

**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**159. Ms D Carter (Cope) to ask the President of the Republic:**

Whether any steps have been taken to give effect to the recommendations of the Nugent Commission of Inquiry Into Taxation and Governance by SARS that criminal prosecution be instituted against Mr Tom Moyane for awarding a certain contract (details furnished); if not, why not; if so, (a) what steps and (b) what is the current status of the specified steps? NW162E

**REPLY:**

Government has started implementing the most pressing recommendations that were made by the Commission. These include terminating the appointment of Mr Tom Moyane as the Commissioner of SARS on 1 November 2018, and initiating the process to appoint a new Commissioner.

A new commissioner is expected to be appointed in the near future.

While some of the organisational recommendations can only be implemented by the Commissioner, the Minister of Finance announced during the Budget speech that the Acting Commissioner has already taken steps to:

* Re-establish the large business unit, which will be formally launched in early April 2019.
* Launch an illicit economy unit to investigate syndicated tax evasion schemes in high-risk sectors, including the tobacco trade.
* Harnessing opportunities from information-sharing agreements between tax authorities to fight cross-border tax evasion.
* Reviewing contracts that breached procurement regulations and acting to recover funds from any fruitless and wasteful expenditure.

The Minister of Finance has requested Judge Davis to assess the tax gap, which is the difference between revenue collected and what ought to be collected.

The Minister also intends to introduce legislative amendments this year, giving effect to a number of the Commission’s governance recommendations. These matters will be included in this year’s draft tax legislation.