

Fears over SARS purge as ructions deepen

Ruptions at the South African Revenue Service (SARS) deepened as another top official resigned and disciplinary charges were instituted against two officials...



(Image: Rod Baker)

Just more than a week ago, deputy commissioner Ivan Pillay and executive for strategic planning and risk Pete Richer were suspended after a probe into allegations of a covert unit. Ahead of that, chief operations officer Barry Hore resigned, raising questions about stability at the top after new SARS commissioner Tom Moyane dissolved his eight-member executive structure soon after he started the job in late September.

The latest to resign is Jerome Frey, head of modernisation and strategy. It is understood that Pillay and Richer will challenge their suspensions in the Labour Court this week.

Even though Hore has quit, SARS sources said yesterday he faced a disciplinary charge of racism. Another executive, the head of anticorruption and security, Clifford Collings, is also set to face a disciplinary hearing for not providing Moyane with an official car on time.

'SARS' work continues as normal'

SARS spokeswoman Marika Muller yesterday said the tax agency did not and "has never" commented on internal human resource processes. The departure or suspension of three individuals was insignificant when seen against a total staff complement of about 15,000.

"SARS' work continues as normal, and our commitment to our core mandate - especially to the challenge of revenue collection in a difficult climate - is unchanged," she said.

The suspensions and disciplinary action have led to speculation of a purge by Moyane.

The report into the alleged covert unit, dubbed the National Research Group, which had reportedly spied on President Jacob Zuma and run a brothel, has been handed to Finance Minister Nhlanhla Nene. Parliament's portfolio committee on finance will receive it early next year, said chair Yunus Carrim yesterday.

The investigation was initiated by Pillay during his tenure as acting commissioner. In his submission to the panel, he said the public protector was investigating allegations of maladministration by the unit. Public Protector Thuli Madonsela yesterday confirmed that her office had been asked to investigate. It had compiled a preliminary report but

allowed the panel to complete its work first.

Refusal to 'bend the rules to suit ANC a factor in suspension?

The *Mail & Guardian* on Friday reported that a factor in Pillay's suspension was his refusal to allow a consignment of African National Congress election campaign T-shirts imported from China to be released by customs without duty being paid.

It is understood that the management of SA's border control has long been a point of rivalry among SARS, the police and the Department of Home Affairs.

Last week, the Cabinet said it had relocated the Border Control Operational Co-ordinating Committee from SARS to the Department of Home Affairs.

South African Institute of Tax Professionals CEO Stiaan Klue yesterday said Moyane was "taking the moral high ground" in what he described as the "fight for the soul of SARS".

He did not expect the departure of senior officials, which he likened to "pruning", to affect its functioning.

Klue urged the commissioner to address issues of morale by embarking on a campaign to get lower-level staff behind him. "SARS will not fall over if you remove some bricks at the top ... it has a strong foundation".

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

Latest:

[SARS withdraws suspension against alleged brains behind 'rogue unit'...](#) The SA Revenue Service (Sars) today withdrew the suspension of strategic planning and risk group executive Peter Richer.

A draft order was made by the Labour Court in Johannesburg and Sars was ordered to pay Richer's costs.

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