

In terms of section 75 of the Customs and Excise Act, 1964, Schedule No. 6 to the said Act is hereby amended, with effect from 1 April 2018, to the extent set out in the Schedule hereto.

N NENE
MINISTER OF FINANCE

SCHEDULE

By the deletion of the following:

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
690.02	00.00	02.00		Manufactured health promotion levy goods in a customs and excise warehouse used for the manufacture by reprocessing of health promotion levy goods or the manufacture of other goods	Full duty	

By the Insertion of the following:

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
691.06	00.00	06.00		Health promotion levy goods used in the manufacture of other goods not subject to health promotion levy		Full duty

By the substitution of the following:

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
690.00	REBATES OF HEALTH PROMOTION LEVY					
690.01	00.00	01.00		Health promotion levy goods in respect of which the health promotion levy payable (if applicable) thereon amount to not less than R2 500, proved to have been lost, destroyed or damaged, on any single occasion in circumstances of <i>vis major</i> or in such other circumstances as the Commissioner deems exceptional, while such goods are – (a) In any customs and excise warehouse; (b) are under the control of the Commissioner, provided no compensation in respect of health promotion levy on such goods has been paid or is due to the owner by any other person and such loss, destruction or damage was not due to any negligence or fraud on the part of the person liable for the duty and that such goods did not enter into consumption	Full duty	

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
691.00	REFUNDS OF HEALTH PROMOTION LEVY					
691.01	00.00	01.00		<p>Goods liable to the health promotion levy specified in any item of Part 7 of Schedule No. 1 which, after entry or deemed entry for home consumption and payment of duty by the licensee of a customs and excise manufacturing warehouse as contemplated in Chapter VB of the Act and its rules, are removed by such licensee to a consignee in a BLNS country, subject to compliance with the Notes hereto -</p> <p>NOTES:</p> <ol style="list-style-type: none"> 1. Definitions and application of provisions <ol style="list-style-type: none"> (a) The refund provided for in this item is subject to the provisions of section 75(11A). (b) For the purposes of this item, these Notes and section 75(11A), unless the context otherwise indicates - <p>"BLNS country" or "any other country in the common customs area" means the Republic of Botswana, the Kingdom of Lesotho, the Republic of Namibia or the Kingdom of Swaziland; "refund" as provided in this item means the amount of health promotion levy that may be set-off against the amount of health promotion levy payable on the monthly health promotion levy account of a licensee of a customs and excise manufacturing warehouse on complying with the Notes, the rules for Chapter VB and any rule regulating the movement of goods to which this item relates;</p> <p>"set-off" means a set-off of duty contemplated in section 77 that is refundable in terms of this item.</p> (c) Any such set-off may, subject to Note 2(c) be shown on the account if so provided thereon as a deduction from the dutiable quantity 2. Set-off against accounts in respect of health promotion levy goods removed as contemplated in the item: <ol style="list-style-type: none"> (a) The removal of such goods shall be subject to such conditions and procedures as the Commissioner may prescribe by rule. (b) Where such health promotion levy goods have been duly removed to the consignee in a BLNS country, the licensee may, where proof of such removal has been obtained and, any other requirement has been complied with as prescribed in the rules, set-off the health promotion levy paid or payable on the goods so removed against the health promotion levy payable in respect of any such goods as declared in the health promotion levy account for any accounting period during a period of two years after the date any prescribed document was processed in respect of such removal. (c) <ol style="list-style-type: none"> (i) For the purposes of section 75 (11A), the licensee of the customs and excise manufacturing warehouse must produce proof of the health promotion levy paid or payable on the goods so removed to a BLNS country and if the licensee is unable to produce such proof the environmental levy on any quantity of the goods so removed must be calculated at the lowest rate of health promotion levy levied in terms of this Act on such goods during the month prior to the date on which any prescribed document was processed in respect of the removal of the goods concerned (ii) where the rate of duty payable on any goods accounted for on the health promotion levy account differs from the rate paid or payable contemplated in subparagraph (i) on the goods so removed, an appropriate adjustment must be made to the total amount payable on such account in respect of the set-off contemplated in paragraph (b). 		As provided in the Notes hereto

