

We have identified a huge need for a tax ombudsman, as there are in other countries (for example Australia and Canada)

This is an immediate need as we have nothing at the moment. We intend to lobby SARS, Treasury, and the public protector to this end.

An ombudsman is an independent official who is appointed to investigate the complaints that people make against public organisations. A tax ombudsman would deal with disputes arising between taxpayers and the tax authorities. It would provide redress to the taxpayers against harassment from maladministration, abuse of power, negligence, and corruption of the tax officials.

While we are not accusing SARS of abusing its power or the officials of being corrupt, we see this as an important step in ensuring good governance and maintaining constitutional rights. This campaign is the crux of taxpayer's rights. It is common practice in major industries, such as banking and insurance, to have an independent regulator or ombudsman.

Service Monitoring Office (SMO) is hamstrung as a watchdog, because it is contained within SARS (The SARS Service Monitoring Office (SSMO) was launched in October 2002 as a channel for taxpayers to highlight areas where they do not receive the service they deserve. The SARS SMO is not a point of first call, but is a tool that can be used by aggrieved taxpayers who are not satisfied with the service provided to them at branch offices. These taxpayers will normally follow a three-step approach to arrive at the SARS SMO:

1. They will raise the issue with the person they have been dealing with or - if they prefer - that person's immediate manager.
2. If the issue cannot be resolved, they will contact the relevant branch manager, who will objectively review the matter.
3. If the taxpayers are still not happy, they will refer the matter to the SARS SMO.)

On expenditure side, we are closely following the issue of World Cup tickets having been purchased with taxpayers' money. We note that political parties and trade unions have lodged complaints with Treasury, and we are aware that Treasury has referred the matter to the Auditor General. Accordingly we will be monitoring the outcome and whether due process was followed in and rectification sought.

We would like to see that the rest of government respect Treasury's stance on this. If necessary, we will also take it up with the relevant authorities.