

SOUTH AFRICAN REVENUE SERVICE

DRAFT CUSTOMS CONTROL RULES CHAPTERS 11-20 AND 24

This is the Second Batch of the Draft Customs Control Rules containing draft rules made under Chapters 11-20 and 24 of the Customs Control Act, 2014 (Act No. 31 of 2014).

Your comments are invited to be submitted **by no later than 26 September 2014** under cover of the provided [Comment Sheet Template](#) per email to Ms Samantha Authar at sauthar@sars.gov.za.

CHAPTER 11 TRANSHIPMENT PROCEDURE

“**contact details**” means the following information in relation to the person to which it relates:

- (a) business telephone number;
- (b) e-mail address; and
- (c) fax number;

“**transshipment details**” means the following information in relation to both the vessel or aircraft that transported the incoming transshipment cargo and the vessel or aircraft that is to transport the outgoing transshipment cargo:

- (a) The conveyance number;
- (b) the identity of the carrier;
- (c) the transport name;
- (d) the transport ID; and
- (e) the estimated time of arrival or departure, as the case may be;

Please note that these definitions will be moved to Rule 1.1 (Definitions)

Part 1: Introductory provisions

Limitation of customs seaports and airports for transshipment purposes (section 245(1))

11.1 (1) Customs seaports where goods may be transhipped as contemplated in –

- (a) section 241(2)(a) of the Control Act are limited to –
 - (i) Cape Town;
 - (ii) Durban;
 - (iii) East London;
 - (iv) Port Elizabeth;
 - (v) Port of Ngqura; and
 - (vi) Richards Bay; and

(b) section 241(2)(b) are limited to the transfer of goods between the customs seaports Port Elizabeth and Port of Ngqura.

(2) Customs airports where goods may be transhipped are limited to –

- (a) Cape Town International Airport;
- (b) King Shaka International Airport;
- (c) OR Tambo International Airport; and
- (d) Port Elizabeth International Airport.

Part 2: Clearance and release of goods for transhipment¹

Timeframe for submission of transhipment clearance declarations (*section 248(2)(b)*)

11.2 A transhipment clearance declaration or document contemplated in section 251 of the Control Act must be submitted –

- (a) in the case of transhipment goods on board a vessel, at least one calendar day before the vessel arrives at the customs seaport where the goods will be transhipped; or
- (b) in the case of transhipment goods on board an aircraft, at least two hours before the aircraft arrives at the customs airport where the goods will be transhipped.²

Additional information for transhipment clearance declarations (*section 249(1)(f)*)

11.3 A transhipment clearance declaration must in addition to the information contemplated in section 249(1) of the Control Act, reflect –

- (a) the expected date of arrival of the foreign-going vessel or aircraft on board of which the goods are to be transported out of the Republic; and
- (b) the expected date of departure of the foreign-going vessel or aircraft on board of which the goods are to be transported out of the Republic.

¹ For provisions relating to the clearance for transhipment of prohibited or restricted goods, see section 775 and section 784(2)(b) of the Control Act, respectively.

² These timeframes may in a specific case be shortened in terms of section 909 of the Control Act.

Use of other documents as transshipment clearance declarations (section 251)

11.4 (1) The following documents contemplated in section 251 of the Control Act may, subject to rule **11.5**, be used as a transshipment clearance declaration:

- (a) an advance loading notice of containerised cargo submitted in terms of rule **3.3(1)**, in the case of sea cargo to be cleared for transshipment; or
- (b) an advance air cargo arrival notice submitted in term of rule **3.12**, in the case of air cargo to be cleared for transshipment.

(2) A document contemplated in subrule (1) must indicate that the document is being used as a transshipment clearance declaration.

(3) No cargo reporter or registered agent of a cargo reporter may submit a document contemplated in subrule (1), unless that cargo reporter or registered agent

—

- (a) is an accredited client in terms of Chapter 30 of the Control Act; or
- (b) is authorised in terms of that person's licence or registration certificate to submit such documents as clearance declarations.³

Other documents not to be used as transshipment clearance declarations for transshipment between customs seaports served by the same Customs Office

11.5 A transport document or document referred to in rule **11.4(1)** may not be used for the clearance of goods being transhipped as contemplated in section 241(2)(b), and in such a case a transshipment clearance declaration referred to in section 249 must be submitted.

Submission of arrival report a precondition for release of goods for transshipment (section 260)

11.6 Submission of a vessel arrival report in terms of rule **3.6** or an aircraft arrival report in terms of rule **3.13**, as may be applicable, is a precondition for the release of goods cleared for transshipment by making use of a document referred to in rule **11.4(1)**.⁴

³ Application for permission to make use of documents referred to in section 251 may be done on an application for licensing referred to in rule **29**....

⁴ See section 101(1)(b).

Part 3: Rules relating to transshipment operations

Notification of movement of transshipment goods between licensed premises at customs seaport or airport *(section 254(2))*

11.7 Submission of an outturn report on containers removed from a sea cargo terminal referred to in rule **3.33**(1) and (2) must, in the case of transshipment goods to be removed from a sea cargo terminal, be regarded to be a notification contemplated in section 245(2) of the Control Act.

Commencement and completion periods for transshipment operations and export of transshipment goods *(section 255)*

11.8 (1) The period within which a transshipment operation must commence as contemplated in section 255(1) of the Control Act is 24 hours from release of the goods for transshipment.⁵

(2) The period within which a transshipment operation must be completed as contemplated in section 255(2) of the Control Act is seven calendar days from commencement of the transshipment operation.⁶

Non-compliance with commencement and completion periods *(section 256)*

11.9 (1) (a) A notification contemplated in section 256(1)(a) or (b) or (2) of the Control Act must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁷ the submission must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the customs seaport or airport where the goods are to be transhipped.

⁵ This timeframe may in a specific case be extended or shortened in terms of section 908 or 909 of the Control Act.

⁶ This timeframe may in a specific case be extended or shortened in terms of section 908 or 909 of the Control Act.

⁷ See section 913(4) of the Control Act.

(2) A notification referred to in subrule (1) must, in addition to the information required by, respectively, subsection (1)(a) or (b) or (2) of section 256, reflect –

- (a) the movement reference number⁸ of the transshipment clearance declaration;
- (b) the reporting document number⁹ of the document referred to in rule **11.4**, in the case of other documents used as transshipment clearance declarations; and
- (c) in the case of –
 - (i) a section 256(1)(a) or (b) notification –
 - (aa) the customs code of the person who cleared the goods for transshipment; and
 - (bb) the transport name¹⁰ and conveyance number¹¹ in relation to the vessel or aircraft; or
 - (ii) a section 256(2) notification, the customs code of the licensed premises where the transshipment goods currently are.

Part 4: Other matters

Timeframe for export of transshipment goods (*section 259(3)*)

11.10 The timeframe that must be applied for purposes of section 259(3) for the export of transshipment goods is ten calendar days.

Notification of delay in exporting transshipment goods (*section 259(3)*)

11.11 (1) (a) A notification contemplated in section 259(3)(a) or (b) of the Control Act must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹² the submission must be –

⁸ See the definition of “movement reference number” in rule 1.1.

⁹ See the definition of “reporting document number” in rule 1.1.

¹⁰ See the definition of “transport name” in rule 1.1.

¹¹ See the definition of conveyance number in rule 1.1.

¹² See section 913(4) of the Control Act.

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) made to the Customs Office that has serves the customs seaport or airport where the goods are transhipped.

(2) A notification referred to in subrule (1) must, in addition to the information required by, respectively, subsection (3)(a) or (b) of section 259, reflect

-
- (a) the movement reference number of the transshipment clearance declaration;
- (b) the reporting document number¹³ of the document referred to in rule **11.4**, in the case of other documents used as transshipment clearance declarations;
- (c) the customs code of the person who cleared the goods for transshipment; and
- (d) the transport name¹⁴ and conveyance number¹⁵ in relation to the vessel or aircraft on board which the goods were loaded for export.

Proof of export of goods under transshipment (*section 259(4)*)

11.12 (1) If the customs authority as contemplated in terms of section 259(4)(a) requests proof from the person who cleared goods for transshipment that the goods have been exported, proof as prescribed in terms of rule **11.13** must within two working days of the request be submitted to the customs authority electronically through e-filing, subject to subrule (2).

(2) If proof of export of goods is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁶ such submission must be made to the Customs Office that serves the customs seaport or airport where the goods were transhipped.

Documents that constitute proof of export¹⁷ (*section 259(4)*)

11.13 The following documents are acceptable as proof for purposes of section 259(4)(a) that transshipment goods were exported:

¹³ See the definition of “reporting document number” in rule 1.1.

¹⁴ See the definition of “transport name” in rule 1.1.

¹⁵ See the definition of “conveyance number” in rule 1.1.

¹⁶ See section 913(4) of the Control Act.

¹⁷ Proof contemplated in this rule will only be requested by the customs authority if the customs authority is not satisfied on cargo reporting information provided in terms of Chapter 3, that goods were loaded on board the means of transport on which it was to be exported from the Republic.

- (a) A shipped on board bill of lading, in the case of an export by sea; or
- (b) a shipped on board air waybill, in the case of an export by air.

CHAPTER 12

TEMPORARY ADMISSION PROCEDURE

Definitions

12.1 In this Chapter –

“**unit load device**” or “**ULD**” means an aircraft container specially designed and equipped for containing goods for transport in the hold of an aircraft;

“**packing material**” means any materials or articles used, in the state in which those materials or articles are imported as reusable transport equipment, to pack, cover, protect, stow or separate goods being transported;¹⁸ and

“**pallet**” means a flat device on the deck of which goods are assembled to form a unit load for the purpose of transporting, handling or stacking the goods with the assistance of mechanical appliances.

Extent to which standard provisions relating to supporting documents apply to goods cleared for temporary admission (*section 267(2)*)

12.2 All the provisions of Chapter 7 of the Control Act relating to supporting documents apply to goods that are cleared for temporary admission.

Part 1: Rules applicable to temporary admission under international clearance arrangements¹⁹

Applications for approval of guaranteeing associations (*section 282(1)(a)*)

12.3 (1) (a) An application contemplated in section 282(1)(a) of the Control Act must be submitted electronically through e-filing, subject to paragraph (b).

¹⁸ As “packing material” is used in the context of this Chapter as a type of reusable transport equipment, packing materials such as straw, paper, glasswool, and shavings when imported in bulk are not included in the definition.

¹⁹ For clearance of commercial trucks, buses and taxis, private vehicles, small vessels and light aircraft where no international clearance arrangements are available for such bus or taxi or private vehicle, small vessel or light aircraft, see rules under Part 3 of Chapter 24.

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,²⁰ the submission must be –

- (i) on Formas published as a rule on the SARS website; and
- (ii) made to the Customs Office where registration and licensing applications are processed.

(3) An application referred to in subrule (1) must reflect the following information:

- (a) The following information in relation to the guaranteeing association:
 - (i) The name, physical address and postal address;
 - (ii) the contact details of the guaranteeing association;
 - (iii) full details of the guaranteeing association's bank account in the Republic; and
 - (iv) the name of the person authorised to act on behalf of the guaranteeing association, as well as –
 - (aa) that person's date of birth, identity number or passport number;
 - (bb) citizenship; and
 - (cc) contact details and address in the Republic;
- (b) contact details in relation to each issuing association whose carnets are guaranteed by the guaranteeing association:
- (c) the international agreement in terms of which the approval is sought; and
- (d) that security as contemplated in section 282(2)(b) has been given.

(4) An application referred to in this rule must be supported by the following documents:

- (a) An undertaking by the applicant to guarantee –
 - (i) the payment of any money that may become payable to the Commissioner on any goods cleared for temporary admission on authority of a CPD or ATA carnet guaranteed by the applicant; and

²⁰ See section 913(4) of the Control Act.

- (ii) the performance of any other function and fulfilment of any other obligation specified in the Convention or an agreement under which the relevant carnets are to be issue or guaranteed;
- (b) if the Convention on Temporary Admission or any international agreement referred to in section 280(1)(a)(ii) requires the guaranteeing association to be affiliated with an appropriate international organisation, a document evidencing such affiliation; and
- (c) the resolution passed at a meeting of the Board of Directors of the guaranteeing association in terms of which the person referred to in subrule (3)(a)(iv) is authorised to act on behalf of the guaranteeing association.

(5) (a) Supporting documents referred to in subrule (4) must on request and within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If supporting documents referred to in paragraph (a) are submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,²¹ submission must be made to the Customs Office where registration and licensing applications are processed.

Suspension or withdrawal of approval of guaranteeing associations

12.4 (1) The customs authority may suspend or withdraw an approval granted to a guaranteeing association in terms of rule **12.3** if the guaranteeing association –

- (a) fails or refuses to act in terms of an undertaking referred to in rule **12.3(4)(a)**;
or
- (b) terminates its affiliation with an appropriate international organisation as may be required by the Convention on Temporary Admission or any international agreement referred to in section 280(1)(a)(ii).

(2) If the customs authority intends to suspend or withdraw an approval in terms of subrule (1), it must first –

- (a) notify the guaranteeing association of the proposed suspension or withdrawal and of the reasons for the proposed suspension or withdrawal; and

²¹ See section 913(4) of the Control Act.

(b) give the guaranteeing association an opportunity to submit representations on the proposed suspension or withdrawal within 30 calendar days of the date of notification referred to in paragraph (a).

(3) The customs authority may despite subrule (2) suspend or withdraw an approval with immediate effect if circumstances so demand but in such a case the guaranteeing association is entitled to submit to the customs authority representations on the suspension or withdrawal within 30 calendar days after the suspension or withdrawal.

(4) A suspension or withdrawal in terms of this rule does not, in respect of carnets accepted by the customs authority before the date of withdrawal or suspension, affect the guaranteeing association's obligations in terms of an undertaking referred to in rule **12.3(4)(a)**.

Notification of withdrawal as guaranteeing association

12.5 (1) (a) If a guaranteeing association approved in terms of rule **12.3** intends to withdraw as guaranteeing association, that guaranteeing association must, at least six months in advance of the date of withdrawal of guarantee, submit to the customs authority a notification of withdrawal electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,²² submission must be –

- (i) on Form....as published as a rule on the SARS website; and
- (ii) made to the Customs Office where registration and licensing applications are processed.

(2) A notification referred to in subrule (1) must reflect the following information:

- (a) The name, address and contact details of the guaranteeing association;
- (b) the customs code of the guaranteeing association;

²² See section 913(4) of the Control Act.

- (c) the date of withdrawal; and
- (d) the reason for withdrawal.

(3) A notification in terms of this rule does not affect the guaranteeing association's obligations in terms of an undertaking referred to in rule **12.3(4)(a)** in respect of carnets accepted by the customs authority before the date of withdrawal referred to in subrule (2)(c).

Applications for replacement of CPD or ATA carnets about to expire²³ (section 284(2))

12.6 (1) (a) The guaranteeing association in relation to a CPD or ATA carnet must, after receipt of notification from a carnet holder that an extension of the validity period in respect of that carnet is required, and at least 30 calendar days²⁴ before the expiry date of the carnet apply for approval for the issuing of a replacement carnet by submitting an application to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,²⁵ submission must be –

- (i) on Form...as published as a rule on the SARS website; and
- (ii) made to the Customs Office where registration and licensing applications are processed.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the guaranteeing association;
- (b) the customs code of the issuing association;
- (c) the name and residential address and citizenship of the CPD or ATA carnet holder;
- (d) the CPD or ATA carnet number;
- (e) the expiry date of the carnet;

²³ For the extension of the validity period of a carnet, an application for replacement of the carnet is required.

²⁴ This period may be shortened in terms of section 909 of the Control Act.

²⁵ See section 913(4) of the Control Act.

- (f) the date on which the goods were cleared for temporary admission on authority of the carnet; and
- (g) a motivation for the replacement of the carnet.

(3) A replacement carnet issued pursuant to an application in terms of this rule must in all respects be identical to the previous carnet which it replaces, except in respect to the carnet number and the validity period of the carnet, which must commence immediately after the previous carnet expires.

Applications for replacement of carnets destroyed, lost or stolen (*sections 286(1) and 903(1)(i)*)

12.7 (1) Approval by the customs authority contemplated in section 286(1) of the Control Act must be applied for in terms of this rule.

(2) (a) An application for approval of the replacement of a CPD or ATA carnet must, after receipt of a notification by a carnet holder that a replacement of that carnet is required, be submitted by the guaranteeing association in relation to the carnet in respect of which an amendment or replacement is required, to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,²⁶ submission must be –

- (i) on Form...as published as a rule on the SARS website; and
- (ii) made to the Customs Office where registration and licensing applications are processed.

(3) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the guaranteeing association;
- (b) the customs code of the issuing association;
- (c) the name and residential address and citizenship of the CPD or ATA carnet holder;

²⁶ See section 913(4) of the Control Act.

- (d) the CPD or ATA carnet number;
- (e) the expiry date of the carnet;
- (f) the date on which the goods were cleared for temporary admission on authority of the carnet; and
- (g) a motivation for the replacement of the carnet.

(4) An application for the replacement of a CPD or ATA carnet in terms of this rule must be supported by an affidavit by the carnet holder setting out the circumstances in which the carnet was destroyed, lost or stolen.

(5) (a) A supporting document referred to in subrule (4) must on request and within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in this rule is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,²⁷ submission must be made to the Customs Office referred to in subrule (2)(b)(ii).

(6) A replacement carnet issued pursuant to an application in terms of this rule must in all respects, except for the carnet number in the case of a CPD carnet, be identical to the previous carnet which it replaces.²⁸

Production to customs authority of replacement carnets

12.8 (1) If a replacement carnet is issued to a carnet holder pursuant to an application in terms rule **12.6** or **12.7**, the carnet holder must at any Customs Office produce to the customs authority, subject to subrule (2) –

- (a) the previous CPD or ATA carnet which has been replaced, in the case of a replacement in terms of rule **12.6**;
- (b) the new carnet replacing the previous one; and
- (c) a letter from the customs authority evidencing approval for the replacement of the carnet obtained pursuant to an application in terms of rule **12.6** or **12.7**.

²⁷ See section 913(4) of the Control Act.

²⁸ Please note that the validity period of the replacement carnet must also be identical to that of the previous carnet.

(2) The documents referred to in subrule (1) must be produced together with the goods identified in the carnet –

- (a) before expiry of the previous carnet, in the case of an replacement in terms of rule **12.6**; and
- (b) as soon as possible after receipt of the new carnet replacing the previous one, in the case of a replacement in terms of rule **12.7**.

Requirements relating to clearance on authority of carnets

12.9 (1) A person clearing goods on authority of a CPD or ATA carnet must at the Customs Office serving the place of entry produce the carnet and the goods identified in the carnet to the customs authority together with –

- (a) in the case of a CPD carnet –
 - (i) the carnet holder’s identity document or passport;
 - (ii) the carnet holder’s drivers licence and international driving permit;
 - (iii) registration documentation in respect of the vehicle, including of the trailer,²⁹ if any;
 - (iv) a document evidencing valid local third party insurance coverage; and
 - (v) the bill of lading or air waybill referencing the carnet number, if transported by sea or air; and
- (b) in the case of an ATA carnet –
 - (i) the carnet holder’s identity document or passport, or if another person acts as the carnet holder’s representative, that person’s identity document or passport; and
 - (ii) if the carnet was issued in respect of goods of which the import into the Republic is restricted, the relevant import permit issued in respect of the goods.

(2) A person clearing goods on authority of a CPD or ATA carnet must upon re-export at the Customs Office serving the place of exit produce the carnet and the goods identified in the carnet to the customs authority together with –

- (a) in the case of a CPD carnet –

²⁹ The definition of “vehicle” in section 1 of the Control Act also includes a trailer.

- (i) the carnet holder's identity document or passport;
 - (ii) registration documentation in respect of the vehicle, including of the trailer,³⁰ if any
 - (iii) a document evidencing valid local third party insurance coverage; and
 - (iv) the bill of lading or air waybill referencing the carnet number, if transported by sea or air; and
- (b) in the case of an ATA carnet, the carnet holder's identity document or passport, or if another person acts as the carnet holder's representative, that person's identity document or passport; and

Documents that are acceptable as proof of re-export of goods under temporary admission in terms of international clearance arrangements (section 279)

12.10 The following documents are acceptable as proof for purposes of section 279 of the Control Act that goods were loaded for export:

- (a) An exportation voucher;
- (b) a certificate of location;
- (c) for export by sea, a shipped on board bill of lading, referencing the carnet number;
- (d) for export by air, a shipped on board air waybill, referencing the carnet number; and
- (e) for export by rail, any document stamped and signed by the rail carrier, evidencing receipt of the goods by that carrier, including a rail consignment note.

Part 2: Rules applicable to goods that automatically come under temporary admission procedure

Reporting of interruption or discontinuation of current use of vessel, aircraft, locomotive or railway carriage (section 289(2))

12.11 (1) (a) An interruption or discontinuation of the current use of a vessel, aircraft, locomotive or railway carriage as contemplated in section 289(2) of the

³⁰ The definition of "vehicle" in section 1 of the Control Act also includes a trailer.

Control Act,³¹ must for purposes of that section be reported electronically through e-filing, subject to paragraph (b).

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,³² the submission of the report must be –

- (a) on Form...as published as a rule on the SARS website; and
- (b) made to the Customs Office that serves place of entry where the goods entered the Republic.

(2) A report referred to in subrule (1) must reflect the following information:

- (a) The customs code of the licensed carrier or registered agent submitting the report, as may be applicable;
- (b) the conveyance number;³³
- (c) the transport name;³⁴
- (d) a description of the nature of the current use of the means of transport that had been interrupted or discontinued;
- (e) the date when the means of transport entered the Republic;
- (f) the location of the means of transport;
- (g) the date of interruption or discontinuation; and
- (h) the reason for the interruption or discontinuation.

Reporting of interrupted or discontinuation of current use of reusable transport equipment automatically under temporary admission (section 290(2))

12.12 (1) (a) An interruption or discontinuation of the current use of reusable transport equipment as contemplated in section 290(2) of the Control Act,³⁵ must for purposes of that section be reported electronically through e-filing, subject to paragraph (b).

³¹ Section 289(1) of the Control Act specifies precisely the vessels, aircraft, locomotives and railway carriages to which the reporting obligation referred to in section 289(2) applies.

³² See section 913(4) of the Control Act.

³³ See definition of “conveyance number” in rule 1.1.

³⁴ See definition of “transport name” in rule 1.1.

³⁵ Section 290(1) of the Control Act specifies precisely the reusable transport equipment to which the reporting obligation referred to in section 290(2) applies.

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,³⁶ submission must be –

- (i) on Form...as published as a rule on the SARS website;
- (ii) made to the Customs Office that serves the place of entry where the goods entered the Republic.

(2) A report referred to in subrule (1) must reflect the following information:

- (a) The customs code of the licensed carrier or registered agent submitting the report, as may be applicable;
- (b) the type of reusable transport equipment;
- (c) in respect of containers –
 - (i) the container number of each container; and
 - (ii) the quantity of containers;
- (d) in respect of unit load devices –
 - (i) the number of each device; and
 - (ii) the quantity of devices;
- (e) in respect of pallets –
 - (i) the number of each pallet, if numbered; and
 - (ii) the quantity of pallets;
- (f) in respect of packing materials –
 - (i) the type of packing material; and
 - (ii) the quantity, volume or mass of the packing material;
- (g) the date when the reusable transport equipment entered the Republic;
- (h) the location of the reusable transport equipment;
- (i) the date of interruption or discontinuation; and
- (j) the reason for the interruption or discontinuation.

Additional requirements relating to reusable transport equipment under temporary admission procedure (section 293(f))

³⁶ See section 913(4) of the Control Act.

12.13 The following additional requirements apply to reusable transport equipment that automatically came under the temporary admission procedure in terms of Part 5 of Chapter 12 of the Control Act:

- (a) Packing material –
 - (i) may not be used for the packing of goods in the course of internal transport in the Republic whilst that packing material is under temporary admission procedure; and
 - (ii) must be re-exported by the same carrier who brought the packing material into the Republic;
- (b) containers may be used for the internal transport of goods in the Republic only once before being re-exported, provided that the route for such internal transport is a reasonably direct route to the place of exit from where the containers will be re-exported from the Republic; and
- (c) pallets under the temporary admission procedure may be –
 - (i) used for the internal transport of goods in the Republic; and
 - (ii) replaced by pallets of the same quantity, of the same type and of substantially the same value as the pallets which came into the Republic under temporary admission, for the purpose of re-exportation in compliance with the temporary admission procedure.

Part 3: Record keeping and miscellaneous matters

Records to be kept of reusable transport equipment by carrier or carrier's registered agent (section 290(1)(c))

12.14 Records for purposes of section 290(1)(c) of the Control Act must include of the following information:

- (a) In respect of each container that enters or leaves the Republic under the temporary admission procedure –
 - (i) the container number;
 - (ii) the size or type;
 - (iii) the date when the container enters or leaves the Republic; and
 - (iv) the place of entry where the container enters the Republic or the place of exit where it leaves the Republic; and

- (b) in respect of each unit load device that enters or leaves the Republic under the temporary admission procedure –
 - (i) the device number;
 - (ii) the size or type;
 - (iii) the date when the device enters or leaves the Republic; and
 - (iv) the place of entry where the device enters the Republic or the place of exit where the device leaves the Republic; and
- (c) in respect of each pallet that enters the Republic under the temporary admission procedure –
 - (i) the number of each pallet, if numbered;
 - (ii) the date when the pallet enters or leaves the Republic; and
 - (iii) the place of entry where the pallet enters the Republic or the place of exit where the pallet leaves the Republic.

