

**NOTES REGARDING AMENDMENTS TO THE SCHEDULES
TO THE CUSTOMS AND EXCISE ACT, 1964**

2 APRIL 2002

These notes are issued merely as a guide and both the old and new provisions should be studied in order to determine what the amendment actually entails. These notes have no legal status.

<i>Provision</i>	<i>Note</i>
640.03/195.00/01.05	The effect of this amendment is that the offshore diesel fuel concession is extended with effect from 3 April 2002.

**CUSTOMS AND EXCISE ACT, 1964.-
AMENDMENT OF SCHEDULE NO. 6 (NO. 6/97)**

Under section 75(15) of the Customs and Excise Act, 1964, Schedule No. 6 to the said Act is hereby amended, **with effect from 3 April 2002**, to the extent set out in the Schedule hereto.

**M MPAHLWA
DEPUTY MINISTER OF FINANCE**

SCHEDULE

I Rebate Item	II Tariff Item	III Code	C D	IV Description	V Extent of Rebate	VI Extent of Refund	Anno= tations
640.03				<p>By the substitution for Note 1 of the following Note:</p> <p>"1. Extent of refund ON LAND</p> <p>(a) Eligible purchases for farming, forestry or mining on land:</p> <p>25,6 cents per litre fuel levy on 80 per cent of eligible purchases, plus</p> <p>18,5 cents per litre Road Accident Fund levy on 80 per cent of eligible purchases</p> <p>44,1 cents per litre on 80 per cent of the total eligible purchases</p> <p>Mode of calculation of refund</p> <p>(i) 1 000 litres eligible purchases -</p> <p>1 000 times 80 per cent equals 800 litres on which a refund of 44,1 cents per litre may be claimed</p> <p>(ii) 1 000 litres purchased of which 300 litres represent non-eligible purchases, for example, carriage of goods for reward -</p> <p>1 000 less 300 equals 700 litres eligible purchases times 80 per cent equals 560 litres on which a refund of 44,1 cents per litre may be claimed</p>			

I Rebate Item	II Tariff Item	III Code	C D	IV Description	V Extent of Rebate	VI Extent of Refund	Anno= tations
				<p>OFFSHORE</p> <p>(b) Eligible purchase for:</p> <p>(i) Commercial fishing vessels;</p> <p>(ii) coasting vessels;</p> <p>(iii) offshore mining;</p> <p>(iv) vessels owned by the National Sea Rescue Institute;</p> <p>(v) vessels conducting research in support of the marine industry;</p> <p>(vi) coastal patrol vessels; or</p> <p>(vii) vessels employed to service fibre optic telecommunication cables along the coastline of Southern Africa:</p> <p>81 cents per litre fuel levy, plus 18,5 cents per litre Road Accident Fund levy. = 99,5 cents per litre.</p> <p>"HARBOUR VESSELS</p> <p>(bA) Eligible purchases for -</p> <p>(i) harbour vessels operated by Portnet;</p> <p>(ii) vessels used by in-port bunker barge operators:</p> <p>18,5 cents per litre Road Accident Fund levy."</p>			

I Rebate Item	II Tariff Item	III Code	C D	IV Description	V Extent of Rebate	VI Extent of Refund	Anno= tations
				<p>RAIL</p> <p>(c) Eligible purchases for locomotives used for rail freight other than those used in farming, forestry or mining as provided in these Notes:</p> <p>18,5 cents per litre Road Accident Fund levy</p> <p>(d) Any claim for a refund of levies provided for in paragraph (a), (b), (bA) or (c) must be reduced by any non-eligible purchases."</p> <p>By the substitution for the definitions "eligible purchases", "non-eligible purchases" and "user" in paragraph (b) in Note 2 of the following definitions:</p> <p>" 'eligible purchases' means, as prescribed in these Notes, purchases of distillate fuel by a user for use and used as fuel for own primary production activities in farming, forestry or mining on land or in offshore mining, any vessel contemplated in Note 1 (b) and (bA) or in any locomotive contemplated in Note 1 (c);</p> <p>'non-eligible purchases' means purchases of distillate fuel by a user not for use and not used as prescribed in these Notes as fuel for own primary production in farming, forestry or mining on land or in offshore mining, any vessel contemplated in Note 1 (b) and (bA) or in any locomotive contemplated in Note 1 (c) and includes such fuel used in transport for reward or if resold;</p> <p>'user' as defined in section 75(1C) (b) (i) means according to the context and subject to any Note to this item, a person registered for value-added tax purposes under the provisions of the Value-Added Tax Act, 1991 (Act No. 89 of 1991) and for diesel refund purposes as contemplated in section 75 (1A) and (4A);"</p> <p>By the insertion in Note 4 after paragraph (c) of the following paragraph:</p>			

I Rebate Item	II Tariff Item	III Code	CD	IV Description	V Extent of Rebate	VI Extent of Refund	Anno= tations
				<p>"(d) (i) The increased refund of Road Accident Fund levy from 16,5 cents to 18,5 cents per litre in respect of eligible purchases for the purposes specified in paragraphs (a), (b)(i) to (iv) and (c) on Note 1; and</p> <p>(ii) The refunds of levies in respect of eligible purchases specified in paragraphs (a) (v) to (vii) and (bA) of Note 1, shall apply to distillate fuel purchased on or after 3 April 2002."</p> <p>By the insertion after Note 12 of the following Notes:</p> <p>"12A Offshore vessels: Refund of levies on eligible purchases of distillate fuel for offshore vessels conducting research in support of the marine industry, coastal patrol vessels or vessels employed to service fibre optic telecommunication cables along the coastline of Southern Africa as specified in Note 1 (b).</p> <p>(a) Eligible purchases are only applicable to such vessels, which are -</p> <p>(i) owned or chartered by a legal person registered in the Republic in accordance with the laws of the Republic and which has its place of effective management in the Republic or by a natural person who is ordinarily resident in the Republic; and</p> <p>(ii) registered or licensed in terms of the Merchant Shipping Act, 1951 (Act No. 57 of 1951).</p>			

I Rebate Item	II Tariff Item	III Code	C D	IV Description	V Extent of Rebate	VI Extent of Refund	Anno= tations
				<p>(b) The distillate fuel may only be used for the propulsion of the vessels or the operation of any equipment on the vessels.</p> <p>12B Harbour vessels: Refund of Road Accident Fund levy on eligible purchases of distillate fuel for harbour vessels operated by Portnet or vessels used by in-port bunker barge operators as specified in Note 1 (bA).</p> <p>(a) Eligible purchases are only applicable to such vessels, which are -</p> <p>(i) owned or chartered by a legal person registered in the Republic in accordance with the laws of the Republic and which has its place of effective management in the Republic or by a natural person who is ordinarily resident in the Republic; and</p> <p>(ii) which are registered or licensed in terms of the Merchant Shipping Act, 1951 (Act No. 57 of 1951).</p> <p>(b) Where a refund of levies will be claimed in respect of distillate fuel, a bunker barge operator may only deliver such distillate fuel to any vessel contemplated in this item if a tax invoice has been issued as required in Note 3.</p>			

I Rebate Item	II Tariff Item	III Code	C D	IV Description	V Extent of Rebate	VI Extent of Refund	Anno= tations
				<p>(i) A bunker barge operator may only deliver such distillate fuel to any vessel contemplated in this item where a refund of levies will be claimed in respect of such fuel if a tax invoice has been issued as required in Note 3.</p> <p>(ii) Such operator must keep books, accounts and documents including a copy of such invoice for inspection by an officer for a period of 5 years from the date of such delivery."</p>			