

SOUTH AFRICAN REVENUE SERVICE

No. R.

2014

**CUSTOMS AND EXCISE ACT, 1964
AMENDMENT OF RULES**

Under sections 21A and 120 of the Customs and Excise Act, 1964, the rules published in Government Notice R.1874 of 8 December 1995 are amended to the extent set out in the Schedule hereto.

TOM MOYANE

COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

(a) By the substitution in rule 21A.01(b) for the definitions of **“IDZ operator”**, **“IDZ SARS office”** and **“regulation or regulations”** of the following definitions:

“SEZ operator” means the holder of a valid SEZ operator permit granted by the Minister of Trade and Industry and includes personnel of the SEZ operator who are authorised by the SEZ operator to perform duties and functions specified in these rules;

“SEZ SARS office” means a South African Revenue Service Customs and Excise office located in an SEZ operating under the Controller for the area within which the SEZ is designated and which has been established by the South African Revenue Service on premises provided by an SEZ operator for the purposes of performing its functions in relation to any activity carried on in an SEZ, including a CCA established in an SEZ;

“regulation” or **“regulations”** means a regulation or regulations or any amendment thereof enacted in terms of the Special Economic Zones Act, 2014 regulating any matter relating to an SEZ or a CCA;”

(b) By the substitution in rule 21A.02 for the following rule:

“21A.02 Subject to section 3(2), where–

- (i) any power that may be exercised by the Commissioner, except for the power to make rules, in accordance with the provisions of the Act, including these rules, is not specifically delegated; or
- (ii) any duty that shall be performed by the Commissioner in accordance with the provisions of the Act, including these rules, is not specifically assigned

to any Controller or officer in these rules or in any section or rule regulating any requirement in respect of goods to which section 21A or these rules relate, such power is delegated or such duty is assigned, as the case may be, to the relevant Executive, in the Customs or Excise operations division of the South African Revenue Service.”

(c) By the substitution in rule 21A.04 for paragraph (a) of the following paragraph:

“(a) Any demarcated area shown on a plan of an SEZ as a location for establishing a CCA may be designated as a CCA by the Commissioner in concurrence with the Director-General: Department of Trade and Industry as contemplated in the definition of “CCA” in section 21A(1).”

(d) By the substitution in rule 21A.04(b)(i) for the words preceding item (aa) of the following words:

“An SEZ operator may apply on form DA185 and the appropriate annexures–“

(e) By the substitution in rule 21A.04(c) for subparagraph (ii) of the following subparagraph:

“(ii) office space and facilities are provided for South African Revenue Service customs and excise officers in the SEZ SARS office;”

(f) By the substitution in rule 21A.05 for the words preceding paragraph (a) of the following words:

“The officers at the SEZ SARS office may–“

(g) By the substitution in rule 21A.05 for paragraph (c) of the following paragraph:

“(c) perform such other functions in connection with the administration of customs and excise laws and procedures in a CCA or SEZ as the Controller may direct.”

(h) By the substitution in rule 21A.06(a) for subparagraph (i) of the following subparagraph:

“(i) officers at the SEZ SARS office, shall be the hours of attendance prescribed for the Controller’s office or if any service is required at any time by the SEZ operator, a CCA enterprise or a customs or excise registrant or licensee in the SEZ outside the CCA, by arrangement with the Controller;”

(ij) By the substitution in rule 21A.06(a) for subparagraph (iii) of the following subparagraph:

“(iii) the SEZ operator performing functions contemplated in rule 21A.07(b)(i), from 00:00 to 24:00 daily or during the times determined by the SEZ operator.”

(k) By the substitution in rule 21A.06 for paragraph (b) of the following paragraph:

“(b) Persons, goods and vehicles may enter or exit the CCA only if the SEZ operator is in attendance as contemplated in paragraph (a)(iii).”

