS

In order to provide a better taxpayer experience to taxpayers and traders; improve revenue collection and overall compliance and facilitate legitimate trade, SARS has organized itself in 9 geographic regions and 3 segmented regions to improve engagement with taxpayers.

Gauteng remains the highest revenue contributor, followed by Kwa-Zulu Natal, Western Cape, Eastern Cape and Mpumalanga.

COMPLIANCE REVENUE PROGRAMME

Compliance Revenue is derived from the specific compliance actions administrated by SARS - our Compliance Programme. Our increased focus on compliance actions is yielding pleasing revenue collection results, underpinned by continued improvement to levels of compliance. We call this the Compliance Dividend.

I remain convinced that the most effective and sustainable way to improve the fiscal integrity of our country is to ensure that the investment in SARS is adequate. The rebuilding of the tax revenue administration requires appropriate funding and relentless effort but will yield the highest return on any investment. The commitment and work of the 12 500 employees at SARS drives our Compliance Programme.

For the reporting period, our Compliance Programme:

SARS has had over 21 million engagements with taxpayers through our various channels. Included in this are just over 5 million cases of administered compliance actions that has yielded almost R30 billion.

The total compliance revenue represents a year-on-year growth of 5.4% (+R12 billion) and has contributed 13.5% to total revenue collected.

Through the Compliance Programme, the tax register also grew by 5.4%, contributing R7.8 billion of the Compliance Revenue.

I will now take you through some of the detail of our Compliance Programme:

Major Compliance Action initiatives contributed as follows:

Debt Collection amounted to R77 billion from 1.7 million cases:
Outstanding Returns amounted to R1.5 billion from 265,000 returns (easily about 1 million engagement
Voluntary Disclosures contributed R3.7 billion from 1,540 concluded applications, resulting in VDP agreements to the value of R3.5 billionRevenue leakage protection worth R397 million was realised through these efforts:
Paragraph 19(3) contributed R20.6 billion from over 28 000 cases – namely: LBI executed 8 600 cases, SMME executed 19 800 cases
Audits & Investigations contributed R5.4 billion from 854 cases – some focus areas for this year were: Customs Integrated Audits (R1.750 billion), 86 Security Industry Audits (R842 million), 71 Luxury Vehicle Audits (R840 million); 285 PAYE ETI Audits (R818 million); 13 PPE Tender Audits (R535 million); 4 Lifestyle Audits (R232 million); 16 Religious Entity Audits (R27 million)

Audits from LBI Segment contributed R6.1 billion from 275 cases:
The LBI enforcement interventions are varied and mainly involve exotic transactions and complex business arrangements that result in a permanent loss of revenue to the fiscus.

Investigations of Criminal Syndicates contributed R6.6 billion from 334 Preliminary investigations:

Conducted 212 profiles and 495 enquiries
Assessments raised worth R3.9 billion
Revenue recovered = R3.9 billion
preservation orders on with a total asset value of R1,3 billion
Made significant progress in collapsing 1 tobacco/ Illicit Financial flow scheme

Customs & Excise Investigations contributed R13.9 billion from 5,620 interventions
We conducted 5,620 Custom interventions equivalent to a street value of approximately R5.4 billion, and Customs & Excise audit and investigations yielded almost R14-billion.

Similarly, the trade facilitation mandate of SARS has to be balanced with enforcing our customs laws and ensure passage of only legitimate trade.

Management of Risk (Fraud, Impermissible Refunds & Debt Equalization) contributed R76.3 billion from 2 million cases

SARS has to strike a fine balance managing service to taxpayers and risk to the national revenue account. We continue to use sophisticated data science and artificial intelligence to detect the risks and just in reporting year, we have prevented impermissible and/or fraudulent refund outflows of R76.3 billion from almost 2 million verification instances.

I remain concerned though. The refund risk, in my view remains stubbornly high, and SARS will continue its efforts to manage this.

