

MEDIA RELEASE: PSA welcomes R7.5 billion funding for South African Revenue Service to improve revenue collection

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The Public Servants Association (PSA) has noted with appreciation that the South African Revenue Service (SARS) was allocated an additional R7.5 billion in funding over the next three years to improve and modernise its systems in support of improved revenue collection.

During the 2025/26-budget speech on 12 March 2025, SARS appeared to be one of the entities that was given a reprieve in terms of infrastructure improvement, with an allocation of R7.5 billion for the next three years. This support comes at an opportune time to address reported massive tax evasion and non-compliance resulting in around 100 000 persons earning more than R1 million not being registered for tax. SARS projected that additional R100 billion in revenue could be raised if these persons can be traced and comply with their tax obligations. The additional financial resources will assist SARS to improve its collection streams to raise more tax for the national fiscus.

The PSA calls on SARS to put more effort onto existing investments towards increased tax compliance and the clamp down on non-compliance. SARS is on record complaining about the inadequacy of its infrastructure, which may have resulted in a potential of R800 billion in uncollected revenue for South Africa. The opportunity to modernise SARS platforms will also assist in combatting illicit financial flows, financial tax crime, and other forms of non-compliance. Human resources should further be trained to, supported by the latest technology, enable SARS to achieve its constitutional mandate.

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