Keeping and submission of records

12.15 (1) Records referred to in rule **12.14** must be kept in accordance with section 919 of the Control Act –

- (a) for a period of five years calculated from the end of the calendar year in which any such record was created;
- (b) in a secure place on the business premises of the licensed carrier or registered agent contemplated in section 290(1)(c); and
- (c) if that carrier or agent is allowed in terms of section 919(2) to keep records in paper format, according to a filing system which enables quick access to information pertaining to specific goods or a specific transaction.

(2) This rule must be read subject to any provisions of the Act or a tax levying Act prescribing specific record keeping requirements for persons who are licensees or registered in terms of the Act or a tax levying Act.

(3) Records must be submitted to the customs authority on request and within a timeframe stated in the request, or if no timeframe is specified in such request, within three working days after the date of the request.

(4) A copy or computer printout of any record requested may, subject to such conditions as the customs authority may determine, be submitted, and such a copy or printout may for purposes the Control Act and a tax levying Act be regarded to be the original record requested.

Measures to ensure accurate identification of goods under temporary admission upon re-export (*section 293(d)*)

12.16 Measures contemplated in section 293(d) of the Control Act include –

- (a) recording upon entry into the Republic any marks and numbers or other specific identifying characteristics in respect of goods under temporary admission procedure and comparing those marks and numbers or other identifying characteristics upon re-export, which include –
 - (i) in respect of a vehicle –
 - (aa) the make and model;
 - (bb) the year of manufacture;
 - (cc) whether it is a diesel or petrol engine;
 - (dd) the odometer reading;
 - (ee) the engine number;
 - (ff) the VIN/ chassis number;
 - (gg) the registration number;
 - (hh) the colour; and
 - (ii) a description of the sound - and satellite navigation system fitted in the vehicle, if applicable;
 - (ii) in respect of reusable transport equipment, the details listed in rule **12.14**; and
 - (iii) in respect of other identifiable goods –
 - (aa) a description;
 - (bb) any marks, numbers or other indications permanently affixed to the goods;
 - (cc) the model and serial number, if applicable;
 - (dd) the quantity, volume or mass; and
 - (ee) the country of origin;

- (b) taking samples of goods for purposes of comparison or making use of illustrations, photographs or technical descriptions for purposes of verification of the goods upon re-export; and
- (c) affixing customs marks to goods, including customs seals and identification bands.

CHAPTER 13 WAREHOUSING PROCEDURE

“**stock inventory code**”, in relation to goods in a storage warehouse or a tax free shop, means a unique identifying code assigned by the licensee of the storage warehouse or tax free shop to goods received in that warehouse or tax free shop, for purposes of –

- (a) inventory control; and
- (b) facilitating the keeping and retrieval of records in respect of the goods to which it relates;

Please note that this definition will be moved to rule 1.1

Part 1: Transport of goods under warehousing procedure and submission of delivery and receipt notifications

Persons other than carriers permitted to transport goods to storage warehouses (section 313(f))

13.1 The following persons other than persons contemplated in section 122(a) or (b) of the Control Act may also transport goods under the warehousing procedure to a storage warehouse:

- (a) The licensee of the a storage warehouse, using own transport, in the case of goods transported to a private storage warehouse;
- (b) the owner³⁷ of the goods, using own transport, in the case of goods transported to a public warehouse; or
- (c) a person referred to in paragraph (a) or (b), in the case of goods temporarily removed from the warehouse in terms of section 310(b) or (c).

³⁷ See definition of “owner” in section 1(1) of the Control Act.

Procedure for obtaining permission to redirect goods cleared for warehousing to place other than warehouse mentioned in clearance declaration (*section 304(1)*)

13.2 If a person intends to redirect goods cleared for warehousing to a place other than the storage warehouse mentioned in the clearance declaration as contemplated in section 304(1) of the Control Act, that person must in accordance with rule **4.17** apply to the customs authority for permission for the redirection of goods to that other place.

Delivery notifications by carriers when goods are delivered under warehousing procedure to storage warehouses or other authorised places (*sections 304(2)(a) and 903(1)(c)*)

13.3 A licensed carrier that transported goods under the warehousing procedure to a storage warehouse or another place authorised in terms of rules **13.2** and **4.17** must notify the customs authority of the delivery of the goods in accordance with rule **29.36**

Delivery notifications by persons other than carriers when goods are delivered under warehousing procedure to storage warehouses (*sections 313(f) and 903(1)(c)*)

13.4 (1) (a) A person referred to in rule **13.1**(b) or (c) that transported goods under the warehousing procedure to a storage warehouse, must, within three hours of delivery of the goods to the warehouse or another place authorised in terms of rule **4.17**, notify the customs authority of the delivery of the goods, electronically through e-filing, subject to paragraph (b).

(b) If a delivery notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,³⁸ the submission must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) made to the Customs Office serving the area where the storage warehouse is situated.

³⁸ See section 913(4) of the Control Act.

(2) A delivery notification in terms of subrule (1) must reflect the following information:

- (a) The name, identity number, contact details and address of the person who transported the goods, or that person's customs code, if any;
- (b) the date and time of delivery of the goods to the warehouse;
- (c) the name and physical address of the warehouse where the goods were delivered;
- (d) in the case of delivery to another location, the physical address of the other premises authorised in terms of rule **4.17**;
- (e) a description of the goods, including the quantity of the goods delivered; and
- (f) the movement reference number³⁹ of the clearance declaration in terms of which the goods were cleared for warehousing, if applicable.

(3) This rule does not apply if the licensee of a private storage warehouse transported the goods with own transport to the warehouse.⁴⁰

Receipt notifications by licensees of storage warehouses when goods are delivered for storage in storage warehouses (*sections 304(2)(b), 313(b) and 903(1)(c)*)

13.5 (1) The licensee of a storage warehouse must notify the customs authority in accordance with subrule (2) of the receipt at that warehouse of –

- (a) goods cleared and released for warehousing in that warehouse; and
- (b) goods in free circulation to be warehoused in that warehouse.

(2) (a) A receipt notification referred to in subrule (1) must, within three hours of receipt of the goods, be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a receipt notification is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁴¹ the notification must be submitted –

- (i) on Form...published as a rule on the SARS website; and

³⁹ See definition of "movement reference number" in rule 1.1.

⁴⁰ In such a case the receipt notification that the licensee must submit in terms of rule **13.5** will indicate that the licensee transported the goods.

⁴¹ See section 913(4) of the Control Act.

(ii) to the Customs Office that serves the area where the storage warehouse is situated.

(3) A receipt notification referred to in subrule (1) must reflect the following information:

(a) If the goods are goods cleared and released for warehousing in that warehouse:

(i) The name, identity number and contact details or customs code of the carrier or other person referred to in rule **13.1**(b) or (c) that transported the goods to the warehouse or, if the goods were transported by the licensee of the warehouse, a statement to that effect;

(ii) the date and time of receipt of the goods;

(iii) the customs code of the warehouse;

(iv) in relation to non-containerised goods, a description of the goods which description must include –

(aa) the tariff classification;

(bb) the quantity, volume or weight of the goods; and

(cc) marks and numbers on the goods, if applicable;

(v) in relation to containerised goods –

(aa) the container number; and

(bb) the seal number;⁴² and

(vi) the movement reference number⁴³ of any applicable warehousing clearance declaration in respect of the goods; and

(b) if the goods are free circulation goods:

(i) The customs code, name and physical address of the warehouse where the goods were received;

(ii) the date and time of receipt of the goods; and

(iii) a description of the goods, including the quantity of goods received.

Receipt notifications when goods under warehousing procedure are

⁴² See rule **5.6** which places an obligation in relation to seal verification and reporting of seal discrepancies on a person who receives physical control of a container.

⁴³ See definition of “movement reference number” in rule 1.1.

redirected to places other than storage warehouses (sections 304(1) and 903(1)(c))

13.6 (1) (a) If goods under the warehousing procedure are redirected in terms of rules **13.2** and **4.17** to a place other than a storage warehouse, the person in charge of that place must within three hours of receipt of the goods at that other place notify the customs authority of receipt of the goods, electronically through e-filing, subject to paragraph (b).

(b) If a receipt notification is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁴⁴ the notification must be submitted –

- (i) on Form....published as a rule on the SARS website; and
- (ii) to the Customs Office that serves the area where that place is situated.

(2) A receipt notification referred to in subrule (1) must reflect the following information:

- (a) The name, identity number and contact details or customs code of the carrier or other person referred to in rule **13.1** that transported the goods to the place referred to in subrule (1)(a);
- (b) the name, identity number, contact details and address of the person in charge of the place to which the goods are delivered, or that person's customs code, if any;
- (c) the date and time of receipt of the goods;
- (d) the physical address of the place to which the goods were delivered, or the customs code of that place, if any;
- (e) in relation to non-containerised goods, a description of the goods which description must include –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods; and
 - (cc) marks and numbers on the goods, if applicable;
- (f) in relation to containerised goods –
 - (aa) the container number; and
 - (bb) the seal number;⁴⁵ and

⁴⁴ See section 913(4) of the Control Act.

- (g) the movement reference number⁴⁶ of any applicable warehousing clearance declaration in respect of the goods.

Part 2: Warehousing periods for goods under warehousing procedure

Extension of maximum warehousing periods for goods other than restricted goods (section 305(1) and (2))

13.7 (1) An application for an extension in terms of section 908 of the Control Act of the maximum warehousing period mentioned in section 305(1) must be submitted to the customs authority at least 21 working days before the expiry of that period.⁴⁷

(2) The maximum period for which the following classes, kinds or categories of goods may be warehoused, may be extended for a maximum period as stated below for the specific class, kind or category of goods:

- (a) Spare parts for vessels, aircraft or trains, for five years;
- (b) oceanic fibre optic cables, for five years; and
- (c) equipment and spare parts to be used for oil drilling and mineral exploration, including off-shore oil drilling and minerals exploration, for five years.

Maximum warehousing periods for restricted goods and extensions of such periods (section 305(4))

13.8 (1) An application for an extension in terms of section 908 of the Control Act of the maximum warehousing period mentioned in subrule (2) must be submitted to the customs authority at least 5 working days before the expiry of that period.⁴⁸

(2) The maximum warehousing period for restricted goods contemplated in section 305(4) of the Control Act is –

- (a) thirty calendar days for second hand vehicles; and
- (b) ninety calendar days for all other restricted goods.

⁴⁵ See rule 5.6 which places an obligation in relation to seal verification and reporting of seal discrepancies on a person who receives physical control of a container.

⁴⁶ See definition of “movement reference number” in rule 1.1.

⁴⁷ The procedure for such applications is dealt with in the rules under Chapter 41.

⁴⁸ The procedure for such applications is dealt with in the rules under Chapter 41.

(3) The maximum warehousing period referred to in subrule (1) may not be extended for more than 30 calendar days.

Part 3: Recordkeeping and reporting of goods in storage warehouses

Inventory control system for goods in storage warehouses

13.9 (1) The licensee of a storage warehouse must establish and maintain an inventory control system for goods in that warehouse to reflect against the stock inventory code assigned to the goods in terms of rule **13.10** –

- (a) the information listed in rule **13.12** in respect of free circulation goods, if goods in free circulation are stored together with goods under the warehousing procedure in that warehouse; and
- (b) the information listed in rule **13.11** in respect of goods under the warehousing procedure.

(2) An inventory control system referred to in this rule must enable the customs authority to physically identify the goods in free circulation stored in the warehouse and to distinguish those goods from the goods under the warehousing procedure.

Stock inventory codes to be assigned to all goods received in storage warehouses

13.10 The licensee of a storage warehouse must upon receipt of any goods in that warehouse –

- (a) document those goods on the inventory control system for that warehouse established in terms of rule **13.9**; and
- (b) assign to such goods a stock inventory code, against which the information referred to in rules **13.11** and **13.12** must be accessible in respect of such goods.

Inventory control and recordkeeping of goods under warehousing procedure *(sections 307 and 313(a))*

13.11 An inventory control system contemplated in rule **13.9** must reflect, in addition to the information required in terms of section 307 of the Control Act, the following details in relation to goods cleared and released for storage in that warehouse against the inventory stock code assigned to those goods in terms of rule **13.10**:

- (a) A description of the goods, which description must include –
 - (i) the tariff classification;
 - (ii) the customs value;
 - (iii) the quantity, volume or weight of the goods as may be applicable; and
 - (iv) any marks and numbers on the goods;
- (b) the movement reference number⁴⁹ and date of the clearance declaration in terms of which the goods were cleared for storage in the warehouse;
- (c) in the case of goods removed temporarily from the warehouse for a purpose contemplated in section 310(b) or (c) –
 - (i) the purpose of the removal;
 - (ii) the date of removal;
 - (iii) the place where goods were removed to; and
 - (iv) the date of return of the goods;
- (d) any documents issued in respect of the goods from the time the goods are received in the warehouse until the goods are removed from the warehouse under a clearance and release for home use or a customs procedure, or removed from the warehouse in terms of section 310(d) or (e), including –
 - (i) any documentary evidence of origin issued in respect of the goods;
 - (ii) any authorisation granted by the customs authority for an extension of a warehousing period pursuant to an application referred to in rule **41....**;
 - (iii) any report submitted to the customs authority as required in terms of section 308;
 - (iv) any permission granted by the customs authority pursuant to an application referred to in rule **13.2**;
 - (v) any approval issued by the customs authority for the temporary removal of goods from the warehouse as contemplated in section 310(b) or (c);

⁴⁹ See definition of “movement reference number” in rule 1.1.

- (vi) any detention, seizure or confiscation notice issued by the customs authority in terms of Chapter 34 of the Control Act;
 - (vii) any contract of purchase and sale concluded in respect of the goods whilst in the warehouse;
 - (viii) any purchase order issued by a prospective buyer in respect of the goods whilst in the warehouse;
 - (ix) any worksheet referred to in section 82(1)(a) of the Duty Act;
 - (x) any permit or other authorisation referred to in section 782 issued in respect of restricted goods in the warehouse; and
 - (xi) in the case of goods damaged, destroyed, lost or unaccounted for whilst under the warehousing procedure, any documents issued in terms of Chapter 25 for purposes of the application of that Chapter; and
- (e) when the goods are cleared for removal from the warehouse, the movement reference number⁵⁰ and date of any clearance declaration in terms of which the goods are cleared for home use or a customs procedure.

Inventory control and recordkeeping of free circulation goods in storage warehouses (*section 313(b)*)

13.12 (1) An inventory control system contemplated in rule **13.9** must reflect the following details in relation to any goods in free circulation in the storage warehouse against the inventory stock code assigned to such goods in terms of rule **13.10**:

- (a) A description of the goods, including the quantity, volume or weight of the goods;
- (b) any marks and numbers on the goods;
- (c) the date of receipt of the goods in the warehouse;
- (d) the reference number and the date of the sales invoice issued upon sale of the goods, if the goods were bought;
- (e) the reference number and date of any permit, authorisation or documentary evidence of origin issued in respect of the goods;
- (f) in the case of goods removed from the warehouse for a purpose contemplated in section 310 of the Control Act –

⁵⁰ See definition of “movement reference number” in rule 1.1.

- (i) the date of removal; and
 - (ii) in the case of a removal contemplated in paragraph (c) of that section, also the place to which the goods are removed; and
- (g) an indication in respect of damaged, destroyed, lost or unaccounted for goods, that the goods are damaged, destroyed, lost or unaccounted for; and
- (h) any documents relating to all transactions or activities pertaining to goods from the time the goods are received in the warehouse until the goods are cleared for home use or another customs procedures as may be permissible, including any -
- (i) authorisations granted by the customs authority for an extension of a warehousing period;
 - (ii) reports submitted to customs as required in terms of section 308 of the Control Act;
 - (iii) permissions granted by the customs authority;
 - (iv) detention, seizure or confiscation notices issued by the customs authority in terms of Chapter 34 of the Control Act;
 - (v) contracts of purchase and sale, licence and royalty agreements, or other contract or agreement in respect of the goods, if applicable;
 - (vi) transfer pricing policies between a trade company and its subsidiaries;
 - (vii) purchase orders issued by a prospective buyer in respect of the goods whilst in the warehouse;
 - (viii) invoices or other proof of payment;
 - (ix) packing slips;
 - (x) delivery notes;
 - (xi) worksheets referred to in section 82(1)(a) of the Duty Act; and
 - (xii) documents constituting proof of damage, destruction or loss, in the case of goods damaged, destroyed, lost or unaccounted for.⁵¹

Reports to be submitted in connection with warehoused goods (*sections 308 and 313(g)*)

13.13 (1) (a) A report contemplated in section 308 of the Control Act must, if restricted goods are stored in a storage warehouse, cover monthly periods

⁵¹ See sections 551 to 554 of the Control Act.

commencing immediately after the end of the calendar month during which restricted goods are first received in that warehouse, and must within seven working days after the end of each calendar month be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁵² the submission must be made to the Customs Office that serves the area where the storage warehouse is situated.

(2) A report referred to in subrule (1) must be in the form of a copy of the warehouse inventory contemplated in rule 13.12(1) for the relevant reporting period and reflect the customs code of the storage warehouse.

Part 4: Actions in relation to warehoused goods

Application for permission to carry out sorting, packing and other actions in connection with warehoused goods (section 309)

13.14 (1) (a) An application for permission to sort, separate, grade, pack, repack, label or re-label goods warehoused in a storage warehouse as contemplated in section 309 of the Control Act, must be submitted to the customs authority electronically through e-filing at least seven working days before the commencement of the intended action in connection with the goods, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁵³ the application must be submitted –

- (i) on Form...as published as a rule on the SARS website;⁵⁴and
- (ii) to the Customs Office that serves the area where the storage warehouse is situated.

(2) An application referred to in subrule (1) must reflect –

⁵² See section 913(4) of the Control Act.

⁵³ See section 913(4) of the Control Act.

⁵⁴ See section 912(2) of the Control Act for manner of submission.

- (a) the customs code of the storage warehouse where the goods are warehoused;
- (b) particulars relating to the proposed sorting, packing or other action, including –
 - (i) a description of the goods, which description must include –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods;
 - (cc) the customs value of the goods; and
 - (dd) any marks and numbers on the goods;
 - (ii) the inventory stock code assigned to the goods in terms of rule **13.10**;
 - (iii) a description of the proposed action in connection with the goods; and
 - (iv) if the action taken in connection with the goods involves packaging, a description of the final packaging; and
- (c) the movement reference number⁵⁵ of the any warehouse clearance declaration submitted in respect of the goods.

(3) An application referred to in subrule (1) must be supported by any documents that can substantiate the information referred to in subrule (2).

(4) (a) If the customs authority so requests, a supporting document must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁵⁶ submission must be to the Customs Office referred to in subrule (1)(b)(ii) or to another Customs Office indicated in the request.

Additional purposes for which warehoused goods may be removed (*section 310(c)*)

13.15 Goods may, in addition to the purposes contemplated in section 310(a), (b), (d) or (e) of the Control Act, be removed from a storage warehouse for the purpose

⁵⁵ See definition of “movement reference number” in rule 1.1

⁵⁶ See section 913(4) of the Control Act.

of carrying out any of the following actions, provided that these actions cannot be carried out at the warehouse:

- (a) In respect of bulk homogeneous goods for purposes of tariff headings 2707; 2713 to 2715; 2901; 2902 and 3403:
 - (i) Cleaning;
 - (ii) decanting;
 - (iii) desalting;
 - (iv) water separation;
 - (v) filtering;
 - (vi) colouring; and
 - (vii) marking; and
- (b) in respect of goods for purposes of tariff headings other than the tariff headings referred to in paragraph (a):
 - (i) Removal of dust;
 - (ii) sifting or screening;
 - (iii) sorting or grading;
 - (iv) classifying;
 - (v) matching (including the making-up of sets of articles);
 - (vi) washing;
 - (vii) trimming, filing, slitting or cutting; and
 - (viii) separating defective goods from prime quality goods.

Timeframes for return or clearance of goods removed from storage warehouses

13.16 The timeframe within which goods removed from a storage warehouse for a purpose listed in rule **13.15** or approved by the customs authority in terms of section 310(c) of the Control Act, must either be returned to the warehouse or cleared and released as contemplated in section 310(a), is three working days after removal of the goods.⁵⁷

⁵⁷ This period may be extended in terms of section 908 of the Control Act.

Application for permission to remove goods from storage warehouses other than for repair or preservation operations or for purposes listed in rule 13.15
(section 310(c))

13.17 (1) (a) An application for permission in terms of section 310(c) of the Control Act to remove goods from a storage warehouse other than for repair or preservation contemplated in section 310(b) or for a purpose listed in rule **13.15**, must be submitted to the customs authority electronically through e-filing at least seven working days before the removal of the goods, subject to paragraph (b), by –

- (i) the licensee of a private storage warehouse; or
- (ii) the owner of the goods, or the agent of the owner, if not located in the Republic, in the case of goods warehoused in a public storage warehouse.

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁵⁸ the application must be submitted –

- (i) on Form...as published as a rule on the SARS website;⁵⁹ and
- (ii) to the Customs Office that serves the area where the warehouse is situated.

(2) An application referred to in subrule (1) must reflect –

- (a) the customs code of the storage warehouse where the goods are warehoused;
- (b) the customs code of the applicant, in the case of goods warehoused in a public warehouse;
- (c) details of the goods to be removed, including –
 - (i) a description of the goods, which description must include –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods;⁶⁰
 - (cc) the customs value of the goods; and
 - (dd) any marks and numbers on the goods; and
 - (ii) the inventory stock code assigned to the goods in terms of rule **13.10**;
- (d) details in relation to the purpose for which the goods are to be removed, including –

⁵⁸ See section 913(4) of the Control Act.

⁵⁹ See section 912(2) of the Control Act for manner of submission.

⁶⁰ The actual quantities in the unit of measurement as indicated in the relevant tariff heading must be reflected.

- (i) a description of the proposed action to be performed on or in connection with the goods;
 - (ii) the place where the proposed action is to be performed;
 - (iii) a description of any security measures to be taken by the licensee, including at the place where the goods will be removed to, to ensure that the integrity of the goods are not compromised;
 - (iv) the date of removal and proposed date of return of the goods; and
 - (v) a motivation as to why the proposed action cannot be performed at the storage warehouse and
- (e) the movement reference number⁶¹ of any clearance declaration in terms of which the goods were cleared for storage in the warehouse.

(3) An application referred to in subrule (1) must be supported by any documents that can substantiate the information referred to in subrule (2).

(4) (a) If the customs authority so requests, a supporting document must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁶² the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

(5) The licensee of a public storage warehouse is entitled to a copy of the approval of an application in terms of this rule.

Applications for approval of repair or preservation operations and timeframe for return of goods after removal for repairs or preservation operations (*section 310(b)*)

13.18 (1) (a) An application for approval of a repair or preservation operation in terms of section 310(b) of the Control Act must be submitted to the customs

⁶¹ See definition of “movement reference number” in rule 1.1.

⁶² See section 913(4) of the Control Act.

authority electronically through e-filing at least seven working days before the commencement of the proposed repair or preservation operation, subject to paragraph (b), by –

- (i) the licensee of a private storage warehouse; or
- (ii) the owner of the goods, or the agent of the owner, if not located in the Republic, in the case of goods warehoused in a public storage warehouse.

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁶³ the application must be submitted –

- (i) on Form...as published as a rule on the SARS website;⁶⁴and
- (ii) to the Customs Office that serves the area where the warehouse is situated.

(2) An application referred to in subrule (1) must reflect –

- (a) the customs code of the storage warehouse where the goods are warehoused;
- (b) the customs code of the applicant, in the case of goods warehoused in a public storage warehouse;
- (c) details of the goods to in respect of which the proposed repair or preservation operation is to be carried out, including –
 - (i) a description of the goods, which description must include –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods;⁶⁵
 - (cc) the customs value of the goods; and
 - (dd) any marks and numbers on the goods; and
 - (ii) the inventory stock code assigned to the goods in terms of rule **13.10**;
- (d) details in relation to the proposed repair or preservation operation, including –
 - (i) a description of the repair or preservation operation;
 - (ii) the place where the repair or preservation operation is to be performed;
 - (iii) a description of any security measures to be taken by the licensee, including at the place where the goods will be removed to, to ensure that the integrity of the goods are not compromised;

⁶³ See section 913(4) of the Control Act.

⁶⁴ See section 912(2) of the Control Act for manner of submission.

⁶⁵ The actual quantities in the unit of measurement as indicated in the relevant tariff heading must be reflected.

- (iv) the date of removal and proposed date of return of the goods, if goods need to be removed; and
 - (v) a motivation as to why the repair or preservation operation cannot be performed at the storage warehouse; and
- (e) the movement reference number⁶⁶ of any clearance declaration in terms of which the goods were cleared for storage in the warehouse.

(3) An application referred to in subrule (1) must be supported by any documents that can substantiate the information referred to in subrule (2).