Litigation Successes:

SARS approach to litigation is aligned to SARS strategic intent, and each case reflects the strategic objective to secure certainty and clarity for taxpayers (and SARS) in the interpretation of tax or customs principles and/ or the strategic objective to make it non-compliance hard and costly.

Often a judgment is an expression of both strategic objectives, for instance when a case involves protecting the abuse of the tax system in an area that is unclear.

The amounts involved in these judgments involve approximately R7.7 billion of tax and customs duty however by setting precedent and providing certainty, the endowment effect on tax revenue for future years is significant.

Criminal Investigations:

Mainly fraud related to refunds and under declarations in VAT & PAYE.

Cases Handed to NPA: 195.

Finalised 97 cases: 95 found guilty of which 10 cases have direct imprisonment sentences totalling 75.5 years to be served, 2 acquittal = conviction rate 97.9%.

SPECIFIC RISK THEMES IN THE REPORTING YEAR INCLUDED:

Base Erosion & Profit Shifting:

Companies and Individuals are allowed to arrange their affairs to be tax efficient. But when entities do this in form, rather than substance, they erode our tax base. The globalisation of business has created a greater need for commercial arrangements between operations that are located in different countries. These commercial agreements have grown in complexity, and with globalisation, practices developed that are designed to divert taxable profits to more ‘beneficial’ tax jurisdictions.

The OECD BEPS programme is intended to counter this and seeks to align the taxability of transaction to the economic substance. Alongside this, tax laws were amended or introduced to effect substantive economic equity, and SA is no exception.

Developing countries are most at risk because they may often not have in place the necessary skills, experience, resources and international reach to effectively challenge BEPS issues. Large corporates are also able to outspend tax authorities by far.

SARS initiative to develop and apply transfer pricing audit skills was interrupted when the then Large Business Centre was dismantled and the transfer-pricing audit teams dispersed, and when SARS positive co-operative arrangements with other tax jurisdictions were drained. For a time, SARS ability to tackle TP and BEPS, was almost neutralised. We are now slowly rebuilding this capacity.

The other significant themes that are of concern and audit focus involve:

The abuse of Employment Tax Incentives (ETI) schemes,

Companies not ringfencing their assessed losses in line with legislation,

Second-hand gold businesses abuse of the VAT system, Stock write-offs and impairments, and

Mining capex

Syndicated Tax and Customs Crimes

SARS established a dedicated capacity to conduct investigations into various industries and sectors, including the second-hand and illicit gold, the illicit tobacco, the illicit fuel industry, etc. In particular, SARS is investigating the illicit sectors in these industries with a particular interest in the financial flows arising from and between these industries. Based on the investigation results, SARS has reason to believe that these illicit financial flows involve tax evasion and money laundering activities.

The money laundering activities concern cash that is generated from various activities, including the sale of second-hand gold, fuel and the illicit sale of cigarettes. The cash produced from these activities is then introduced into the banking system. Various bank accounts in foreign and local currency are opened with the assistance of corrupt bank officials and by procuring the assistance of individuals used as fronts.

The money laundering activities are conducted in such a manner as to avoid detection. No or insufficient taxes are paid on the income generated from these illegal activities. These transactions are not recorded in the formal accounting records of the individuals or entities concerned, and it appears that at certain stages of the value chain, VAT is not levied on these supplies.

As part of these activities, certain funds are illegally externalized to foreign jurisdictions, by means of *inter alia*: ghost imports or exports; fictitious invoices that are created and paid to foreign companies that do not trade or never delivered the goods or services reflected in the fictitious invoices; and fictitious customs documentation that is generated to facilitate these transactions.

SARS' efforts over the past 3 years has resulted in:

Raised assessments amounting to R57,8-billion,

Revenue collected totalling R16.6-billion,

Preserved assets totalling R13-billion,

Completing 8 000 illicit trade interventions resulting in seizures of R2.5 billion,

110 cases handed over the NPA whereby 1 conviction has been secured,

Specifically, State Capture related matters – 29 audit cases have been completed with total assessment value of R564,1 million.

