Statutory Instrument No. 21 of 1996

CUSTOMS AND EXCISE DUTY ACT
(Cap. 50:01)

AMENDMENT OF SCHEDULES (NO. 13) NOTICE, 1996
(Published on 15h March, 1996)

IN EXERCISE of the powers conferred on the Minister of Finance and Development Planning by sections 52 and 53 of the Customs and Excise Duty Act, the Schedules to the Act are proposed to be amended to the extent set out in the Schedule below.

Schedule No. 1 to the Act

With restrospective effect to 1 September 1995

HEADING	SUB-HEADING	C. D.	ARTICLE DESCRIPTION	STATIS-TICAL UNIT	RATE OF DUTY
87.02			By the substitution of sub-heading No. 8702.10.80 of the following:		
	".80	9	Other, of a vehicle mass not exceeding 2 000 kg	u	65%"
87.04			By the substitution of sub-heading No. 8704.21.80 of the following:		
	".80	7	Other, of a vehicle mass not exceeding 2 000 kg or a G.V.M. not exceeding 3 500 kg, or of a mass not exceeding 1 600 kg or a G.V.M. not exceeding 3 500 kg per chassis fitted with a cab.	u	65%"
			By the substitution of sub-heading No. 8704.31.80 of the following:		
	".80	1	Other, of a vehicle mass not exceeding 2 000 kg or a G.V.M. not exceeding 3 500 kg, or of a mass not exceeding 1 600 kg or a G.V.M. not exceeding 3 500 kg per chassis fitted with a cab.	u	65%"
			By the substitution of sub-heading No. 8704.90.80 of the following:		
	".80	2	Other, of a vehicle mass not exceeding 2 000 kg or a G.V.M. not exceeding 3 500 kg, or of a mass not exceeding	u	65%"

HEADING	SUB-HEADING	C. D.	ARTICLE DESCRIPTION	STATIS-TICAL UNIT	RATE OF DUTY
			1 600 kg or a G.V.M. not exceeding 3 500 kg per chassis fitted with a cab.		
87.06			By the substitution for subheading No. 8706.00.20 of the following:		
	".20	5	Other of a vehicle mass exceeding 1 600 kg and of a G.V.M. exceeding 3 500 kg.	u	40%"

By the substitution of Section XXII of the following:

"SECTION XXII

SPECIAL CLASSIFICATION PROVISIONS

CHAPTER 98

ORIGINAL EQUIPMENT COMPONENTS

ADDITIONAL NOTES:

1. Motor vehicle manufacturers importing original equipment components provided for in this Chapter must be approved by the Permanent Secretary, Ministry of Commerce and Industry.
2. Automotive components described in any other Chapter of Schedule No. 1 shall, if imported by a motor vehicle manufacturer approved by the Permanent Secretary, Ministry of Commerce and Industry for the assembly or manufacture of motor vehicles specified in this Chapter, be deemed to be original equipment components classifiable in this Chapter.
3. Original equipment components under the provisions of this Chapter shall include all automotive components as defined in Note 8 for incorporation in motor vehicles specified in this Chapter, but shall not include consumables or materials if not cut to size or shape or made up suitable for such use.

4. (a) "Consumables" means those goods which are used in the manufacture of motor vehicles and components therefor, but do not form part of such motor vehicles or components.
   (b) Any reference in this Chapter to a tariff heading comprising two digits followed by a point and two noughts (for example 01.00) shall, for the purposes of Note 5 to this Part, be construed as referring to all tariff headings in part 1 of this Schedule the first two digits of which correspond to the two digits referred to in this Part.

5. Original equipment components for motor vehicles enumerated under heading No. 98.01 shall not include automotive components of which —

   (i) the floor panels, body sides or roof panels are permanently attached to each other (except in the case of cabs for road tractors for semi-trailers of a vehicle mass exceeding 1 600 kg, for motor vehicles for the transport of goods of a vehicle mass exceeding 2 000 kg and a G.V.M. exceeding 3 500 kg for chassis fitted with cabs of a mass exceeding 1 600 kg and a G.V.M. exceeding 3 500 kg in which case the cabs may be assembled and trimmed);
   (ii) the engine and transmission assembles, axles, radiators, suspension components, steering mechanisms, braking or electrical equipment or instrumentation are fitted to such floor pans or chassis frames; and
   (iii) the bodies/cabs are fitted to floor pans or chassis frames (except in the case of vehicles of a mono-built construction of a vehicle mass exceeding 2 000 kg).

6. The expression "vehicle mass' shall be taken not to include the mass of any fuel or water but to include the mass of any lubricants, spare wheel and tools which are supplied as standard equipment.

