

GENERAL EXPLANATORY NOTE:

[] Words that are between square brackets and in bold typeface, indicate deletions from the existing rules

_____ Words that are underlined with a solid line, indicate insertions in the existing rules

**DRAFT AMENDMENT OF RULES
in terms of the Customs and Excise Act, 1964**

The following amendments are proposed in terms of sections 54F and 120:

SCHEDULE

(a) By the substitution in rule 54F.02 for the words after paragraph (b) of the following words:

“to any Controller or officer in these rules or in any section or rule regulating the operation of customs and excise warehouses, such power is delegated or such duty is assigned, as the case may be, to the **[Assistant General Manager: Trade Services, Customs and Excise]** Senior Manager: Trade Administration.”

(b) By the insertion after rule 54FB.05 of the following heading and rules:

Environmental levy imposed on tyres manufactured in or imported into the Republic in terms of items 152.00 to 155.00 in Section E of Part 3 of Schedule No. 1

54FC.01 (a) Except as otherwise provided in these rules, the rules numbered 54F.01 to 54F.14 apply with any necessary changes as the context may require to the environmental levy imposed on tyres manufactured in or imported into the Republic in terms of items 152.00 to 155.00 in Section E of Part 3 of Schedule No. 1.

(b) For the purposes of Chapter VA, these rules and any form to which these rules relate, unless the context otherwise indicates –

(i) “actual weight” means the weight in respect of any tyre that has been verified and specified in writing by the tyre manufacturer to its customer.

(ii) “design weight” means the weight in respect of a certain size, type or class of tyres that forms part of the manufacturer’s design specifications for that particular category of tyres.

(iii) “manufacture” means the production of new or re-treaded tyres.

Keeping of books, accounts and documents

54FC.02 (a) For the purposes of rule 54F.06, every licensee must keep supporting data and documents to confirm the actual weight, as well as the design weight, of all tyres manufactured in or imported into the Republic by such licensee.

(b) Every importer of tyres must similarly keep supporting data and documents for the period specified in rule 54F.06 to confirm the actual weight, as well as the design weight, of all tyres imported into the Republic by such importer.

Closing and submission of accounts for environmental levy

54FC.03 For the purposes of rule 54F.07 –

(a) An account for payment of environmental levy must be completed and submitted quarterly on form DA 178.

(b) The account, validating documents and payment must reach the Controller on a working day not later than the 25th day of the month following the end of the accounting period.

(c) The accounting period that includes the month of February must end on the last day of March and payment effected during April.

(d) The DA 178 environmental levy account of a licensed motor vehicle manufacturer must be submitted and paid together with its DA177 environmental levy account and DA 75 *ad valorem* excise duty account.

Implementation provisions

54FC.04 For the purposes of rule 54F.14 –

(a) Every manufacturer must take stock, and keep a stock report on record, in respect of goods liable to the environmental levy on the manufacturing premises and in storage at any tyre distribution centre at the close of business on the day before these provisions come into operation.

(b) The licensee must when issuing any invoice or delivery note contemplated in rule 54F.05 in respect of goods manufactured before the date the environmental levy came into operation, endorse such invoice or note "manufactured before 1 February 2017".

(c) The implementation accounting period will commence on 1 February 2017 and end on 31 March 2017, after which the three month quarterly accounting periods will commence on 1 April 2017.

(c) By the insertion in item 202.00 of the Schedule to the rules for form DA 178 of the following form:

"DA 178 ENVIRONMENTAL LEVY RETURN FOR TYRES

(Chapter VA of the Customs and Excise Act, 91 of 1964 and the rules therefor"

DA 178.01 Environmental Levy: Production sheet (VM)

DA 178.02 Environmental Levy: Removal of tyres (VM)

DA 178.03 Environmental Levy: Receipt of tyres (VS)

DA 178.04 Environmental Levy: Tyres returned to VM (VS)"