

Company, director sentenced for R5.7m Sars fraud

The South African Revenue Service's (Sars) efforts to clampdown on swindlers received a shot in the arm when a company and its director received suspended sentences for defrauding the revenue collector of R5.7 million.



Source: karen roach – [123RF.com](https://www.123RF.com)

This came after YB Mashalaba and Associates (Pty) Ltd and its director, Yandisa Bavulele Mashalaba, pleaded guilty in the Bloemfontein Regional Court of PAYE fraud for claiming a false PAYE credit of the R5.7 million.

In a statement, Sars said an investigation by its auditors found that a false Pay-As-You-Earn (PAYE) credit was submitted to nullify a tax debt to the value of R5.6 million.

The PAYE credit was disallowed by the Sars auditors, said the revenue collector.

The company was fined R100,000 suspended wholly for five years, while the director was fined R500,000 or five years imprisonment suspended wholly for five years.

Sars Commissioner Edward Kieswetter in the statement said companies and their directors would face criminal prosecution if they transgressed the law and tried to defraud the fiscus of any revenue that was due to the state.

“Sars will make it hard and costly for any taxpayer who wilfully and intentionally seeks to break the law as we expect every taxpayer to meet their obligations and pay their fair share of tax,” he said on Tuesday.

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