7. The expression "mono-built" shall be taken to mean a vehicle —

(i) without a chassis frame in which the body itself supports the engine, transmission and axles; or
(ii) of unitary body construction, with or without certain elements of the chassis incorporated in the body.

8. For the purposes of this Chapter "automotive components" means a new article which can be identified as being suitable for use in the manufacture of motor vehicles manufactured under rebate items 317.04 and 317.07 or original equipment components, including carpet cut to floorpan shape, leather seat covers cut to size, unfinished articles, including blanks and rouch castings, having the essential character of automotive components.

HEADING	SUB-HEADING	C. D.	ARTICLE DESCRIPTION	STATIS-TICAL UNIT	RATE OF DUTY
98.01	9801.00		Original equipment components:		
	9801.00.10	0	For road tractors for semi-trailers of sub-heading No. 8701.20 of a vehicle mass not exceeding 1 600 kg	kg	49%
	.15	0	For road tractors for semi-trailers of sub-heading No. 8701.20 of a vehicle mass exceeding 1 600 kg	kg	49%
98.01	.20	7	For motor vehicles for the transport of ten or more persons including the driver, of heading No. 87.02 of a vehicle mass not exceeding 2 000 kg	kg	49%
	.25	8	For motor vehicles for the transport of ten or more persons including the driver of heading No. 87.02 of a vehicle mass exceeding 2 000 kg (excluding vehicles of subheading No. 8702.10.10)	kg	49%
	.30	4	For motor cars (including station wagons) of heading No. 87.03	kg	49%
	.40	1	For motor vehicles for the transport of goods of heading No. 87.04, of a vehicle mass not exceeding 2 000 kg or of a G.V.M. not exceeding 3 500 kg, or of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg per chassis	kg	49%

HEADING	SUB-HEADING	C. D.	ARTICLE DESCRIPTION	STATIS-TICAL UNIT	RATE OF DUTY
98.01	.40	1	fitted with a cab (excluding dumpers designed for off-highway use, shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-road logging trucks).		
	.45	2	For motor vehicles for the transport of goods of heading No. 87.04, of a vehicle mass exceeding 2 000 kg and of a G.V.M. exceeding 3 500 kg, or of a mass exceeding 1 600 kg and of a G.V.M. exceeding 3 500 kg per chassis fitted with a cab (excluding dumpers designed for off-highway use, shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-road logging trucks).	kg	49%
98.01	.50	9	For chassis fitted with engines of heading No. 87.06, of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg (excluding those for dumpers of a G.V.M. not exceeding 3 500 kg (excluding those for dumpers designed for off-highway use, shuttle cars and low construction flameproof vehicles, for use in underground mines and off-the-road logging trucks).	kg	49%
	.55	8	For chassis fitted with engines of heading No. 87.06 of a mass exceeding 1 600 kg and of a G.V.M. exceeding 3 500 kg (excluding those for dumpers designed for off-highway use, shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-ground logging trucks).	kg	49%"

Schedule No. 3 to the Act

With effect from 1 January 1996

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
316.13				By the substitution for tariff heading 84.09 of the following:	
	"84.09	01.00	49	Parts suitable for use solely or principally with the engines of heading No. 84.01 or 84.08 subject to a permit in such quantities, at such times and subject to such conditions as the Permanent Secretary, Ministry of Commerce and Industry may allow	Full duty"
				By the substitution for tariff heading 84.83 of the following:	
	"84.83	01.00	47	Parts suitable for use solely or principally with the engines of heading No. 84.07 or 84.08 subject to a permit in such quatities, at such times and subject to such conditions as the Permanent Secretary: Ministry of Commerce and Industry may allow	Full duty"
317.03				By the substitution for rebate item 317.03 of the following:	
"317.03				317.03 INDUSTRY: Motor vehicle assembly NOTE: This rebate item covers the assembly of disassembled motor vehicles and chassis therefore or the assembly of such vehicles imported in an unassembled condition not complying with the definition in Note 5 to Chapter 98 of Schedule No.1 Furthermore, the rebate is subject to a manufacturing programme as agreed upon by	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
				the Contracting Parties to the Southern African Customs Union and in such quantities, at such times and subject to such further conditions as determined by the said Contracting Parties in terms of a specific permit issued by the Permanent Secretary, Ministry of Commerce and Industry.	
317.03	87.00	01.02	21	Disassembled or unassembled road tractors for semi-trailers, of sub-heading No. 8701.20, of a vehicle mass not exceeding 1 600 kg	Full duty less 23%
		02.02	24	Disassembled or unassembled motor vehicles for the transport of ten or more persons, including the driver, of heading No. 87.02, of a vehicle mass not exceeding 2 000 kg	Full duty less 23%
		03.02	28	Disassembled or unassembled motor cars (including station wagons) of heading No. 87.03	Full duty less 23%
		04.02	23	Disassembled or unassembled motor vehicles for the transport of goods, of heading No. 87.04, of a vehicle mass not exceeding 2 000 kg or a G.V.M. not exceeding 3 500 kg or of a mass not exceeding 1 600 kg or a G.V.M. not exceeding 1 600 kg or a G.V.M. not exceeding 3 500 kg per chassis fitted with cab (excluding motor vehicles of subheading No. 8704.10)	Full duty less 23%
317.03		05.02	28	Disassembled or unassembled chassis fitted with engines, of heading No. 87.06, of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg (excluding those for motor vehicles of subheading No. 8704.10)	Full duty less 23%

