

Media Statement



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TO: ALL MEDIA

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RE: FIRST OFFENDER TAX PRACTITIONER SENTENCED TO DIRECT IMPRISONMENT

Zaida Kamish Johaar was sentenced to four years direct imprisonment at the Cape Town Regional Court after she was convicted on charges of income tax fraud. Her fraudulent activities led to SARS to lose R776 551-30. Johaar, 35, defrauded both the State and tax payers through his schemes over a period of two years.

She acted as a tax practitioner to private individuals in her personal capacity whilst employed by a reputable auditing company. She was entrusted with the individual taxpayer's personal information to enable her to file their personal income tax returns by way of e-filing to the South African Revenue Services.

She drew clients by word of mouth and her association with the highly regarded auditing company. She would charge taxpayers a fee that would be payable once they received notification from her that a tax refund would be paid to them. The individual taxpayers were not aware of the accused's fraudulent conduct until the fraudulent operation came to light when SARS was alerted when one of the salaried taxpayers was concerned about the unusually large amount of money she received as a refund.

SARS embarked on an in depth investigation and discovered that the accused fraudulently submitted false and incorrect information via e-filing to SARS in respect of at least 42 taxpayers over a period of more than 24 months which resulted in Income Tax refunds paid out to individual taxpayers amounting to R776 551-30. In the case of six taxpayers the accused even, unbeknown to them, changed their bank details in order for the refunds to be paid into her bank account. She then transferred a reduced amount of the refund to the individual taxpayer's accounts.

The court found that SARS is able to institute action against the individual taxpayers for recovery of the unduly inflated refunds which had been paid out to them. That notwithstanding, the court regarded the loss as actual loss and not potential loss caused to SARS by the accused.

Prosecutor Advocate Tillette Berry of the Specialised Tax Unit said the court once again disapproved of the misappropriation of vast amounts of money from the State and the perpetration of acts of dishonesty deliberately causing the State substantial losses.

The NPA welcomes this sentence as it sends another unambiguous message that defrauding the State will not be tolerated. This also place a financial burden on the State, and impedes its duty to deliver the many basic services required by its citizens. The State's ability to meet its obligations to society at large would be irreparably compromised if such crimes were not severely punished

Advocate Tillette Berry said the State was also granted a confiscation after it brought an application to have the amount which the accused had benefitted personally from her criminal conduct, be paid by her to the State.

As can be seen, you will be caught and you will end up in jail. The courts have made it clear that fines are inappropriate in these circumstances and

accused can expect to go to jail even if they are first offenders as was the case in the above instance.

Kind Regards,

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