

SOUTH AFRICAN REVENUE SERVICE

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CUSTOMS AND EXCISE ACT, 1964
AMENDMENT OF RULES (NO. DAR/95)

Under sections 64G and 120 of the Customs and Excise Act, 1964, the rules published in Government Notice R.1874 of 8 December 1995, are hereby amended to the extent set out in the Schedule hereto.

J J LOUW

Act. COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

SCHEDULE

(a) By the insertion of the following rules after the rules for section 64F:

"RULES FOR SECTION 64G OF THE ACT

Licensing of, and conditions and procedures applicable to, degrouping depots contemplated in sections 6(1)(hC) and 64G for goods imported by air

64G.01 Date of operation and effect on existing degrouping activities

From the date these rules come into operation -

(a) no person shall carry on degrouping activities as contemplated in section 6(1)(hC), section 64G and these rules, except in a degrouping depot licensed in terms of the Act;

(b) any goods which on that date -

(i) have been received on any premises so licensed for such degrouping activities;

(ii) are in possession or under the control of any person for such activities,

shall, from the date of issue of such a licence be subject to the provisions of section 64G and the conditions and procedures prescribed in these rules.

64G.02 Definitions

In these rules, in the agreement, and in any form or other document relating to section 64G and such rules, any word or expression to which a meaning has been assigned in the Act shall bear the meaning so assigned and, unless the context indicates otherwise -

"agreement" means the agreement between the Commissioner and the degrouping operator contemplated in section 64G(2)(a)(ii);

"cargo" means goods imported by air;

"customs and excise laws and procedures" shall have the meaning assigned thereto in rule 60.01(1);
"discrepant package" includes any damaged, ullaged or pilfered package;
"electronically submitted" and cognate expressions relating to electronic communication means the electronic communication between a user and the Commissioner, the Controller or an officer in accordance with the provisions of section 101A, its rules, the user agreement contemplated in that section and the user manual referred to in such agreement;
"excess goods" means goods in excess of manifested activities or excess unmanifested goods;
"goods" means goods as defined in section 1 imported by air, which in relation to the activities in a degrouping depot are consolidated as contemplated in section 6(1)(hC) and are degrouped in such depot;
"person" includes a person as defined in rule 60.01(1);
"shortage" includes any goods shortlanded, shortshipped or shortpacked according to manifested quantities;
"the Act" includes any provision of 'this Act' as defined in section 1;
"transit shed" means a transit shed for goods imported by aircraft contemplated in sections 6(1)(g), 44(4) and 44(5C);
"transit shed operator" means the person in control of a transit shed;

64G.03 Application for a licence or renewal of a licence

- (a) A degrouping depot may only be licensed at a place appointed by rule in terms of section 6(1)(hC).
- (b) Except where otherwise specified in these rules and subject to any additional requirement prescribed in such rules for the relevant application form, the rules for section 60 shall apply *mutatis mutandis* to any application for licensing and the licensee of a degrouping depot.
- (c) Any applicant for a licence or renewal of a licence must apply on form DA64G.01 and comply with all the requirements contemplated in section 64G(1)(b).
- (d) The application must be supported by –
 - (i) the documents and information specified in the application form;
 - (ii) except where in the case of a renewal, the security is not affected, the security particulars specified in form DA64G.01A; and
 - (iii) the agreement completed in accordance with the *pro forma* agreement included in these rules.

64G.04 Security

- (a) Before any licence is issued a degrouping operator must -
 - (i) pay the prescribed licence fee;
 - (ii) furnish security as determined by the Commissioner in accordance with the provisions of section 60(1)(c)(i).
- (b) Such security may be altered as contemplated in section 60(1)(c)(ii).
- (c) If security is furnished in the form of a bond, such bond -
 - (i) is subject to the provisions of rules 120.08 and 120.09;
 - (ii) must be in the form of the *pro forma* bond prescribed in these rules.
- (d) In determining the amount of security, the Commissioner may take into account -
 - (i) the average amount of duty leviable monthly on imported cargo removed by the applicant for degrouping over a six-month period; or
 - (ii) an estimated amount of duty so leviable in respect of cargo that will be removed to the degrouping depot by the applicant over a six-month period after commencing of degrouping operations.