With restrospective effect to 1st September 1995

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				By the substitution of rebate item 317.04 of the following:	
317.04				Industry: Specified motor vehicles Notes: 1. The extent of rebate provided for in this item shall not exceed the duty payable on the goods imported in terms of Chapter 98 of Schedule No. 1. 2. Registrants under this item shall:	
317.04				(i) (a) during the first accounting period, as defined in Note 3(a) submit a customs account for the first four months period to the Director and any customs duty due shall be brought to account on bill of entry for home consumption within thirty days from the closing date of such account but not later than the penultimate official working day of the month following the period of four months during which the date for closing of duty accounts occurs and for the four remaining quarters submit accumulative quarterly customs accounts to the Director and any customs duty due shall be paid on	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				a provisional payment within thirty days from the closing date of each quarter and should it be found that the accumulative duty payable at the end of a quarter is less than that paid at the end of the previous quarter, such difference in duty shall be refunded to the motor vehicle manufacturer, if however, the duty payable should be more than that paid at the end of the previous quarter, the motor vehicle manufacturer shall bring the difference in duty to account by means of a provisional payment, provided that at the end of the accounting period, the duty due on the final return so calculated shall be brought to account on a bill of entry for home consumption within thirty days from the closing date of such account but not later than the penultimate official working day of the month following the period of twelve months during which the date for closing of duty accounts occurs and the provisional payments refunded; and	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
				(b) during the second and ensuing accounting periods as defined in Note 3(b), submit customs accounts to the Director and any customs duty due shall be brought to account on a bill of entry for home consumption within thirty days from the closing date of the relative accounting period but not later than the penultimate official working day of the month following the period of three months during which the date for clsoing of duty accounts occurs.	
				(ii) For the purposes of notes 2(1)(a) and (b) the duty due shall be the duty applicable on the date of the certificate for removal of excisable/specified goods ex warehouse (form CE 32)	
				(3) The accounting periods shall be as follows:	
				(a) The first accounting period for orginal equipment components entered under this rebate item, those received from local component manufacturers or suppliers and motor-vehicles produced shall be for five periods commencing on 1 September 1995, consisting of a four month'period followed by four periods of three months each and shall end on 31 December 1996.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
				(b) The second and ensuing accounting periods shall be on a quarterly basis commencing on 1 January 1997.	
				4. "Import rebate credit certificates" means certificate issued by the Permanent Secretary, Ministry of Commerce and Industry in respect of eligible exports of goods defined in Note 5.	
317.04				5. "Eligible exports" means exports of any of the following which are new and unused at the time of export:	
				(a) Specified motor vehicles defined in Note 7 manufactured under this rebate item and exported from the licensed premises by the manufacturer.	
				(b) Motor vehicles manufactured under rebate item 317.07 and exported from the registered premises by the manufacturer.	
				(c) Automotive components and automotive tooling as defined in Note 10 for which a certificate was issued by the Permanent Secretary, Ministry of Commerce and Industry that the export of such components and tooling contribute to the achievement of the overall objectives of the Government's Motor Industry Development Programme.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
				Such components and tooling shall, furthermore, meet the following criteria, namely that — (i) They were wholly or partly manufactured in the common Customs area; (ii) not less than 25 per cent of the foreign currency earnings (as defined in Note 9) of the component is represented by the sum of: - the cost of labour in the common customs area; - the value of materials of the common customs area; - the factory overhead expenses (excluding pro-) fit) incurred in the common customs area in respect of the components and tooling; and (iii) the final process of manufacture (which may not include packaging or painting operations) was carried out in the common customs area, (d) Motor vehicles, automotive components and automotive tooling (as defined in Note 10) exported between 1 June 1995 and 31 August 1995 and which was not utilised under any	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
				provision of rebate item 609.17 prior to 1 September 1995.	
317.04				6. For the purposes of Note 5: (a) the Permanent Secretary, Ministry of Commerce and Industry may, based on information provided by the component manufacturer, in respect of exports considered to be eligible to earn import rebate credits, issue such certificate subject to such conditions as he may determine and (b) "automotive tooling" shall be regarded as automotive components. 7. "Specified motor vehicles "means: (a) road tractors for semi-trailers of subheading No. 8701.20 of a vehicle mass not exceeding 1 600kg: (b) motor vehicles for the transport of ten or more persons, including the driver, of heading No. 87.02, of a vehicle mass not exceeding 2 000 kg (excluding those of subheading No. 8702.10.10); (c) motor cars (including station wagons) of heading No. 87.03; (d) motor vehicles for the transport of goods heading No. 87.04 of a vehicle mass not exceeding 2 000 kg or a G.V.M. not exceeding 3 500 kg or of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg per chassis fitted with a cab (excluding motor vehicles of subheading	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				No. 8704.10, shuttle cars and low construction flame-proof vehicles for use in underground mines and off-the-road logging trucks); and (e) chassis fitted with engines heading No. 87.06, of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg (excluding those for motor vehicles of sub-heading No. 8704.10 shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-road logging trucks). 