Common Reporting Standards (CRS)

SARS uses CRS data and data obtained from the Automatic Exchange of Information from other tax jurisdictions to match against the income tax declarations made by taxpayers in order to detect mismatches.

HWI cases were detected for in-depth audits. Of these we identified risks in 26 taxpayer cases (40% of the population tested).

The values of these anomalies (where interest could not be matched to a taxpayer declaration) amounts to R445m.

In addition, 18 taxpayer cases (28% of the population tested) have been routed to Audit with estimated tax results amounting to R105m, while another 15 cases from the 18 are under investigation. Three cases are at the letter of findings stage, with possible additional assessments amounting to R79m.

Emanating from the use of CRS data, 13 of those taxpayers made use of the VDP process. 9 cases have since been finalised resulting in revenue generation of R30 million. In 4 of the 13 cases, SARS applied international tax evasion and 3 gross negligence penalties.

This shows that SARS will not hesitate to impose the highest penalty as per VDP provisions based on taxpayers' behaviour.

Litigation covers a broad range of cases:

We see is an increase in procedural challenges. Issues of substance range from tariff determination on trade items to transfer-pricing or BEPS-type matters:

This is reflected in the lack of transfer pricing cases taken through the court system. The Crookes Brothers case, for example, reported in May 2018, was a rare first, in transfer pricing case, in an area requiring much more focus.

There is therefore a renewed focus on tackling cross-border arrangements between connected companies that are designed to conceal commercial substance and avoid accounting for tax in South Africa. We will in all likelihood see more of these cases come to court.

The first indication that SARS had refocused its efforts ought to have been clear from the Tax Court decision in IT 14305, handed down in January 2021. This judgment set out the factual background, but importantly set the tone that whatever methodology was used to determine an arm's length price – the ultimate objective was to ensure tax was paid on the proper amount of income.

SARS has geared up its litigation initiatives to tackle transfer pricing cases, with full acceptance that these cases are vigorously opposed, expensive and packed with expert witnesses.

IMPACT OF LOADSHEDDING

Loadshedding has a measurable impact on the economy that directly affects revenue collection due to lost sales and profits. Value Added Tax (VAT) is the tax that would be immediately responsive to loadshedding as sales come under pressure, company taxes are also impacted by loadshedding.

The CSIR research into the impact of loadshedding reflects that 3773 hours were lost to loadshedding in the calendar year 2022, this is the highest loss in the last five years. Further, the energy shed amounts to 11529 GWh, considering the demand side response impact then the energy shed reduces to 8301GWh. Taken together, these factors suggest that the loss to the tax system is estimated at R60bn.

However, we are working to refine our understanding of the full impact and the timing as some of the impact may be immediate (e.g., VAT) and in some instances delayed (e.g. corporate income tax). SARS does expect the impact of load shedding to reflect in corporate income tax collections, in particular during the first half of the current financial year.

RENEWABLE ENERGY

While loadshedding present real risks to the fiscal framework, SARS has noted the emergence of a renewables subsector, in the Western Cape for instance, we have noted a number of wind energy linked entities that have moved from being in a refund position over the past 24 months who are now moving into a VAT paying position as their projects come on stream.

In particular, for the 2022/23 financial year collections from wind farms in the Western Cape across all tax types increased by 26.6% to R2.7bn. Furthermore, we have seen a drastic increase in the importation of solar panels (top 10 importers experienced growth in import value of 73% year on year totalling R3.8bn in 2022), static converters (top 10 importers experienced growth in import value of 609% year on year totalling R5.1bn in 2022) and lithium-ion batteries (top 10 importers experienced growth in import value of 240% year on year totalling R7.8bn in 2022).

