

# State awaits investigation on Sars spying and brothel allegations

Government yesterday remained mum on a further raft of serious allegations against the South African Revenue Service (Sars) including the running of a brothel published in the weekend press...



Many if not most people would think that the role of a revenue service is limited largely to collecting tax revenues and investigating tax dodgers. If the allegations made in the media are correct, however, it appears that some people in Sars have taken their service into new areas. (Image: Wikimedia Commons)

Yesterday's report follows an earlier one that a rogue unit from Sars illegally bugged President Jacob Zuma's Johannesburg home two years before he became president.

The allegations include setting up a brothel as a cover for officials and that others illegally spied on cigarette and abalone smugglers, drug dealers and taxi hitmen.

Following the initial reports Sars commissioner Tom Moyane established an investigation panel, headed by Adv Muzi Sikhakhane, to investigate whether there had been criminal acts by present or past Sars officials including the illegal interception of communications.

Sars spokesman Adrian Lackay said: "As Sars indicated to the *Sunday Times*, Adv Muzi Sikhakhane was appointed in September this year to head an independent panel of investigation to investigate whether there were breaches of law from the actions of current or former Sars officials including the illegal interception and monitoring of communications.

"The panel must be allowed to conclude its work independently and present its findings to Sars. Until such time it would be inappropriate for Sars to make public statement on the matter. Sars would not want to pre-empt or undermine the panel."

Finance Minister Nhlanhla Nene's spokesperson, Jabulani Sikhakhane, said it would be premature to comment at this stage and the investigation should be allowed to run its course.

## **Cautious**

Democratic Alliance finance spokesperson Dion George was also cautious. "Commissioner Moyane told Parliament's finance committee a few weeks ago that he would get to the bottom of the allegations and promised that the report of the investigation, when complete, would be given to the committee.

"Sars is a very important institution and if it is damaged then it has serious implications for the country. If we do not see the report by early in the new year we will hit them hard."

The reports come against speculation that there is mounting tension between Sars and the State Security Agency over the control of SA's borders and cigarette smuggling.

Cigarette smuggling is big business and the taxes charged on tobacco products makes it very lucrative. It was reported in March that two multinational companies had been linked to payoffs to security agencies to protect their reputations.

Source: *Business Day*, via I-Net Bridge

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