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CRY WOLF!



The incisive newsletter for tax analysts with too much time on their hands.

Yet Another Publication?

Our gentle readers may wonder why there is the need for yet another publication in the tax market in South Africa. It is a small, overcrowded market with many publications whose objective it is to variously inform, shock, and horrify. And sometimes, we fear, to bore! Yet your editors believe there is still room for a small specialist newsletter that will give meaning to the concept of a tax publication with bite.

- Olfo and Pawsa Rilpa

Disturbing Discrimination!

Pete Bogg has brought an example of truly disturbing discrimination in the tax system in South Africa to our attention.



The tale commences with a request for a ruling from SARS that a lycanthrope is not a person for income tax purposes. This request was based on the judgment in Rex v Masterton 17 All GR 1832, which held, in a criminal context, that a lycanthrope is not a person when the moon is in full phase.

Unsurprisingly SARS took the position that the judgment is of no relevance since a lycanthrope takes human form at other times and is therefore self-evidently a person for purposes of the Income Tax Act, 1962.

Apart from noting that this decision demonstrates that even a broken clock tells the correct time twice a day, we find ourselves in complete agreement with SARS. It is, however, the *sequelae* that are of concern.

The arachnid Shelob sought a ruling confirming that she was a person for income tax purposes. The ruling was denied on the basis that an arachnid never takes human form. With respect, this decision ignores the substance of the matter and relies completely on form. We also understand that the shock of this discrimination has led to Shelob vowing to go into seclusion in darkness.

We are certain that SARS' dismaying decision is simply an error flowing from an utter lack of imagination. The staff concerned may take some comfort from the fact that this is a dismal deficiency they share with their colleagues across the world. International worst practice, as it were! Perhaps now that their error has been drawn to their attention, they will break ranks and demonstrate that they can imagine things with the best of the rest of us.

- Olfo and Pawsa Rilpa

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