8. "The value of any import rebate credit certificates in respect of eligible exports "means the foreign currency earnings as defined in Note 9 of such goods at the place of despatch from the common customs area less the foreign currency usage as defined in Note 18. 9. The expression "foreign currency earnings"(means the free carrier value (i.e. free-on-board (f.o.b.) and, in the case of overland transport through exit points in the common customs area, free-on-rail (f.o.r.), or free-on-truck (f.o.t.). at the border) of export sales. For the purposes of the definition the following shall not form part of the foreign currency earnings, namely:	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				(a) Freight and insurance costs respect of eligible exports, outside the common customs area, whether or not these costs have been paid for in the common customs area;	
				(b) any expenditure or costs, of whatever nature incurred by an exporter for any activity, including services performed, or to be performed outside the common customs area for any export sale, including, but without limiting it to -	
				(i) commission paid to an overseas representative;	
				(ii) Costs incurred in the marketing, advertising, positioning, warehousing, repairing and clearance of products sold in terms of an export sale; and	
				(iii) any taxes, import and excise duties, whether or not such expenditure or costs have been paid, or are payable, in the common customs area, provided that, in the event of any dispute arising as to the determination of foreign currency earnings, the	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				Permanent Secretary, Ministry of Commerce and Industry may determine a national foreign curency earning. 10. "Automotive tooling" means - - dies for drawing or extruding metal, of subheading No. 8207.20; - tools for pressing, stamping or punching, of subheading No. 8207.30; - work holders of subheading No. 8466.20; - assembly jigs of subheading No. 8479.89; and - injection moulds, moulding patterns and moulds of heading No. 84.80, where the principal use is for the manufacture of specified motor vehicles and automotive components for such motor vehicles. 11. "Duty free allowance" means 27 per cent of the value for duty free allowance purposes as defined in Note 12 plus in respect of each motor vehicle of a value for duty free allowance purposes of less than UA40 000, .0030 per cent per UA1 value in respect of each UA1 value less than UA40 000.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				12. The value for duty free allowance purposes means the value, determined on the basis prescribed in this Note, of all motor vehicles produced in terms of this item during a quarter and ready for sale, excluding such vehicles exported during the same quarter; provided that such value shall further be reduced by the value for duty free allowance purposes allocated in any previous period, to any such motor vehicle exported during the specific quarter. For the purpose of this note: (a) the value for duty free allowance purposes for such a quarter shall be the recommend retail list price for the domestic market (exclusive of VAT and ad valorem excise duty in terms of Schedule 1 Part 2B), applicable to such motor vehicle/s at the time of production thereof, less a company specific percentage/s determined by the Permanent Secretary, Ministry of Commerce and Industry on a quarterly basis; (b) the company's specific percentage/s shall be shall be based on the financial information of the quarter prior to the production quarter prior to the production quarter	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				and shall inter alia include the variance/s between the average recommended retail list price/s (exclusive of VAT and ad valorem excise duty in terms of Schedule 1 Part 2B), and the average invoice price/s (excluding VAT and ad valorem excise duty) of the specific motor vehicle manufacturer, plus any other cost item/s which may result in a distortion of sales price/s which may include, but not limited to discounts, commissions and service contracts. The information shall, for purposes of Note 12, be based on sales on the domestic market and to buyers not related to the vehicle manufacturer in terms of section 66(2)(a) of the Act;	
				(c) the Permanent Secretary, Ministry of Commerce and Industry may determine the apportionment of any related item and may, if the company specific percentage/s were incorrectly calculated, adjust such percentage/s restrospectively,	
				(d) the Permanent Secretary, Ministry of Commerce and Industry may request a report that includes computations and schedules supporting the calculation of the company specific percentage/s from the registered motor vehicle manufacturer, or his pra-	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				ctising accountant or auditor registered in terms of Section 15 of the Accountants' and Auditors' Act 1991 at the cost of the Registered Motor Vehicle Manufacturer. (e) the Permanent Secretary, Ministry of Commerce and Industry may in the case of any model for which relevant price and cost structures are not available, determine the company's specific percentage/s in consultation with the motor vehicle manufacturer. (f) the Director may, in the case of any model for which a recommended retail list price (exclusive of VAT and ad valorem excise duty) is not available, determine a recommended price in consultation with the motor vehicle manufacturer. 13. For purposes of Note 12: (i) all documentation, including but not limited to books of account, which support or may support information furnished in respect of the company's specific percentage/s shall be kept for a period of not less than three years from the end of the production quarter and shall be made available and produced to the Ministry of	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				Commerce and Industry on request for purposes of verification and should such documentation not be available, all benefits relating to such documents are recoverable. (ii) the Permanent Secretary, Ministry of Commerce and Industry may, for the period 1 September 1995 to 31 December 1995, determine a provisional company's specific percentage/s in consultation with the motor vehicle manufacturer, which may be adjusted with restrospective effect. 