(4) (a) If the customs authority so requests, a supporting document must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁶⁷ the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

(5) The licensee of a public storage warehouse is entitled to a copy of the approval of an application in terms of this rule.

(6) The timeframe for the return of goods removed from a storage warehouse for a repair or preservation operation as contemplated in section 310(b) of the Control Act is three working days after removal of the goods.⁶⁸

Part 5: Measures to ensure effective customs control over goods under warehousing procedure

Measures to ensure effective customs control during temporary removal of goods as contemplated in section 310 (*section 313(c)(ii)*)

⁶⁶ See definition of “movement reference number” in rule 1.1.

⁶⁷ See section 913(4) of the Control Act.

⁶⁸ This period may be extended in terms of section 908 of the Control Act.

13.19 A place to which goods are temporarily removed in terms of section 310(b) and (c) must comply with the security standards for storage warehouses referred to in rule **29**....

Storage of free circulation goods with goods not in free circulation in same storage warehouse (section 299(2))

13.20 (1) Break bulk goods in free circulation may be stored in the same storage warehouse with break bulk goods not in free circulation, provided that the free circulation goods are distinguished from the goods not in free circulation by means of a stock inventory code assigned in accordance with rule **13.10**.

(2) Bulk goods in free circulation may be stored in the same storage warehouse with bulk goods not in free circulation, provided that –

- (a) the dutiability of the goods not in free circulation is not affected by storing the goods together with free circulation goods;
- (b) the free circulation goods are distinguished from the goods not in free circulation by means of a stock inventory code assigned in accordance with rule **13.10**; and
- (c) the free circulation goods are kept physically separate if the goods are not identical to the goods not in free circulation in respect of tariff classification, quality and technical characteristics.

(3) All goods in a storage warehouse must be easily accessible for customs inspection.

CHAPTER 14
TAX FREE SHOP PROCEDURE

Definitions

“inbound tax free shop” means a tax free shop located at a place of entry before the checkpoint in a travellers terminal where inbound travellers are processed for purposes of customs control;

“inbound traveller or crew member” means a person, arriving in the Republic on –

- (a) an inbound foreign-going aircraft; or
- (b) an inbound foreign-going vessel;

“outbound tax free shop” means a tax free shop located after the checkpoint in a travellers terminal where outbound travellers are processed for purposes of customs control;

“outbound traveller or crew member” means a person who is about to depart from the Republic on –

- (a) an outbound foreign-going aircraft; or
- (b) an outbound foreign-going vessel;

“tax free shop” means an inbound or outbound tax free shop, but excludes a special shop for diplomats;

Please note that these definitions will be included in Chapter 1, rule 1.1.

Part 1: Establishment of, and transport of goods to and receipt of goods in, tax free shops

Places where tax free shops may be established

14.1 Tax free shops may be established at the following –

- (a) customs seaports designated as places of entry or exit in terms of section 31(1)(a):

- (i) Durban customs seaport; and
- (ii) Cape Town customs seaport; and
- (b) customs airports designated as places of entry or exit in terms of section 31(1)(b):
 - (i) Cape Town International Airport;
 - (ii) King Shaka International Airport;
 - (iii) Kruger Mpumalanga International Airport; and
 - (iv) OR Tambo International Airport.

Only licensees apart from carriers permitted to transport goods under tax free shop procedure to tax free shops (section 332(b))

14.2 For purposes of section 122(c) of the Control Act the licensee of a tax free shop is permitted to transport, using own transport, goods not in free circulation to a tax free shop under the tax free shop procedure.⁶⁹

Notification of delivery by carriers of goods not in free circulation to tax free shops

14.3 A carrier who transported goods not in free circulation to a tax free shop for sale in the shop must notify the customs authority of the delivery of the goods to the shop in accordance with rule **29.XX**

Notification of receipt of both free circulation and non-free circulation goods in tax free shops

14.4 (1) The licensee of a tax free shop must within three working days of receipt in the tax free shop of goods for sale in the shop, notify the customs authority in accordance with subrule (2) of the receipt of the goods.

(2) (a) A receipt notification referred to in subrule (1) must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper

⁶⁹ It is to be noted that as goods in free circulation to be sold in a tax free shop are not transported to the shop under the tax free shop procedure, any person is entitled to transport such goods.

format are permissible, the submission must be on Form ...as published as a rule on the SARS website at the Customs Office serving the area where the tax free shop is situated.

(3) A receipt notification referred to in subrule (1) must reflect the following information:

- (a) the customs code of the tax free shop where the goods were received;
- (b) the name, identity number and contact details of the carrier or other person that transported the goods to the tax free shop or, if the goods were transported by the licensee, a statement to that effect;⁷⁰
- (c) the date and time of receipt of the goods;
- (d) a description of the goods, including the exact quantity received; and
- (e) the movement reference number of the tax free shop clearance declaration, in the case of goods not in free circulation

Part 2: Sale, keeping and removal of goods in tax free shops

Goods that may be sold in tax free shops (section 323(1))

14.5 Goods contemplated in section 323(1) of the Control Act are -

- (a) confectionary;
- (b) cosmetics and toiletries, including lotions, creams, soaps, bath products and similar products;
- (c) perfumes, eau de toilettes and colognes;
- (d) watches;
- (e) jewellery;
- (f) handbags;
- (g) leather products;
- (h) sunglasses;
- (i) tobacco and tobacco products;
- (j) alcoholic beverages;
- (k) electronic goods; and
- (l) clothes.

⁷⁰ In terms of section 122 of the Control Act, read with rule **14.2**, only a carrier and the licensee of a tax free shop are permitted to transport goods not in free circulation to the shop.

Pre-departure transactions relating to goods in inbound tax free shops for delivery upon return (section 332)

14.6 (1) The licensee of an inbound tax free shop may enter into an agreement with an outbound traveller or crew member prior to that traveller or crew member's departure from the Republic for the sale and supply of goods in the inbound tax free shop⁷¹ on the return of that traveller or crew member to the Republic, subject to subrules (2) and (3).

(2) A licensee referred to in subrule (1) must –

- (a) be satisfied that the outbound traveller or crew member referred to in subrule (1) is in possession of a valid boarding pass, crew identification card or airline ticket⁷² indicating that that traveller or crew member is about to depart from the Republic;
- (b) request the following information in respect of the prospective purchaser at the time of the agreement:
 - (i) Full name;
 - (ii) passport or travel document number, or identity number;
 - (iii) boarding pass number or crew identification card number, as may be applicable;
 - (iv) scheduled date of departure from the Republic and scheduled date of arrival back in the Republic; and
 - (v) particulars of the means of transport on which the traveller or crew member is to depart from the Republic, including flight or voyage number.

(3) (a) A traveller or crew member referred to in subrule (1) must upon that traveller or crew member's arrival back in the Republic as an inbound traveller or crew member, collect the goods in respect of which the agreement of sale had been entered into at the relevant inbound tax free shop..

⁷¹ Please note that the normal tax free limit as fixed for a particular class or kind of goods applies to such goods.

⁷² An airline ticket is only acceptable if the agreement is entered into before a boarding pass has been issued.

(b) Ownership of the tax free shop goods purchased in terms of this rule may only be transferred on the premises of the inbound tax free shop when that traveller or crew member collects the goods on his or her return upon showing a valid boarding pass or crew identification card indicating arrival from a place outside the Republic.

Issuing of sales invoices (*section 325*)

14.7 A sales invoice contemplated in section 325 of the Control Act must reflect –

- (a) a description of the goods to which it relates, including the stock inventory code and the quantity;
- (b) the date of issue of the sales invoice;
- (c) the sales price of the goods in South African Rand;
- (d) the customs code of the tax free shop issuing the sales invoice; and
- (e) the following information in respect of the purchaser:
 - (i) full name;
 - (ii) passport number and boarding pass number;
 - (iii) date of arrival in the case of an inbound traveller, or date of departure in the case of an outbound traveller; and
 - (iv) particulars of the means of transport on which the traveller arrived in or is about to depart from the Republic, including flight or voyage number.

Packing and sealing of goods purchased in tax free shops

14.8 Goods sold in a tax free shop must be –

- (a) packaged in a transparent package together with the sales invoice referred to in rule **14.7** issued in respect of the goods, in a manner ensuring that the particulars on the invoice as well as the goods are clearly visible and identifiable; and
- (b) sealed to ensure that the goods cannot be removed from the package without the seal being broken.

Ticketing, labelling or marking goods on display in tax free shops

14.9 All goods displayed for sale in a tax free shop must be ticketed, labelled or marked to indicate that the selling price does not include tax.

Application for approval of off-site retail outlets (*section 326(1)*)

14.10 (1) (a) An application for approval to establish an off-site retail outlet contemplated in section 326(1) of the Control Act must prior to establishing such outlet be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁷³ the submission must be on Form ...as published as a rule on the SARS website at the Customs Office that serves the area where the tax free shop for which the proposed off-site outlet is to be established, is situated.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) the customs code of the tax free shop for which the off-site outlet is to be established; and
- (b) the physical address of the proposed off-site outlet; and
- (c) the purpose for which the off-site outlet is to be established.

(3) An application referred to in subrule (1) must on request of the customs authority be supported by –

- (a) a site and building plan indicating the location of the proposed off-site outlet in relation to that tax free shop; and
- (b) documents setting out standard operating procedures in relation to security measures that will be implemented to ensure the security of goods in the off-site outlet.

Transfer of goods between tax free shops and off-site outlets (*section 326(1)(f)*)

14.11 Goods may be transferred between a tax free shop and an off-site outlet established for that tax free shop only by a person referred to in rule **14.2**.

Application for extension of maximum period goods may be kept in tax free shop (*sections 327*)

⁷³ See section 913(4) of the Control Act.

14.12 The licensee of a tax free shop may in accordance with rule **41....** apply to the customs authority for the extension of the maximum period, contemplated in section 327 of the Control Act, for which goods may remain in a tax free shop.

Application for approval to remove goods from tax free shops contemplated in section 328(1)(f)⁷⁴

14.13 (1) (a) An application for approval contemplated in section 328(1)(f) of the Control Act to remove goods from a tax free shop, must at least seven working days prior to the removal of the goods be submitted to the customs authority by the licensee of the tax free shop electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁷⁵ the submission must be on Form ...as published as a rule on the SARS website at the Customs Office that serves the area where the tax free shop is situated.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the tax free shop;
- (b) a description of the goods and the stock inventory code assigned to the goods; and
- (c) the purpose for the removal of the goods.

(3) An application referred to in subrule (1) must on request of the customs authority be supported by any document that can substantiate the information referred to in subrule (2).

(4) (a) Supporting documents referred to in subrule (3) must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

⁷⁴ This rule also applies to goods that were in free circulation before the goods were supplied to the tax free shop.

⁷⁵ See section 913(4) of the Control Act.

(b) If supporting documents referred to in paragraph (a) are submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁷⁶ submission must be made to the Customs Office that serves the area where the tax free shop is situated.

Manipulation, alteration or combination of goods in tax free shops for purposes of display or sale (*section 329*)

14.14 Goods in a tax free shop may be manipulated, altered or combined as contemplated in section 329 of the Control Act only by performing the following actions in relation to the goods –

- (a) stamping;
- (b) labelling;
- (c) ticketing;
- (d) marking; or
- (e) another action as approved by the customs authority in accordance with rule **14.15**.

Application for approval to manipulate, alter or combine goods in tax free shops (*section 329*)

14.15 (1) (a) The licensee of a tax free shop must at least five working days before undertaking a proposed manipulation, alteration or combination of goods in that tax free shop, submit an application for approval contemplated in section 329 of the Control Act to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁷⁷ the submission must be on Form ...as published as a rule on the SARS website at the Customs Office that serves the area where the tax free shop is situated.

(2) An application referred to in subrule (1) must reflect the following information:

⁷⁶ See section 913(4) of the Control Act.

⁷⁷ See section 913(4) of the Control Act.

- (a) The customs code of the tax free shop;
- (b) a description of the goods and the stock inventory code assigned to the goods;
- (c) a description of the proposed manipulation, alteration or combination of the goods; and
- (d) the purpose of the proposed manipulation, alteration or combination of the goods.

(3) An application referred to in subrule (1) must on request of the customs authority be supported by any document that can substantiate information referred to in subrule (2).

(4) (a) Supporting documents referred to in subrule (3) must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If supporting documents referred to in paragraph (a) are submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁷⁸ submission must be made to the Customs Office that serves the area where the tax free shop is situated.

Part 3: Accountability for goods in tax free shops

Inventory control system for tax free shops (section 330)

14.16 (1) An inventory control system contemplated in section 330 of the Control Act must enable the customs authority to perform detailed audits of the business conducted at and in connection with the tax free shop, including in relation to –

- (a) non-free circulation goods received in the shop under the tax free shop procedure, to verify the information declared on the clearance declaration; and
- (b) free circulation goods received in the tax free shop, to verify any information declared for VAT exemption purposes.

⁷⁸ See section 913(4) of the Control Act.

(2) The licensee of a tax free shop must upon receipt of goods in that tax free shop –

- (a) document those goods on the inventory control system for that tax free shop, established as contemplated in section 330 of the Control Act; and
- (b) assign to such goods a unique stock inventory code against which the information referred to in rule **14.17** or **14.18**, as may be applicable, must be accessible in respect of such goods.

Inventory control and recordkeeping of goods cleared for tax free shop procedure (*section 330*)

14.17 In addition to the information contemplated in section 330(a) to (d), the inventory control system must reflect the following in relation to goods cleared for tax free shop procedure and received in the tax free shop:

- (a) a description of the goods, including –
 - (i) the customs value;
 - (ii) the tariff classification;
 - (iii) the quantity, volume or weight of the goods; and
 - (iv) any marks and numbers on the goods;
- (b) the movement reference number and date of the clearance declaration in terms of which the goods were –
 - (i) cleared for tax free shop procedure; or
 - (ii) if unsold from the tax free shop, cleared for home use or for another permissible customs procedure;
- (c) the reference number and the date of the sales invoice issued upon sale of the goods, if the goods were sold;
- (d) the reference number and date of any permit, authorisation or preference certificate issued in respect of the goods;
- (e) in the case of goods removed from the tax free shop for a purpose contemplated in section 328(1) of the Control Act –
 - (i) the date of removal; and
 - (ii) in the case of a removal contemplated in paragraph (c) of that subsection, also the place to which the goods are removed;
- (f) an indication in respect of damaged, destroyed, lost or unaccounted for goods, that the goods are damaged, destroyed, lost or unaccounted for; and

- (g) any documents relating to all transactions or activities pertaining to goods from the time the goods are received in the tax free shop until the goods are sold from the tax free shop or if unsold, cleared for home use or another customs procedures as may be permissible, including any -
- (i) authorisations granted by the customs authority for an extension of a tax free shop period pursuant to an application referred to in rule **14.12**;
 - (ii) reports submitted to customs as required in terms of section 331 of the Control Act;
 - (iii) permissions granted by the customs authority pursuant to an application referred to in rule **14.13**;
 - (iv) detention, seizure or confiscation notices issued by the customs authority in terms of Chapter 34 of the Control Act;
 - (v) contracts of sale, licence and royalty agreements, or other contract or agreement in respect of the goods, if applicable;
 - (vi) transfer pricing policies between a trade company and its subsidiaries;
 - (vii) purchase orders;
 - (viii) invoices or other proof of payment;
 - (ix) packing slips;
 - (x) delivery notes;
 - (xi) transport documents;
 - (xii) certificates of origin;
 - (xiii) clearance declarations and release notifications;
 - (xiv) worksheets;
 - (xv) import permits in respect of restricted goods; and
 - (xvi) documents constituting proof of damage, destruction or loss, in the case of goods damaged, destroyed, lost or unaccounted for.⁷⁹

Inventory control and recordkeeping of free circulation goods received in tax free shops (*section 330*)

14.18 In addition to the information contemplated in section 330(a) to (d), the inventory control system must reflect the following in relation to free circulation goods received in the tax free shop:

⁷⁹ See sections 551 to 554 of the Control Act.

- (a) a description of the goods, including the quantity, volume or weight of the goods;
- (b) any marks and numbers on the goods;
- (c) the date of receipt of the goods in the tax free shop;
- (d) the reference number and the date of the sales invoice issued upon sale of the goods, if the goods were sold;
- (e) the reference number and date of any permit, authorisation or preference certificate issued in respect of the goods;
- (f) in the case of goods removed from the tax free shop for a purpose contemplated in section 328(1) of the Control Act –
 - (i) the date of removal; and
 - (ii) in the case of a removal contemplated in paragraph (c) of that subsection, also the place to which the goods are removed;
- (g) an indication in respect of damaged, destroyed, lost or unaccounted for goods, that the goods are damaged, destroyed, lost or unaccounted for; and
- (h) any documents relating to all transactions or activities pertaining to goods from the time the goods are received in the tax free shop until the goods are sold from the tax free shop or if unsold, cleared for home use or another customs procedures as may be permissible, including any -
 - (i) authorisations granted by the customs authority for an extension of a tax free shop period pursuant to an application referred to in rule **14.12**;
 - (ii) reports submitted to customs as required in terms of section 331 of the Control Act;
 - (iii) permissions granted by the customs authority pursuant to an application referred to in rule **14.13**;
 - (iv) detention, seizure or confiscation notices issued by the customs authority in terms of Chapter 34 of the Control Act;
 - (v) contracts of sale, licence and royalty agreements, or other contract or agreement in respect of the goods, if applicable;
 - (vi) transfer pricing policies between a trade company and its subsidiaries;
 - (vii) purchase orders;
 - (viii) invoices or other proof of payment;
 - (ix) packing slips;
 - (x) delivery notes;

- (xi) worksheets; and
- (xii) documents constituting proof of damage, destruction or loss, in the case of goods damaged, destroyed, lost or unaccounted for.⁸⁰

Reports to be submitted in connection with goods in tax free shops (*section 331*)

14.19 (1) (a) A report contemplated in section 331 of the Control Act must be in the form of a return and must be submitted at monthly intervals, within seven working days after the end of each month, to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁸¹ the submission must be on Form ... as published as a rule on the SARS website at the Customs Office that serves the area where the tax free shop is situated.

(2) A report referred to in subrule (1) must in respect of all goods referred to in section 331(2) reflect the following information in addition to the information listed in that subsection:

- (a) The customs code of the tax free shop;
- (b) a precise description of the goods, including –
 - (i) the quantity, volume or weight; and
 - (ii) the stock inventory code allocated to the goods as contemplated in rule **14.16(2)(b)**; and
- (c) the date of receipt, sale or removal, as applicable, in respect of all goods referred to in that subsection.

Records to be produced to Customs on request

14.20 (1) A licensee of a tax free shop who has been requested by a customs officer to produce any record referred to in rule **14.17(g)** and **14.18(h)** must submit such record to the customs authority within the timeframe indicated in the request, or

⁸⁰ See sections 551 to 554 of the Control Act.

⁸¹ See section 913(4) of the Control Act.

if no timeframe is specified in such request, within three working days after the request.

(2) A copy of such document or record may, subject to the approval of the customs authority, be submitted and such a copy or printout may for purposes of the Control Act and a tax levying Act be regarded to be the original document or record requested.

Part 4: Special shops for diplomats

Definition

14.21 For purposes of this Part –

“special shop for diplomats” means a shop contemplated in section 332(d) of the Control Act, established for the tax free retail sale of goods to persons entitled to diplomatic immunities or privileges under the Diplomatic Immunities and Privileges Act, 2001 (Act No. 37 of 2001), and includes any storage facilities on the premises.

Place where special shops for diplomats may be established (*section 332 (g)*)

14.22 A special shop for diplomats may be established only in the Tshwane Metropolitan area and within a ten kilometre radius from the premises of a diplomatic mission as defined in the Diplomatic Immunities and Privileges Act, 2001.

Clearance of goods not in free circulation for supply to special shops for diplomats

14.23 (1) The provisions of the Control Act regulating the tax free shop procedure, except insofar as any such provision is modified, qualified or deviated from in this Part, apply with any necessary changes the context may require to –

- (a) goods not in free circulation supplied to a special shop for diplomats; and
- (b) goods in free circulation received in a special shop for diplomats.

(2) (a) No goods not in free circulation may be supplied to a special shop for diplomats unless those goods are cleared and released under the tax free shop procedure as applied in terms of subrule (1)(a).

(b) All goods in free circulation received in a special shop for diplomats come under the tax free shop procedure as applied in terms of subrule (1)(b).

Completion of tax free shop procedure in relation to goods received in special shops for diplomats

14.24 (1) The tax free shop procedure in relation to goods in a special shop for diplomats is, subject to subsection (2), completed when the goods are sold and the purchaser removes the goods from the shop.

(2) The tax free shop procedure, in relation to goods in a special shop for diplomats, ends before its completion if—

- (a) the goods before completion of the procedure are cleared and released for another customs procedure or for home use, as may be permissible in the circumstances; or
- (b) completion of the procedure is interrupted by an occurrence referred to in section 109(2).

Persons to whom goods may be sold in special shops for diplomats (*section 332(d)*)

14.25 Goods in a special shop for diplomats may be sold only to a person –

- (a) entitled to diplomatic immunities or privileges under the Diplomatic Immunities and Privileges Act, 2001 (Act No. 37 of 2001); and
- (b) who is in possession of –
 - (i) a diplomatic identity card issued to that person by –
 - (i) an embassy, consulate, or other diplomatic mission of a foreign country in the Republic; or
 - (ii) a diplomatic mission of an international organisation or institution in the Republic; and
 - (ii) a certification issued by the government department responsible for diplomatic relations, authorising the sale and quantities of the goods to be sold.

Issuing of sales invoices

14.26 No goods may be sold from a special shop for diplomats unless a sales invoice containing the following information is issued to the purchaser in respect of the sale:

- (a) A description of the goods to which it relates, including the stock inventory code and the quantity;
- (b) the date of issue of the sales invoice;
- (c) the sale price of the goods in South African Rand;
- (d) the name and physical address of the shop issuing the sales invoice; and
- (e) the name of the purchaser;
- (f) the number of the diplomatic identity card of the purchaser;
- (g) the name of the diplomatic mission or international organisation or institution which issued the diplomatic identity card; and
- (h) the accreditation number issued to that diplomatic mission or international organisation or institution in terms of the Diplomatic Immunities and Privileges Act, 2001.

Off-site outlets for special shops for diplomats disallowed

14.27 No off-site outlet may be established for a special shop for diplomats.

Removal of goods from special shops for diplomats

14.28 Goods may be removed from a special shop for diplomats in the following circumstances only:

- (a) when the goods are sold to a person referred to in rule **14.25**;
- (b) if goods not sold as contemplated in paragraph (a) are cleared and released for home use or another customs procedure, as may be permissible in the circumstances;
- (c) if any steps referred to in section 115 of the Control Act are taken in respect of the goods and such steps require removal of the goods from the shop; or
- (d) if the goods are detained, seized or confiscated and the customs authority directs in terms of Chapter 34, 35 or 36 that the goods be removed to another place.

(2) Section 328(2) of the Control Act applies in respect of goods removed from a special shop for diplomats in contravention of subrule (1), or used or sold as samples, perfume testers or other items used for promoting sales in the shop.

CHAPTER 15

STORES PROCEDURE⁸²

Definition

“**boarding pass**” means a document issued during check-in by a licensed carrier –

- (a) indicating that a traveller has the permission of the carrier to board the vessel, aircraft or train for a particular voyage, flight or trip; and
- (b) reflecting –
 - (i) the identity of the traveller;
 - (ii) the voyage, flight or trip number; and
 - (iii) the date and scheduled time of departure of the vessel, aircraft or train;

“**crew identification card**” means a card issued by the carrier operating a foreign-going vessel or aircraft or cross-border train indicating that the person identified on the card is employed by the carrier as a member of the crew of that vessel, aircraft or train;

Please note that these definitions will be moved to rule 1.1.

Part 1: Introductory rules

⁸² Goods to which the stores procedure applies, include –

- (a) all consumables for use as stores on board a vessel, aircraft or train referred to in section 334(2) of the Control Act, such as –
 - (i) foodstuffs;
 - (ii) mineral waters and non-alcoholic drinks;
 - (iii) alcoholic drinks including ales, beers, wine and spirits;
 - (iv) tobacco or manufactured tobacco products, including cigarettes, cigarillos, cigars, hand-rolling tobacco, smoking tobacco and chewing tobacco or tobacco substitutes;
 - (v) soaps and toiletries and;
 - (vi) medicinal supplies;
 - (vii) stationary and other consumer products; and
 - (viii) books, magazines and dvd's;
 - (ix) cleaning compounds and materials;
 - (x) boiler compounds, fuel, fuel oil treatment preparations, lubricants and filter sponges;
 - (xi) coating for boilers and boiler bricks;
 - (xii) paints, varnishes, solvents and corrosion and rust inhibitors;
 - (xiii) gas for refrigeration, welding and other on-board purposes;
 - (xiv) matches and lighter fluid in dispensing cans;
 - (xv) smoke abatement and oils slick dispersant preparations;
 - (xvi) coal; and
 - (xvii) products for the preservation, treatment or preparation on board of the goods carried;
- (b) all spare parts for the vessel, aircraft or train that may be needed for the operation or maintenance of the vessel, aircraft or train; and
- (c) tax free items for sale to travellers and crew consisting of items similar to those that may be bought in tax free shops.

