



THE SUPREME COURT OF APPEAL OF SOUTH AFRICA
MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF
APPEAL

From: The Registrar, Supreme Court of Appeal

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CSARS v Bullion Star (Pty) Ltd (894/2024) [2025] ZASCA 76 (22 May 2026)

Today, the Supreme Court of Appeal (SCA) handed down judgment wherein the appeal was dismissed with costs, including the costs of two counsel where so employed, against the order granted by the Gauteng Division of the High Court, Pretoria (the high court).

The judgment concerns the validity and consequences of a search and seizure warrant issued in terms of s 60 of the Tax Administration Act 28 of 2011 (the Tax Administration Act). The SCA, by majority, dismissed the appeal. A minority judgment would have upheld the appeal and remitted the matter to the high court for reconsideration.

The matter arose after the Commissioner for the South African Revenue Service (SARS) obtained, on an ex parte basis, a search and seizure warrant against Bullion Star (Pty) Ltd (Bullion Star), a licensed gold refinery and exporter. SARS alleged that Bullion Star was involved in the purchase and sale of Krugerrand gold coins rather than second-hand gold, resulting in potential VAT non-compliance for the period November 2020 to February 2022. The warrant authorised searches at Bullion Star's business premises as well as at the residences of its director and an employee.

Bullion Star launched an urgent reconsideration application in terms of rule 6(12)(c) of the Uniform Rules of Court. It contended that the warrant was overbroad, unsupported by the founding affidavit, and inconsistent with the purpose for which SARS sought it. Bullion Star further alleged that SARS had failed to disclose relevant facts and that less intrusive means were available to obtain the information sought.

During the reconsideration proceedings, SARS conceded that the warrant was overbroad and sought a limitation of its scope through a proposed draft order. The high court nevertheless set the warrant aside in its entirety and interdicted SARS from using information obtained pursuant to the warrant. SARS appealed that order to the SCA.

The principal issues before the SCA were whether the overbroad portions of the warrant could be severed and whether the parties' consent order permitted SARS to continue using information obtained pursuant to the warrant for purposes of the VAT audit.

The majority judgment held that the warrant was materially overbroad and inconsistent with the limited purpose for which SARS had sought it. Relying on constitutional principles protecting the right to privacy, as well as authorities including the Constitutional Court, the majority reiterated that warrants must be drafted with sufficient particularity and may not exceed what the authorising statute permits.

The majority further held that SARS had not established a basis upon which the high court ought to have exercised its discretion to sever or amend the warrant after its execution, particularly where SARS had initially defended the warrant in its entirety and only conceded overbreadth during argument. The majority concluded that the warrant did not appropriately balance SARS's investigatory powers with the constitutional right to privacy.

In relation to the consent order concluded pending the reconsideration application, the majority held that it operated on an interim basis and did not entitle SARS to continue using information obtained pursuant to the warrant after the warrant had been set aside.

The minority judgment held that the high court ought to have considered whether the overbroad portions of the warrant could be severed and whether SARS could retain and use certain material under s 66(4) of the Tax Administration Act. The minority further held that paragraph 7 of the parties' consent order reflected an agreement permitting SARS to use the seized information for purposes of the VAT audit for the relevant period.

In the result, the majority of the SCA dismissed the appeal with costs, including the costs of two counsel where so employed.

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