14. The duty free allowance in any period shall in the first instance be utilised by such manufacturer to reduce the value of original equipment components entered under this rebate item and the foreign currency usage incorporated in original equipment components purchased from any person in the common customs area. Any excess duty free allowance may be utilised by such manufacturer to reduce the value of motor vehicles imported under rebate item 460.17.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				15. (i) The motor vehicle manufacturer shall obtain certificates (forms CE 190) as prescribed by rule declaring the foreign currency usage in respect of automotive components for use in the manufacture of motor vehicles, purchased from any person in the common customs area. Such certificates shall be obtained at the times and in the manner as prescribed by the Director from time to time. (ii) If such certificates are not obtained or duly completed, the foreign currency usage in respect of such goods shall be deemed to be the price at which such goods were purchased by the motor vehicle manufacturer. 16. (i) The foreign currency earnings in respect of exports by local component manufacturers, suppliers or other exporters shall be supported by a certificate (form CE 190) as prescribed by rule declaring the foreign currency usage in respect of imported automotive components and imported materials excluding consumables incorporated into each type of automotive component and automotive tooling exported.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				(ii) The foreign currency earnings in respect of motor vehicles, automotive components and automotive tooling exported by a motor vehicle manufacturer shall be supported by a certificate (form CE 190) as prescribed by rule declaring the foreign currency usage in respect of imported automotive components and imported materials excluding consumables incorporated into such exports.	
				(iii) If such certificates duly completed are not obtained the foreign currency usage in respect of such motor vehicles, automotive components and automotive tooling exported shall be deemed to be the full value of the foreign currency earning.	
				(iv) The value of precious metals in respect of catalytic converters whether or not incorporated in exhaust systems shall be restricted to 90% of the value of South African precious metals incorporated therein.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				17. For the purposes of Notes 15 and 16 the Permanent Secretary, Ministry of Commerce and Industry may determine the method and basis of calculation and method and conditions regarding the verification of the foreign currency usage declared on such certi-cates and may verify the correctness of such foreign currency usage.	
				18. "Foreign currency usage" means the value for customs duty purposes of any imported compo-nents and materials (excluding cunsumables, petrol, distillate fuels, lubricating grease and prepared engine, gearbox, streering case and drive-axle lubricating oils) imported by or purchased from any person in the common customs area and used in the manufacture or assembly of automotive components, specified motor vehicles and automotive tooling.	
				19. In addition to any liablilty of component manufacturers and suppliers to declare the correct foreign currency usage motor vehicle manufacturers acquiring such foreign currency usage shall be liable for any discre-pancies resulting from the underdeclaration of foreign currency usage by such component manu-facturers and suppliers, and shall remain liable for the import duty as if no rebate had been allowed. In the event a dispute as to whether a motor vehicle manu-facturer is entitled	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				to a rebate claim, the onus shall rest on such motor vehicle manufacturer to prove its entitlement to the rebate.	
				20. The Permanent Secretary, Ministry of Commerce and industry may issue import rebate credit certificates to exporters approved by him in respect of eligible exports as defined in Note 5 exported provided the undermentioned conditions are complied with:	
				(a) Such goods were packed and exported under customs supervision unless otherwise determined by the Director; and	
				(b) All export documentation supportèd by duly completed forms CE 190 and proof of repatriation of funds for the goods exported be kept available by the registered exporter under such conditions that may be determined by the Permanent Secretary, Ministry of Commerce and Industry.	
				(c) In order to qualify for stated benefits, applications for import rebate credit certificates are to be submitted to the Permanent Secretary, Ministry of Commerce and Industry not later than twelve months from the date of the export bill of entry.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				(d) Only goods which have physically left the common customs area may qualify. Such foreign currency earnings may only qualify for import rebate credit certificates if proof, to the satisfaction of the Permanent Secretary, Ministry of Commerce and Industry, has been furnished to include evidence that the payment of such proceeds emanates from the direct inflow of foreign exchange through a registered banking institution.	
				Non-compliance with any of the above will not release the user of the import rebate credit certificate of any obligations in terms of this item.	
				21. For the purposes of Note 15and 20, the Permanent Secretary, Ministry of Commerce and Industry may:	
				(a) prescribe the method, basis and conditions on which applications for import rebate credit certificates and the substantiation and verification of such applications, shall be based. All documentation, including but not limited to books of account, which support or may support an applica-	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				tion for an import rebate credit certificate in terms of the scheme, shall be kept for a period of not less than five years from the date of the certificate and shall be available and produced to the Ministry of Commerce and Industry on request for purposes of verification and should such documents not be available all benefits relating to such documents are recoverable. (b) for the period 1 September 1995 to 31 December 1995 under such circumstances as he may prescribe issue provisional import rebate credit certificates before proof of payment is produced provided such proof of payment is produced not later than twelve months from the date of the export bill of entry. 22. In addition to the liability of suppliers or component manufacturers to declare the correct foreign currency usage and of exporters to declare the correct foreign currency earnings, the person in whose name an import rebate credit certificate is issued shall be liable for any discrepancies resulting from the under or over declaration of foreign currency usage or	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				earnings or any other other incorrect information supplied, for whatever reason, which resulted in the issue of an incorrect certificate and shall remain liable for the import duty as if no rebate had been allowed. In the event of a dispute as to whether such person is entitled to a rebate claim, the onus shall rest on him to prove his entitlement to the rebate.	
