

Officials clash over customs tax collection

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Two senior government officials had a brief and heated exchange on Tuesday, 18 October 2016, over the controversial Border Management Bill and the proposed Border Management Agency.



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The bill and the proposed agency have been a source of tension between the Department of Home Affairs and the Treasury, with the bone of contention being the issue of revenue collection.

The idea of a Border Management Agency has been on the table for six years.

The home affairs portfolio committee met to discuss the Border Management Authority Bill and study its clauses.

At the meeting, exchanges between home affairs director-general Mkuseli Apleni and Treasury deputy director-general Ismail Momoniat showed the rift between their two departments. Momoniat said revenue collection functions in migration should remain with the SA Revenue Service (SARS) as recommended by the Davis tax commission.

Tax collection and tax administration could not be separated, he argued.

"We are saying that the way forward is that the customs issues should be taken out of this bill," Momoniat said.

"We want certainty for SARS and that is not to say we don't want a co-ordinated and mandated approach."

Apleni said the Treasury's misgivings were holding up the matter from being concluded.

"You will now deal with this matter, chair. We are here based on a Cabinet decision and not on the mandate of home affairs. Cabinet approved the bill and there is nothing I can comment about. The bill in front of us is approved by Cabinet," he said.

The portfolio committee directed the two departments to iron out their differences over the bill. Home affairs said it was willing to allow SARS to collect revenue from customs.

It also emerged at the meeting that committee chairman Lemias Mashile had written to the Treasury's director-general, Lungisa Fuzile, pleading for an exemption on the department's salary ceiling so it could hire immigration inspectors for the new Border Management Agency.

In the letter to Fuzile, Mashile asked that the Department of Home Affairs be exempt from the 13 January 2016 decision to set a progressive ceiling on compensation for employees of R3.3bn by 2018-2019, to allow the department to appoint more immigration inspectors.

"The committee felt strongly to make a plea to yourself and the minister of finance to exempt this department on this Cabinet decision " and consider budgetary allocation requests by the department for the purposes of filling vacant posts, appoint appropriately trained security personnel, increase immigration inspectorate and progressively staff the Border Management Agency," Mashile wrote.

Mashile said that aside from the appointment of more immigration inspectors, the agency would not be costly, as staff who were already working in migration at other agencies would be absorbed into the agency once it was established.

Source: Business Day

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