

Estina dairy farm tax fraud trial underway

The State's first witness in the R37.7m Estina dairy farm tax fraud trial is expected to continue his testimony in the Pretoria Magistrate's Court today.



Image source: Jan Koetsier from [Pexels](#)

This is another matter from the main R280m Estina farm fraud and corruption case, which implicated the former Minister of Mineral Resources, Mosebenzi Zwane.

National Prosecuting Authority Investigating Directorate (NPA ID) spokesperson, Sindisiwe Seboka, said the accused on trial are known Gupta associates Kamal Vasram and Saliesh Indurjeeth, who have pleaded not guilty.

“The Pretoria Magistrate's Court heard evidence from the State's first witness, Piet Swart, a Sars investigator [on Monday]. Swart testified about the customs clearance submission, which relates to nine shipping containers that carried different dairy equipment purportedly from Gateway Limited in the UAE.

“[Vasram and Indurjeeth] face charges of fraud, contravention of Section 54(1)(A) of the International Trade Administration

Act and contravention of Regulation 22 of the Exchange Control Act - charges arising from a joint investigation by Sars and the Investigating Directorate,” Seboka said.

Meanwhile, the Johannesburg Specialised Commercial Crimes Court has sentenced a 47-year-old man to 12 years' imprisonment for crimes related to fraudulent tax returns.



Estina Farm project case transferred to Bloemfontein High Court

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NPA spokesperson, Phindi Mjonondwane, said 47-year-old Harisu Bukari and his company were charged with some 19 counts of fraud, two of forgery and uttering after claiming undue VAT refunds worth over R2.7m.

Mjonondwane explained that Bukari's company was “was not legally entitled to claim VAT refunds” from the South African Revenue Service (Sars).

“A business entity is compelled under certain conditions to register for VAT with Sars. Once registered, the entity is then referred to as a VAT Vendor and it must levy VAT on the supply of goods and services. This is referred to as Output Tax. The VAT Vendor is also entitled to claim VAT on various expenses incurred, be it capital or operational expenses, provided it is for the furtherance of the business as permissible by the VAT Act. This is referred to as Input Tax.

“Every VAT Vendor must submit periodic returns to Sars, accounting for both Input and Output Tax. The form rendered periodically is referred to as a VAT 201 return. Sars places upon the bona fides and honesty of each VAT Vendor to calculate and administer the amount payable to Sars or refundable to the VAT Vendor on a basis of trust between Sars and the VAT Vendor.

“The NPA applauds Advocate Mzuhleli Mcosini and investigators from Sars' Criminal Investigations unit for ensuring that the accused faces the full might of the law for abusing the trust that Sars placed on him as a VAT Vendor and hope that the sentence imposed will serve to deter citizens from avoiding tax liability through criminal conduct,” Mjonondwane said.

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