64G.05 Refusal of application for a licence or renewal, suspension or cancellation of a licence

The provisions of section 60(2) and the rules for section 60 shall apply *mutatis mutandis* to any refusal of an application for licensing of a degrouping depot or the renewal, cancellation or suspension of the licence issued in respect of a degrouping depot.

64G.06 Commissioner to be advised of changed particulars and issue of a new licence

- (a) (i) Whenever any of the particulars furnished in any application for a licence changes in any material way, the licensee shall advise the Commissioner within 7 days from the date of the occurrence of such event by submitting a completed application form DA64G.01 reflecting the changed particulars.
- (ii) For the purpose of subparagraph (i) 'changes in any material way' shall include –
 - (aa) relocation, which will only be allowed if the new premises conform to the requirements specified in these rules; or
 - (bb) where the legal status or name of the degrouping operator changes for any reason.
- (b) In any case where in the opinion of the Commissioner the security is compromised in any manner by such change, the form, nature or amount of such security shall be altered as the Commissioner may require in accordance with the provisions of section 60(1)(c)(ii).
- (c) On approval of the application, the Commissioner will issue a new licence in respect of such change.

64G.07 Requirements with which the licensed degrouping operator must comply

Any licence for a degrouping depot is issued subject to the licensee complying with -

- (a) section 64G, these rules, any requirement specified in any form or other document prescribed in these rules and any other customs and excise laws and procedures relating to the goods, the purposes and activities for which the degrouping depot is licensed;
- (b) the terms and conditions of the *pro forma* agreement included in these rules.

64G.08 Degrouping depot to be operated on a non-discriminatory basis

No degrouping operator shall, with regard to the services and facilities provided by him or her, practice any discrimination against any importer or the agent of such importer or any class of such importers or their agents.

64G.09 Requirements in respect of the premises, equipment and security of the degrouping depot

- (a) The applicant for a degrouping depot licence must be the owner or lessee of the premises of the proposed degrouping depot and must submit a certified copy of the title deed or lease with the application.
- (b) In addition to the requirements of paragraph (a), an application for a degrouping depot licence will only be considered if the premises, security and equipment of the proposed depot, conform with and are declared in a certificate signed by the person authorized to apply for a licence as conforming to the following requirements:
 - (i) The buildings and other structures are constructed as shown on the plan submitted;
 - (ii) the buildings are structurally sound, safeguarded against fire, secure against burglary, and the whole premises are fenced with security fencing;
 - (iii) all windows, doors, gates and other means of access are fully secured with adequate locking devices;
 - (iv) the premises are protected by security measures to prevent illegal delivery of goods from the degrouping depot;
 - (v) a separate area is provided in a building for the safekeeping of goods which may not be released due to detention or seizure;
 - (vi) the degrouping depot is equipped with the necessary equipment and appliances to handle all goods contained therein and perform all relevant functions; and
 - (vii) a secure enclosed area or strong room facilities are provided in a building for the safe storage of broached packages and high risk articles.

- (c) For the purposes of officers who may perform any function at the degrouping depot, the degrouping operator must provide at own cost when required -
 - (i) suitable accommodation, office furniture and parking and sanitary facilities;
 - (ii) sufficient space and facilities such as scales and other equipment for use by officers to conduct examinations;
 - (iii) the necessary staff to ensure reliable service for the opening, unpacking, presenting for examination, repacking and closing of containers, boxes or packages;
 - (iv) any other equipment as may be required for the safety or for any other purpose by officers for carrying out their duties,
- (d) The degrouping depot must be serviced by road transport and situated within 20 kilometres from a customs and excise airport appointed in terms of section 6 or such further distance as the Commissioner, on good cause shown, may allow.

64G.10 Standards to be maintained in respect of premises, equipment and security and services

- (a) The maintenance of premises and equipment and other requirements specified in the certificate required in terms of rule 64G.09 and submitted with the application, the services to clients, the conduct of customs business and the facilities provided for officers must be in accordance with the reasonable standards required by the Commissioner.
- (b) Compliance with any such standards may be evaluated annually by the Commissioner.

64G.11 Submission of reports required in terms of section 8 and electronic communication

- (a) A degrouping operator must register in terms of section 8 for the purpose of submission of any cargo report required to be submitted in terms of that section and its rules.
- (b) For the purpose of electronic communication with the Commissioner, the Controller or an officer as contemplated in section 101A, including any report referred to in paragraph (a), the degrouping operator must register as a user and enter into a user agreement as prescribed in the said section 101A and its rules.

