

Businessman handed 8-year sentence for VAT fraud

The South African Revenue Services (Sars) has welcomed an eight year sentence handed to a Bloemfontein businessman for fraud.



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MJ Ntabe of Ntabe Trading & Projects CC was recently found to have used false tax invoices in the calculations of VAT Output and Input tax. The Bloemfontein Regional Court this week sentenced Ntabe to five years direct imprisonment for the crime.

The court heard that Ntabe and his company provided the revenue collector auditors with false supporting documents to substantiate the VAT calculations.

It said: “Sars Audit raised additional assessments, which resulted in a total prejudice of R1-million to Sars. The Close Corporation seized operation and only Mr Ntabe was charged and he then pleaded guilty.”

On the 21 counts, Ntabe was sentenced to eight years imprisonment of which three years were suspended for five years

on condition that the accused is not convicted of fraud committed during the period of suspension.

Sars Commissioner Edward Kieswetter noted with concern the scourge of VAT crime, saying it had been on the ascendancy for a long time.

“There are companies that are created for the sole purpose of defrauding Sars. This sentence of direct imprisonment must communicate a clear message that Sars has the capacity to detect fraud and make it costly for the perpetrators,” he said.

Working with other law enforcement, Sars will continue to bring to book those who commit these crimes.

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