				23. The Permanent Secretary, Ministry of Commerce and Industry shall indicate, based on information supplied by the applicant, on the import rebate credit certificate, whether it is in respect of automotive components, automotive tooling or motor vehicles exported.	
				24. Import rebate credit certificates may only be used -	
				(a) by motor vehicle manufacturers to reduce the value of imported automotive components and specified motor vehicles; or	
				(b) by other importers to claim a refund of import duties paid on automotive components and specified motor vehicles imported by the person in whose name the certificate is issued.	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				25. On application for an import rebate credit certificate, the applicant may by means of a letter of authorisation name the beneficiary of such certificate. Any beneficiary shall acquire such import rebate credit certificate subject to any limitations or impediments that might at any time be applicable to such import rebate credit certificate.	
				26. Import rebate credit certificates obtained by local component manufacturers, suppliers or other exporters in respect of eligible exports as defined in Note 5 exported may subject to Notes 24 and 25 only be transferred once.	
				27. For purposes of this item -	
				(i) the value for customs duty purposes of original equipment components imported (excluding complete consignments not yet unboxed as per specific bills of entry) shall be included in the period during which such goods were entered for warehousing. For purposes of this note the value of the complete consignments excluded shall be carried forward as an opening balance for the ensuing quarter;	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				(b) the foreign currency usage of original equipment components acquired from any person in the common customs area during a quarter shall be recorded in the ensuing quarter. However, for the first four months period (1 September 1995 to 31 December 1995 of the programme goods received during the four months period 1 June 1995 to 30 September 1995 shall be accounted for in the four months period 1 September 1995 to 31 December 1995	
				28. (a) The Permanent Secretary, Ministry of Commerce and Industry may at any time verify any matter or information relating to this item save for those relating to the Director.	
				(b) The Permanent Secretary, Ministry of Commerce and Industry may withdraw an import rebate credit certificate which was issued on the basis of incorrect information pertaining to the application. If, at the time of	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				the withdrawal, any of the benefits in terms of such certificate had been used, such benefits will be recoverable from the user(s). (c) In the event of any dispute arising as to the interpretation or application of any of the provisions of this item, save for those relating to the Director, the decision of the Permanent Secretary, Ministry of Commerce and Industry will be final. 29. For the purposes of this rebate item the extent of rebate of "Full duty less the duty payable on the value calculated in terms of Note 29" means - (i) the value for customs duty purposes as prescribed in Note 27(i); Less (ii) the value for customs duty purposes of - (a) imported automotive components used in the manufacturer of original equipment components by such motor vehicle manufacturer and supplied to	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				other motor vehicle manufacturers or exported; (b) original equipment components returned to overseas suppliers; (c) original equipment components transferred to parts and accessories; and (d) original equipment components which have been incorporated in motor vehicles exported, Plus (iii) the foreign currency usage of original equipment components received by a motor vehicle manufacturer from any person in the common customs area during the accounting period subject to Note 27(b), Plus (iv) the duty free allowance originally allocated to motor vehicles at the time of production but which were exported, Less (v) the duty free allowance calculated in terms of Note 12,	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				Less (vi) the value of import rebate credit certificates. 30. To qualify for any rebate in terms of this rebate item (including the duty free allowance) all components imported for the manufacture of specified motor vehicles as defined in Note 7, shall be entered under Chapter 98"	
317.04	98.01	01.04	45	Original equipment components, for the manufacture of road tractors for semi-trailers of subheading No. 8701.20 of a vehicle mass not exceeding 1 600 kg in terms of Note 29	Full duty less the duty payable on the value calculated
		02.04	47	Original equipment components, for the manufacture of motor vehicles for the transport of ten or more persons, including the driver, of heading No. 87.02 of a vehicle mass not exceeding 2 000 kg	Full duty less the duty payable on the value calculated in terms of Note 29
		02.05	44	Original equipment components, for the manufacture of motor cars (including station wagons) of heading No. 87.03 calculated in terms	Full duty less the duty payable on the value
		04.04	49	Original equipment components, for the manufacture of Full duty motor vehicles for the transport of goods of heading No. 87.04 of a vehicle mass not exceeding 2 000 kg G.V.M. not exceeding 3 500 kg or of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg per chassis fitted with a cab (excluding motor vehicles of	Full duty less the duty payable on the value calculated in terms of Note 29