64G.12 Removal of goods from the transit shed to the degrouping depot and from the degrouping depot to any other degrouping depot

- (a)
 - (i) No goods may be removed from a degrouping depot to a transit shed.
 - (ii)
 - (aa) Any goods removed from a transit shed to a degrouping depot or from a degrouping depot to any other degrouping depot must be entered, subject to paragraph (bb), prior to such removal on bill of entry form DA500 for removal in bond in terms of section 18 and its rules.
 - (bb) Where any goods are removed directly from the aircraft or any secure premises contemplated in section 6(1)(g), to a degrouping depot situated within the distance prescribed in rule 64G.11(d), such goods may be removed in bond in terms of section 18 on a form DA 500 reflecting for the purposes of identification of the goods so removed, only the relevant transport document numbers relating to the carriage of the goods to the place of landing and such other particulars as the Controller may determine.
- (b) The removal in bond of any goods by road from a transit shed to a degrouping depot or from a degrouping depot to another degrouping depot is subject to the provisions of section 64D and must be carried by -
 - (i) a licensed remover of goods in bond; or
 - (ii) the degrouping operator using own transport.
- (c) Any goods so removed in bond and received by a degrouping operator as contemplated in section 44(5C) must be taken into storage, verified, recorded and reported on as prescribed in these rules.

64G.13 Time of clearance of goods from a degrouping depot

- (a) (i) For the purposes of sections 18, 38, 43(1)(b), 44(5C) and 64G, 'due entry' of goods removed in bond to a degrouping depot requires that the goods must be duly entered for home consumption or for warehousing in a licensed customs and excise warehouse.
- (ii) Such due entry must be made in the case of -
 - (aa) goods removed in bond from a transit shed to a degrouping depot, within 14 days from the date of landing of the goods concerned;
 - (bb) goods removed in bond from a degrouping depot to any other degrouping depot, within 14 days from receipt thereof in such degrouping depot.
- (iii) Goods so removed from one degrouping depot to another degrouping depot may not again be removed there from to any other such depot.
- (b) Where due entry has not been made as contemplated in paragraph (a), such goods must, for the purposes of sections 43 and 44(5C), on the first working day after expiry of such period of 14 days, be removed to the State warehouse or other place indicated by the Controller, which may include that the goods remain in the degrouping depot.
- (c) The provisions of paragraph (a) shall apply *mutatis mutandis* to uncleared excess goods contemplated in rule 8.10.
- (d) Any goods remaining in the degrouping depot after such due entry for home consumption or warehousing shall be subject to the provisions of section 107(1)(b).

64G.14 Issue of receipt for goods received and goods to be verified against manifests

- (a) The degrouping operator must acknowledge in writing the receipt of goods from a transit shed operator or other degrouping depot operator.
- (b) For the purposes of control of goods received –
 - (i) all consolidated cargo received must be verified against air cargo manifests;
 - (ii) all goods unpacked must be verified against the applicable consolidation manifest as well as the individual house manifests issued in respect of the individual consignments contained within the consolidation; and
 - (iii) any shortages against or surplus to manifest quantities, unmanifested cargo or discrepant packages must be endorsed on such manifests and further dealt with as contemplated in rule 64G.16.
- (c) The degrouping operator must submit outturn reports in respect of all goods received in the degrouping depot in accordance with the rules for section 8.

64G.15 Unpacking and sorting of cargo

- (a) Goods must be unpacked, sorted and arranged in the degrouping depot in the order of receipt therein.
- (b) (i) Goods must be conclusively unpacked in that consolidations within consolidations must be unpacked to the level of the actual and individual importer of the goods.
- (ii) No unpacking to a lower level than contemplated in subparagraph (i) is allowed.

64G.16 Shortages, goods in excess of unmanifested quantities, manifested excess goods and discrepant packages.

- (a) Any goods received into or removed to a degrouping depot, any shortages against or excess goods to manifested quantities, unmanifested excess goods or any discrepant packages must be -
 - (i) in the case of any excess goods and any goods shortshipped, shortlanded or shortpacked, specified on the outturn report as contemplated in rule 8.10;
 - (ii) in the case of goods landed but short received or any packages received in a discrepant condition from any transit shed operator or another degrouping operator, so qualified on the receipt issued to such transit shed or degrouping operator,

- (iii) recorded and reported by the degrouping operator on a form approved by, and reflecting the particulars and declarations determined, by the Commissioner.
- (b) Discrepant packages shall be placed in the security area provided therefor as indicated on the plan submitted with the application immediately after removal from the consolidation.
- (c) Any excess goods must, immediately after detection, be placed in a separate area specifically reserved for such goods.

