Dear Honourable SARS Commissioner

INVITATION TO PROVIDE FEEDBACK TO SARS

We thank you for extending an invite to SAICA’s leadership team requesting feedback on challenges experienced by our members with regards to SARS’s service, processes and systems.

During the last quarter of 2014, SAICA conducted two independent surveys with members dealing with service levels of government offices including SARS and tax practitioner experiences with SARS and in this regard we have included a summary of the survey results (refer appendix).

Based on member concerns raised through our CEO countrywide roadshows conducted during 2014, the results of the surveys, as well as further input solicited from members in response to SARS invitation to provide feedback to SARS we include a consolidated view of the key challenges experienced by our members:

- Registration difficulties particularly VAT;
- Tax clearance certificates;
- Tax practitioner and taxpayer service levels;
- Communication;
- Skills levels.

We would like to further engage on these issues to share our ideas and assist with solutions to address these challenges and look forward to hearing from you. As an example greater responsibility and trust can be placed on tax practitioners who play a vital role in assisting with compliance and tax collections. Additional and extended access and functionality to systems can be provided to tax practitioners and they can be used to a far greater extent as trusted agents of SARS to assist with taxpayer data verifications. We believe that SAICA has a vital role to play in assisting SARS in achieving their goals which will contribute to a better South Africa for all citizens.
Yours sincerely

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Senior Executive: Tax Legislation and Practitioners
Appendix

SARS Surveys

Methodology
SAICA engaged with its members on two separate occasions to investigate satisfaction levels in their day to day dealings with SARS offices across the country. Both surveys were sent out through online methodology and the response rate was statistically adequate to make the below observations.

Respondents
More than 50% of the respondents have been a tax practitioner for more than 10 years. Most of the respondents live and do tax related business in Gauteng, Kwa-Zulu Natal and the Western Cape. The top three most visited SARS branches in these provinces are Randburg, Edenvale and Doringkloof for Gauteng, Cape Town, Bellville and Paarl for the Western Cape and Pietermaritzburg, Umhlanga and Durban for Kwa-Zulu Natal.

Survey objective
The survey aimed to investigate the identification of service areas where satisfaction levels are low or below expectation.

Issues identified
At first glance the reactions from the tax practitioners seem to contradict one another, but by further investigation, it seems that satisfaction is largely dependent on the individual consultant providing the service. There seems to be no consistency in service and competence/skills levels which range from the one extreme to the other.

While the process of making an appointment is not an issue – most respondents managed to make an appointment through email - they could only get an appointment for the next week or next month. This waiting time resulted in very dissatisfied member satisfaction levels. Respondents are satisfied with the service level at the time of the appointment.

Some tax practitioners experienced good service and helpful consultants, but this gets overshadowed by the majority of negative experiences.

The biggest issue cited by tax practitioners is around the competence and skills levels of consultants at the SARS branches, followed by the constant changing of processes and requirements for applications and submissions. The most common issues, in order of importance, respondents struggle with at SARS are:

1. Registrations, disputes, grounds & reasons for assessments;
2. Tax Clearance Certificates, refunds & changes to banking details;
3. Waiting times to obtain an appointment and then only being able to address one query at an appointment due to the lack of skilled consultants as well as the length of the appointment.
Current service levels have impacted on economic, social and educational factors:

Economic Impact: Time is used unproductively
Additional cost are incurred
Avoidance are promoted
Delays are apparent
It is difficult to price services per hour
Discouraging to new business start ups
Loss in Revenue
Loss in employment and tenders

Social Impact: Contributes to stress and frustration for both the client and the employee
Loss of employments
Work/life imbalances
Credibility and reputational loss

Educational Impact: Loss of staff inhibits training
Constant changing of systems inhibit training
Time is wasted trying to educate clients

The current level of service from SARS offices impact the most on time spent loss of revenue/business and may hold a reputational risk.