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.04				subheading No. 8704.10, shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-road logging trucks).	
		05.06	43	Original equipment components, for the manufacture of chassis fitted with engines of heading No. 87.06 of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg, (excluding those for motor vehicles of subheading Nos. 8704.10, shuttle cars and low construction flame-proof vehicles,for use in underground mines and off-the-road logging trucks).	Full duty less the duty payable on the value calculated in terms of Note 29

With effect from 1 January 1996

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.06				By the substitution for rebate codes 01.00 and 02.00 to tariff heading 00.00 to rebate item 317.06 of the following:	
	"00.00	01.00	07	Parts, for the manufacture of automatic or semi-automatic gear-boxes (completed with fluid couplings, gear selectors, retarders and control systems) and manual gear-boxes subject to a permit issued by the Permanent Secretary, Ministry of Commerce and Industry.	Full duty
		02.00	01	Parts and accessories (excluding single row radial ball bearings and single row tapered roller bearings, with an outside diameter of 31 mm or more but not exceeding 90 mm), for the manufacture of driving axles subject to a permit issued by the Permanent Secretary, Ministry of Commerce and Industry.	Full duty"

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.07				By the insertion after rebate item 317.06 of the following:	
317.07				317.07 Industry Heavy Vehicles NOTES: 1. "Heavy Vehicles" means: (a) road tractors for semi-trailers of subheading No. 8701.20 of a vehicle mass exceeding 1 600 kg; (b) motor vehicles for for the transport of ten or more persons, including the driver, of heading No. 87.02, of a vehicle mass exceeding 2 000 kg (excluding those of subheading No. 8702.10.10); (c) motor vehicles for the transport of goods of heading No. 87.04, of a vehicle mass exceeding 2 000 kg and of a G.V.M. exceeding 3 500 kg or of a mass exceeding 1 600 kg and of a G.V.M. exceeding 3 500 kg per chassis fitted with cab (excluding dumpers designed for off-highway use, shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-road logging trucks): and	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.07				(d) chassis fitted with engines of heading No. 87.06, of a mass exceeding 1 600 kg and of a G.V.M. exceeding 3 500 kg (excluding those for dumpers designed for off-highway use, shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-road logging trucks).	
				2. To qualify for any rebate in terms of this rebate item all components imported for the manufacture of the motor vehicles specified in Note 1 to this rebate item shall be entered under Chapter 98 of Schedule No. 1	
	98.01	01.04	40	Compression ignition engines of a cylinder capacity of 3 700 cc or more but not exceeding 22 000 cc and cylinder blocks, cylinder heads, crankshafts and camshafts therefor, whether or not fitted with components, in such quantities, at such times and subject to such conditions as the Permanent Secretary, Commerce and Industry may allow by specific permit	Full duty less 27,5%
317.07		02.04	45	Gear-boxes designed to operate without torque converters or fluid flywheels for vehicles of a G.V.M. of 7 500 kg or more and mains housings, shafts and gears therefor, whether or not fitted with any components, in such quantities, at such	Full duty less 27.5%