64G.17 Outturn reports

Outturn reports and any other reports prescribed for the purpose of the Manifest Acquittal System contemplated in the rules for section 8, must be submitted in accordance with the requirements of such rules.

64G.18 Storage of goods

- (a) Goods unpacked must be stacked in such a manner that they are readily available for identification and checking.
- (b) Any goods in the degrouping depot, including any surplus goods referred to in these rules -
 - (i) if not duly entered; or
 - (ii) if duly entered have not been removed from the degrouping depot within the relevant period contemplated in rule 64G.13,must, as required in that rule, be removed to the State warehouse or other place indicated by the Controller.

64G.19 Liability for duty

- (a) The degrouping operator is liable for duty and liability for duty ceases in respect of goods received as contemplated in section 44(5C) and for goods removed in bond as specified in section 18.
- (b) The degrouping operator must keep and produce on demand to an officer valid proof of any customs procedure in terms of which -
 - (i) liability for duty has ceased in terms of the said sections 18 and 44(5C);
 - (ii) a record of any procedure required in terms of these rules or any other provision of the Act in respect of goods shortlanded, shortpacked, shortshipped or short received or excess goods received from the transit shed operator and of discrepant packages.

64G.20 Goods subject to examination or detention

- (a) Any goods in a degrouping depot may be detained by the Controller as contemplated in rule 38.11.
- (b) Where the Controller orders that the goods detained must be delivered at a place indicated by the Controller, the degrouping operator must, at his or her cost, risk and expense, so deliver the goods.
- (c) Such goods may not as required in terms of rule 38.11 be delivered, removed or otherwise dealt with except as ordered by the Controller or if the goods are detained for the purpose of any other authority administering any other law as contemplated in section 113(8) as ordered by such authority.

64G.21 Release and removal of goods from the degrouping depot

- (a) Except goods detained which are subject to compliance with the procedures prescribed in rule 38.11, the degrouping operator may only allow goods to be removed from a degrouping depot after -
 - (i) due entry;
 - (ii) release of the goods is authorized by the Commissioner, the Controller or an officer; and
 - (iii) in the case of a manual release, upon receipt of a valid release copy of such entry or any other document approved by the Controller authorizing release of the goods concerned as provided in rule 38.08.

- (b) As stated in rule 64G.11, for the purposes of any electronic communication with the Commissioner, a Controller or an officer as contemplated in section 101A, the degrouping operator must register as a user and enter into a user agreement as prescribed in the said section 101A and its rules.
- (c) In addition to or in confirmation of any provision regulating such electronic communication in section 101A, its rules or the user manual referred to in those provisions, the degrouping operator -
 - (i) may not release any goods except on receipt of an electronic release message in respect of the goods concerned from the South African Revenue Service;
 - (ii) must again ascertain the release status of all goods immediately prior to removal from the degrouping depot in order to ensure that the release status has not been changed by a subsequent electronic message.
- (d) For the purposes of paragraph (a), but subject to rule 64G.13 -
 - (i) Where the degrouping operator receives packages short that have been shortlanded, but the packages are expected to arrive on a later flight, the degrouping depot may only release the consignment against a valid release document when all the packages have been received.
 - (ii) Where any such packages do not arrive on a later flight the degrouping operator may only release the packages received against a valid release document or a bill of entry amended by voucher of correction reflecting the number of packages actually landed and received by the degrouping operator.