Classes or kinds of goods excluded from the definition of “stores” (*section 1(1)*)

15.1 Personal effects of a traveller or a crew member or commercial goods in a traveller or crew member’s accompanied or unaccompanied baggage are excluded from the definition of “stores” in section 1 of the Control Act.

Tariff classification to be reflected on certain documents to be submitted for purposes of stores procedure

15.2 The following tariff classification must be reflected on a stores clearance declaration, stores arrival or departure report, application or notification or other document required to be submitted to the customs authority in terms of Chapter 15 of the Control Act:

- (a) In relation to stores consisting of alcoholic beverages and tobacco products for consumption by travellers and crew : 9992.00.10;
- (b) in relation to stores consisting of products other than goods referred to in paragraph (a) for consumption or use by travellers and crew: 9992.00.20; and
- (c) in relation to stores consisting of goods necessary to operate or maintain the foreign-going vessel or aircraft or cross-border train during its voyage, flight or journey: 9992.00.90.

Only licensed stores suppliers apart from carriers permitted to transport goods not in free circulation to vessels, aircraft or trains under stores procedure (*sections 122(c) and 359(e)(i)*)

15.3 For purposes of section 122(c) of the Control Act a licensed stores supplier supplying stores to a foreign-going vessel or aircraft, or cross-border train, is permitted to transport, using own transport, imported goods not in free circulation under stores procedure to the vessel, aircraft or train.

Part 2: Rules relating to clearance and release of stores taken on board in Republic

Acknowledgement of receipt of stores taken on board (*section 343*)

15.4 (1) An acknowledgement of receipt referred to in section 343 of the Control Act of a specific delivery of stores must, within three hours after that delivery of stores was taken on board a vessel, aircraft or train in the Republic, be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If acknowledgement of receipt referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁸³ the submission must be –

- (i) on Form.....as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the place of entry or exit where the stores were taken on board.

(2) An acknowledgement of receipt referred to in subrule (1) must reflect the following information:

- (a) The on-board operator details;⁸⁴
- (b) the transport name⁸⁵ and country of registration;
- (c) the conveyance number;⁸⁶
- (d) the customs code of the carrier operating the vessel, aircraft or train, and if the carrier is not located in the Republic, also, also the customs code of that carrier's registered agent in the Republic;
- (e) the name and customs code of the stores supplier, if the stores were supplied by a stores supplier;
- (f) the date when the stores were taken on board;
- (g) the movement reference number⁸⁷ of any stores clearance declaration submitted in respect of the stores; and
- (h) a description of the stores taken on board, which description must include –
 - (i) the tariff classification;
 - (ii) the customs value; and
 - (iii) the exact quantity, weight or volume;
- (i) a description, and quantity, weight or volume, of the stores not accepted and returned, including the information referred to in paragraph (i)(i) to (iii); and

⁸³ See section 913(4) of the Control Act.

⁸⁴ See definition of "on-board operator details" in rule 1.1.

⁸⁵ See the definition of "transport name" in rule 1.1.

⁸⁶ See definition of "conveyance number" in rule 1.1.

⁸⁷ See definition of "movement reference number" in rule 1.1

- (j) a declaration that the particulars on the acknowledgement are true and correct.

Part 3: Rules relating to reporting and control of stores under stores procedure

Stores that must be sealed upon arrival at a customs seaport or airport

15.5 (1) The on-board operator of a foreign-going vessel or aircraft or a cross-border train must, subject to subrule (2), when a stores arrival report must be submitted in terms of section 346, seal the following goods, or request⁸⁸ the customs authority to seal such goods:

- (a) firearms, including air - , alarm - or gas pistols;
- (b) ammunition;
- (c) cigarettes, cigars, tobacco and any other manufactured tobacco products and substitutes;
- (d) ales, beer, wine, spirits or other alcoholic drinks; and
- (e) habit forming drugs.

(2) The standard quantities of alcohol and tobacco and manufactured tobacco substitutes referred to in rule **15.6** may be left unsealed for personal use by travellers and crew members.

Standard quantities of certain stores allowed for personal use of travellers or crew members on board vessels whilst in Republic (*section 347(2) read with section 348(3)*)

15.6 Standard quantities of stores for purposes of section 347(2) of the Control Act allowable per traveller or crew member are the following in relation to –

- (a) alcohol:
 - (i) Six cans or bottles of beer per day, not exceeding 440ml per can or bottle;
 - (ii) one bottle of wine per day, not exceeding 750 millilitres; and

⁸⁸ This request must be reflected on the stores arrival report.

- (iii) three bottles of spirits or liqueur per 10 days, not exceeding 1125 millilitres per bottle; and
- (b) tobacco and manufactured tobacco substitutes:
 - (i) 20 cigarettes per day;
 - (ii) 250 grams of tobacco per 10 days; or
 - (iii) 5 cigars, regardless of weight, per 10 days.

Application for permission to break customs seals or interfere with secured stores (section 347(3))

15.7 (1) (a) Permission contemplated in section 347(3) of the Control Act to break any seal placed on stores⁸⁹ or to interfere with stores otherwise secured must be obtained by submitting an application for such permission to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁹⁰ the submission must be –

- (i) on Form.....as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the relevant customs seaport, airport or railway station.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The on-board operator details;⁹¹
- (b) the customs code of the carrier, and if the carrier is not located in the Republic, also the customs code of that carrier’s registered agent in the Republic;
- (c) the transport name,⁹² and country of registration of the vessel, aircraft or train;
- (d) the conveyance number;⁹³
- (e) the name of the customs seaport, airport or railway station where the vessel, aircraft or train has arrived;

⁸⁹ This includes stores sealed in terms of rule **15.5**.

⁹⁰ See for section 913(4) of the Control Act.

⁹¹ See definition of “on-board operator details” in rule 1.1.

⁹² See definition of “transport name” in rule 1.1.

⁹³ see definition of “conveyance number” in rule 1.1.

- (f) the date and time of arrival of the vessel, aircraft or train;
- (g) the length of time the vessel, aircraft or train will stay at that seaport, airport or railway station;
- (h) a motivation of the reasons why the proposed breaking of any seal placed on the stores, or interference with stores secured in another way, is required; and
- (i) a description of the relevant stores, which description must include –
 - (i) the seal number, if applicable;
 - (ii) the tariff classification;
 - (iii) the exact quantity, volume or weight;
 - (iv) the customs value; and
 - (v) any marks and numbers on the goods, if applicable.

Application for customs permission to issue stores for use on vessels in customs seaports (*section 348(1) and (2)*)

15.8 (1) (a) The on-board operator of a foreign-going vessel must apply to the customs authority for permission to issue stores as contemplated in section 348(1) by submitting an application electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,⁹⁴ the submission must be –

- (i) on Form.....as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the relevant customs seaport.

(2) An application referred to in subrule (1) must reflect the following, in addition to the information listed in section 348(1)(a) and (b):

- (a) The on-board operator details;⁹⁵
- (b) the transport name;⁹⁶
- (c) the conveyance number;⁹⁷
- (d) the name of the customs seaport;
- (e) the date and time of arrival at the customs seaport; and

⁹⁴ See section 913(4) of the Control Act.

⁹⁵ See definition of “on-board operator details” in rule 1.1.

⁹⁶ See definition of “transport name” in rule 1.1.

⁹⁷ See definition of “conveyance number” in rule 1.1.

- (f) a description of the stores required for the duration of the stay at the customs seaport, which description must include –
 - (i) the tariff classification;
 - (ii) the exact quantity, volume or weight, as may be appropriate;
 - (iii) the customs value; and
 - (iv) any marks and numbers on the goods, if applicable.

(3) If at the time of submission of an application contemplated in section 348(1), the on-board operator is aware that additional quantities of stores will be required for circumstances contemplated in section 348(2)(a) or (b), permission for the issuing of such additional stores may be requested in that application by including, as may be appropriate, in addition to the information listed in subrule (2) –

- (a) in the case of a delay in the departure of the vessel, the reason for and duration of the delay;
- (b) in the case of a function to be hosted on board, a description of the function and the number of attendees; and
- (c) in the case of the vessel remaining in the customs seaport for longer than ten days, the additional number of days.

(4) If additional stores are required subsequent to the submission of an application referred to in subrule (1) for circumstances contemplated in section 348(2)(a) or (b), application for permission for the issuing of such additional stores must be made in terms of subrule (1), reflecting in addition to the information listed in subrule (2), the information listed in subrule (3)(a), (b) or (c), as may be appropriate.

Record to be kept by on-board operators of stores issued on vessels (*section 348(4)*)

15.9 A record contemplated in section 348(4) of the Control Act must be kept electronically and reflect the following information:

- (a) The customs code of the carrier, and if the carrier is not located in the Republic, also the customs code of that carrier's registered agent in the Republic;

- (b) the transport name⁹⁸ and country of registration of the vessel;
- (c) on-board operator details;⁹⁹
- (d) the conveyance number;¹⁰⁰
- (e) the reference number of any permission to issue stores contemplated in section 348 (1) or (2);
- (f) the date of issue of stores referred to in paragraph (e);
- (g) a description of the stores issued in terms of section 348, which description must include –
 - (i) the tariff classification;
 - (ii) the exact quantity, volume or weight of the goods, as may be applicable;
 - (iii) the customs value; and
 - (iv) marks and numbers on the goods, if applicable;
- (h) in respect of stores issued that became damaged, destroyed, lost or unaccounted for, the information referred to in paragraph (g)(i) to (iv);
- (i) in respect of stores issued that remained unused, the information referred to in paragraph (g)(i) to (iv); and
- (j) in respect of issued stores sold to travellers and crew whilst the vessel is in the customs seaport, the information referred to paragraph (g)(i) to (iv).

Categories of vessels, aircraft and trains permitted to carry tax free items for sale to travellers and crew (section 349)

15.10 (1) The following categories of vessels, aircraft and trains referred to in section 334(2) are permitted to carry tax-free items listed in subrule (2) for sale to travellers and crew:

- (a) Foreign-going vessels used for transporting travellers by sea for reward;
- (b) foreign-going aircraft used for transporting travellers by air for reward; and
- (c) cross-border trains used for transporting travellers by rail for reward.

(2) Tax-free items that may be carried on board a vessel, aircraft or train referred to in subrule (1) for sale to travellers and crew are –

⁹⁸ See definition of “transport name” in rule 1.1.

⁹⁹ See definition of “on-board operator details” in rule 1.1.

¹⁰⁰ See definition of “conveyance number” in rule 1.1.

- (a) confectionary;
- (b) cosmetics and toiletries, including lotions, creams, soaps, bath products and similar products;
- (c) perfumes, eau de toilettes and colognes;
- (d) watches;
- (e) jewellery;
- (f) handbags;
- (g) leather products;
- (h) sunglasses;
- (i) tobacco and tobacco products;
- (j) alcoholic beverages;
- (k) electronic goods; and
- (l) clothes.

Sale of tax free items on board foreign-going vessels, aircraft or cross-border trains (*sections 349 and 359(b)*)

15.11 (1) Tax free items may be sold on board a foreign-going vessel or aircraft or cross-border train as contemplated in section 349- –

- (a) only to travellers with boarding passes and crew members with valid crew identification cards on a journey from or to a place outside the Republic and only whilst those travellers and crew are on board the vessel, aircraft or train for purposes of that journey;
- (b) in the case of a vessel, aircraft or train entering the Republic, until the vessel, aircraft or train arrives at the last customs seaport or airport or train station in the Republic where travellers on a journey from outside the Republic disembark from the vessel, aircraft or train; and
- (c) in the case of a vessel, aircraft or train leaving the Republic, only after the first travellers bound for a destination outside the Republic, have boarded the vessel, aircraft or train.

(2) No stores may be sold tax free to passengers and crew on board a foreign-going vessel or aircraft or a cross-border train referred to in rule **15.10** unless a sales invoice reflecting the following information is issued in respect of the sale:

- (a) the customs code of the carrier issuing the sales invoice and, if the carrier is not located in the Republic, also of the carrier's registered agent in the Republic;
- (b) the transport name¹⁰¹ and country of registration;
- (c) the conveyance number;¹⁰²
- (d) a description of the stores sold, which description must include the quantity, weight or volume;
- (e) the date of issue of the sales invoice;
- (f) the sales price of the goods; and
- (g) the following information in respect of the purchaser:
 - (i) Full name; and
 - (ii) passport number and boarding pass number.

Additional purposes for which stores may be removed from vessels, aircraft or trains (*section 350(1)(b)(iv)*)

15.12 Additional purposes contemplated in section 350(1)(b)(iv) for which stores may be removed from a foreign-going vessel, aircraft or cross-border train are –

- (a) cleaning crockery and cutlery;
- (b) washing linen and blankets;
- (c) cleaning and repackaging headphones; and
- (d) any other purpose approved by the customs authority in terms of rule **15.13**.

Application for approval to remove stores from vessels, aircraft or trains (*section 350(1)(b)(iv)*)

15.13 (1) (a) An application for approval to remove stores from a foreign-going vessel, aircraft or cross-border train for a purpose referred to in rule **15.12**(d) must be submitted to the customs authority by the carrier operating the vessel or aircraft or train electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁰³ the application must be submitted on Form ...as published

¹⁰¹ See the definition of “transport name” in rule 1.1.

¹⁰² See definition of “conveyance number” in rule 1.1.

¹⁰³ See section 913(4) of the Control Act.

as a rule on the SARS website to the Customs Office that serves the customs seaport, airport or railway station from where the vessel, aircraft or train is scheduled to depart.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the carrier and, if the carrier is not located in the Republic, also of that carrier's registered agent in the Republic;
- (b) the transport name¹⁰⁴ and country of registration;
- (c) the conveyance number;¹⁰⁵
- (d) on-board operator details;¹⁰⁶
- (e) a description of the stores, which description must include –
 - (i) the tariff classification;
 - (ii) the quantity, volume or weight of the goods, as may be applicable;
 - (iii) the customs value; and
 - (iv) marks and numbers on the goods, if applicable;
- (f) the movement reference number of any applicable stores clearance declaration;
- (g) the purpose for which the stores are to be removed; and
- (h) the period for which removal is required.

(3) An application referred to in subrule (1) must on request of the customs authority be supported by a motivation of the reasons why it is necessary for the stores to be removed from the vessel, aircraft or train.

Timeframe for return of stores removed from vessels, aircraft or trains (*section 350(4)*)

15.14 Goods removed as contemplated in –

- (a) section 350(1)(b)(i) must be returned to the vessel, aircraft or train when the vessel or aircraft is ready to depart; and

¹⁰⁴ See the definition of "transport name" in rule 1.1.

¹⁰⁵ See definition of "conveyance number" in rule 1.1.

¹⁰⁶ See the definition of "on-board operator details" in rule 1.1.

- (b) section 350(1)(b)(ii) or (iv) must be returned to the vessel, aircraft or train that it was removed from within three calendar days from date of removal.

Applications for permission to remove stores from vessel or aircraft for purpose of storage elsewhere (*section 351*)

15.15 (1) (a) The carrier operating a foreign-going vessel or aircraft must apply for permission for the removal of stores from the vessel or aircraft in the circumstances contemplated in section 351 of the Control Act by submitting an application to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁰⁷ the application must be submitted on Form ...as published as a rule on the SARS website to the Customs Office that serves the customs seaport or airport where the vessel or aircraft is located.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the carrier and, if the carrier is not located in the Republic, also of that carrier's registered agent in the Republic;
- (b) the transport name¹⁰⁸ and country of registration;
- (c) the conveyance number;¹⁰⁹
- (d) on-board operator details;¹¹⁰
- (e) a description of the stores, which description must include –
 - (i) the tariff classification;
 - (ii) the quantity, volume or weight of the goods, as may be applicable;
 - (iii) the customs value; and
 - (iv) marks and numbers on the goods, if applicable;
- (f) the movement reference number of any applicable stores clearance declaration;
- (g) the reason why storage of the stores at another location is required;

¹⁰⁷ See section 913(4) of the Control Act.

¹⁰⁸ See the definition of "transport name" in rule 1.1.

¹⁰⁹ See definition of "conveyance number" in rule 1.1.

¹¹⁰ See the definition of "on-board operator details" in rule 1.1.

- (h) the physical address of the premises where the stores will be stored, and the name and contact details of the person operation those premises; and
- (i) the period for which such storage is required.

(3) An application referred to in subrule (1) must on request of the customs authority be supported by a motivation of the reasons why it is necessary for the stores to be stored at another location.

Kinds and classes of stores that may be replaced by equivalent goods in free circulation (*sections 352(1) and 359(d)*)

15.16 Stores of the following kinds or classes may be replaced with equivalent goods in free circulation as contemplated in section 352(1):

- (a) Perishable stores no longer usable or of which the quality has deteriorated;
- (b) stores with an expiry date that has been reached or will be reached in the course of the next voyage; and
- (c) stores that are broken or damaged or for any other reason no longer usable.

Application for permission to remove and replace stores with equivalent goods in free circulation (*section 352(1)*)

15.17 (1) (a) An application for permission to remove stores from a foreign-going vessel or aircraft and to replace those stores with equivalent goods as contemplated in section 352(1) of the Control Act,¹¹¹ must be submitted to the customs authority electronically through e-filing, subject to paragraph (c).

(b) An application referred to in paragraph (a) may be submitted by

—

- (i) the stores supplier who cleared the goods for supply as stores to the relevant vessel or aircraft;
- (ii) the carrier operating the vessel or aircraft; or
- (iii) a customs broker.

¹¹¹ Section 352 of the Control Act is available in instances such as where stores have reached their expiry date, the goods supplied are not of the required quality, etc.

(c) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹¹² the application must be submitted on Form ...as published as a rule on the SARS website to the Customs Office that serves the customs seaport or airport where the stores are to be removed and replaced.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the applicant;
- (b) the transport name¹¹³ and country of registration;
- (c) the conveyance number;¹¹⁴
- (d) on-board operator details;¹¹⁵
- (e) a description of the stores to be removed and replaced, which description must include –
 - (i) the tariff classification;
 - (ii) the technical characteristics of the goods;
 - (iii) the quantity, volume or weight of the goods, as may be applicable;
 - (iv) the customs value; and
 - (v) marks and numbers on the goods, if applicable;
- (f) the movement reference number of any applicable stores clearance declaration;
- (g) the reason why the stores need to be removed and replaced; and
- (h) a description of the equivalent goods, which description must include –
 - (i) the quality;
 - (ii) the technical characteristics; and
 - (iii) the quantity, or volume or weight, as may be applicable.

(3) Goods under the stores procedure which are removed from a foreign-going vessel or aircraft and replaced by equivalent goods with the permission of or

¹¹² See section 913(4) of the Control Act.

¹¹³ See the definition of “transport name” in rule 1.1.

¹¹⁴ See definition of “conveyance number” in rule 1.1.

¹¹⁵ See the definition of “on-board operator details” in rule 1.1.

on direction by the customs authority in terms of section 352, become goods in free circulation without any further customs formalities.

Notification of aborted voyages

15.18 An arrival report¹¹⁶ submitted in terms of rule **3.6** or rule **3.13** in respect of a foreign-going vessel or aircraft returning to the Republic in circumstances contemplated in section 356(1) of the Control Act must be regarded to be a notification referred to in subrule (2) of that section.

Part 4: Stores arrival and departure reports

Railway stations where stores arrival and departure reports must be submitted *(section 346(1)(b) and 354(1)(b))*

15.19 The railway station prescribed for purposes of submission of –

- (a) a stores arrival report contemplated in section 346(1)(b) and (2)(c) of the Control Act is the first railway station in the Republic after the train entered the Republic; and
- (b) a stores departure report contemplated in section 354(1)(b) and (2)(c) is the last railway station in the Republic before the cross-border train leaves the Republic.

Submission of, and information to be reflected on, stores arrival reports¹¹⁷ *(sections 346 and 355)*

15.20 (1) A stores arrival report referred to in section 346 must be submitted by the carrier operating the foreign-going vessel or aircraft or cross-border train to the customs authority electronically through EDI and must reflect the following information:

- (a) The general mandatory reporting information¹¹⁸ in relation to the vessel, aircraft or train;
- (b) the date and time of arrival of –

¹¹⁶ Please note that a stores arrival report referred to in rule 15.19 must be submitted together with the arrival report.

¹¹⁷ See rule 3.6 for timeframe for submission of vessel arrival report, rule 3.13 for timeframe of submission of aircraft arrival report and rule 3.19 for timeframe of train arrival report.

¹¹⁸ See the definition of “general mandatory reporting information” in rule 1.1.

- (i) the vessel or aircraft at the customs seaport or airport referred to in section 346(1)(a); or
- (ii) the train at the train station referred to in rule **15.19(a)**;
- (c) the country of registration of the vessel, aircraft or train;
- (d) the name of the customs seaport or airport –
 - (i) from which the vessel or aircraft was underway;
 - (ii) where the vessel or aircraft has arrived; and
 - (iii) where the vessel or aircraft will make its next stop;
- (e) the name of the train station referred to in rule **15.19** where the train has arrived;
- (f) a description of all stores on board upon arrival of the vessel, aircraft or train at the relevant seaport, airport or train station, which description must include -
 - (i) the tariff classification;
 - (ii) the quantity, volume or weight of the goods, as may be applicable;
 - (iii) the customs value; and
 - (iv) marks and numbers on the goods, if applicable;
- (g) an indication which of stores have been sealed in terms of rule **15.5**;
- (h) a request to seal goods that must in terms of rule **15.5** be sealed, if not already sealed by the on-board operator in terms of that rule; and
- (i) in the case of stores in the personal possession of a crew member on board the vessel, aircraft or train, also crew details¹¹⁹ in respect of that crew member.

Submission of, and information to be reflected in, stores departure reports¹²⁰
(sections 354 and 355)

15.21 (1) A stores departure report referred to in section 354 must be submitted by the carrier operating a foreign-going vessel or aircraft or cross-border train¹²¹ to the customs authority electronically through EDI and must reflect the following information:

¹¹⁹ See the definition of “crew details” in rule 1.1.

¹²⁰ See rule **3.10** for timeframe for submission of vessel departure report, rule **3.17** for timeframe of submission of aircraft departure report and rule **3.22** for timeframe of train departure report.

¹²¹ See rule **15.19** for railway stations where stores departure reports must be submitted.

- (a) The general mandatory reporting information in relation to the vessel, aircraft or train;
- (b) the country of registration of the vessel, aircraft or train;
- (c) the date and time of departure of –
 - (i) the vessel or aircraft from the customs seaport or airport referred to in section 354(1)(a); or
 - (ii) the train from the train station referred to in rule **15.19(b)**;
- (d) the name of the customs seaport, airport or railway station from where the vessel, aircraft or train has departed;
- (e) in the case of a vessel or aircraft departing to another customs seaport or airport in the Republic, the name of that seaport or airport;
- (f) a description of all stores on board upon departure, which description must include -
 - (i) the tariff classification;
 - (ii) the quantity, volume or weight of the goods, as may be applicable;
 - (iii) the customs value; and
 - (iv) any marks and numbers on the goods, if applicable;
- (g) an indication which of those stores –
 - (i) are sealed; or
 - (ii) were taken on board at the seaport, airport or train station from which the vessel, aircraft or train is departing; and
- (h) in the case of stores in the personal possession of a crew member on board the vessel, aircraft or train, also crew details¹²² in respect of that crew member.

¹²² See the definition of “crew details” in rule 1.1.

CHAPTER 16 EXPORT PROCEDURE¹²³

Part 1: Clearance and release of goods for export

Timeframes for delivery of goods cleared for export to depots and export terminals (section 368(1))

16.1 The timeframe for delivery of –

- (a) goods to be containerised at a container depot as contemplated in section 368(1)(a), is at least six hours before the goods are packed into containers for export;
- (b) goods to be packed at an air cargo depot as contemplated in section 368(1)(b), is at least four hours before the goods are packed for export; and
- (c) goods to the terminal where the goods will be loaded for export as contemplated in section 368(1)(c), is at least –
 - (i) twelve hours before the export stack for the vessel on board of which the goods are to be loaded is scheduled to close, in the case of containerised goods to be delivered to a sea cargo terminal;
 - (ii) nine hours before the foreign-going aircraft on board of which the goods are to be loaded is scheduled to depart, in the case of goods to be delivered to an air cargo terminal;
 - (iii) nine hours before the cross-border railway carriage on board of which the goods are to be loaded is scheduled to depart, in the case of containerised goods to be delivered to a rail cargo terminal; and
 - (iv) six hours before the foreign-going vessel or cross-border railway carriage on which the goods are to be loaded is scheduled to depart, in

¹²³ It is to be noted that the rules in terms of this Chapter apply only to goods that are exported under the export procedure as contemplated in section 361(2) of the Control Act, viz.

- (a) outright exports;
- (b) exports under—
 - (i) the outbound leg of the temporary admission procedure contemplated in Part 2 of Chapter 12;
 - (ii) the temporary export procedure contemplated in Part 2 of Chapter 17; or
 - (iii) the outward processing procedure contemplated in Chapter 20; or
- (c) exports of inward processed compensating products contemplated in Part 3 of Chapter 18.

the case of bulk or break bulk goods to be delivered to a sea- or rail cargo terminal.