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
317.07				times and subject of such conditions as the Permanent Secretary, Ministry of Commerce and Industry, may allow by specific permit	
		03.04	44	Drive axles with differentials, whether or not including foundation brakes, wheel hubs and brake drums, for vehicles of a G.V.M. of 16 000 kg or more (other than vehicles for the transport of persons) and main axle housings, shafts and gears therefor, whether or not fitted with any components, in such quantities, at such times and subject to such conditions as the Permanent Secretary, Ministry of Commerce and Industry may allow by specific permit	Full duty less 27,5%
317.07		04.04	44	Cabs or bodies, whether or not fitted with bonnets, doors and tailgates and whether or not painted or trimmed or fitted with any components, in such quantities, at such times and subject to such conditions as the Permanent Secretary, Ministry of Commerce and Industry may allow by specific permit	Full duty less 17,5%
		05.04	49	Pneumatic tyres, whether or not fitted to wheel rims, in such quantities, at such times and subject to such conditions as the Permanent Seretary, Ministry of Commerce and Industry may allow by specific permit	Full duty less 27,5%
		06.04	43	Other original equipment components	Full duty"

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
405.04				By the substitution for rebate code 03.00 to tariff heading No. 00.00 of the following:	
		"03.00	06	Goods approved by the Director, entered on or before 8 February 1997, forwarded free to an organisation or body approved by the Director which cares for the welfare of children, subject to the conditions imposed by the Director in each case and to a permit issued by him on or before 8 February 1996	Full duty"
				By the insertion after rebate code 05.00 to tariff heading No. 00.00 of the following:	
		"06.00	09	Goods (excluding foodstuffs) forwarded free, as a donation, to any educational organisation, hospital (including a clinic), welfare organisation, religious organisation or sporting	Full duty"
405.04		06.00	09	organisation, cleared on or before 31 December 1999, in such quantities and under such conditions as the Permanent Secretary, Ministry of Commerce and Industry may allow by specific permit and he being satisfied that the issuing of such permit will not have a detrimental affect on local industry within the common customs area, provided that the applicant and anybody responsible for distribution have furnished an undertaking that -	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
405.04				(a) such goods are for use by the organisation or for free distribution;	
				(b) such goods will not be sold, leased, hired or otherwise disposed of for gain without the prior approval of the Ministry of Commerce and Industry and without the duty which has been rebated paid to the Director; and	
405.04				(c) that no donation or other counter= performance may be accepted by anybody in respect of such goods	
460.11				By the substitution for rebate code 01.04 to tariff heading No. 63.09 of the following:	
		"01.04	48	Worn clothing, entered 8 February 1997 in terms of a specific permit issued by the Permanent Secretary, Commerce and Industry, on or before 8 February 1996, purchased by or forwarded unsolicited and free to any church or any welfare organisation registered in terms of the National Welfare Act, 1978 (Act No. 100 of 1978), for free distribution to indigent persons by such church or organisation	Full duty"

With restrospective effect to 1 September 1995

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
460.17				By the substitution of Note 1 to rebate item 460.17 of the following: "1. For the purposes of this rebate item the extent of rebate "not exceeding the duty the duty as calculated in terms of the notes to this rebate item" means the customs duty payable must be calculated on a value determined as follows: (i) The value for for customs duty purposes of motor vehicles imported less the value of any excess duty free allowance as calculated in the quarterly account of a manufacturer of specified motor vehicles (as defined in Note 7 to rebate item item 317.04) and less the value of an import rebate credit certificate in respect of motor vehicles, provided for in this item, automotive components and and automotive tooling exported. (ii) For the purposes of paragraph (i) above the value of the excess duty free allowance and the value of an	

REBATE ITEM	TARIFF HEADING	REBATE CODE	C. D.	DESCRIPTION	EXTENT OF REBATE
460.17				import rebate credit certificate shall be reduced by 25 per cent if the rebate is used for the import of specified motor vehicles. No adjustment shall, however, be made if the import rebate credit certificate is in respect of specified motor vehicles exported	

Schedule No. 5 to the Act

With effect from 1 January 1996

DRAWBACK ITEM	TARIFF HEADING	DRAWBACK CODE	C. D.	DESCRIPTION	EXTENT OF DRAWBACK
537.00				By the substitution for the Note to Refund item 537.00 of the following: "The value of import rebate credit certificates in respect of eligible automotive components, automotive tooling and motor vehicles manufactured under rebate item item 317.07 exported shall be reduced by twenty five per cent.	

MADE this 4th day of March, 1996.

F.G. MOGAE,
Vice-President and Minister of Finance and Development Planning.