

Media Statement



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TO: ALL MEDIA

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RE: ANOTHER TAX PRACTITIONER SENTENCED TO DIRECT IMPRISONMENT FOR FRAUD

Hard work and cooperation between the Specialised Tax Unit of the NPA and the SARS Criminal Investigations Unit continue yielding positive results as a second tax practitioner is convicted and sentenced to direct imprisonment in just over a week after the state successfully prosecuted another one.

Yesterday, the Cape Town Regional Court sentenced John Martin Gradwell Bantam to five years direct imprisonment after convicting the 44 year tax practitioner on 121 counts of fraud.

Nine days ago, the same court convicted and sentenced Ivor Carlo Carolissen to four years after convicting him on more than 300 counts of fraud, theft, forgery, uttering and submitting false entry in tax return. The sentence was wholly suspended with conditions which include house arrest and community service. He also received a further 12 months direct imprisonment wholly suspended for 5 years for failing to submit Income Tax Returns.

During the trial, the prosecutor from the Specialised Tax Unit, Advocate Lunga Ntshokoma, told the court that Bantam was a tax practitioner employed by Barishman Cloete and Associates Incorporated. During the same period, unbeknown to his employer, he recruited taxpayers around Cape Town and completed income tax returns on behalf of the 28 taxpayers where he claimed fraudulent refunds.

He registered them through E-filing and used relevant codes in claiming business losses, medical expenses and deductions in respect of retirement annuity funds contributions. The 28 taxpayers did not have businesses and therefore did not incur any business losses. In some instances, he would inflate medical expenses for medicine obtained over

the counter. The offences were committed over a period of 12 months and he submitted returns as far back as 2003 in respect of other taxpayers.

"When SARS asked for supporting documentations, he generated fictitious financial statements and submitted them to SARS as proof that the taxpayers had businesses. On the strength of such information, SARS paid refunds to the taxpayers of which they were not entitled. For each refund the accused was paid a percentage. Some of the money was paid in his wife's bank account and some paid cash.

"As a result of his actions, SARS paid out R 690 455 75 to the 28 taxpayers and he received R41 517 79 (which could be traced in the bank account- but some was paid to him in cash) as his benefit," Advocate Ntshokoma said.

He added that, the accused employed by a reputable Chartered Accounting Firm, abused his knowledge and driven by greed, enriched himself with the fiscuss money in the process. The accused attempted to stay out of prison as he told the presiding officer that he is the co-primary care giver of the two minor children with ages 10 and 7.

"He indicated before court that he was heavily involved in the wellbeing of the children as his wife was working longer hours. However, the court was of the view that the children would not be not worse off if the accused goes to jail as the wife will take care of the children. This sentence sends a strong message to other tax practitioners that are doing the same thing to the illiterate taxpayers," he added.

The NPA welcomes the sentence.

Kind Regards,

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