Goods to which timeframes for delivery to depots and terminals do not apply
(section 368(2)(c))

16.2 The timeframes set out in rule **16.1** do not apply to courier articles exported by air.

Additional categories of goods excluded from section 369(1) *(section 369(2))*

16.3 Section 369(1) of the Control Act does not apply to the following additional categories of goods:

- (a) goods released for export in accordance with expedited release procedures in terms of Part 2 of Chapter 24;
- (b) goods released for export in accordance with simplified clearance and release procedures in terms of Part 3 of Chapter 24; and
- (c) international postal articles handled by the South African Post Office.

Timeframes for notification of failures to export of goods released for export
(section 370(1))

16.4 The timeframes that must be applied for purposes of section 370(1) of the Control Act must be calculated as follows:

- (a) the actual time since release of the goods for export until the goods reach the sea cargo terminal, plus four calendar days, in the case of exports by sea;
- (b) the actual time since release of the goods for export until the goods reach the air cargo terminal, plus two calendar days, in the case of exports by air;
- (c) the actual time since release of the goods for export until the goods reach the rail cargo terminal, plus five calendar days, in the case of exports by rail; and
- (d) the actual time since release of the goods for export until the goods reach the land border post, plus thirty minutes, in the case of exports by road.

Notification of failure to export goods within prescribed timeframes *(section 370(1)(a))*

16.5 (1) (a) A notification of failure to export goods within the timeframe determined in rule **16.4** must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹²⁴ the notification must be submitted –

- (i) on Form.....as prescribed as a rule on the SARS website; and
- (ii) to the Customs Office that serves the place of exit from where the goods are to be exported.

(2) A notification referred to in subrule (1) must reflect the following information:

- (a) The name and customs code of the person who cleared the goods for export;
- (b) the movement reference number on the export clearance declaration; and
- (c) the reason why the goods were not exported within the timeframe applicable to the goods.

(3) A notification referred to in subrule (1) must be supported by any documents substantiating the reason for the failure relied on.

(4) (a) If the customs authority so requests a supporting document must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible, the submission must be made to the Customs Office where the application had been made submitted, or to another Customs Office indicated in the request.

Documents constituting proof that goods were loaded for export¹²⁵ (section 370(2) and 372(c))

¹²⁴ See section 913(4).

¹²⁵ Proof contemplated in this rule will only be requested by the customs authority if the customs authority is not satisfied on cargo reporting information provided in terms of Chapter 3, that goods

16.6 The following documents are acceptable as proof for purposes of sections 370(2) and 372(c) of the Control Act that goods were loaded for export:

- (a) For export by sea, a shipped on board bill of lading;
- (b) for export by air, a shipped on board air waybill;
- (c) for export by rail, any document stamped and signed by the rail carrier, evidencing receipt of the goods by that carrier, including a rail consignment note; and
- (d) for export by road, a release notification stamped by customs.¹²⁶

Part 2: Transport of goods not in free circulation under export procedure

Persons other than carriers permitted to transport goods not in free circulation under export procedure (section 372(b))

16.7 The following persons other than carriers may for purposes of section 122(c) of the Control Act transport goods not in free circulation to a place of exit under the export procedure:

- (a) The owner or exporter of the goods, using own transport; and
- (b) the licensee of any licensed premises where the goods are, using own transport.

Part 3: Record keeping

Recordkeeping by registered exporters

16.8 (1) A person registered as an exporter in terms of Chapter 28 of the Control Act must keep books, accounts and documents in respect of all transactions relating to any goods exported, including –

- (a) all documents in respect of the clearance of goods for export; and
- (b) any other records that may be necessary for determining the history of any transaction relating to the export of goods, including documents contemplated in rule **16.6** providing proof of –
 - (i) loading of goods for export; and
 - (ii) export of goods.

were loaded on board the means of transport on which it was to be exported from the Republic.

¹²⁶ Customs will only stamp a release notification in the event of a systems breakdown.

(2) Documents referred to in subrule (1) must, subject to subrule (3), be kept in accordance with section 919 of the Control Act –

- (a) for a period of five years after the date of clearance of the goods;
- (b) in a secure place on the exporter's business premises; and
- (c) according to a filing system which enables quick access to information pertaining to specific goods or a specific transaction.

(3) A person authorised in terms of rule 7.2 to submit clearance declarations in paper format or a person allowed in terms of section 919 of the Control Act to use a paper based record keeping system, may keep documents referred to in subrule (1) according to a paper based record keeping system conforming with the requirements set out in paragraphs (a) to (c) of that subrule.

Documents or records to be produced to Customs on request

16.9 (1) A registered exporter must submit a document or record referred to in section 176 of the Control Act and rule 16.8 to the customs authority within the timeframe specified in a request in terms of section 179 (b), or if no timeframe is specified in such request, within three working days after the date of the request.

(2) A copy or a computer printout of any document or record requested may subject to such conditions as the customs authority may determine, be submitted and such a copy or printout may for purposes of the Control Act and a tax levying Act be regarded to be the original document or record requested.

Part 4: Specific rules relating to export of CTC's through cross-border transmission lines and pipelines (section 371)

Places and methods for measurement of CTC's

16.10 (1) The quantity of a CTC exported during an accounting period must be determined by –

- (a) taking a measurement of the CTC transported through the pipeline or transmitted through the transmission line at the start and the end of every accounting period; and

(b) subtracting the start value from the end value.

(2) Measurements referred to in subrule (1)(a) must be taken only at the place and in accordance with the method indicated in the importer's registration certificate issued in terms of section 611 of the Customs Control Act.

(3) The quantity of a CTC measured as contemplated in subrule (1) must be regarded to be the quantity of the CTC exported from the Republic, if the CTC is exported directly from the point where the measurement takes place.

Clearance of CTCs

16.11 (1) Only the following persons may submit clearance declarations to clear a CTC for export:

- (a) A registered exporter of a CTC; or
- (b) a licensed customs broker duly authorised to submit a clearance declaration on behalf of a person referred to in paragraph (a).

(2) (a) A person referred to in subrule (1) must, subject to paragraph (b), within 25 calendar days after the end of each accounting period, submit electronically through EDI a regular export clearance declaration in respect of the quantity of a CTC exported during that accounting period, as determined in accordance with rule **16.10**.

(b) If a clearance declaration referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹²⁷ the submission must be on Form SAD 500 as published as a rule on the SARS website to the Customs Office that serves the area where the place where the measurements are taken, is situated.

(3) A separate clearance declaration must be submitted in respect of a CTC exported to a consignee during each accounting period.

Information to be reflected on export clearance declaration for CTC's

¹²⁷ See section 913(4).

16.12 A clearance declaration for the export of a CTC contemplated in in rule **16.11** must reflect the following information:

- (a) the information listed in section 167 (a) and (e) to (i) of the Control Act;
- (b) the date of measurement for purposes of the relevant accounting period;
- (c) the customs code of the cross-border transmission line or pipeline; and
- (d) any additional information that the customs authority may require.

Supporting documents for clearance of CTC's

16.13 (1) A clearance declaration for the export of a CTC must, in addition to the documents referred to in section 176(1)(a), (c) and (d) of the Control Act, be supported by a summary of the accounting records referred to in rule **16.14**(1), if the customs authority so requests.

(2) An invoice relating to the export of a CTC must, in addition to the applicable information listed in section 177 of the Control Act, also reflect –

- (a) the period to which the invoice relates;
- (b) the unit of measure and the number of units exported;
- (c) the place of measurement;
- (d) the price per unit; and
- (e) the total price paid or payable in respect of the export.

(3) (a) Supporting documents referred to in this rule must on request and within the timeframe indicated in the request be submitted to the customs authority electronically through EDI, subject to paragraph (b).

(b) If supporting documents referred to in this rule are submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹²⁸ the submission must be made to the Customs Office that serves the area where the place where the measurements are taken, is situated.

Recordkeeping in relation to export of CTC's (section 371(a))

16.14 (1) A registered exporter of a CTC must in accordance with section 919 of the Control Act keep full accounting records of any CTC exported from the Republic.

¹²⁸ See section 913(4).

- (2) Records referred to in subrule (1) include –
- (a) relevant documents supporting the clearance of a CTC for export, as required by section 176 of the Control Act;
 - (b) a record of each measurement of a CTC during each accounting period; and
 - (c) any other records that may be necessary for determining the history of any transaction relating to the export of a CTC.

- (3) Records referred to in this rule must be kept –
- (a) for a period of five years calculated from the end of the calendar year in which any such document was created;
 - (b) in a secure place on the importer's business premises; and
 - (c) according to a filing system which enables quick access to information pertaining to a specific accounting period.

(4) This rule must be read subject to any provisions of the Control Act or a tax levying Act prescribing record-keeping requirements for persons who are licensees or registered in terms of that Act or a tax levying Act.

Records and documents to be produced to Customs on request (*section 371(a)*)

16.15 (1) An importer of a CTC who has been requested by a customs officer to produce or submit a record or document, must submit such record or document to the customs authority within the timeframe specified in the request, or if no timeframe is specified in such request, within three working days after the date of the request.

(2) A copy or computer printout of a document or record may subject to such conditions as the customs authority may determine, be submitted and such a copy or printout may for purposes of the Control Act and a tax levying Act be regarded to be the original document or record requested.

CHAPTER 17

TEMPORARY EXPORT PROCEDURE

Definitions

17.1 In this Chapter –

“**unit load device**” or “**ULD**” means an aircraft container specially designed and equipped for containing goods for transport in the hold of an aircraft;

“**packing material**” means any materials or articles used, in the state in which those materials or articles are imported as reusable transport equipment, to pack, cover, protect, stow or separate goods being transported;¹²⁹ and

“**pallet**” means a flat device on the deck of which goods are assembled to form a unit load for the purpose of transporting, handling or stacking the goods with the assistance of mechanical appliances.

Part 1: *Rules applicable to temporary export of goods under international clearance arrangements*¹³⁰

Application for approval of issuing associations located in Republic (*section 395*)

17.2 (1) Approval by the customs authority contemplated in section 395 of the Control Act must be applied for in terms of this rule.

(2) (a) An application for approval of an issuing association must be submitted by an issuing association electronically through e-filing, subject to paragraph (b).

¹²⁹ As “packing material” is used in the context of this Chapter as a type of reusable transport equipment, packing materials such as straw, paper, glasswool, and shavings when imported in bulk are not included in the definition.

¹³⁰ For clearance of commercial trucks, buses and taxis, private vehicles, small vessels and light aircraft where no international clearance arrangements are available for such bus or taxi or private vehicle, small vessel or light aircraft, see rules under Part 3 of Chapter 24.

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹³¹ submission must be –

- (i) on Formas published as a rule on the SARS website; and
- (ii) made to the Customs Office where registration and licensing applications are processed.

(3) An application referred to in subrule (2) must reflect –

(a) the following information in relation to the issuing association:

- (i) The issuing association's physical and postal address in the Republic;
- (ii) the issuing association's contact details;
- (iii) full details of the issuing association's bank account in the Republic; and
- (iv) the name of the person authorised to act on behalf of the issuing association, as well as –
 - (aa) that person's date of birth, identity number or passport number;
 - (bb) citizenship; and
 - (cc) contact details and address in the Republic; and

(b) the international agreement in terms of which the approval is sought.

(4) An application referred to in this rule must be supported by the following documents:

- (a) If the Convention on Temporary Admission or any international agreement referred to in section 393(1)(a)(ii) requires the issuing association to be affiliated with an appropriate international organisation, a document evidencing such affiliation; and
- (b) the resolution passed at a meeting of the Board of Directors of the issuing association in terms of which the person referred to in subrule (3)(a)(iv) is authorised to act on behalf of the issuing association.

¹³¹ See section 913(4) of the Control Act.

(5) (a) Supporting documents referred to in subrule (4) must on request and within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If supporting documents referred to in paragraph (a) are submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹³² submission must be made to the Customs Office where registration and licensing applications are processed.

Suspension or withdrawal of approval of issuing associations

17.3 (1) The customs authority may suspend or withdraw an approval granted to an issuing association in terms of rule **17.2** if the issuing association terminates its affiliation with an appropriate international organisation as may be required by the Convention on Temporary Admission or any international agreement referred to in section 393(1)(a)(ii).

(2) If the customs authority intends to suspend or withdraw an approval in terms of subrule (1), it must first –

- (a) notify the issuing association of the proposed suspension or withdrawal and of the reasons for the proposed suspension or withdrawal; and
- (b) give the issuing association an opportunity to submit representations on the proposed suspension or withdrawal within 30 calendar days of the date of notification referred to in paragraph (a).

(3) The customs authority may despite subrule (2) suspend or withdraw an approval with immediate effect if circumstances so demand but in such a case the issuing association is entitled to submit to the customs authority representations on the suspension or withdrawal within 30 calendar days after the suspension or withdrawal.

Notification of withdrawal as issuing association

17.4 (1) (a) If an issuing association approved in terms of rule **17.2** intends to withdraw as issuing association, that issuing association must, at least six months

¹³² See section 913(4) of the Control Act.

in advance of the date of withdrawal, submit to the customs authority a notification of withdrawal electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹³³ submission must be –

- (i) on Form...as published as a rule on the SARS website; and
- (ii) made to the Customs Office where registration and licensing applications are processed.

(2) A notification referred to in subrule (1) must reflect the following information:

- (a) The name, address and contact details of the issuing association;
- (b) the customs code of the guaranteeing association;
- (c) the date of withdrawal; and
- (d) the reason for withdrawal.

(3) A notification in terms of this rule does not affect the validity of any carnet issued by the issuing association before the date of withdrawal referred to in subrule (2)(c).

Requirements relating to clearance on authority of carnets

17.5 A person clearing goods on authority of an CPD or ATA carnet must at the Customs Office serving the place of exit upon export, or at the place of entry upon re-entry, produce the carnet and the goods identified in the carnet to the customs authority, together with –

- (a) that person's identity document or passport as may be applicable, or if another person acts as the carnet holder's representative, that person's identity document or passport and
- (b) if the carnet was issued in respect of goods of which the export is restricted, the relevant export permit issued in respect of the goods.

¹³³ See section 913(4) of the Control Act.

Part 2: Rules applicable to goods which automatically come under temporary export procedure

Reporting of interruption or discontinuation of current use of vessel, aircraft, locomotive or railway carriage (section 402(2))

17.6 (1) (a) An interruption or discontinuation of the current use of a vessel, aircraft, locomotive or railway carriage as contemplated in section 402(2) of the Control Act,¹³⁴ must for purposes of that section be reported electronically through e-filing, subject to paragraph (b).

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹³⁵ submission of the report must be –

- (a) on Form...as published as a rule on the SARS website; and
- (b) made to the Customs Office that serves the place of exit where the goods left the Republic.

(2) A report referred to in subrule (1) must reflect the following information:

- (a) The customs code of the licensed carrier or registered agent submitting the report, as may be applicable;
- (b) the conveyance number;¹³⁶
- (c) the transport name;¹³⁷
- (d) a description of the nature of the current use of the means of transport that had been interrupted or discontinued;
- (e) the date when the means of transport left the Republic;
- (f) the location of the means of transport;
- (g) the date of interruption or discontinuation; and
- (h) the reason for the interruption or discontinuation.

Reporting of interruption or discontinuation of current use of reusable transport equipment (section 403(2))

¹³⁴ Section 402(1) of the Control Act specifies the vessels, aircraft, locomotives and railway carriages to which the reporting obligation referred to in section 402(2) applies.

¹³⁵ See section 913(4).

¹³⁶ See definition of “conveyance number” in rule 1.1.

¹³⁷ See definition of “transport name” in rule 1.1.

17.7 (1) (a) An interruption or discontinuation of the current use of reusable transport equipment as contemplated in section 403(2) of the Control Act,¹³⁸ must for purposes of that section be reported electronically through e-filing, subject to paragraph (b).

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹³⁹ submission must be –

- (i) on Form...as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the place of exit where the goods left the Republic.

(2) A report referred to in subrule (1) must reflect the following information:

- (a) The customs code of the licensed carrier or registered agent submitting the report, as may be applicable;
- (b) the type of reusable transport equipment;
- (c) in respect of containers –
 - (i) the container number of each container; and
 - (ii) the quantity of containers;
- (d) in respect of unit load devices –
 - (i) the number of each device; and
 - (ii) the quantity of devices;
- (e) in respect of pallets –
 - (i) the number of each pallet, if numbered; and
 - (ii) the quantity of pallets;
- (f) in respect of packing materials –
 - (i) the type of packing material; and
 - (ii) the quantity, volume or mass of the packing material;
- (g) the date when the reusable transport equipment left the Republic;
- (h) the location of the reusable transport equipment;
- (i) the date of interruption or discontinuation; and
- (j) the reason for the interruption or discontinuation.

¹³⁸ Section 403(1) of the Control Act specifies the reusable transport equipment to which the reporting obligation referred to in section 403(2) applies.

¹³⁹ See section 913(4).

Part 3: Record keeping and miscellaneous matters

Records to be kept of goods temporarily exported under regular clearance and release procedures

17.8 A person clearing goods for temporary export under Part 2 of Chapter 17 of the Control Act must keep record of documents and information relating to –

- (a) the clearance and release of the goods for temporary export;
- (b) any tax paid in respect of the goods or any benefit received in terms of an export incentive scheme;
- (c) any refund or drawback reclaimed on export in respect of the goods;
- (d) any manufacturing, processing or repairs done abroad, other than maintenance in connection with the use of the goods whilst abroad;
- (e) any goods damaged, destroyed or lost whilst abroad; and
- (f) any deterioration in the condition of the goods whilst abroad.

Records to be kept of reusable transport equipment by carrier or carrier's registered agent (sections 403(1)(c))

17.9 (1) Records for purposes of section 403(1)(c) of the Control Act must include of the following information:

- (a) In respect of each container that leaves or enters the Republic under the temporary export procedure –
 - (i) the container number;
 - (ii) the size or type;
 - (iii) the date when the container leaves or enters the Republic; and
 - (iv) the place of exit where the container leaves the Republic or the place of entry where it enters the Republic;
- (b) in respect of each unit load device that leaves or enters the Republic under the temporary export procedure –
 - (i) the device number;
 - (ii) the size or type;
 - (iii) the date when the device leaves or enters the Republic; and
 - (iv) the place of exit where the device leaves the Republic or the place of entry where the device enters the Republic; and

- (c) in respect of each pallet that leaves or enters the Republic under the temporary export procedure –
 - (i) the number of each pallet, if numbered;
 - (ii) the date when the pallet leaves or enters the Republic; and
 - (iii) the place of exit where the pallet leaves the Republic or the place of entry where the pallet enters the Republic.

Keeping and submission of records

17.10 (1) Records referred to in rules **17.8** and **17.9** must be kept in accordance with section 919 of the Control Act –

- (a) for a period of five years calculated from the end of the calendar year in which any such record was created;
- (b)
 - (i) in a secure place on the business premises of the licensed or registered person; or
 - (ii) in any secure place, in the case of a traveller keeping records referred to in rule **17.8**; and
- (c) if the person keeping record is allowed in terms of section 919(2) to keep records in paper format, according to a filing system which enables quick access to information pertaining to specific goods or a specific transaction.

(2) This rule must be read subject to any provisions of the Act or a tax levying Act prescribing specific record keeping requirements for persons who are licensees or registered in terms of the Act or a tax levying Act.

(3) Records must be submitted to the customs authority on request and within a timeframe stated in the request, or if no timeframe is specified in such request, within three working days after the date of the request.

(4) A copy or computer printout of any record requested may, subject to such conditions as the customs authority may determine, be submitted, and such a copy or printout may for purposes the Control Act and a tax levying Act be regarded to be the original record requested.

Measures to ensure accurate identification of goods under temporary export upon their return (section 405(e))

17.11 Measures contemplated in section 405(e) of the Control Act to ensure accurate identification of goods under temporary export upon their return include –

- (a) recording before goods under temporary export leave the Republic any marks and numbers or other specific identifying characteristics in respect of such goods and comparing those marks and numbers or other identifying characteristics upon re-importation, which include –
 - (i) in respect of a vehicle –
 - (aa) the make and model;
 - (bb) the year of manufacture;
 - (cc) whether it is a diesel or petrol engine;
 - (dd) the odometer reading;
 - (ee) the engine number;
 - (ff) the VIN/ chassis number;
 - (gg) the registration number;
 - (hh) the colour; and
 - (ii) a description of the sound - and satellite navigation system fitted in the vehicle, if applicable;
 - (ii) in respect of reusable transport equipment, the details referred to in rule **17.9**; and
 - (iii) in respect of other identifiable goods –
 - (aa) a description of the goods;
 - (bb) any marks, numbers or other indications permanently affixed to the goods;
 - (cc) the model and serial number, if applicable;
 - (dd) the quantity, volume or mass; and
 - (ee) the country of origin;
- (b) taking samples of goods for purposes of comparison or making use of illustrations, photographs or technical descriptions for purposes of verification of the goods upon re-export; and
- (c) affixing customs marks to goods, including customs seals and identification bands.

CHAPTER 18
INWARD PROCESSING PROCEDURE

Part 1: Clearance and release of imported goods for inward processing

Additional requirements for clearance of goods for inward processing (*section 412(d)*)

18.1 (1) The licensee of premises who is to carry out the inward processing of goods to be cleared for inward processing must –

- (a) if that licensee is the person clearing the goods, give the undertaking contemplated in section 412(d)(i) of the Control Act on the clearance declaration submitted to clear the goods for inward processing; and
- (b) if that licensee is not the person clearing the goods, submit the undertaking contemplated in section 412(d)(i) and the advice referred to in section 412(d)(ii) of the Control Act electronically through e-filing to the customs authority.¹⁴⁰

(2) Security referred to in section 412(e) must have been provided at the time of licensing as provided for in section 660.

(3) A clearance of goods for inward processing must be supported by a document setting out the measures taken in terms of section 412(f).

Part 2: Transport of goods to and receipt of goods in inward processing premises

Persons other than carriers who may transport goods under inward processing procedure (*section 432(f)*)

18.2 The following persons other than carriers are for purposes of section 122(c) of the Control Act permitted to transport imported goods under inward processing procedure or compensating products, by-products or waste obtained from the imported goods:

¹⁴⁰ In terms of section 412 of the Control Act no release can be given for inward processing unless the undertaking and advice referred to in section 412(d) have been submitted.

- (a) The licensee of the inward processing premises where the processing of the goods is to be carried out, using own transport; or
- (b) a person referred to in section 413(a), using own transport.

Procedure for obtaining authorisation to redirect goods to location other than licensed inward processing premises (*section 415(1)*)

18.3 If a person intends to redirect goods cleared for inward processing to a location other than the licensed inward processing where the goods are to be processed as contemplated in section 415(1) of the Control Act, that person must in accordance with rule **4.17** apply to the customs authority for authorisation to redirect the goods to that other location.

Notification of delivery of goods to inward processing premises or other authorised premises (*section 415(1)(b)(i)*)

18.4 (1) (a) A carrier that transported goods to inward processing premises or another place authorised in terms of rule **4.17**, must notify the customs authority of the delivery of the goods in accordance with rule **29.XX**.

(b) A person referred to in rule **18.2(b)** who transported goods to inward processing premises or another place authorised in terms of rule **4.17**, must notify the customs authority of the delivery of the goods in accordance with subrule (2).

(2) (a) A notification contemplated in subrule (1)(b) must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible, the submission must be –

- (i) on Form.....as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the area where the inward processing premises or other place authorised in terms of rule **4.17** is situated.

(3) A notification contemplated in subrule (2) must reflect the following information:

- (a) The customs code of the person contemplated in rule **18.2(b)**;

- (b) the date and time of delivery of the goods;
- (c) the physical address of the inward processing premises where the goods were delivered;
- (d) in the case of delivery to another location, the physical address of the other premises authorised in terms of rule **4.17**;
- (e) in relation to the goods –
 - (i) if not containerised, a description of the goods, including –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods, as may be applicable; and
 - (cc) marks and numbers on the goods, if applicable; and
 - (ii) if containerised –
 - (aa) the container number; and
 - (bb) the seal number;¹⁴¹ and
- (f) the movement reference number¹⁴² of the inward processing clearance declaration in respect of the goods.

Notification of receipt of goods at inward processing premises or other locations (*section 415(1)(b)(ii)*)

18.5 (1) (a) The licensee of inward processing premises or, if the goods were redirected in terms of rule **4.17** to another location, the person in charge of that location, must notify the customs authority of the receipt of goods at those premises or that location in accordance with subrule (2).

(2) (a) A notification contemplated in subrule (1) must within three hours of receipt of the goods be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁴³ the submission must be –

- (i) on Form published as a rule on the SARS website; and

¹⁴¹ See rule **5.6** which places an obligation in relation to seal verification and reporting of seal discrepancies on a person who receives physical control of a container.

¹⁴² See definition of “movement reference number” in rule 1.1.

¹⁴³ See section 913(4) of the Control Act.

(ii) made to the Customs Office that serves the area where the licensed inward processing premises or the location where the goods were redirected to in terms of rule **4.17**, is situated.

