

# Media Statement



Tel: +27 12 845 6000

Email:  
[media@npa.gov.za](mailto:media@npa.gov.za)

Victoria & Griffiths  
Mxenge Building  
123 Westlake Avenue  
Weavind Park  
Silverton  
Pretoria

[www.npa.gov.za](http://www.npa.gov.za)

**TO: ALL MEDIA**

**DATE: 12 APRIL 2019**

**RE: BUSINESSMAN SENTENCED TO SEVEN YEARS FOR TAX EVASION**

A 42 year-old businessman from Dewetsdorp in the Free State was yesterday, 11 April 2019, sentenced to seven years direct imprisonment after he was found guilty on two counts of tax evasion by the Bloemfontein Commercial Crimes Court. Magistrate Rasheed Mathews sentenced Emile Scholtz for defrauding SARS of R3.6 million between April and May 2014.

In April 2014, the accused submitted a fraudulent VAT return and he claimed a false refund of R3 080 000. He submitted a second fraudulent tax return in May 2014. In this return, he claimed a false refund of R288 000. The total amount SARS paid to the accused was about R3 368 000.

After SARS had paid the refunds, they audited the account of the accused and the audit department requested him to furnish them with supporting documents for his claims. The accused failed to submit the supporting documents and the audit department referred the matter to the SARS Investigative Unit. An inspection in loco was conducted at Scholtz's business property but no horses were found at the accused's business whereas he claimed that he was in a business of breeding horses and trading as Waterfall Hoenders.

The accused paid back only R600 000. His legal representative requested the court to sentence him to a suspended sentence coupled with correctional supervision. The legal representative also made a request that the accused be given a chance to repay the outstanding amount of R2.8 million over a period of five years.

However, State Prosecutor, Advocate Dickson Sampisi requested the court to impose a term of direct imprisonment because a suspended sentence will send a wrong message

that people can defraud SARS and then make a request to repay the money once their criminal activities have been picked up by law enforcement agencies.

“This is tax payers’ money which the government uses to deliver services to the people. If people like the accused continue to defraud SARS, the government will not be able to collect enough revenue to deliver services and it will have a serious impact on the well-being of the people”, said Sampisi.

Magistrate Mathews stated that agreeing to the accused’s request for suspended sentence will look like he got an unlawful loan from SARS and he is now being given five years on which to pay it back. He then sentenced Scholtz to five years for the first count of tax evasion and two years for the second count.

Kind Regards,

**Phaladi Shuping**

**Regional Spokesperson: DPP Free State**

**Enquiries: [pshuping@npa.gov.za](mailto:pshuping@npa.gov.za)**

**083 699 5900**