64G.22

Acquittal of manifests

- (a) For the purposes of this paragraph 'acquittal of manifest' means proof that the liability for duty of the degrouping operator in respect of the manifested goods or excess goods or unmanifested excess goods received with such manifested goods has ceased in consequence of -
 - (i) due entry of the goods and a valid release thereof;
 - (ii) removal in bond to and receipt of the goods into any other degrouping depot;
 - (iii) proof that any goods in discrepant packages did not enter into consumption; or
 - (iv) compliance with any other procedure prescribed in these rules or any other provision of the Act.
- (b)
 - (i) For the purposes of manual acquittal, acquitted copies of air cargo manifests in respect of each consignment received by the degrouping operator as contemplated in section 44(5C) must be submitted to the Controller within 30 days after arrival of the carrying aircraft at the place of discharge.
 - (ii) Manifests may be acquitted manually by -
 - (aa) valid customs release documents for manifested goods or unmanifested goods or goods in excess of manifested quantities;
 - (bb) in the case of goods short received or discrepant packages as contemplated in 64G.17, a copy of the shortage report or discrepant package report, as the case may be, endorsed by an officer to the effect that according to the circumstances verified by him or her the degrouping operator is not liable for duty on such shortage or discrepancy;
 - (cc) where goods are removed in bond to another degrouping depot, an acknowledgement of receipt from the degrouping operator of such depot;
 - (dd) in the case of goods of which due entry has not been made in the circumstances contemplated in rule 64G.13 a receipt from the officer in charge of the State warehouse or confirmation by the Controller of delivery of the goods at a place indicated by the Controller as contemplated in section 44(5C).
- (c) The requirement relating to the manual acquittal of manifests may be discontinued from a date to be specified in these rules.

64G.23 Keeping of books, accounts and other documents

- (a) For the purposes of sections 64G(7)(b) and 101 every degrouping operator must -
- (i) notwithstanding anything to the contrary contained in the Act, keep proper books, accounts and other documents and any data created by means of a computer, of all transactions relating to the activities in the degrouping depot and any goods received therein or removed thereto or therefrom, for a period of five years calculated from the end of the calendar year in which any such document was created, lodged or required for the purpose of any customs and excise procedure;
 - (ii) include in such books, accounts or other documents -
 - (aa) copies of manifests together with master air waybills and relevant house air waybills;
 - (bb) copies of outturn reports;
 - (cc) copies of all documents relating to the procedure in respect of excess goods, shortages or discrepant packages as required in terms of these rules;
 - (dd) proof of delivery and receipt of goods removed to and from the degrouping depot;
 - (ee) the release copies of bills of entry or other such release document specified in rule 38.10, printed copies of electronic release messages received from the South African Revenue Service; and
 - (ff) any other book, account or document relating to the activities;
 - (iii) any accounting records kept in respect of the business of a licensed degrouping depot shall utilize information prepared in a manner consistent with generally accepted accounting principles appropriate for such business and for fulfilment of the requirements of the Act relating to the activities in such depot.

64G.24 Inspection, examination and supervision

The degrouping depot shall be open to customs and excise officers -

- (a) for inspection and verification of the books, accounts and other records contemplated in rule 64G.23 during the applicable hours of business for the Controller's office in whose area of control the degrouping depot is situated; and
- (b) for examination of goods and supervision of any activity in the degrouping depot, including tallying operations, within any time during which the degrouping depot is open for business.

64G.25 Knowledge of customs and excise laws and procedures

At least one of the directors, members, partners, trustees or employees permanently employed, as the case may be, transacting customs and excise related business with clients of such business at the licensed degrouping depot premises shall have sufficient knowledge of customs and excise laws and procedures to transact such business efficiently and in compliance with the provisions of such laws and procedures.

64G.26 Delegation

Subject to section 3(2), where -

- (a) 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
- (b) 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 64C or these rules relate, such power is delegated or such duty is assigned, as the case may be, to the Manager: Commercial Services, in the Customs and Excise division of the South African Revenue Service.

64G.27 *Pro forma* agreement and surety

The following *pro forma* documents are specified in terms of and form part of, this rule:

- (a) The *pro forma* agreement referred to in rule 64G.03; and
- (b) the *pro forma* bond referred to in rule 64G.04.

CUSTOMS AND EXCISE ACT, 1964 (ACT NO. 91 OF 1964)

LICENSING OF DEGROUPING DEPOTS

Pro Forma Agreement between the licensee of a degrouping depot and the Commissioner
(Section 64G and its rules)

Annexure A

As
(Full name of applicant – hereinafter referred to as ‘licensee’)

of
(Physical address of applicant – not a PO Box)

herein represented by

.....
Full Name Capacity

*duly authorised thereto by virtue of -

(a) *a resolution passed at a meeting of the Board of Directors held at on the day of

.....; or

(b) *express consent in writing of all the partners of a partnership / *members of the close corporation / *trustees of the trust; or

(c) *being a person having the management of any other association of persons referred to in rule 60.02(2)(a)(iv),

has applied for a degrouping depot licence in accordance with the provisions of section 64G and its rules, and