(3) A notification referred to in subrule (2) must reflect the following information:

- (a) The name, identity number and contact details of the carrier or other person referred to in rule **18.2(b)** that transported the goods to the inward processing premises or the other location where the goods were redirected to in terms of rule **4.17** or, if the goods were transported by the licensee of the inward processing premises, a statement to that effect;
- (b) the physical address of that other location;
- (c) the name, identity number, contact details and address of the person in charge of that other location;
- (d) the date and time of receipt of the goods;
- (e) in relation to the goods –
 - (i) if not containerised, a description of the goods including –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods; and
 - (cc) marks and numbers on the goods, if applicable; and
 - (ii) if containerised –
 - (aa) the container number; and
 - (bb) the seal number;¹⁴⁴ and
- (f) the movement reference number¹⁴⁵ of the inward processing clearance declaration in respect of the goods.

Conditions for release of goods for inward processing (*section 415(2)(b)*)

18.6 It is a condition of the release of goods cleared for inward processing that the inward processed compensating products obtained from those goods must be exported from the Republic to a country outside the other SACU member states.

¹⁴⁴ See rule **5.6** which places an obligation in relation to seal verification and reporting of seal discrepancies on a person who receives physical control of a container.

¹⁴⁵ See definition of “movement reference number” in rule 1.1.

Part 3: Rules regulating inward processing procedure

Applications for approval to appoint subcontractor (sections 428(1) and 432(a)(ii))

18.7 (1) (a) An application for approval to appoint a subcontractor contemplated in section 428(1) of the Control Act must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁴⁶ the submission must be –

- (i) on Form..... published as a rule on the SARS website; and
- (ii) made to the Customs Office serving the area where the inward processing premises of the applicant are situated.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the applicant's premises;
- (b) the name, identity number and contact details of the subcontractor operating the premises where the proposed subcontracted aspect of the inward processing is to take place and the physical address of those premises;
- (c) the nature and extent of the proposed subcontracted processing to be undertaken by the subcontractor;
- (d) the movement reference number¹⁴⁷ assigned to any inward processing clearance declaration in respect of the goods; and
- (e) the time period required for completion of the proposed subcontracted inward processing.

(3) An application referred to in subrule (1) must be supported by the proposed agreement in terms of which the subcontractor is to be appointed by the licensee.

¹⁴⁶ See section 913(4) of the Control Act.

¹⁴⁷ See definition of "movement reference number" in rule 1.1.

(4) (a) If the customs authority so requests a supporting document referred to in subrule (3) must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁴⁸ the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

Annual business turnover for licensing of subcontractors' premises (*section 428(2)*)

18.8 The licensing requirement set out in section 428(2) of the Control Act for premises where the subcontracted processing of goods under the inward processing procedure is carried out, applies if the annual business turnover on those premises exceeds five million Rand.

Obligations of subcontractors relating to processing of goods (*section 432(a)(ii)*)

18.9 Rules **18.17**, **18.18**, **18.19** and **18.20** are applicable, with the necessary changes as the context may require, to a subcontractor that is not a licensee appointed pursuant to an application in terms of rule **18.7**.

Movement of imported goods, inward processed compensating products, by-products and waste between different locations (*section 432(a)(iii)*)

18.10 (1) Imported goods cleared for inward processing and compensating products, by-products and commercially valuable waste obtained from those imported goods may not be moved from the premises of the licensee who carries out the inward processing, or of a subcontractor appointed in terms of section 428, to another inward processing premises without the permission of the customs authority.

¹⁴⁸ See section 913(4) of the Control Act.

(2) (a) An application for permission contemplated in subrule (1) must be submitted to the customs authority by the licensee or subcontractor, as the case may be, electronically through e-filing prior to the intended removal of the goods, inward processed compensating products, by-products or waste, subject to paragraph (b).

(b) If an application referred to in subrule (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁴⁹ the submission must be –

- (i) on Form as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the area where the location where the relevant goods, inward processed compensating products, by-products or waste are, is situated.

(3) An application referred to in this rule must reflect –

- (a) the following details relating to the premises from where the relevant goods, inward processed compensating products, by-products or commercially valuable waste are to be moved:
 - (i) In the case of a movement from licensed inward processing premises, the customs code of the premises; or
 - (ii) in the case of a movement from unlicensed premises of a subcontractor, the physical address of the premises and the name and contact details of that subcontractor;
- (b) the movement reference number¹⁵⁰ of any clearance declaration in terms of which the goods were cleared for inward processing;
- (c) in the case of the imported goods to be moved, a description of the goods including –
 - (i) the customs value;
 - (ii) the tariff classification;
 - (iii) the quantity, volume or weight of the goods; and
 - (iv) any marks and numbers on the goods, if applicable;
- (d) the nature of the processing –

¹⁴⁹ See section 913(4) of the Control Act.

¹⁵⁰ See definition of “movement reference number” in rule 1.1.

- (i) to be undertaken at the premises to which the goods are to be moved;
or
 - (ii) that had been undertaken at the premises from where the compensating products, by-products or commercially valuable waste are to be moved;
- (e) in the case of inward processed compensating products, by-products or commercially valuable waste to be moved, a description of the nature of the products, by-products or waste, including the quantity, volume or weight;
- (f) the physical address and customs code, if any, of the premises to which the goods are to be moved; and
- (g) in the case of premises referred to in paragraph (f) under control of a subcontractor, the name and contact details of the subcontractor.

(4) An application for removal involving a subcontractor must be supported by the agreement in terms of which the subcontractor had been appointed by the licensee.

(5) (a) If the customs authority so requests a supporting document must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁵¹ the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

(6) Goods or compensating products, by-products or waste removed in terms of this rule must be removed by a licensed carrier or another person referred to in rule **18.2** within three working days of approval of the application to move the goods.

¹⁵¹ See section 913(4) of the Control Act.

(7) Subrules (1) to (6) do not apply in the case of compensating products moved in terms of a clearance for export.

Notification of delivery and receipt of goods removed

18.11 Notice of delivery and receipt of goods moved in terms of rule **18.10** must be given in accordance with the procedure established in rules **18.4** and **18.5**, respectively.

Notification of failure to clear inward processed compensating products for export within timeframe contemplated in section 418(1) of the Control Act (section 418(2))

18.12 (1) (a) A notice of failure to comply with the time limit for clearance of inward processed compensating products for export contemplated in section 418(2) of the Control Act must be submitted electronically through e-filing, subject to paragraph (b).

(b) If a notice referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁵² submission must be –

- (i) on Form ... as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the area where the goods are.

(2) A notice referred to in subrule (1) must reflect the following information:

- (a) The customs code of the person submitting the notice;
- (b) a description of the inward processed compensating products;
- (c) the physical location of those products;
- (d) the date when those products should have been cleared for export;
- (e) the movement reference number¹⁵³ of any inward processing clearance declaration in respect of the imported goods from which those compensating products were obtained; and
- (f) the reasons for the failure to comply with the timeframe for export.

¹⁵² See section 913(4) of the Control Act.

¹⁵³ See definition of “movement reference number” in rule 1.1.

Application for permission to clear for home use goods under inward processing (*section 423(2)(a)*)

18.13 (1) (a) An application contemplated in section 423(2)(a) of the Control Act must before expiry of the timeframe referred to in section 418(1) be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁵⁴ the submission must be on Formas published as a rule on the SARS website at the Customs Office serving the area where the goods are.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The name and customs code of the person who cleared the goods for inward processing;
- (b) the movement reference number¹⁵⁵ and date of the inward processing clearance declaration; and
- (c) a description of the goods, including –
 - (i) the customs value;
 - (ii) the tariff classification;
 - (iii) the quantity, or volume or weight of the goods; and
 - (iv) any marks and numbers on the goods, if applicable.

(3) An application referred to in this rule must be supported by –

- (a) a motivation of why the inward processed compensating products obtained from those goods are not exported; and
- (b) any documents supporting the motivation referred to in paragraph (b).

(4) (a) If the customs authority so requests a supporting document must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

¹⁵⁴ See section 913(4) of the Control Act.

¹⁵⁵ See definition of “movement reference number” in rule 1.1.

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁵⁶ the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

Submission of conversion rates for approval (*section 425(1)*)

18.14 (1) An applicant applying in terms of rule 29.... for licensing as an importer of goods for inward processing, or for the licensing of inward processing premises where goods cleared for inward processing are to be processed, must, at the time when an application for licensing is submitted, submit for approval the conversion rate contemplated in section 425(1) of the Control Act to be used for the purposes of such processing, to the customs authority.

Use of equivalent goods (*section 429(1) and 432(b)(i)*)

18.15 (1) (a) If the licensee of inward processing premises where goods cleared for inward processing are to be processed intends to make use of equivalent goods that licensee must, prior to the use of those equivalent goods, apply for permission to use equivalent goods as contemplated in section 429(1) of the Control Act by submitting an application to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁵⁷ the submission must be –

- (i) on Formas published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the area where the inward processing premises are situated.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) A description of the imported goods to be replaced by the equivalent goods, including –

¹⁵⁶ See section 913(4) of the Control Act.

¹⁵⁷ See section 913(4) of the Control Act.

- (i) the tariff classification;
 - (ii) the quality;
 - (iii) the technical characteristics;
 - (iv) the quantity, volume or weight of the goods;
 - (v) the customs value; and
 - (vi) any marks and numbers on the goods, if applicable;
- (b) the movement reference number¹⁵⁸ of any inward processing clearance declaration in relation to the goods;
- (c) the date of import of the imported goods;
- (d) a description of the equivalent goods, including –
- (i) the quality;
 - (ii) the technical characteristics; and
 - (iii) the quantity, volume or weight of the goods;
- (e) the name and contact details in respect of the supplier of the equivalent goods; and
- (f) the supplier's invoice number.

- (3) An application referred to in subrule (1) must be supported by –
- (a) a document from the supplier of the equivalent goods setting out the product specifications in relation those goods; and
 - (b) the supplier's invoice in respect of the equivalent goods.

(4) (a) If the customs authority so requests a supporting document referred to in subrule (3) must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁵⁹ the submission must be made to the Customs Office where the application had been made submitted, or to another Customs Office indicated in the request.

¹⁵⁸ See definition of "movement reference number" in rule 1.1.

¹⁵⁹ See section 913(4) of the Control Act.

Timeframe for export of inward processed compensating products (*section 430 (1)(b)(iii)*)

18.16 Section 430(1)(b)(iii) of the Control Act becomes applicable if compensating products obtained from the processing of imported goods under the inward processing procedure and cleared and released for export as inward processed compensating products are not exported from the Republic within the timeframe referred to in rule **16.4**, subject section 908.

Part 4: Record keeping and reporting in relation to goods on inward processing premises

Processing register for inward processing premises (*section 427(1) and 432*)

18.17 (1) The licensee of inward processing premises where goods are processed under the inward processing procedure, must establish and maintain a processing register reflecting the information referred to in rule **18.18**.

(2) A licensee referred to in subrule (1) must for purposes of identifying imported goods cleared and released for inward processing received on that licensee's premises as well as inward compensating products or by-products obtained from such imported goods –

- (a) upon receipt of imported goods cleared for inward processing on those premises –
 - (i) document those goods on the processing register; and
 - (ii) assign to such goods a unique code to be reflected on the register and displayed on the goods; and
- (b) upon obtaining inward processed compensating products or by-products from the processing of goods referred to in paragraph (a) –
 - (i) document those products on the processing register; and
 - (ii) assign to such products a unique code to be reflected on the register and displayed on the products.

Record keeping in respect of goods on inward processing premises (*sections 427 and 432(d)*)

18.18 (1) A processing register referred to in rule **18.17** must, from the time of licensing of the inward processing premises, reflect the following in respect of imported goods received at the inward processing premises:

- (a) A description of the goods, including –
 - (i) the value;
 - (ii) the tariff classification;
 - (iii) the quantity, volume or weight of the goods; and
 - (iv) any marks and numbers on the goods, if applicable;
- (b) the movement reference number¹⁶⁰ of any clearance declaration in terms of which the goods were cleared –
 - (i) for inward processing; and
 - (ii) from the inward processing premises for home use after granting by the customs authority of an application contemplated in rule **18.10**;
- (c) any permit, authorisation or preference certificate issued in respect of the goods, including the reference number and date of such permit, authorisation or certificate;
- (d) goods removed in accordance with rule **18.10**, including –
 - (i) the information referred to in paragraph (a), (b)(i) and (c) in relation to such goods;
 - (ii) the reference number of the removal permission; and
 - (iii) in the case of a removal to the premises of a subcontractor, the name and physical address of the subcontractor's premises;
- (e) goods damaged, destroyed, lost or unaccounted for, including the information referred to in paragraph (a), (b)(i) and (c) in relation to such goods;
- (f) the quantity, volume or weight of imported goods processed and the balance of unprocessed imported goods;
- (g) inward processed compensating products, by-products or commercially valuable waste obtained from the processing of the imported goods received, including –
 - (i) the quantity, volume or weight; and
 - (ii) the conversion rate approved in accordance with rule **18.14**;

¹⁶⁰ See definition of "movement reference number" in rule 1.1.

- (h) compensating products, by-products or commercially valuable waste obtained from the imported goods that were damaged, destroyed, lost or unaccounted for, including a description of the nature of such products or waste and the quantity, volume or weight;
- (i) compensating products, by-products or commercially valuable waste obtained from the imported goods that were removed in accordance with rule **18.10**, including the reference number of the removal permission; and
- (j) equivalent goods used, including -
 - (i) the reference number of any authorisation contemplated in rule **18.15**; and
 - (ii) a description of the goods, including the quantity, weight or volume.

(2) The licensee of inward processing premises where goods are processed under the inward processing procedure, must in addition to the records referred to in subrule (1), keep record of any documents in respect of activities pertaining to imported goods cleared for inward processing, from the time those goods are received on the inward processing premises until the compensating products obtained from those goods are removed from the premises, or the unprocessed goods are cleared for home use, including any –

- (a) reports submitted to the customs authority as required in terms of section 427 of the Control Act;
- (b) permissions to remove goods granted by the customs authority pursuant to an application referred to in rule **18.10**;
- (c) approvals to appoint a subcontractor granted by the customs authority pursuant to an application referred to in rule **18.7**;
- (d) approvals for the use of equivalent goods granted by the customs authority pursuant to an application referred to in rule **18.15**;
- (e) detention, seizure or confiscation notices issued by the customs authority in terms of Chapter 34 of the Control Act;
- (f) transport documents;
- (g) certificates of origin;
- (h) clearance declarations, supporting documents required and release notifications in respect of the goods;

- (i) documents constituting proof of damage, destruction or loss, in the case of goods damaged, destroyed, lost or unaccounted for; and
- (j) documents acceptable as proof of loading for export¹⁶¹ in respect of inward processed compensating products; and
- (k) processing records in respect of the goods.

Reports to be submitted by licensees of inward processing premises (*sections 427(1) and 432(d) and (e)*)

18.19 (1) (a) A report contemplated in section 427(1) of the Control Act must cover three-monthly reporting periods commencing on the date of licensing, and must within 25 calendar days after the end of each three monthly period be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁶² the submission must be made to the Customs Office that serves the area where the inward processing premises are situated.

(2) A report referred to in subrule (1) must be in the form of a copy of the processing register referred to in rule **18.17**(1) for the relevant reporting period and reflect the customs code of the inward processing premises.

Records to be produced to Customs on request

18.20 (1) The licensee of inward processing premises must produce any record or document referred to in rule **18.18** to the customs authority on request within the timeframe indicated in the request, or if no timeframe is specified in such request, within three working days after the request.

(2) A copy of such record or document may, subject to the approval of the customs authority, be submitted and such a copy or printout may for purposes of the Control Act and a tax levying Act be regarded to be the original record or document requested.

¹⁶¹ See rule **16.6**.

¹⁶² See section 913(4) of the Control Act.

Part 5: General

Storage of free circulation goods used in processing with imported goods under inward processing procedure *(section 432(g))*

18.21 Goods in free circulation used for processing may, subject to a permission obtained in terms of rule **18.15**, be stored at inward processing premises together with imported goods under the inward processing procedure.

CHAPTER 19
HOME USE PROCESSING PROCEDURE

Part 1: Clearance and release of imported goods for home use processing

**Additional requirements for clearance of goods for home use processing
(section 439(d))**

19.1 (1) The licensee of premises who is to carry out the home use processing of goods to be cleared for home use processing must –

- (a) if that licensee is the person clearing the goods, give the undertaking contemplated in section 439(d)(i) of the Control Act on the clearance declaration submitted to clear the goods for home use processing; and
- (b) if that licensee is not the person clearing the goods, submit the undertaking contemplated in section 439(d)(i) and the advice referred to in section 439(d)(ii) of the Control Act electronically through e-filing to the customs authority.¹⁶³

(2) Security referred to in section 439(e) must have been provided at the time of licensing as provided for in section 660.

Part 2: Transport of goods to and receipt of goods in home use processing premises

Persons other than carriers who may transport goods under home use processing procedure (section 451(d))

19.2 The following persons other than carriers are for purposes of section 122(c) of the Control Act permitted to transport goods under home use processing procedure:

- (a) The licensee of the home use processing premises where the home use processing is to be carried out, using own transport; or
- (b) a person referred to in section 440(a), using own transport.

¹⁶³ In terms of section 439 of the Control Act no release can be given for home use processing unless the undertaking and advice referred to in section 439(d) have been submitted.

Procedure for obtaining authorisation to redirect goods to location other than licensed inward processing premises (*section 442(2)(a)*)

19.3 If a person intends to redirect goods cleared for inward processing to a location other than the licensed home use where the goods are to be processed as contemplated in section 422(2)(a) of the Control Act, that person must in accordance with rule **4.17** apply to the customs authority for authorisation to redirect the goods to that other location.

Notification of delivery of goods to home use processing premises or other authorised premises (*section 442(2)(b)(i)*)

19.4 (1) (a) A carrier that transported goods to home use processing premises or another place authorised in accordance with rule **14.7**, must notify the customs authority of the delivery of the goods in accordance with rule **29.XX**.

(b) A person contemplated in rule **19.2(b)** that transported goods to home use processing premises or another place authorised in accordance with rule **14.7**, must notify the customs authority of the delivery of the goods in accordance with subrule (2).

(2) (a) A notification contemplated in subrule (1)(b) must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁶⁴ the submission must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the area where the home use processing premises or other place authorised in terms of rule **4.17** is situated.

(3) A notification contemplated in subrule (1)(b) must reflect the following information:

- (a) The customs code of the person contemplated in rule **19.2(b)**;
- (b) the date and time of delivery of the goods;

¹⁶⁴ See section 913(4) of the Control Act.

- (c) the physical address of the home use processing premises where the goods were delivered;
- (d) in the case of delivery to another location, the physical address of the other premises authorised in accordance with rule **4.17**;
- (e) in relation to the goods –
 - (i) if not containerised, a description of the goods; including –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods; and
 - (cc) marks and numbers on the goods, if applicable; and
 - (ii) if containerised –
 - (aa) the container number; and
 - (bb) the seal number;¹⁶⁵ and
- (f) the movement reference number¹⁶⁶ of the home use processing clearance declaration in respect of the goods.

Notification of receipt of goods at home use processing premises (*section 442(2)(b)(ii)*)

19.5 (1) The licensee of home use processing premises or, if the goods were redirected in terms of rule **4.17** to another location, the person in charge of that location must notify the customs authority of the receipt of goods at those premises or that location in accordance with subrule (2).

(2) (a) A notification contemplated in subrule (1) must within three hours of receipt of the goods be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁶⁷ the submission must be –

- (a) on Form ...as published as a rule on the SARS website; and

¹⁶⁵ See rule **5.6** which places an obligation in relation to seal verification and reporting of seal discrepancies on a person who receives physical control of a container.

¹⁶⁶ See definition of “movement reference number” in rule 1.1.

¹⁶⁷ See section 913(4) of the Control Act.

(b) made to the Customs Office that serves the area where the licensed home use processing premises or the location goods were redirected to in terms of rule 4.17 is situated.

(3) A notification referred to in subrule (2) must reflect the following information:

- (a) The name, identity number, contact details of the carrier or other person contemplated in rule 19.2(b) that transported the goods to the home use processing premises or the other location where the goods were redirected to in terms of rule 4.17 or, if the goods were transported by the licensee of the home use processing premises, a statement to that effect;
- (b) the physical address of that other location;
- (c) the name, identity number, contact details and address of the person in charge of that other location;
- (d) the date and time of receipt of the goods;
- (e) in relation to the goods –
 - (i) a description of the goods including –
 - (aa) the tariff classification;
 - (bb) the quantity, volume or weight of the goods; and
 - (cc) marks and numbers on the goods, if applicable; and
 - (ii) if containerised –
 - (aa) the container number; and
 - (bb) the seal number;¹⁶⁸ and
- (f) the movement reference number¹⁶⁹ of the inward processing clearance declaration in respect of the goods.

Part 3: Rules regulating home use processing procedure

Applications for approval to appoint subcontractor (section 449(3))

¹⁶⁸ See rule 5.6 which places an obligation in relation to seal verification and reporting of seal discrepancies on a person who receives physical control of a container.

¹⁶⁹ See definition of “movement reference number” in rule 1.1.

19.6 (1) (a) An application contemplated in section 449(3) of the Control Act must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁷⁰ the submission must be –

- (i) on Form..... published as a rule on the SARS website; and
- (ii) made to the Customs Office serving the area where the home use premises of the applicant are situated.

(2) An application referred to in subrule (1) must reflect the following information:

- (a) The customs code of the applicant's premises;
- (b) the name, identity number and contact details of the subcontractor operating the premises where the proposed subcontracted aspect of the home use processing is to take place and the physical address of those premises;
- (c) the nature and extent of the proposed subcontracted processing to be undertaken by the subcontractor;
- (d) the movement reference number¹⁷¹ assigned to any home use processing clearance declaration in respect of the goods; and
- (e) the time period required for completion of the proposed subcontracted home use processing.

(3) An application referred to in subrule (1) must be supported by the proposed agreement in terms of which the subcontractor is to be appointed by the licensee.

(4) (a) If the customs authority so requests a supporting document referred to in subrule (3) must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

¹⁷⁰ See section 913(4) of the Control Act.

¹⁷¹ See definition of "movement reference number" in rule 1.1.

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁷² the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

Annual business turnover limits for licensing of subcontractors' premises
(section 449(2))

19.7 The licensing requirement set out in section 449(2) of the Control Act for premises where the subcontracted processing of goods under home use processing procedure is carried out, applies if the annual business turnover on those premises exceeds five million Rand.

Obligations of subcontractors relating to processing of goods *(section 451(a)(ii))*

19.8 Rules **19.13**, **19.14**, **19.15** and **19.16** are applicable, with the necessary changes as the context may require, to a subcontractor that is not a licensee appointed pursuant to an application in terms of rule **19.7**.

Movement of goods cleared for home use processing, home use compensating products, and by-products and waste between different locations *(section 451(a)(iii))*

19.9 (1) (a) Imported goods cleared for home use processing and compensating products, by-products and commercially valuable waste obtained from the processing of those imported goods may not without the permission of the customs authority be moved from the premises of the licensee who carries out the home use processing, or of a subcontractor appointed in terms of section 449, to another processing premises.

(b) Paragraph (a) does not apply to –

(i) home use processed compensating products that have in terms of section 445 been allowed to be dealt with as goods in free circulation; and

¹⁷² See section 913(4) of the Control Act.

- (ii) by-products and commercially valuable waste that have in terms of section 446 been allowed to be dealt with as goods in free circulation.

(2) (a) An application for permission contemplated in subrule (1) must be submitted to the customs authority by the licensee or subcontractor, as the case may be, electronically through e-filing prior to the intended removal of the goods, home use processed compensating products, by-products or waste, subject to paragraph (b).

(b) If an application referred to in subrule (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁷³ the submission must be –

- (i) on Form as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the area where location where the relevant goods, home use processed compensating products, by-products or waste are, is situated.

(3) An application referred to in subrule (1) must reflect –

- (a) the following details relating to the premises from where the relevant imported goods, home use processed compensating products, by-products or waste are to be moved:
 - (i) In the case of a movement from licensed home use processing premises, the customs code of the premises; and
 - (ii) in the case of a movement from unlicensed premises of a subcontractor, the physical address of the premises and the name and contact details of that subcontractor;
- (b) the movement reference number¹⁷⁴ of any clearance declaration under which the imported goods were cleared for home use processing;
- (c) in the case of imported goods to be moved, a description of the goods including –
 - (i) the value;
 - (ii) the tariff classification;

¹⁷³ See section 913(4) of the Control Act.

¹⁷⁴ See definition of “movement reference number” in rule 1.1.

- (iii) the quantity, volume or weight of the goods; and
 - (iv) any marks and numbers on the goods, if applicable;
- (d) the nature of any processing –
 - (i) to be undertaken at the premises to which the goods are to be moved; or
 - (ii) that had been undertaken at the premises from where the compensating products, by-products or commercially valuable waste are to be moved;
- (e) in the case of compensating products, by-products or waste to be moved, a description of the nature of the products, by-products or waste, including the quantity, volume or weight;
- (f) the physical address and customs code, if any, of the premises to which the goods, compensating products, by-products or waste are to be moved; and
- (g) in the case of the premises referred to in paragraph (f) under control of a subcontractor, the name and contact details of the subcontractor.

(4) An application for removal involving a subcontractor must be supported by the agreement in terms of which the subcontractor had been appointed by the licensee.

(5) (a) If the customs authority so requests a supporting document must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁷⁵ the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

(6) Goods, compensating products, by-products, or waste removed in terms of this rule must be removed by a licensed carrier or another person referred

¹⁷⁵ See section 913(4) of the Control Act.

to in rule **19.2** within three working days after approval of an application to remove in terms of this rule.

