Media Releases 2007

SARS intensifies efforts for the Small Business Tax Amnesty

Pretoria, 9 March 2007 - The South African Revenue Service (SARS) will today intensify its campaign to encourage small business owners to apply for amnesty when a number of SARS officials will visit various business premises in Hatfield, Pretoria.

The visits will establish whether these businesses – operating mostly on the formal side of the economy – are registered for tax, have any outstanding issues with SARS, and are aware of the small business tax amnesty or whether they had applied for the amnesty.

During today's initiative in Hatfield businesses operating outside the tax net will be firmly cautioned that they are breaking the law.

The team of about 40 SARS officials will be led by the SARS executive and will leave amnesty application forms with each business that qualifies for the amnesty and will offer assistance to business owners on how to apply.

Business owners will be given a timeframe during which to complete the amnesty form. SARS will record their details and will conduct follow-up visits to each business premises that are found to be non-compliant. SARS will consider whether or not to commence with audit activities and possible prosecution in the case of non-compliance.

Today's action is in line with the commitment the Minister of Finance made to Parliament and the public in this year's Budget Speech in respect of the Small Business Tax Amnesty. SARS will continue to intensify its efforts to ensure that all businesses are afforded the opportunity to apply for amnesty.

Similarly business owners must understand that the amnesty process is a unique window opportunity for them to regularise their tax affairs. The message to businesses in the Hatfield area today was that SARS will increase its enforcement action against tax defaulters if they continue to operate as non-compliant taxpayers in future.

Non-compliant business owners must understand that the deadline for the amnesty remains 31 May 2007. After the deadline SARS will assume a vigorous enforcement campaign against businesses that are not tax compliant.

The amnesty period took effect in August 2006 and is available to businesses with a turnover of less than R10 million.

To date SARS had received 15 383 application forms from business owners. SARS is aware of the fact that there are many more businesses who may require amnesty.

The intensified SARS Amnesty Campaign in Pretoria today will extend to other parts of the metropole over the weekend and will continue on Monday. SARS has identified areas where small business activity is concentrated and has grown exponentially in recent times.

Similar visits to business areas will take place in other regions of the country over the next few weeks.

The contact details for the SARS Small Business Tax Amnesty, where enquiries can be referred to or application forms obtained from are:

Call Centre number: 0860 12 12 20

Fax: 011 602 5502

E-mail : sbau@sars.gov.za Postal address: P O Box 292 Groenkloof 0027

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