

South Africa | Indirect Tax | Customs & Global Trade | 12 January 2017



TradeSmart

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Indirect Tax

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This edition of TradeSmart highlights Draft Rule Amendments, increase in customs duty of adhesive bandages & acrylic sanitary ware, the imposition of a provisional payment on EU chicken, amendments to tariff subheadings for vegetable oil, rebate provisions on flat-rolled steel products of iron or non-alloy steel, an application for a rebate on bangles and the implication to ITAC permits issued prior to the implementation of HS 2017.

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Draft Rule Amendments – HS 2017 & Tyre Levy

Pursuant to the implementation of a tyre levy that is planned to take effect from 1 February 2017 and providing for hybrid motor vehicles introduced with the implementation of HS2017 which came into effect on 1 January 2017, several amendments to the Rules and annexures to the Customs and Excise Act No.91 of 1964 (The Act) have to be effected.

These amendments are summarised as follows:

- Amendment of Part 1 of Schedule No. 1;
- Amendment of Part 3D of Schedule No. 1;
- Amendment of Part 3E of Schedule No. 1;
- Amendment of Schedule No. 3;
- Amendment of Schedule No. 4;
- Amendment of Schedule No. 6;
- Amendment of Schedule No. 8;
- Rule Amendments in terms of sections 54F and 120;
- Forms DA 178, DA 178.01, DA 178.02, DA 178.03, DA178.04;
- Notes on the completion of form DA 178 and its annexes

Comments on the proposed amendments may be submitted to SARS by **15 January 2017**.

Draft Rule Amendments – SADC –EU EPA & MERCOSUR

Draft amendments to the Rules to Section 13, 46A and 49 of The Act have been published for public comment. The amendments were effected as a result of the Economic Partnership Agreement between the SADC EPA states and the European Union as well as the Preferential Trade Agreement between the Common Market of the South (MERCOSUR) and the Southern African Customs Union (SACU).

Comments on the proposed amendments may be submitted to SARS by **20 January 2017**.

Increase in customs duty on adhesive bandages

Tariff subheading 3005.10 has been amended by the insertion of tariff subheadings 3005.10.10 and 3005.10.90. Furthermore, customs duty on adhesive bandages of tariff subheading 3005.10.10 have been increased from 0% to 10%.

Imposition of provisional payment – Safeguard measures on EU bone-in chicken



A provisional payment of 13.9% has been imposed in relation to the safeguard duty on bone-in chicken portions originating from the EU. The provisional payment will be imposed up to 3 July 2017.

Amendment of various tariff subheadings in Chapter 15

Various tariff subheadings in Chapter 15 of Part 1 of Schedule No. 1 have been amended to insert new provisions for vegetable oils used in food preparation.

Insertion of rebate items on flat-rolled steel products of iron or non-alloy steel



Rebate items 460.15/7210.61/01.06 and 460.15/7210.70/01.06 were created under Part 2 of Schedule No. 4 to allow for the full exemption of customs duty on importation of flat-rolled steel products of iron or non-alloy steel of tariff headings 7210.61 and 7210.70.

Increase in customs duty on acrylic sanitary ware

The general rate of customs duty on sanitary ware of tariff subheading 3922.10 has been increased from 20% to 30%.

ITAC Notices

Tariff Application – Rebate Provision for Bangles of TSH 7117.19



The International Trade Administration Commission of South Africa (ITAC) has received an application for the creation of a rebate item for "Bangles, of base metal, whether or not plated with precious metal, classifiable in tariff subheading 7117.19, in an unfinished state, for the manufacture of imitation jewellery incorporating leather, classifiable in tariff subheading 7117.19".

Interested parties may contact Mr. Tshepiso Sejamoholo/ Mr Daniel Thwala, [Tel:012 394 1605/5162](tel:01239416055162) or email tsejamoholo@itac.org.za / dthwala@itac.org.za by **12 January 2017**.

ITAC Permits – HS 2017



Permits issued by ITAC shall be regarded as having been issued for the amended item or tariff heading or subheading shown in the column for "Version2017 (HS2017)" if such permit had been issued prior to 1 January 2017 for the corresponding item or tariff heading or subheading for "Version 2016 (HS2012)" listed in the correlation table on the SARS website.



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