**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 403 [NW1375E]**

**DATE OF PUBLICATION: 26 JULY 2019**

**403. Dr D T George (DA) to ask the Minister of Finance:**

Does the SA Revenue Service (SARS) have the capacity to conduct investigations into activity in the illicit economy; if so, (a) what is SARS’ capacity in this regard and (b) how is this funded? NW1375E

**REPLY**:

In terms of its mandate and legal provision, SARS established an interim capability to conduct investigations into the illicit economy. The capability executes integrated enforcement investigations and comprises of data analysis, risk identification, criminal and compliance investigation and audits and debt recovery.

1. Its current staff complement is 60.
2. The capability is funded through SARS financial allocation.

The mandate and scope of this capability is currently under review in order to better define and sharpen its focus.

As part of the review by the new Commissioner the following is being assessed:

* SARS’ capability and capacity to monitor and assess the activities within the elicit economy as well as assess the true revenue impact/ risk that the illicit economy presents to the state.
* SARS’ capability and capacity to conduct the investigative and audit work
* The most effective organizational arrangement
* Collaboration with the agencies of State.