(*Delete whichever is not applicable)

as the Commissioner has considered the application and decided to issue a licence subject to the compliance with the terms and conditions of this agreement, it is agreed that the licensee shall be bound by the following:

1. Licensee undertakes to furnish security in the amount determined and in a form and in the nature determined by the Commissioner and to maintain such security until such time as the Commissioner is on good cause shown satisfied that every liability incurred under the Act by the licensee has ceased and each of the conditions of the licence has been complied with.
2. Licensee acknowledges as a precondition to being allowed to engage in the activities regulated by the Act and for which the licence is granted that it –
 - (a) understands that its rights to conduct the business of a degrouping depot are subject to compliance with customs and excise laws and procedures, the provisions of this agreement and any standards of conduct that may be imposed by the Commissioner;
 - (b) is aware of the civil and criminal regulatory consequences of non-compliance with such laws and procedures and the provisions of this agreement.

- (c) (i) Licensee is aware of and acknowledges the statutory powers, rights and obligations of the Commissioner and his/her delegated officers to inspect for the purposes of the Act the books, accounts, documents and other records of the business in respect of which the licence is issued, including such records in respect of individual clients or specific transactions as well as the banking accounts and records relating to the business conducted under the licence.
- (ii) Licensee hereby agrees to and authorises the inspection of such books and documents and business banking accounts as the Commissioner and the delegated officers may require.
- (d) Licensee is aware of its obligations and undertakes to advise the Commissioner for the purposes of section 60(2) of the Act, whenever the licensee or any employee (except in respect of subparagraph (v)) of the licensee -
 - (i) has contravened or failed to comply with the provisions of the Act;
 - (ii) has failed to comply with any condition or requirement of this agreement or any condition or obligation imposed by the Commissioner in respect of such licence;
 - (iii) is convicted of any offence under the Act;
 - (iv) is convicted of any offence involving dishonesty;
 - (v) is sequestrated or liquidated;
 - (vi) fails to comply with the qualifying requirement set out in the rules for section 60; or
 - (vii) ceases to carry on the business for which the licence is issued,
 and licensee acknowledges the right of the Commissioner to cancel or suspend the licence in accordance with the provisions of section 60(2) on the grounds of any of these provisions or requirements.
- (e) Licensee in addition undertakes:
 - (i) to keep on the business premises books, accounts, documents and other records relating to the transactions of the degrouping depot comprising, where applicable, at least -
 - (aa) copies of the relative import bills of entry or release copies of such bills of entry or such other release documents as specified in rule 38.10, transport documents, manifests, outturn reports, discrepant cargo reports, proof of receipt and delivery of goods removed to and from the degrouping depot, printed copies of the electronic release documents received from the South African Revenue Service, and any other documents required in terms of the rules for section 64G;
 - (bb) every contract entered into and any instruction given to any licensed remover of goods in bond in respect of the carriage of goods by such remover;
 - (cc) to keep any other books, accounts, documents and other records which may be required in terms of any provision of the Act relating to any activity as a licensee of a degrouping depot;
 - (ii) notwithstanding any other provisions in the Act or the rules thereto to keep such books, accounts, documents or other records available for inspection by the Commissioner for a period of five years calculated from the end of the calendar year in which any such document was created, lodged or required for the purposes of any customs and excise procedure;
 - (iii) to answer and to ensure that any employee answers, fully and truthfully any questions of the Commissioner or an officer relating to its business or that of his/her principal required to be answered for purposes of the Act;
 - (iv) to render such returns or submit such particulars in connection with its transactions and the goods to which the transactions relate as the Commissioner or his or her delegated officer may require;
 - (v) to institute adequate administrative measures and procedures in and for its business and if and when able to do so to improve such measures so as to ensure -
 - (aa) that the contents of all documents submitted to the Commissioner or a Controller for purposes of the Act are duly verified and completed in accordance with the provisions of the Act;
 - (bb) that every person in the employ of the licensee and engaged in the degrouping depot activities of the licensee is conversant with customs and excise laws and procedures, the contents of this agreement and with the requirements relating to the

business of the licensee and the customs and excise administration in respect of such business and is able to answer any question that may be required to be answered for purposes of the Act;

(vi) to provide the necessary accommodation, office furniture, parking and other facilities for the use of officers when required as prescribed in the rules.

