

29 August 2017

Valued client

Good day

## V Z NONDABULA VERSUS THE COMMISSIONER: SARS & ANOTHER

All taxpayers, please read further:

If you are not a taxpayer, you do not need to read further.

This is not compulsory reading for all taxpayers.

Only relevant to South African circumstances.

No afrikaans version of this e-mail available.

Long gone are the good old days when tax planning mainly consisted of exploiting loopholes in the tax legislation to avoid taxes. Today's tax planning mainly consists of (1) using available tax and other incentives and benefits to reduce taxes, and (2) avoiding additional taxes and costs by adhering to the tax administrative requirements.

Referring to the latter thereof, it makes obvious sense to always adhere to the tax administrative requirements applicable and relevant to the taxpayer.

Herewith the interesting and controversial outcome of a recent court case ([V Z Nondabula versus The Commissioner: SARS & Another \(Case No 4062/2016 of the Eastern Cape Local Division of the High Court\)](#)) deliberating on the tax administrative requirements of this case. While some taxpayers deem SARS to be objective and impartial, this particular court case again emphasize the subjective and often arrogant manner and nature in which SARS will often deal with taxpayers and their representatives.

Herewith another article by Dr Beric Croome ([SARS must provide grounds for Assessments issued](#)) on this same court case, concluding with the comment “*Taxpayers must be aware of the right that they have to be informed of the details of the assessment issued to them and failing SARS’s adherence to the Act they can either lodge a complaint with the office of the Tax Ombud, or alternatively, approach the court for relief.*”.

For more interesting and informative court rulings, shaping our local stricter tax environment on both tax principles and tax administrative requirements, please research the following recent court cases:

Malema versus CSARS (2016) 78 SATC 279  
CSARS versus Kluh Investments (Pty) Ltd (2016) ZASCA  
CSARS versus Capstone 556 (Pty) Ltd (2016) ZASCA  
CSARS versus Republica (Pty) Ltd  
AB CC versus CSARS ITC 13635

Please contact us, should you require any further advice or assistance.

Regards

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