Notification of delivery and receipt of goods removed

19.10 Notice of delivery and receipt of goods moved in terms of rule **19.9** must be given in accordance with the procedure established in rules **19.4** and **19.5** respectively.

Notification of failure to complete home use processing of goods within timeframe contemplated in section 444(1) of the Control Act

19.11 (1) (a) A notice of failure to comply with the timeframe for completion of processing of imported goods under home use processing procedure contemplated in section 444(1) of the Control Act, must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notice referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁷⁶ submission must be –

- (i) on Form ... as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the area where the goods are.

(2) A notice referred to in subrule (1) must reflect the following information:

- (a) The customs code of the person submitting the notice;
- (b) the nature of the processing that was to be undertaken;
- (c) a description of the imported goods that were to be processed, including –
 - (i) the customs value;
 - (ii) the tariff classification;
 - (iii) the quantity, volume or weight of the goods; and
 - (iv) marks and numbers on the goods, if any;
- (d) the physical address of the premises where the goods are;
- (e) the date when the processing of those goods should have been completed;
- (f) the movement reference number¹⁷⁷ of any home use processing clearance declaration in respect of the imported goods; and

¹⁷⁶ See section 913(4) of the Control Act.

- (g) the reasons for the failure to comply with the timeframe for completion of the processing.

Submission of conversion rates for approval (*section 447(1)*)

19.12 An applicant applying in terms of rule 29.... for licensing as an importer of goods for home use processing, or for the licensing of home use processing premises where goods cleared for home use processing are to be processed, must, at the time when an application for licensing is submitted, submit for approval the conversion rate contemplated in section 447(1) of the Control Act to be used for the purposes of such processing, to the customs authority.

Part 4: Recordkeeping and reporting in relation to goods on licensed home use processing premises

Processing register for home use processing premises (*section 448(1) and 451*)

19.13 (1) The licensee of home use processing premises where goods are processed under the home use processing procedure, must establish and maintain a processing register reflecting the information referred to in rule 19.14.

(2) A licensee referred to in subrule (1) must for purposes of identifying imported goods cleared and released for home use processing received on that licensee's premises as well as home use compensating products or by-products obtained from such imported goods –

- (a) upon receipt of imported goods cleared for home use processing on those premises –
 - (i) document those goods on the processing register; and
 - (ii) assign to such goods a unique code to be reflected on the register and displayed on the goods; and
- (b) upon obtaining home use processed compensating products or by-products from the processing of goods referred to in paragraph (a) –
 - (i) document those products on the processing register; and

¹⁷⁷ See definition of “movement reference number” in rule 1.1.

- (ii) assign to such products a unique code to be reflected on the register and displayed on the products.

Record keeping in respect of goods on home use processing premises (*section 448(1)*)

19.14 (1) A processing register referred to in rule **19.13** must, from the time of licensing of the home use processing premises, reflect the following in respect of imported goods received at the home use processing premises:

- (a) A description of the goods, including –
 - (i) the value;
 - (ii) the tariff classification;
 - (iii) the quantity, volume or weight of the goods; and
 - (iv) any marks and numbers on the goods, if applicable;
- (b) the movement reference number¹⁷⁸ of the any clearance declaration in terms of which the goods were cleared for home use processing;
- (c) any permit, authorisation or preference certificate issued in respect of the goods, including the reference number and date of such permit, authorisation or certificate;
- (d) goods removed in accordance with rule **19.9**, including –
 - (i) the information referred to in paragraph (a), (b)(i) and (c) in relation to such goods;
 - (ii) the reference number of the removal permission; and
 - (iii) in the case of a removal to the premises of a subcontractor, the name and physical address of the subcontractor’s premises;
- (e) goods damaged, destroyed, lost or unaccounted for, including the information referred to in paragraph (a), (b)(i) and (c) in relation to such goods;
- (f) the quantity, volume or weight of imported goods processed and the balance of unprocessed imported goods;
- (g) home use processed compensating products, by-products or commercially valuable waste obtained from the processing of imported goods received, including -
 - (i) the quantity, volume or weight; and

¹⁷⁸ See definition of “movement reference number” in rule 1.1.

- (ii) the conversion rate approved in accordance with rule **19.12**;
- (h) compensating products, by-products or commercially valuable waste that were damaged, destroyed, lost or unaccounted for, including a description of the nature of such products or waste and the quantity, volume or weight; and
- (i) compensating products, by-products or commercially valuable waste that were removed in accordance with rule **19.9**, including the reference number of the removal permission.

(2) The licensee of home use processing premises where goods are processed under the home use processing procedure, must in addition to the records referred to in subrule (1), keep record of any documents in respect of activities pertaining to imported goods cleared for home use processing, from the time those goods are received on the home use processing premises until the compensating products obtained from those goods are removed from the premises, or the unprocessed goods are cleared for home use or another permissible procedure,¹⁷⁹ including any –

- (a) reports submitted to the customs authority as contemplated in section 448(1) of the Control Act;
- (b) permissions to remove goods granted by the customs authority pursuant to an application referred to in rule **19.9**;
- (c) approvals to appoint a subcontractor granted by the customs authority pursuant to an application referred to in rule **19.6**;
- (d) detention, seizure or confiscation notices issued by the customs authority in terms of Chapter 34 of the Control Act;
- (e) transport documents;
- (f) certificates of origin;
- (g) clearance declarations, supporting documents required and release notifications in respect of the goods;
- (h) documents constituting proof of damage, destruction or loss, in the case of goods damaged, destroyed, lost or unaccounted for; and
- (i) processing records in respect of the goods.

¹⁷⁹ See section 443(2) of the Control Act.

Reports to be submitted in connection with home use processing (*sections 448(1) and 451(b)*)

19.15 (1) (a) A report contemplated in section 448(1) of the Control Act must cover three monthly reporting periods commencing on the date of licensing, and must within 25 calendar days after the end of each three monthly period be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a report referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁸⁰ the submission must be made to the Customs Office that serves the area where the home use processing premises are situated.

(2) A report referred to in subrule (1) must be a copy of the processing register referred to in rule **19.14**(1) for the relevant reporting period and reflect the customs code of the home use processing premises.

Records to be produced to Customs on request

19.16 The licensee of home use processing premises must produce any record referred to in rule **19.14** to the customs authority on request within the timeframe indicated in the request, or if no timeframe is specified in such request, within three working days after the request.

(2) A copy of such record or document may, subject to the approval of the customs authority, be submitted and such a copy or printout may for purposes of the Control Act and a tax levying Act be regarded to be the original record or document requested.

¹⁸⁰ See section 913(4) of the Control Act.

CHAPTER 20
OUTWARD PROCESSING PROCEDURE

Additional requirements for clearance of goods for outward processing
(section 458(c))

20.1 (1) The person who clears goods for outward processing must give the undertaking contemplated in section 458(c)(i) of the Control Act on the clearance declaration submitted to clear the goods for outward processing.¹⁸¹

(2) A clearance of goods for outward processing must be supported by a document setting out any measures taken in terms of section 458(d).

Notification of compensating products obtained from goods under outward processing not to be cleared for home use as outward compensating products
(section 471(f))

20.2 (1) A person who cleared good for outward processing must, at least seven calendar days before the timeframe applicable to the goods in terms of section 465 of the Control Act for the clearing for home use of the compensating products obtained from those goods expires, notify the customs authority that those goods or a portion of those goods will not be cleared for home use as outward processed compensating products.

(2) (a) A notice referred to in subrule (1) must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a notification referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁸² the submission must be –

- (i) on Form.....as published as a rule on the SARS website; and
- (ii) made to the Customs Office that serves the place of exit where the goods cleared for outward processing were exported from the Republic.

¹⁸¹ Goods may not be cleared for outward processing unless an undertaking referred to in section 458(c)(i) of the Control Act has been submitted.

¹⁸² See section 913(4) of the Customs Control Act.

- (3) A notice referred to in subrule (1) must reflect the following information:
- (a) the customs code of the person submitting the notice;
 - (b) the movement reference number¹⁸³ of any outward processing clearance declaration in respect of the goods;
 - (c) a description of the goods exported for outward processing, including –
 - (i) the customs value;
 - (ii) the tariff classification;
 - (iii) the quantity, volume or weight of the goods; and
 - (iv) marks and numbers on the goods, if any;
 - (d) the nature of the processing that was to be undertaken; and
 - (e) the reason why the compensating products, or portion of the compensating products will not be cleared for home use.

Form and format of statement referred to in section 468(2) of Control Act

20.3 (1) (a) If the customs authority requests in terms of section 468(2) of the Control Act a statement referred to in that section, the statement must, within the timeframe for submission indicated in the request, be submitted electronically through e-filing, subject to paragraph (b).

(b) If a statement referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁸⁴ the submission must be on Formas published as a rule on the SARS website at the Customs Office serving the place of entry where the outward processed compensating products were imported.

(2) A statement referred to in subrule (1) must in addition to the information stated in section 468(2)(a) and (b) reflect the following information:

- (a) The customs code of the person submitting the statement;
- (b) the movement reference number¹⁸⁵ of the clearance declaration submitted in respect of the export of the goods for outward processing;
- (c) the name and contact details of the exporter or other person who reclaimed any import or domestic tax on the goods exported for outward processing; and

¹⁸³ See definition of “movement reference number” in rule 1.1.

¹⁸⁴ See section 913(4) of the Control Act.

¹⁸⁵ See definition of “movement reference number” in rule 1.1.

- (d) the nature of any benefit contemplated in section 468(2)(b) paid to that exporter or other person, and the name and contact details of that person.

Submission of conversion rates for approval (*section 469(1)*)

20.4 (1) (a) A person clearing goods for outward processing must when submitting a clearance declaration for export of goods for outward processing, simultaneously submit for approval the conversion rate contemplated in section 425(1) of the Control Act, to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a conversion rate referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁸⁶ the submission must be on Formas published as a rule on the SARS website at the Customs Office serving the place of exit where the goods cleared for outward processing will be exported from the Republic.

(2) A submission referred to in subrule (1) must reflect the following information:

- (a) A description of the factors that were taken into account in determining the conversion rate to be applied to the goods exported for outward processing;
- (b) the quantity of goods to be exported for outward processing;
- (c) the quantity of outward processed compensating products expected to be obtained from those goods; and
- (d) the duration of the outward processing.

(3) A submission referred to in subrule (1) must be supported by the agreement with the person operating the processing premises abroad to undertake the processing of the goods there.

(4) (a) If the customs authority so requests a supporting document referred to in subrule (3) must within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

¹⁸⁶ See section 913(4) of the Control Act.

(b) If a supporting document referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁸⁷ the submission must be made to the Customs Office where the submission of the conversion rate had been made, or to another Customs Office indicated in the request.

¹⁸⁷ See section 913(4) of the Control Act.

Chapters 21 to 23 to be inserted

CHAPTER 24

EXPEDITED CLEARANCE AND RELEASE OF GOODS

Definitions

24.1 In this Chapter –

All definitions except “permission” to be moved to rule 1.1 in Chapter 1.

“**courier**” means a person licensed to conduct a courier business;

“**courier article**” means an article handled by a carrier in the course of conducting a courier business;

“**medical emergency**” means a situation where medical intervention¹⁸⁸ is essential and time is of the essence –

- (a) to obtain medical equipment or therapeutic drugs needed for that intervention; or
- (b) to collect donor organs for transplant on a patient;

“**prescribed courier article**” means a courier article which does not fall within a category of courier articles excluded from simplified clearance by ministerial notice in terms of section 533(2)(a) or (b) of the Control Act;

“**pro-forma invoice**” means an abridged, estimated or preliminary invoice issued by a supplier to a buyer in advance of a delivery of goods otherwise than for purposes of payment, specifying relevant information, such as –

- (a) names of the parties;
- (b) the class or kind of goods;
- (c) the purchase price or value; and
- (d) transportation and other charges;

“**permission**” means a permission granted by the customs authority on application in terms of section 522(1), 530(1) or 534(1) of the Control Act to an applicant –

¹⁸⁸ This could include a veterinary intervention.

- (a) to clear and obtain release of goods on incomplete or provisional clearance information in terms of Part 1 of Chapter 24 of the Act;
- (b) to obtain release of goods subject to subsequent clearance of the goods in terms of Part 2 of that Chapter; or
- (c) to clear and obtain release of goods in accordance with simplified procedures in terms of Part 3 of that Chapter;

“**traveller declaration**” means the declaration that a person entering or leaving the Republic must in terms of section 478(1) or 483(1) of the Control Act submit to the customs authority.

Part 1: Clearance and release of goods on incomplete or provisional clearance information

Exclusion of certain categories of goods from incomplete or provisional clearance (section 538)

24.2 (1) Part 1 of Chapter 24 of the Control Act does not apply to –

- (a) cigarettes and other tobacco products that are subject to excise duty; and
- (b) wine, spirits, beer and other alcoholic beverages that are subject to excise duty.

(2) Goods falling within a category referred to in subrule (1) must be cleared in accordance with regular clearance requirements as may be applicable to the goods.

Application to clear goods and obtain release of goods on incomplete or provisional clearance information (sections 522 and 538)¹⁸⁹

24.3 (1) (a) An application for permission as contemplated in section 522(2)(a)(i) or (ii) of the Control Act to clear and obtain release of goods on incomplete or provisional clearance information, including an incomplete or provisional clearance declaration that in terms of the proviso to section 522(2)(b)

¹⁸⁹ No application is necessary in the case of an incomplete clearance provided for in section 94(2) of the Control Act.

serves as an application contemplated in section 522(2)(a)(i),¹⁹⁰ must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁹¹ the application must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) submitted to the Customs Office that serves the customs controlled area where the goods are or to which the goods are destined for.

(2) An application in terms of subrule (1) must reach the customs authority no later than the following timeframes, as may be applicable:

- (a) For applications referred to in section 522(2)(a)(i) in relation to goods to which section 90 or 94 apply: no later than 48 hours before the time for submission of a clearance declaration in respect of those goods expires in terms of section 90 or 94;¹⁹²
- (b) for applications referred to in section 522(2)(a)(i) in relation to goods already under a customs procedure (other than goods referred to in paragraph (a)): at any time whilst the goods are under that procedure;¹⁹³ and
- (c) for all applications referred to in section 522(2)(a)(ii): no later than 10 working days before the start of the period applied for.¹⁹⁴

(3) An application referred to in subrule (1) must state the following information:

- (a) The applicant's customs code or, if the applicant falls within a category of persons exempted from registration, the applicant's name, identity number, contact number and physical address;

¹⁹⁰ It is to be noted that submission of a formal application for clearance and release on incomplete or provisional clearance information is not necessary in the case of a specific parcel, container or consignment of goods contemplated in section 522(2)(a)(i) as the proviso to section 522(2)(b) provides that a person clearing such goods may simply submit an incomplete or provisional clearance declaration which will then be regarded as an application. But see rule **24.3(7)**.

¹⁹¹ See for instance section 913(4) of the Control Act.

¹⁹² This timeframe will apply to an application for incomplete or provisional clearance of a specific parcel, container or consignment of goods that is in the process of being imported through a place of entry or exported through a place of exit.

¹⁹³ This timeframe will apply to an application for incomplete or provisional clearance of a specific parcel, container or consignment of goods already under a customs procedure, such as warehousing.

¹⁹⁴ This timeframe will apply to an application for incomplete or provisional clearance of goods of a specific class or kind or other category to be cleared during a specified future period.

- (b) whether the application is in respect of—
 - (i) a specific parcel, container or consignment of goods, as contemplated in section 522(2)(a)(i); or
 - (ii) a specific class or kind or other category of goods to be cleared by the applicant during a specific period, as contemplated in section 522(2)(a)(ii);
- (c) in the case of an application referred to in paragraph (b)(i) –
 - (i) a description of the class or kind of goods in the specific parcel, container or consignment of goods applied for;
 - (ii) whether the goods will be cleared for home use or a customs procedure and, if for a customs procedure the required customs procedure;
 - (iii) the customs controlled area where the goods are or to which the goods are destined for; and
 - (iv) the reason why the information or documents necessary for a regular clearance of the goods are not at hand for the submission of a regular clearance declaration, and if due to a delay in obtaining such information or documents, whether such delay is attributable to the negligence of any person and could have been avoided if measures have been taken timeously;
- (d) in the case of an application referred to in paragraph (b)(ii) –
 - (i) a description of the specific class or kind or other category of goods applied for;
 - (ii) the specific period applied for; and
 - (iii) the customs controlled area where the goods are or to which the goods are destined for;
- (e) the reason why the information or documents necessary for a regular clearance of the goods will not be at hand for the submission of a regular clearance declaration, and if due to delays in obtaining such information or documents, whether such delays –
 - (i) is common practice within the industry in which the applicant operates;
 - (ii) is due to inherent characteristics of the goods or handling of the

goods;¹⁹⁵ and

- (iii) can be avoided if measures are taken timeously; and
- (f) whether the outstanding information or documents will be available at time of submission of the supplementary declaration.

(4) (a) In the case of an application where an incomplete or provisional clearance declaration is submitted to serve as an application contemplated in section 522(2)(a)(i) –

- (i) the declaration must contain a statement to that effect; and
- (ii) the information referred to in subrule (3)(c)(iv), (e) and (f) must be provided in separate documents accompanying the declaration.

(b) In the case of an application referred to in section 522(2)(a)(ii) the period applied for may not be longer than the period for which the applicant's registration or licence will remain valid.

(5) (a) An application referred to in subrule (1) must be supported by at least the following documents:

- (i) a valid tax clearance certificate that the tax matters of the applicant are in order, if the applicant falls within a category of persons exempted from registration;
- (ii) subject to paragraph (b), an invoice issued in respect of the goods by the person who—
 - (aa) exports the goods to or from the Republic; or
 - (bb) supplied the goods to be exported to or from the Republic; and
- (iii) the importer's written clearing instructions, if the applicant is a customs broker.

(b) If a final invoice for the goods is not available at the time of submission of the application, the application must be supported by a pro-forma invoice issued in respect of the goods.

(6) Supporting documents listed in subrule (5) must accompany an application referred to in subrule (1).

¹⁹⁵ Such as difficulties in the measurement of bulk goods.

(7) An application for the clearance of a specific parcel, container or consignment of goods on incomplete information, including an incomplete clearance declaration that in terms of the proviso to section 522(2)(b) serves as such an application, may not be submitted if the outstanding information can be included provisionally in a provisional clearance declaration. In such a case an application for provisional clearance may be submitted.

Conditions subject to which permissions are granted (*section 522(3)*)

24.4 A permission granted to an applicant to clear and obtain release of goods on incomplete or provisional clearance information during a specific period as contemplated in section 522(2)(a)(ii) of the Control Act, is subject to the condition that the customs authority may withdraw the permission –

- (a) if the applicant –
 - (i) obtained the permission under false pretences; or
 - (ii) has in a material respect breached a provision of the Control Act, these Rules or a tax levying Act;
- (b) if any of the circumstances which were material to the granting of the application for permission has changed; or
- (c) if the applicant fails to provide security which the customs authority may require at any time during the validity period of the permission to cover any risks in relation to tax payable or that may become payable on the goods.

Supporting documents for incomplete and provisional clearance declarations (*sections 523(2) and 524(2)*)

24.5 (1) An incomplete or provisional clearance declaration must be supported by at least –

- (a) subject to subrule (2), an invoice issued in respect of the goods by the person who—
 - (i) exports the goods to or from the Republic; or
 - (ii) supplied the goods to be exported to or from the Republic;
- (b) a transport document issued in respect of the goods; and
- (c) in the case of a clearance through a customs broker, the clearance instruction or authorisation of the principal.

(2) If a final invoice for the goods is not available at the time of submission of the declaration, the declaration must be supported by a pro-forma invoice issued in respect of the goods.

(3) (a) Unless already submitted as part of an application referred to in rule **24.3(1)**, supporting documents referred to in subrule (1) and, if applicable, (2) must upon request and within the timeframe indicated in the request be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If supporting documents referred to in paragraph (a) are submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁹⁶ the submission must be made to the Customs Office where the application has been submitted, or to another Customs Office indicated in the request.

Timeframe for submission of supplementary clearance declarations (*section 526*)

24.6 A supplementary clearance declaration contemplated in section 526 of the Control Act must, subject to subrule (2), be submitted to the customs authority within five working days from the date of acceptance by the customs authority of the incomplete or provisional clearance declaration in terms of section 171 of the Control Act for home use or a customs procedure.

Part 2: Release of goods subject to subsequent compliance with clearance requirements

Limitation of categories of goods to which expedited release may be applied (*section 529 read with section 538(a)*)

24.7 Part 2 of Chapter 24 of the Control Act may not be applied to goods¹⁹⁷ other than the following categories:

- (a) goods to be used for or in a medical emergency;
- (b) goods to be used for humanitarian relief efforts;

¹⁹⁶ See for instance section 913(4) of the Control Act.

¹⁹⁷ Note that this Part cannot in terms of section 529 of the Control Act be applied to restricted goods and sectorally controlled goods.

- (c) goods to be used as spares for foreign-going vessels or aircraft, cross-border trains, trucks and buses in urgent situations that put their conveyance schedules at risk;
- (d) live animals; and
- (e) hazardous goods.

Application procedure (*sections 530(2) and 538*)

24.8 (1) (a) An application for permission as contemplated in section 530(1) of the Control Act to obtain expedited release of goods for home use or a customs procedure in accordance with expedited procedures, must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,¹⁹⁸ the application must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) submitted to the Customs Office that serves the customs controlled area where the goods are or to which the goods are destined for.

(2) An application in terms of subrule (1) –

- (a) must, in the case of goods to which section 90 or 94 apply, reach the customs authority no later than 48 hours before the estimated time of arrival of the goods at the place of entry or exit through which the goods are to be imported or exported;¹⁹⁹ or
- (b) may, in the case of goods already under a customs procedure (other than goods referred to in paragraph (a)), be submitted at any time whilst the goods are under that procedure.²⁰⁰

(3) An application referred to in subrule (1) must contain the following:

¹⁹⁸ See for instance section 913(4) of the Control Act.

¹⁹⁹ This timeframe will apply to an application for expedited release of goods that are in the process of being imported through a place of entry or exported through a place of exit.

²⁰⁰ This timeframe will apply to an application for simplified clearance of a specific parcel, container or consignment of goods already under a customs procedure, such as warehousing.

- (a) The applicant's customs code or, if the applicant falls within a category of persons exempted from registration, the applicant's name, identity number, contact number and physical address;
- (b) a description of the goods in respect of which expedited release is required;
- (c) the customs controlled area where the goods are or to which the goods are destined for;
- (d) the reason why –
 - (i) expedited release is required; and
 - (ii) clearance requirements cannot be complied with immediately;
- (e) whether the goods will be cleared for home use or a customs procedure, and if for a customs procedure, the desired customs procedure; and
- (f) the undertaking contemplated in section 530(3)(a)(iii).

Conditions subject to which permissions to obtain expedited release are granted (*section 530(4)*)

24.9 Any permission granted to an applicant to obtain expedited release of goods is subject to the condition that the applicant must provide any security the customs authority may require before or after release of the goods to cover any risks in relation to tax payable or that may become payable on the goods, unless the goods are already covered by security for any tax risks that may arise.

Timeframe for submission of regular clearance declarations (*section 531*)

24.10 A regular clearance declaration contemplated in section 531 of the Control Act must be submitted to the customs authority within three calendar days from the date of release of the goods in terms of section 180.

Part 3: Simplified clearance and release of goods

Simplified clearance requirements for accompanied and unaccompanied baggage items of persons entering or leaving Republic (*section 533(1)(a)*)

24.11 (1) A traveller declaration submitted by a person entering or leaving the Republic and containing the information specified in subrule (3) or (4) may serve as a clearance declaration for items in that person's accompanied and unaccompanied baggage –

- (a) that must in terms of section 480(1) or 485(1) of the Control Act be cleared; and
- (b) which that person is in terms of section 480(2) or 485(2) permitted to clear in accordance with simplified clearance requirements.²⁰¹

(2) A traveller declaration used in terms of subrule (1) as a clearance declaration for the clearance of items in the baggage of a person entering or leaving the Republic must be submitted when that person is processed through the passenger processing system at the place of entry or exit through which that person entered or is leaving the Republic.

(3) A traveller declaration of a person entering the Republic which is used in terms of subrule (1) as a clearance declaration for items in that person's baggage must, apart from the information a traveller declaration must contain in terms of rule 21....., also contain the following information:

- (a) a list of all that person's baggage items that are cleared by means of the traveller declaration, distinguishing between –
 - (i) any items that that person brings into the Republic temporarily for later re-exportation from the Republic,²⁰² distinguishing between—
 - (aa) items to be re-exported in an unaltered state; and
 - (bb) items to be re-exported after being remodelled, processed, repaired or altered in the Republic;
 - (ii) any items previously taken out of the Republic that that person returns to the Republic,²⁰³ distinguishing between—
 - (aa) items returned in an unaltered state; and
 - (bb) items that have undergone remodelling, processing, repair or alteration abroad;
 - (iii) any items of a class or kind for which a tax free limit has been fixed and of which the quantity exceeds that limit;²⁰⁴

²⁰¹ It is to be noted that baggage items that consist of commercial goods as defined in section 476 of the Control Act must in terms of section 480(2)(b) be cleared in accordance with regular clearance requirements unless Customs determines otherwise in a specific case and allows a simplified clearance of those commercial goods. Rule 24.11 will apply where Customs allows a simplified clearance of any specific commercial goods.

