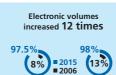
DYEARS TAX & TRIUMPHS

Since the Modernisation Programme was launched in 2007, tax and customs revenue collected by SARS has increased from R321 billion to R900 billion to over R1 trillion within ten years, and the number of registered taxpayers, traders and other persons grew from 8.24 million to more than 20 million.



PAYE / IRP5 31.3 million 2015



Number of Customs declarations processed and . value of trade

Submissions

2006	1.9 m	R514 bn
2015	6.05 m	R3.66 tn

1 374 narcotic seizures to the value of R464.1m during 2016/17

CUSTOMS & EXCISE

Then: In 1997, Customs and Excise was a

weak, under resourced department with a

Customs declarations were 100% manual

There was no risk engine – officers had to

use their own initiative for stopping goods

Processing time for bills of entry took a

THEN AND NOW:

staff complement of about 800.

minimum of 7 working days.

A message from SARS Commissioner



Our trajectory of development has been plotted against a timeline punctuated by achievements that defined SARS as a leader among revenue authorities.

SARS was created as a semi-autonomous organ of state in 1997, in the stages of the birth of democracy in our country. SARS has matured over the last 20 years to become

a tax authority that is recognised for its professionalism and efficiency.

The organisation reflects South Africa's progression, from a neglected and deteriorating institution, into an efficient administration that embodies constitutional values and practices responsible administration. Commissioner. Tom M



EVERYONE CALLED US THE RECEIVER OF REVENUE

What most people would not remember, is that back then we still sold Revenue

Businesses could purchase revenue stamps from Inland Revenue, and attach them to certain legal documents to make them legal. That is one of the ways revenue was collected. We also collected various licenses and levies which we no longer collect now.

All payments to SARS were made by cash or cheque. Very few of us had computers, and even if you had one, it was it was not connected to the Internet. Every single income tax, VAT and PAYE return was submitted on paper and had to be processed manually. In fact,

everything was done on paper. PAYE recons and all the certificates were manually submitted and Inland Revenue kept strict stock of all IRP5 books. For the bulk of taxpayers their individual

returns were processed by a Central Editing Team, while provisional taxpayer returns, company and Trust returns were processed by assessors, one by one.

FROM "DUMB TERMINALS" TO STATE-OF-THE-ART SYSTEMS

Back then, most the work that was done from a tax point of view was done on what you would term "Dumb Terminals." These were display monitors that had no processing capabilities, a far cry from the modern technology that we use today.

Then there was SARS

established in 1994 to conduct a comprehensive review of South Africa's then under-performing tax system. After years of planning and extensive work, the directorates of Inland Revenue and Customs and Excise were moved out of the Department of Finance to a new entity called the South African Revenue Service (SARS) which was formally established in October 1997.

Numerous legislative changes had to be effected following the recommendations of the Katz Commission With the cut of a



ribbon in 1998, SARS found its new home called Lehae la SARS in Pretoria. which remains our home

SARS Footprint in 2017

- 53 Branches
- 1 Contact Centre over 4 sites 21 Mobile Tax Units
- 60 Portable Registration kits

Airport (13) Port of Entry (27) (Designated1)

- Port of Entry (32) (Non-Designated) Excise Office (9)
- Customs Office² (10)

ports of entry where commercial and passenger traffic can flow

2. Customs offices in PTA & JHB also have an Excise office presence

1. Customs is only present at designated

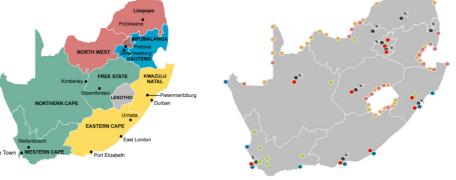
for inspection. Stamps were used to indicate release of

goods - incidents of fraud were high.

Now: Customs & Excise employs more than 2500 people and plays a key role in trade facilitation and border protection All customs declarations are electronic Processing takes a few seconds if not flagged by the risk engine.

The risk engine determines stops for inspection - cutting down on possible corruption.

Release of goods are now electronic cutting down on incidents of fraud.



SPECIALISED DOG UNIT 117 dogs and 123 handlers

56.9% trained in narcotics 26.8% detects trafficking in endangered species in 2016/17



2016/17 Non-Intrusive Inspections Capability

R7.5 m revenue vielded and R11.7 m illicit aoods detected through scanning



1997

• 1 October SARS was birthed with the commencement of the South African Reve Service Act. (Act No. 34 1998

 October SARS moved to its new home in Pretoria named Lehae la SARS (in Sesotho means 'the home of SARS').

1999

• The New Income Tax System (NITS) was developed for Benoni office) and was the

• Planning phase of formal programme to re-engineer and restructure the entire organisation – a programme labelled Siyakha which is an isiZulu term which means

2000

2001

 July - the electronic ion of tax returns

2002

Trevor Manuel launches SARS Service Monitoring

 Launch of Electronic Data Interchange (EDI) for

2003

PAYE and income tax.

 Launch of first Filing Season campaign.

2004

SARS Academy

• Plastic bag levy is

2005

OMS (Operations

Gauteng Tax Court

2006

• eFiling extended to taxpayers.

 SARS Advance Tax Rulings unit opens.

• Special Voluntary
Disclosure Programme closed
on 31 August resulting in the

Beitbridge cargo scanner

• Special Voluntary Disclosure Progran

• New baggage scanners ports of entry.

 New high-tech container er launched in o scanner launch Durban harbour.

 Start of Excise modernisation – focus or eFiling for return

• Launch of Help-You-eFile service on eFiling.

 SARS eFiling mobisite and app go live.

 SARS runs Voluntary Disclosure Programme (VDP) for defaulting taxpayers, resulting in collection of additional R1.5 billion in taxes.

work around the clock to facilitate the smooth running of the Soccer World Cup.

Launch of Customs mordenisation

• Branch Queue Management System rolled out.

 First group of Customs recruits graduate.

2007

individual tax return was introduced, which led to the electronic submission of returns by close to a

EVOLUTION OF THE SARS LOGO

Part of establishing the new organisation involved finding a new logo for SARS, and a competition was run among staff to design the new logo.