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
691.02	00.00	02.00		<p>Health promotion levy goods specified in any item of Part 7 of Schedule No. 1 which, after entry or deemed entry, for home consumption and payment of duty by the licensee of a customs and excise manufacturing warehouse as contemplated in Chapter VB of the Act and its rules, are found to be off-specification or has become contaminated or has undergone post-manufacturing deterioration may be returned to a customs and excise manufacturing warehouse (VM) for destruction or reprocessing, only if such products are found to be off-specification, contaminated or has undergone post manufacturing deterioration within a period of six months after removal from the VM and that the goods are returned within this period, where the health promotion levy amounts to not less than R100.</p> <p>NOTES:</p> <ol style="list-style-type: none"> 1. The provisions of this item shall apply in respect health promotion levy goods- <ol style="list-style-type: none"> (a) under the control of the manufacturer; (b) returned as produced from the same batch(es); and returned in the originally sealed containers for wholesale or similar packaging. 2. The licensee of the customs and excise manufacturing warehouse in which such goods will be reprocessed or destroyed must apply to the Commissioner for such reprocessing or destruction stating the circumstances in which the goods have become, and the extent to which the goods are, off-specification or contaminated. 3. If the Commissioner approves the application, any health promotion levy goods returned in terms of this item shall be – <ol style="list-style-type: none"> (a) kept intact and entirely separate from any other goods or materials until it has been examined and identified by an officer; and (b) unpacked, where applicable, and transferred to and mixed to and mixed with stocks of materials for reprocessing, under supervision of an officer; or (c) destroyed under supervision of an officer. 4. The licensee of a VM to which such products are returned for destruction or reprocessing must keep a record which includes at least the following - <ol style="list-style-type: none"> (a) a detailed description of the goods received including the applicable tariff item; (b) the quantity received; (c) the date of receipt; (d) the name or registered business name (if any) and the physical address of the person who returned the goods concerned; (e) The delivery note under cover of which such products were returned; (f) proper record of the excise inspection processes; and (g) proper record of the excise permission to destroy or reprocess. 5. For the purposes of section 75(11A) the licensee of the customs and excise manufacturing warehouse must produce proof of the health promotion levy paid or payable on the goods returned for reprocessing in accordance with the provisions of this item and, if the licensee is unable to produce such proof, the levy on any quantity so returned, shall be calculated at the lowest rate levied in terms of this Act on such goods during the month prior to the date of the return of the goods 		Full duty
691.03	00.00	03.00		<p>Health promotion levy goods exported, other than exports contemplated in items 691.01 and 691.04</p>		Full duty

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
691.04	00.00	04.00		<p>Goods liable to the health promotion levy specified in any item of Part 7 of Schedule No. 1 which, after entry or deemed entry for home consumption and payment of duty by the licensee of a customs and excise manufacturing warehouse as contemplated in Chapter VB of the Act and its rules, are removed by such licensee to a consignee outside the common customs union, subject to compliance with the Notes hereto -</p> <p>NOTES:</p> <p>1. Definitions and application of provisions</p> <p>(a) The refund provided for in this item is subject to the provisions of section 75(11A).</p> <p>(b) For the purposes of this item, these Notes and section 75(11A), unless the context otherwise indicates -</p> <p>"BLNS country" or "any other country in the common customs area" means the Republic of Botswana, the Kingdom of Lesotho, the Republic of Namibia or the Kingdom of Swaziland;</p> <p>"Common Customs Union" means the combined areas of the Member States of SACU;</p> <p>"SACU" means Southern African Customs Union; "refund" as provided in this item means the amount of health promotion levy that may be set-off against the amount of health promotion levy payable on the monthly health promotion levy account of a licensee of a customs and excise manufacturing warehouse on complying with the Notes, the rules for Chapter VB and any rule regulating the movement of goods to which this item relates;</p> <p>"set-off" means a set-off of duty contemplated in section 77 that is refundable in terms of this item.</p> <p>(c) Any such set-off may, subject to Note 2(c) be shown on the account if so provided thereon as a deduction from the dutiable quantity.</p> <p>2. Set-off against accounts in respect of health promotion levy goods removed as contemplated in the item:</p> <p>(a) The removal of such goods shall be subject to such conditions and procedures as the Commissioner may prescribe by rule.</p> <p>(b) Where such health promotion levy goods have been duly removed to the consignee outside the common customs union, the licensee may, where proof of such removal has been obtained and, any other requirement has been complied with as prescribed in the rules, set-off the health promotion levy paid or payable on the goods so removed against the environmental levy payable in respect of any such goods as declared in the health promotion levy account for any accounting period during a period of two years after the date any prescribed document was processed in respect of such removal.</p> <p>(c)</p> <p>(i) For the purposes of section 75(11A), the licensee of the customs and excise manufacturing warehouse must produce proof of the health promotion levy paid or payable on the goods so removed outside the common customs area and if the licensee is unable to produce such proof the health promotion levy on any quantity of the goods so removed must be calculated at the lowest rate of environmental levy levied in terms of this Act on such goods during the month prior to the date on which any prescribed document was processed in respect of the removal of the goods concerned.</p>		As provided in the Notes hereto

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
691.05	00.00	05.00		<p>(ii) Where the rate of duty payable on any goods accounted for on the health promotion levy account differs from the rate paid or payable contemplated in subparagraph (i) on the goods so removed, an appropriate adjustment must be made to the total amount payable on such account in respect of the set-off contemplated in paragraph (b).</p> <p>Health promotion levy goods in a customs and excise warehouse used by a licensee-</p> <p>(i) of health promotion levy warehouse for the manufacture of goods subject to health promotion levy; or</p> <p>(ii) an excise manufacturing warehouse for the manufacture of goods not subject to health promotion levy.</p>		Full duty