²⁰² This paragraph refers to items mentioned in section 479(1)(b) of the Control Act.

²⁰³ This paragraph refers to items mentioned in section 479(1)(c) of the Control Act.

- (iv) any items of a class or kind to which the tax free allowance is to be applied and of which the combined customs value exceeds that allowance;²⁰⁵ and
 - (v) any items that are commercial goods and in respect of which a simplified clearance is allowed in terms of section 480(2)(b);
- (b) a description of each such item or class or kind of items, which must include –
- (i) the quantity, weight or volume;
 - (ii) the tariff classification;
 - (iii) the customs value; and
 - (iv) the origin;
- (c) a statement whether the items or class or kind of items referred to in paragraph (a) are cleared for home use or a customs procedure and, if for a customs procedure, for which customs procedure;
- (d) in the case of items cleared for remodelling, processing, repair or alteration in the Republic under the inward processing procedure, particulars of the nature of the remodelling, processing, repair or alteration; and
- (e) in the case of commercial goods referred to in paragraph (a)(v), the customs code issued to the person as a casual importer of goods.²⁰⁶

(4) A traveller declaration of a person leaving the Republic which is used in terms of subrule (1) as a clearance declaration for items in that person's baggage must, apart from the information a traveller declaration must contain in terms of rule **21**....., also contain the following information:

- (a) a list of all that person's baggage items that are cleared by means of the traveller declaration, distinguishing between –
 - (i) any items that that person takes out of the Republic temporarily for later re-importation into the Republic,²⁰⁷ distinguishing between—
 - (aa) items to be re-imported in an unaltered state; and
 - (bb) items to be remodelled, processed, repaired or altered abroad;

²⁰⁴ This paragraph refers to items mentioned in section 479(1)(e)(ii) read with 479(2)(a) of the Control Act.

²⁰⁵ This paragraph refers to items mentioned in section 479(1)(e)(iii) read with 479(2)(b) of the Control Act.

²⁰⁶ See rule **28**.... for the temporary registration of casual importers and exporters.

²⁰⁷ This paragraph refers to items mentioned in section 484(1)(b) of the Control Act.

- (ii) any items previously brought into the Republic that that person takes out of the Republic,²⁰⁸ distinguishing between –
 - (aa) items that are in an unaltered state; and
 - (bb) items that have undergone remodelling, processing, repair or alteration in the Republic;
 - (iii) any items of a class or kind to which the tax free allowance is to be applied and of which the combined customs value exceeds that allowance;²⁰⁹ and
 - (iv) any items that are commercial goods and in respect of which a simplified clearance is allowed in terms of section 485(2)(b);
- (b) a description of each such item or class or kind of items, which must include –
- (i) the quantity, weight or volume;
 - (ii) the tariff classification;
 - (iii) the customs value; and
 - (iv) the origin;
- (c) the customs procedure under which the items or class or kind of items referred to in paragraph (a) are cleared for export;
- (d) in the case of items cleared for remodelling, processing, repair or alteration abroad under the outward processing procedure, particulars of the nature of the remodelling, processing, repair or alteration; and
- (e) in the case of commercial goods referred to in paragraph (a)(iv), the customs code issued to the person as a casual exporter of goods.²¹⁰

(5) A traveller declaration used as a clearance declaration must be supported by any invoices and other commercial documents issued in respect of any of the baggage items cleared by means of the traveller declaration.

Simplified clearance requirements for commercial trucks, buses and taxis temporarily entering or leaving the Republic as means of transport (section 533(1)(b))²¹¹

²⁰⁸ This paragraph refers to items mentioned in section 484(1)(c) of the Control Act.

²⁰⁹ This paragraph refers to items mentioned in section 484(1)(e)(ii) read with 484(2) of the Control Act.

²¹⁰ See rule 28... for the temporary registration of casual importers and exporters.

²¹¹ This rule does not apply to means of transport entering or leaving the Republic under a CPD

24.12 (1) A traveller declaration submitted by the on-board operator of a truck, bus or taxi entering or leaving the Republic and containing the information specified in subrule (3) may serve as a clearance declaration for the clearance of the truck, bus or taxi under –

- (a) the temporary admission procedure for –
 - (i) temporary admission into the Republic when the truck, bus or taxi enters the Republic;²¹² or
 - (ii) export under that procedure when the truck, bus or taxi leaves the Republic;²¹³ or
- (b) the temporary export procedure for –
 - (i) temporary export from the Republic when the truck, bus or taxi leaves the Republic;²¹⁴ or
 - (ii) home use as re-imported unaltered goods when the truck, bus or taxi re-enters the Republic.²¹⁵

(2) A traveller declaration used in terms of subrule (1) as a clearance declaration for a truck, bus or taxi entering or leaving the Republic must be submitted when the on-board operator of the truck, bus or taxi is processed through the passenger processing system at the land border-post through which the truck, bus or taxi entered or is leaving the Republic.

(3) The traveller declaration of the on-board operator of a truck, bus or taxi entering or leaving the Republic which is used in terms of subrule (1) as a clearance declaration for the truck, bus or taxi must, apart from the information a traveller declaration must contain in terms of rule **21**....., also contain the following information:

- (a) the on-board operator details;
- (b) a description of the truck, bus or taxi, which description must include –
 - (i) the make and model;
 - (ii) the year of manufacture;

carnet dealt with in Part 4 of Chapter 12 or Part or Part 4 of Chapter 17.

²¹² See sections 270 and 271 of the Control Act.

²¹³ See sections 276 and 277 of the Control Act.

²¹⁴ See sections 381 and 382 of the Control Act.

²¹⁵ See sections 289 and 390 of the Control Act.

- (iii) the registration number;
- (iv) the country of registration; and
- (v) the engine number and the VIN/chassis number;
- (c) in the case of a truck or bus operated by a carrier, the name and contact details or the customs code of the carrier and, if the carrier is not located in the Republic, also of the carrier's registered agent in the Republic;
- (d) if the truck, bus or taxi is entering the Republic, whether it is cleared –
 - (i) for temporary admission into the Republic and, if so, the expected date of re-export; or
 - (ii) for home use as unaltered goods under the temporary export procedure and, if so, the date it left the Republic; and
- (e) if the truck, bus or taxi is leaving the Republic, whether it is cleared –
 - (i) for temporary export from the Republic and, if so, the expected date it is to return to the Republic; or
 - (ii) for export under the temporary admission procedure and, if so, the date it entered the Republic.

Simplified clearance requirements for vehicles, small vessels and light aircraft temporarily entering or leaving the Republic as private means of transport
*(section 533(1)(b))*²¹⁶

24.13 (1) A traveller declaration submitted by the on-board operator of a vehicle, small vessel or light aircraft entering or leaving the Republic as a private means of transport for a traveller visiting the Republic or for a traveller visiting abroad, and which contains the information specified in subrule (3), may serve as a clearance declaration for the clearance of the vehicle, small vessel or light aircraft under –

- (a) the temporary admission procedure for –
 - (i) temporary admission into the Republic when the vehicle, small vessel or light aircraft enters the Republic;²¹⁷ or
 - (ii) export under that procedure when the vehicle, small vessel or light aircraft leaves the Republic;²¹⁸ or
- (b) the temporary export procedure for –

²¹⁶ This rule does not apply to means of transport entering or leaving the Republic under a CPD carnet dealt with in Part 4 of Chapter 12 or Part or Part 4 of Chapter 17.

²¹⁷ See section 272 of the Control Act.

²¹⁸ See section 278 of the Control Act.

- (i) temporary export from the Republic when the vehicle, small vessel or light aircraft leaves the Republic;²¹⁹ or
- (ii) home use as re-imported unaltered goods when the vehicle, small vessel or light aircraft re-enters the Republic.²²⁰

(2) A traveller declaration used in terms of subrule (1) as a clearance declaration for a vehicle, small vessel or light aircraft entering or leaving the Republic must be submitted when the on-board operator of the vehicle, small vessel or light aircraft is processed through the passenger processing system at the place of entry or exit through which the vehicle, small vessel or light aircraft entered or is leaving the Republic.

(3) The traveller declaration of the on-board operator of a vehicle, small vessel or light aircraft entering or leaving the Republic which is used in terms of subrule (1) as a clearance declaration for the vehicle, small vessel or light aircraft must, apart from the information a traveller declaration must contain in terms of rule **21.....**, also contain the following information:

- (a) The on-board operator details;
- (b) a description of the vehicle, small vessel or light aircraft, which description must include –
 - (i) the make and model;
 - (ii) the year of manufacture;
 - (iii) the registration number;
 - (iv) the country of registration; and
 - (v) in the case of a vehicle, the engine number and the VIN/chassis number;
- (c) if the vehicle, small vessel or light aircraft is entering the Republic, whether it is cleared –
 - (i) for temporary admission into the Republic and, if so, the expected date of re-export; or
 - (ii) for home use as unaltered goods under the temporary export procedure and, if so, the date it left the Republic; and

²¹⁹ See section 383 of the Control Act.

²²⁰ See section 391 of the Control Act.

- (d) if the vehicle, small vessel or light aircraft is leaving the Republic, whether it is cleared –
 - (i) for temporary export from the Republic and, if so, the expected date it is to return to the Republic; or
 - (ii) for export under the temporary admission procedure and, if so, the date it entered the Republic.

Additional categories of goods that may be cleared and released in accordance with simplified clearance requirements (section 533(1)(c))

24.14 In addition to the categories of goods referred to in section 533(1)(a) and (b) of the Control Act,²²¹ the following categories of goods may, subject to section 533(2)(a) and (b),²²² also be cleared and released in accordance with the simplified requirements set out in Part 3 of Chapter 24 of the Control Act:

- (a) Courier articles –
 - (i) imported into the Republic that are in terms of section 89 required to be cleared for home use or a customs procedure; or
 - (ii) to be exported from the Republic that are in terms of section 93 required to be cleared for export; and
- (b) stores for any reason to be removed from a foreign-going vessel or aircraft or cross-border train to the private storage warehouse of a stores supplier that are in terms of section 299(1) required to be cleared for warehousing in that warehouse.²²³

²²¹ Goods that may in terms of section 533(1)(a) or (b) of the Control Act be cleared in accordance with simplified clearance procedures are:

- (a) accompanied and unaccompanied baggage in terms of sections 480(2) or 485(2);
- (b) the following means of transport entering or leaving the Republic under the temporary export procedure or the temporary admission procedure:
 - (i) commercial trucks in terms of section 270, 276, 381 or 389;
 - (ii) buses and taxis in terms of section 271, 277, 382 or 390; or
 - (iii) private vehicles, small boats and light aircraft used as a private means of transport by travellers in terms of section 272, 278, 383 or 391.

²²² In terms of section 533(2)(a) and (b) the Minister may by notice in the Gazette restrict the categories of goods prescribed by rule under section 533(1)(c) that may be cleared in accordance with simplified procedures, to goods that have a customs value of less than a specified amount or in respect of which a tax below a specified amount is payable. Such a notice has been issued in respect of courier articles under Government Notice.....

²²³ Stores consisting of goods that were in free circulation before cleared for the stores procedure are excluded here as such stores, when removed from the vessel, aircraft or train, revert to free circulation whether or not taken to the private warehouse of a stores supplier. Provisions applicable to goods reverting to free circulation include sections 113, 161, 350 and 353 of the Control Act.

Simplified clearance requirements for prescribed courier articles (*section 533(1)(c)*)

24.15 (1) (a) Prescribed courier articles may be cleared for home use or a customs procedure by the submission of a simplified clearance declaration containing the minimum information specified in subrule (4) to the customs authority electronically through e-filing, subject to paragraph (b).²²⁴

(b) If a simplified clearance declaration referred to in paragraph (a) is submitted in paper format in any of the circumstances contemplated in section 913(4) of the Control Act, the declaration must be –

- (i) on Form ... as published as a rule on the SARS website; and
- (ii) submitted to the Customs Office that serves the place of entry or exit through which the courier articles are imported or to be exported.

(2) A simplified clearance declaration clearing a consignment of prescribed courier articles must be submitted –

- (a) in the case of imported courier articles, before the arrival of the consignment at the place of entry through which the consignment will enter the Republic; or
- (b) in the case of courier articles to be exported –
 - (i) by air, no later than one hour before the courier articles are taken to the foreign-going aircraft in which they are to be exported for loading on board the aircraft; or
 - (ii) by road, within the same timeframes as prescribed in terms of section 94 for the regular clearance of goods destined for export by road.

(3) Only a licensed courier may submit a simplified clearance declaration for the clearance of prescribed courier articles handled by that courier.²²⁵

²²⁴ Note that certain courier articles are altogether excluded from clearance requirements, whether simplified or regular, such as ordinary letters, postcards, printed papers not liable to tax, literature for the blind, trade samples with no commercial value, goods of a value below R500, etc. See sections 91(1)(g), (h) and (i) and 95(1)(h), (i) and (j) of the Control Act. These courier articles, however, require a permission to remove in terms of rule 4.4.

²²⁵ It is to be noted that the courier acts in this instance as either the importer or exporter of the courier articles or the holder of a customs broker's licence for courier articles contemplated in rule 29....

- (4) A simplified clearance declaration referred to in subrule (1) must state –
- (a) the customs codes for which the courier is licenced or registered and, unless the courier is the importer or exporter, also –
 - (i) the customs code of the importer or exporter; or
 - (ii) if the importer or exporter falls within a category of persons exempted from registration, the importer or exporter's name, identity number, contact number and physical address;
 - (b) the transport name;
 - (c) the conveyance number;
 - (d) the transport document number;
 - (e) in the case of a consignment of imported prescribed courier articles –
 - (i) a unique identifier number generated by the courier for each courier article in the consignment;
 - (ii) details of the consignee of each courier article, which must include that person's customs code, if any, or name and physical address;
 - (iii) details of the consignor of each courier article, which must include that person's customs code, if any, or name and physical address;
 - (iv) the delivery address;
 - (v) a description of each courier article, which must include –
 - (aa) quantity, weight or volume;
 - (bb) tariff classification;
 - (cc) customs value; and
 - (dd) country of origin; and
 - (f) in the case of a consignment of prescribed courier articles to be exported from the Republic –
 - (i) a unique identifier number generated by the courier for each courier article in the consignment;
 - (ii) details of the consignor of each courier article, which must include that person's customs code, if any, and name and physical address;
 - (iii) name of the consignee of each courier article and foreign delivery address; and
 - (iv) a description of each courier article, which must include –
 - (aa) quantity, weight or volume;

- (bb) tariff classification;
- (cc) customs value; and
- (dd) country of origin.

(5) A simplified clearance declaration for clearing a consignment of prescribed courier articles must be supported by at least –

- (a) an invoice or other commercial document issued in respect of a courier article by the person who –
 - (i) exports the courier article to or from the Republic; or
 - (ii) supplied the courier article to be exported to or from the Republic;
- (b) the transport document issued in respect of that consignment of courier articles; and
- (c) the clearance instructions or authorisations given to the courier by the importers or exporters of the courier articles in the consignment, except where the courier is the importer or exporter.

Simplified clearance requirements for stores removed from vessels, aircraft and trains to warehouses of stores suppliers (*section 533(1)(c)*)

24.16 (1) (a) Stores that are for any reason to be removed from a foreign-going vessel or aircraft or cross-border train to the private storage warehouse of a stores supplier and that are in terms of section 299(1) of the Control Act required to be cleared for warehousing before removal to that warehouse, may be cleared for warehousing in that warehouse by the submission of a simplified clearance declaration containing the minimum information specified in subrule (4), to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a simplified clearance declaration referred to in paragraph (a) is submitted in paper format in any of the circumstances contemplated in section 913(4) of the Control Act, the declaration must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) submitted to the Customs Office that serves the area in which the warehouse is located.

(2) A simplified clearance declaration referred to in subrule (1) must be submitted before the removal of the stores from the vessel, aircraft or train to the warehouse.

- (3) A simplified clearance declaration referred to in subrule (1) must state –
- (a) the customs code of the warehouse;
 - (b) the transport name of the vessel, aircraft or train from which the goods are to be removed;
 - (c) the conveyance number;
 - (d) a description of the stores to be warehoused, which must include –
 - (i) quantity, weight or volume;
 - (ii) tariff classification; and
 - (iii) customs value;
 - (e) whether the stores were on board the vessel, aircraft or train when it entered the Republic or whether the stores were taken on board in the Republic;
 - (f) if the stores were taken on board in the Republic, the movement reference number of the relevant clearance declaration; and
 - (g) the reason for the removal to the warehouse.

(4) A simplified clearance declaration referred to in subrule (1) must be supported by at least an invoice or other commercial document issued in respect of the stores by a stores supplier who initially supplied the stores to the vessel, aircraft or train.

Application for simplified clearance of goods referred to in section 533(3)
*(sections 534(2)(b) and 538(b))*²²⁶

24.17 (1) (a) An application for permission as contemplated in section 534(2)(a)(i) of the Control Act²²⁷ to clear and obtain release of a specific

²²⁶ It is to be noted that in terms of section 534(4) no prior application is required for accompanied or unaccompanied baggage referred to in section 533(1)(a) or for means of transport referred to in section 533(1)(b). The application requirement is therefore confined to simplified clearance of goods to which section 533(3) applies as no formal application is in view of rule **24.22** required for courier articles and unused stores returned to a stores supplier's warehouse.

²²⁷ Simplified clearance in terms of section 533(3) is only available for "specific" consignments and not for simplified clearance of goods during a future period.

consignment of goods referred to in section 533(3) for home use or a customs procedure in accordance with simplified requirements must be submitted to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If an application referred to in paragraph (a) is submitted to the customs authority in paper format in circumstances where submissions in paper format are permissible,²²⁸ the application must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) submitted to the Customs Office that serves the customs controlled area where the goods are or to which the goods are destined for.

(2) An application in terms of subrule (1) must reach the customs authority no later than the following timeframes, as may be applicable:

- (a) For applications referred to in section 534(2)(a)(i) in relation to goods to which section 90 or 94 apply: no later than 48 hours before the time for submission of a clearance declaration in respect of those goods expires in terms of section 90 or 94;²²⁹ or
- (b) for applications referred to in section 534(2)(a)(i) in relation to goods already under a customs procedure (other than goods referred to in paragraph (a)): at any time whilst the goods are under that procedure.²³⁰

(3) An application in terms of subrule (1) must state –

- (a) the applicant's customs code or, if the applicant falls within a category of persons exempted from registration, the applicant's name, identity number, contact number and physical address;
- (b) a description of the class or kind of goods in the specific parcel, container or consignment applied for;
- (c) whether the goods will be cleared for home use or a customs procedure and, if for a customs procedure the required customs procedure;

²²⁸ See for instance sections 168 and 913(4) of the Control Act.

²²⁹ This timeframe will apply to an application for simplified clearance of a specific parcel, container or consignment of goods that is in the process of being imported through a place of entry or exported through a place of exit.

²³⁰ This timeframe will apply to an application for simplified clearance of a specific parcel, container or consignment of goods already under a customs procedure, such as warehousing.

- (d) the place of entry through which the goods are imported or the place of exit through which the goods are to be exported; and
- (e) a motivated explanation of the reasons why simplified clearance and release of the relevant goods are required.

(4) (a) An application referred to in subrule (1) must be supported by at least the following documents:

- (i) subject to paragraph (b), an invoice issued in respect of the goods by the person who—
 - (aa) exports the goods to or from the Republic; or
 - (bb) supplied the goods to be exported to or from the Republic;
- (ii) the transport document issued in respect of the goods; and
- (iii) a valid tax clearance certificate that the tax matters of the applicant are in order.

(b) If a final invoice for the goods is not available at the time of submission of the application, the application must be supported by a pro-forma invoice issued in respect of the goods.

(5) Supporting documents listed in subrule (4) must accompany an application referred to in subrule (1).

Simplified clearance requirements for goods referred to in section 533(3)

24.18 (1) (a) A specific consignment of goods referred to in section 533(3) of the Control Act in respect of which approval for simplified clearance has in terms of rule **24.17** been obtained, may be cleared for home use or a customs procedure by the submission of a simplified clearance declaration containing the minimum information specified in subrule (4) to the customs authority electronically through e-filing, subject to paragraph (b).

(b) If a simplified clearance declaration referred to in paragraph (a) is submitted in paper format in any of the circumstances contemplated in section 913(4) of the Control Act, the declaration must be –

- (i) on Form ...as published as a rule on the SARS website; and
- (ii) submitted to the Customs Office that serves the customs controlled area where the goods are or to which the goods are destined for.

(2) A simplified clearance declaration clearing a consignment of such goods for home use or a customs procedure –

- (a) must, in the case of goods to which section 89 or 93 applies, be submitted within the same timeframes as prescribed in terms of section 90 or 94 for the regular clearance of goods; or
- (b) may, in the case of goods already under a customs procedure (other than goods referred to in paragraph (a)), be submitted at any time whilst the goods are still under that procedure.

(3) A simplified clearance declaration referred to in subrule (1) must state –

–

- (a) the customs code of the person clearing the goods and, if cleared through a customs broker, also the customs code of the customs broker;
- (b) the transport name;
- (c) the conveyance number;
- (d) the transport document number;
- (e) a description of the goods, which must include –
 - (i) quantity, weight or volume;
 - (iii) tariff classification;
 - (iv) customs value; and
 - (v) country of origin; and
- (f) the number of the permission granted in terms of rule **24.17** in respect of the goods.

(4) A simplified clearance declaration for clearing a consignment of such goods must be supported by at least –

- (a) an invoice or other commercial document issued in respect of the goods;
- (b) the transport document; and
- (c) the clearance instruction or authorisation given to the customs broker, if the goods are cleared through a customs broker.

Part 4: Permissions

Permissions not transferable

24.19 No permission granted by the customs authority may be transferred to another person.

Period of validity of permissions for incomplete, provisional or simplified clearance of goods

24.20 (1) A permission granted by the customs authority on application in terms of section 522(2)(a)(i) or 534(2)(a)(i) of the Control Act for the incomplete, provisional or simplified clearance of a specific parcel, container or consignment of goods applies only to that specific parcel, container or consignment of goods.

(2) A permission granted by the customs authority on application in terms of section 522(2)(a)(ii) or 534(2)(a)(ii) for the incomplete, provisional or simplified clearance of a specific class or kind or other category of goods during a specific future period –

- (a) takes effect from a date specified in the permission; and
- (b) is valid for the period stated in the permission, unless the permission is suspended or withdrawn as contemplated in rule **24.21**.

(3) This rule does not apply to the simplified clearance of goods referred to in rule **24.22**.

Withdrawal of permissions

24.21 (1) A permission granted by the customs authority on application in terms of section 522(1) or 534(1) of the Control Act for the incomplete, provisional or simplified clearance of goods during a future period may be suspended or withdrawn by the customs authority if the person to whom the permission was granted –

- (a) has committed a material breach of the Control Act, these Rules or a tax levying Act;
- (b) no longer qualifies for such permission; or
- (c) has failed to comply with a condition subject to which the permission was granted.

(2) A person may, after being notified of the customs authority's intention to suspend or withdraw a permission, submit written representations to the customs

authority on the proposed suspension or withdrawal within 30 calendar days of the date of notification.

(3) The customs authority may, despite subrule (2) suspend or withdraw a permission with immediate effect if circumstances so demand but in such a case the person affected by the suspension or withdrawal is entitled to submit to the customs authority representations on the suspension or withdrawal within 30 calendar days after the suspension or withdrawal.

Certain licences to be regarded as permissions for simplified clearance of goods during validity period of licence

24.22 (1) If the customs authority has issued a courier licence to a carrier in terms of rule **29**.... –

- (a) the application submitted by the carrier for such licence in terms of Chapter 29 of the Control Act must for all purposes be regarded also to be an application in terms of section 534(2)(a)(ii) for the simplified clearance of prescribed courier articles during the validity period of the licence;
- (b) the courier licence issued to the carrier must for all purposes be regarded to be a permission granted by the customs authority in terms of section 534(1) for the simplified clearance of prescribed courier articles during the validity period of the licence; and
- (c) suspension or withdrawal of the licence by the customs authority in terms of Part 6 of Chapter 29 of that Act must for all purposes be regarded also to be a suspension or withdrawal of such permission in terms of rule **24.21**.

(2) If the customs authority has issued a stores supplier licence to a person in terms of section 634(1) –

- (a) the application submitted by that person for such licence in terms of Chapter 29 must for all purposes be regarded also to be an application in terms of section 534(2)(a)(ii) for the simplified clearance for warehousing in a private storage warehouse of stores that are for any reason to be removed from a foreign-going vessel or aircraft or cross-border train to such warehouse during the validity period of the licence;

- (b) the stores supplier licence issued to that person must for all purposes be regarded to be a permission granted by the customs authority in terms of section 534(1) for the simplified clearance for warehousing of such stores during the validity period of that licence; and
- (c) suspension or withdrawal of the licence by the customs authority in terms of Part 6 of Chapter 29 of that Act must for all purposes be regarded also to be a suspension or withdrawal of such permission in terms of rule **24.21**.