(l) By the substitution for the heading of rule 21A.07 of the following heading:

“Duties and functions of the SEZ operator”

(m) By the substitution in rule 21A.07 for the words preceding paragraph (a) of the following words:

“In addition to any requirement prescribed in the regulations, the SEZ operator shall, in respect of the CCA—“

(n) By the substitution in rule 21A.07(b)(ii) for item (aa) of the following item:

“(aa) SEZ operator personnel, with special badges for those who control the entrance and exit of the CCA as contemplated in subparagraph (i);”

(o) By the substitution in rule 21A.07(b)(ii) for item (cc) of the following item:

“(cc) SEZ security personnel;”

(p) By the substitution in rule 21A.07(c) for the words preceding subparagraph (i) of the following words:

“submit monthly or at such other intervals as the Commissioner may determine electronically or by paper document such information regarding the movement of persons and goods into and out of the CCA and any other of the SEZ operator’s functions as required by the Commissioner, which may include–”

(q) By the substitution in rule 21A.08(c) for the words preceding subparagraph (c) of the following words:

“Where any SEZ operator’s permit is–”

(r) By the substitution in rule 21A.08(d) for the words preceding subparagraph (i) of the following words:

“where the Minister responsible for trade and industry withdraws or suspends any SEZ operator’s permit under section 36 of the Special Economic Zones Act, 2014 (Act No. 16 of 2014), the SEZ operator shall–”

(s) By the substitution in rule 21A.10(a)(ii) for item (ff) of the following item:

“(ff) removed from one CCA enterprise to another (whether in the same or another SEZ) under any procedure,”

(t) By the substitution in rule 21A.10(b)(ii) for items (aa) and (bb) of the following items:

“(aa) The completed VAT 267 form must be delivered to the SEZ operator at the entrance to or exit from the CCA who must verify that the form specify, as may be applicable, the goods brought into or the services to be rendered inside or outside the CCA and, if satisfied regarding the correctness of the declared particulars, must sign and otherwise deal with the form according to the instructions issued by the Commissioner.

“(bb) The SEZ operator must keep a record of VAT 267 forms received and account for the forms to the SEZ SARS office as prescribed in rule 21A.10(d)(i)(dd).”

(u) By the substitution in rule 21A.10(d)(i) for items (cc) and (dd) of the following items:

“(cc) A copy of the approval for a temporary removal referred to in paragraph (c) must accompany the relevant VAT 267 form and must be retained by the SEZ operator.

(dd) The SEZ operator must keep, in a form approved by the Commissioner, a daily record of such originals or copies and deliver by hand all originals or copies retained during any day together with a copy of such record to the SEZ SARS office on the following working day.”

(v) By the substitution in rule 21A.10(d) for subparagraph (ii) of the following subparagraph:

“(ii) Where any goods arrive at the entrance or exit of the CCA for removal into or from the CCA for which no document specified in these rules is produced or of which the particulars do not agree with the accompanying documents, the SEZ operator must not allow the goods to enter or exit the CCA and must request the Controller to send an officer who must then inspect the goods and documents and further deal with the goods in accordance with the Act.”

(w) By the substitution in rule 21A.12 for the words preceding subparagraph (i) of the following words:

“(b) For the purposes of section 21A liability for duty of the CCA enterprise, SEZ operator or other person on any goods removed from a CCA in terms of any authorized procedure shall, unless proof has been obtained in an improper or fraudulent manner, cease in the case of—“

(x) By the substitution in rule 21A.13(a) for the words preceding subparagraph (i) of the following words:

“For the purpose of section 101 and notwithstanding anything to the contrary in any rule contained, every SEZ operator and CCA enterprise must—“

(y) By the addition after rule 21A.13 of the following rule:

“Transitional provisions

21A.14 (a) The amendments to the rules must come into operation on the date the Special Economic Zones Act, 2014 (Act No. 16 of 2014) and the

regulations made under that Act come into operation and if not on the same date, whichever date occurs last.

- (b) Subject to compliance with section 39 of the Special Economic Zones Act, 2014, by the operator and the CCA enterprise, as applicable, the amendments to these rules must not be regarded as affecting the existence or continued existence of–
- (i) the registration of the operator and the designation of a CCA in terms of rule 21A.04;
 - (ii) any registration or licensing of a CCA enterprise contemplated in rule 21A.08; or
 - (iii) any process, procedure or other measure implemented for the administration of a CCA.”
- (c) These rules and any registration, licence and any process or other measure or procedure referred to in paragraph (b) must be regarded from the date these rules come into operation as being effective in respect of a CCA designated in an SEZ.”