3. Licensee is aware of the obligation to account for all goods received and at all times to be able to prove the fulfilment of any obligation relating to the payment of duty, removal in bond or other movement of such goods as may be required in terms of any provision of this Act.

4. Licensee understands and accepts -

(a) that any application for a new licence may be refused on the grounds specified in section 60(2) and where any of the provisions are applicable licensee undertakes to disclose all relevant facts when applying for such licence;

(b) the condition prescribed in the rules for section 64G that at least the licensee or one of its directors, members, partners, trustees or employees, as the case may be, transacting the customs and excise related business with clients of such business at the premises or in the area for which the licence is issued shall have sufficient knowledge of customs and excise laws and procedures to transact such business efficiently and in compliance with the provisions of such laws and procedures.

5. Licensee undertakes to render such proof, including audited financial statements, as may be required from time to time in order to prove that it has, and is maintaining, sufficient financial resources to conduct its business in an efficient and responsible manner.

6. (a) The licensee chooses *domicilium citandi et executandi* at:

.....
.....

(b) The Commissioner chooses *domicilium citandi et executandi* at:

.....
.....

7. Thus done and signed at on this
..... day of

.....
Licensee

.....
Witness

8. Thus done and signed at on this
..... day of

.....
For and on behalf of the Commissioner

.....
Witness

SOUTH AFRICAN REVENUE SERVICE

PRO FORMA BOND FOR A LICENSED DEGROUING DEPOT

(To be furnished by the applicant for a licence (degrouing operator) in accordance with the provisions of section 64G of the Customs and Excise Act, 1964 (Act 91 of 1964) and the rules for the said section 64G)

KNOW ALL WHOM IT MAY CONCERN THAT –

WHEREAS as Principal Debtor, herein represented by:

- 1.
 - 2.
- in their respective capacities as

- 1.
- 2.

- * being duly authorised thereto by virtue of a resolution passed at a meeting of the Board of Directors held at on the day of;
- * being duly authorised thereto with the express consent in writing of all the members of the close corporation / all the partners of a partnership / trustees of the trust held at on the day of

and:

..... as Surety and Co-Principal Debtor in *solidum* herein represented by:

- 1.
 - 2.
- in their respective capacities as

- 1.
- 2.

being duly authorised thereto by virtue of standard internal *banking / insurance regulations relating to signing powers
(* Delete which is not applicable)

are truly and lawfully indebted and are held and firmly bound to the Commissioner for the South African Revenue Service

in the amount of R..... (amount in words) to be paid to the said Commissioner,

for which payment well and truly to be made we bind ourselves jointly and severally, each for the whole our heirs, executors, administrators and assigns,

.....
Signature of Surety and Co-Principal Debtor

.....
Signature of Surety and Co-Principal Debtor

In the presence of the subscribed witnesses:

1.
2."

(b) Item 202.00 of the Schedule to the rules is hereby amended by the insertion of the following forms:

"DA 64G.01 Application Form: Licensing of Degrouping Depot;
DA 64G.01A Security Particulars"



**APPLICATION FORM: LICENSING OF DEGROUING
DEPOT**
(Section 64G and its rules and item 850.00 of Schedule No. 8)

For official use

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NOTES FOR THE COMPLETION OF FORM

- Please indicate with an "X" in the applicable box.
- If the space provided on form DA64G.01 and applicable annexure(s) is insufficient, the information must be furnished on a separate page, which must be attached to the form DA64G.01 and the annexures.
- Where the asterisk (*) appears, delete whichever is not applicable.
- Please reflect the relevant customs and excise client number when applying for the amendment of existing information or for renewal or cancellation of the licence.
- Please complete annexure DA64G.01A in respect of security to be furnished.

