

Charges in motion for 'rogue unit' three

As pressure mounts on South African Revenue Service (Sars) commissioner Tom Moyane, the National Prosecuting Authority (NPA) moved against three former Sars officials, who are set to face charges linked to the alleged "rogue unit" at the tax agency.



Tom Moyane, Sars commissioner

The former officials, Ivan Pillay, Johann van Loggerenberg and Andries Janse van Rensburg, are to face charges linked to the alleged bugging of the NPA offices in 2007 and will appear in court on April 9.

Charges linked to the rogue unit were used against opponents of Moyane in the past, with the failed bid by the NPA to charge former finance minister Pravin Gordhan in 2016.

Insiders said the resurrection of the case against the three was aimed at preventing them from returning to Sars once the clean-up by President Cyril Ramaphosa has been finalised.

In his maiden state of the nation address, Ramaphosa announced a commission of inquiry into the running of Sars. The commission was pushed for and first announced by former finance minister Malusi Gigaba but stonewalled by former president Jacob Zuma, who appointed Moyane and has shielded him since 2014.

Business Day understands that an announcement on the details of the commission of inquiry into Sars is imminent.

Parliament is growing increasingly frustrated at Moyane's reluctance to furnish the standing committee on finance with key documents linked to the controversy surrounding Sars's second in charge, Jonas Makwakwa.

Makwakwa was let off the hook during a questionable disciplinary process after the Financial Intelligence Centre flagged about R1.2m in suspicious and unusual transactions into his bank account and that of his partner, Kelly Anne Elskie.

Sars is under pressure to top its R1.2-trillion collections target and has to manage the first value-added tax hike since 1993. On Friday, it announced it had appointed eight debt collectors to recover R16.6bn owed to the tax agency.

One of the debt collectors hired by Sars, New Integrated Credit Solutions, appears in the Financial Intelligence Centre report detailing the suspicious and unusual flow of monies into Makwakwa's bank accounts.

On Sunday, Sars did not reply to requests for comment.

The charges against Pillay, Van Loggerenberg and Janse van Rensburg flow from the now discredited KPMG report into the alleged rogue unit at Sars.

Two counts appear on the summons, delivered to the three on Friday. The counts are for contravention of the Prevention and Combating of the Corrupt Activities Act and the Regulation of Interception of Communications Act.

In a statement from their attorneys on Friday, the three emphatically denied the allegations against them. The KPMG report, which was essentially a documentary review, addressed the alleged bugging of the NPA offices in a project called Sunday Evenings.

But KPMG has retracted parts of the report and refunded Sars the R23m it paid for it. The report is the subject of an inquiry into the conduct of individual KPMG employees' conduct.

Freedom Under Law, reacting to the summonses, said it would write to Ramaphosa to suspend National Director of Public Prosecutions (NDPP) Shaun Abrahams.

"Some 18 months ago NDPP Shaun Abrahams and the NPA suffered a public humiliation when their highly publicised charges against certain former Sars officials and minister Pravin Gordhan had to be abandoned.

"They were faced with clear refuting evidence of which they were, or ought to have been, aware. KPMG has since repudiated its so-called forensic report on which the allegations were largely based," Freedom Under Law's Johann Kriegler said in a statement.

"Now, once again, the NPA, urged on by Sars commissioner Tom Moyane, has seen fit to revive the 'rogue unit' fable." Freedom Under Law is convinced that the current allegations are as groundless as those of 2016 and will suffer the same fate."

Pillay and Van Loggerenberg, in a statement from their attorneys, said they would write to the NPA and ask for the opportunity to make representations on the looming charges.

Source: *Business Day*