All of this points to an opportunity that the renewables sub-sector presents. SARS is accordingly studying and setting itself to service this emerging subsector while also ensuring maximum compliance from the onset.

TAX OF THE FUTURE – *Tax Administration 3.0*

In line with our Vision to build a smart modern SARS, and our Strategic Intent of Voluntary Compliance, the aim is to build a Taxpayer Engagement Model where for most taxpayers, "tax just happens". It is the ultimate expression of our second Strategic Objective to make the fulfilment of tax obligation a seamless event for taxpayers. This means a fundamental shift in approach going forward.

Historically, tax administration has relied on retrospective declarations by taxpayers followed by a manual assessment of tax liability by SARS, and if required, some verification and/or investigative work may be triggered. This subsequent work would often imply requests for additional information from the taxpayer or other data sources, as well as further engagement with the taxpayer.

Today, taxpayers would already have seen an increasing shift with declarations by taxpayers becoming the exception, and the norm becoming a reliance on information from third party domestic and international data sources, as well as demographic, asset and transactional registers. Examples may include financial institutions, retirement funds, medical insurance, as well as the population register, deeds register, national motor vehicle register, and various stock exchanges. But the final liability will still only be assessed retrospectively.

Tax of the future - or Tax Administration 3.0 as referred to by the OECD - has the audacious ambition to move largely to real-time liability assessment that require taxpayer declaration only as an irreducible exception, and instead rely almost entirely on data from third parties as well as publicly available data. The rapid advance in data science and artificial intelligence, and connected devices (Internet of Things), will accelerate this development. When this ambition is realised, tax would have become a non-event!

Another emerging reality that Tax & Customs Administrators are coming to grips with is the changing world of work and the digitalisation of economies. Economic activities increasingly have dematerialised. Business models and value chains becoming virtual. The nexus that determines taxing rights are shifting from physical and permanent establishments towards where the economic activity takes place.

The concept of "business hours" is being replaced by an "always-on" world of engagement between businesses and customers. The Metaverse reality may be an intimidating notion for most of us in the room, but the next generation is already becoming used to living vicariously through their own avatar, unconstrained by place, environmental conditions, material or physical attributes.

CONCLUSION

Today we would like to appreciate the:

Over 60 million citizens who through their consumption contribute to VAT; 26 million registered individuals and trusts
4 million companies; 1 million VAT vendors; 640 000 employers; 370 000 traders (including Authorised Economic Operators (AEOs) and 12 500 hardworking SARS employees.

Working with and through the many intermediaries and agencies helped us to achieve this outcome we presented today, including Registered Clearing Agents, Registered Controlling Bodies for Tax Practitioners (RCBs), Associations and Industry Bodies. We are also fortunate to have the unending support from stakeholders across the local, continental and international fiscal ecosystem.

The important work we perform is the intersection of the economic performance, which SARS can do very little to influence. However, the effectiveness and efficiency work of our tax administration and our compliance work underscores our Strategic Intent of Voluntary Compliance. Through all of this, we do every task correctly and consistently to produce these results.

In closing, I would like to extend my gratitude to several people and stakeholders for their support:

I want to thank the South African President, Mr. Matamela Cyril Ramaphosa and the Minister of Finance, Mr. Enoch Godongwana for their steadfast support - along with acting National Treasury Director-General, Mr Ismail Momoniat and the colleagues at the Treasury.

I also want to thank our stakeholders and related bodies across all sectors as well as members of the media.

Finally, I would like to thank over 12 500 SARS employees, who are continually and diligently in pursuit of “serving a higher purpose” and are an expression of public administration par excellence.

To the compliant taxpayers and traders, who have made these historical results a reality, on behalf of SARS, I wish to send you my heartfelt message of gratitude for contributing to building a solid foundation for sustainable growth.

Winning means that we go after every inch!

#YourTaxMatters!
Thank you.
Edward Chr Kieswetter
SARS Commissioner