1. EXISTING REGISTRANT/LICENSEE PARTICULARS AND PURPOSE OF APPLICATION

If currently registered/licensed with SARS, please state allocated customs code or client number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

APPLICATION FOR:	New licence		Renewal		Cancellation		Amendment of existing information	
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2. BUSINESS / PERSON PARTICULARS - (also complete block 8 for degrouping depot)

Registered name of business or name of applicant:																			
Business address: Street name and number:																			
Building name and floor number:																			
Suburb:																			
City/Town:													Street code:						
Postal address:																			
Suburb:																			
City/Town:													Postal code						
Business Telephone and Fax numbers (Including code):	(____)						(____)												
Business e-mail address:																			

3. NATURE OF BUSINESS

Company	<input type="checkbox"/>	Close Corporation	<input type="checkbox"/>	Trust	<input type="checkbox"/>
Sole Proprietor	<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Other	<input type="checkbox"/>

Company Registration number:																			
Close Corporation Registration Number:																			
Trust Registration Number:																			
Other (Please specify):																			

7: INFORMATION REGARDING CONTRAVENTIONS AND OTHER MATTERS*				
Please indicate whether during the preceding five years, any person contemplated in the rules for section 60 -				
has contravened or failed to comply with the provisions of the Act;	Yes:		No:	
has failed to comply with any condition, obligation or other requirement imposed by the Commissioner;	Yes:		No:	
has been convicted of any offence under the Act;	Yes:		No:	
has been convicted of any offence involving dishonesty;	Yes:		No:	
has made any false or misleading statement in any material respect or omitted to state any material fact which was required to be stated in any application for registration or for any other purpose under the Act;	Yes:		No:	
has ever been insolvent or in liquidation;	Yes:		No:	
* Note: If the answer is "yes" to any of the above questions full details must be furnished with the application.				

8: DEGROUPING DEPOT - SPECIFICATION AND INFORMATION	
Stand or plot number:	
Address	Street name and number:
Building name and floor number:	
Suburb:	
City / Town:	
Street Code:	
Capacity indicators:	
(i)	Under cover area (m ²) for unpacking / sorting goods
(ii)	Enclosed secure area for high value articles (m ²)
(iii)	Volumes (m ³) and customs values (R) of goods which are envisaged to be handled in the degrouping depot over a six month period
(iv)	List of clients that will make use of the services of the degrouping depot (List must be attached to the application)
(v)	Specify equipment for handling of goods in the yard and within the under cover area respectively -
(aa)	Yard:
(bb)	Under cover area

9: AUTHORITY TO APPLY	
I / We (name of applicant) herein represented by	
(1) Capacity
(2) Capacity
being duly authorized thereto by virtue of -	
(a)	* a resolution passed at a meeting of the Board of Directors held at on the day of ccyy
(b)	* express consent in writing of all the members of the close corporation / * partners of the partnership / * trustees of the trust; or
(c)	* being a person having the management of any other association;
hereby apply for licensing of a degrouping depot.	
(* Delete which is not applicable)	

10: DOCUMENTS TO BE ATTACHED IN SUPPORT OF THE APPLICATION

The following must be attached to the application, as is appropriate in each case:

- (a) A site plan of the degrouping depot;
- (b) proof of ownership of the proposed site for depot operations, or proof of a lease agreement for such a site;
- (c) the audited financial statements of the applicant for the last financial year;
- (d) Memorandum of Association (including the Association Clause) and Certificate of Incorporation in the case of a company;
- (e) Founding Statement (CK 1) and Certificate of Incorporation in the case of a close corporation;
- (f) Registration certificate in the case of a trust;
- (g) certified copies of the identity documents / passports of:
 - (i) the sole proprietor and in the case of a partnership, close corporation or trust, all partners, members or trustees, as applicable;
 - (ii) in the case of a company, all directors including the Managing Director and Financial Director;
- (h) Resolution, consent or other authority to apply, as applicable;
- (i) Certificate required in terms of rule 64G.09;
- (j) Completed Annexure 64G.A

11: DECLARATION

I hereby –

- (a) declare that the particulars in the application and all enclosures are true and correct; and
- (b) undertake to -
 - (i) inform the South African Revenue Service immediately of any changes in the particulars furnished in the application;
 - (ii) comply with the customs and excise laws and procedures.

.....
Signature

.....
Place & Date

.....
Initials and surname

.....
Status (e.g. Director)

SOUTH AFRICAN REVENUE SERVICE

Government Gazette No. 26558

No. R.819

2004-07-09

**CUSTOMS AND EXCISE ACT, 1964
AMENDMENT OF RULES (NO. DAR/96)**

Under sections 6 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.

J J LOUW

Act. COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

SCHEDULE

By the insertion in the Schedule to the rules of the following item 209.00:

"209.00 Places where degrouping depots may be established
 (Section 6 (1) (*hC*) of the Act)
 Cape Town International Airport
 Durban International Airport
 Johannesburg International Airport
 Port Elizabeth International Airport"