

Media Releases 2009

Phasing out of cash payments at SARS branches

Pretoria, 30 October 2009 – Starting on 01 November 2009, the South African Revenue Service is to phase out the receipt of cash at some of its branch offices.

The decision to do away with cash payments follows an increase in electronic and cheque payments and the associated steady decline in cash payments over the past few years.

Given the high costs and risks of handling cash – including providing the necessary security measures in branches and transport arrangements for cash – the relatively low receipts of cash mean it is no longer cost effective for SARS to accept cash at its branches.

The elimination of cash payments will be staggered throughout SARS 45 branches over the next five months, starting with offices in the North West, Limpopo and Mpumalanga, from 1 November 2009.

Offices in the Free State, Kwa-Zulu Natal and the Western Cape will discontinue accepting cash payments from 1 February 2010, while the no-cash payment rule will be effective from 1 April 2010 at all Gauteng-based offices. Taxpayers who still wish to make payment to SARS in cash can make cash payments at any branch of ABSA, First National Bank, Nedbank or Standard Bank into SARS bank account.

SARS's preferred methods of payment remain via eFiling and internet banking as these provide both SARS and the taxpayer or trader with an accurate record of payment and are less susceptible to fraud and inaccuracies.

The cash phase-out process is only applicable to Taxpayer Services branches, while the status quo remains at Customs points-of-entry, for the following reasons:

1. Traders making use of Customs points-of-entry are usually entering South Africa from another country, and may therefore have foreign money.
2. Because banks are not operational around the clock, it would be impossible to expect traders to convert the required Customs Duty at points-of-entry into bank-guaranteed cheques, as is required for other taxes payable at TPS branches.

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