

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

15 JULY 2005

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>
317.04: Notes 5 (iii), 15(ii) and 16(iii)	The effect of this amendment is to align the legislation of the Motor Industry Programme (MIDP) in order to better enforce certain of the requirements and to effect payment of claims which have been previously disallowed.

**CUSTOMS AND EXCISE ACT, 1964.
AMENDMENT OF SCHEDULE NO. 3 (NO. 3/588)**

Under section 75 of the Customs and Excise Act, 1964, Schedule No. 3 to the said Act is hereby amended to the extent set out in the Schedule hereto.

**J MOLEKETI
DEPUTY MINISTER OF FINANCE**

SCHEDULE

By the substitution for Notes 5 (iii), 15(ii) and 16(iii) to rebate item 317.04 of the following:

Rebate Item	Tariff Heading	Rebate Code	C D	Description	Extent of Rebate
317.04				<p>5(iii) Specified motor vehicles as defined in Note 7, not fitted with an engine or gear-box, exported from the licensed premises by the manufacturer; automotive components and automotive tooling as defined in Note 10, for which a certificate was issued by the International Trade Administration Commission, provided that the export of such components and tooling contribute to the achievement of the overall objectives of Government's Motor Industry Development Programme.</p> <p>Such components and tooling shall, furthermore, meet the following criteria, namely that -</p> <p>(a) they were wholly or partly manufactured in the common customs area;</p> <p>(b) not less than 25 per cent of the ex-factory selling price of the components and tooling is represented by the sum of:</p> <ul style="list-style-type: none">- the cost of labour in the common customs area;- the value of materials of the common customs area;	

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Rebate Item	Tariff Heading	Rebate Code	C D	Description	Extent of Rebate
				<p>- the factory overhead expenses (excluding profit) incurred in the common customs area in respect of the components and tooling; and</p> <p>(c) the final process of manufacture was carried out in the common customs area: Provided that operations of packing or painting shall not qualify as manufacturing processes. In the event of the final process of manufacture not taking place in the common customs area, a determination as to the eligibility of the relevant product must be made by the International Trade Administration Commission.</p> <p>15(ii) If such certificates are not obtained or duly completed, the foreign currency usage in respect of such goods may be deemed to be the price at which such goods were purchased by the Registrant.</p> <p>16(iii) If such duly completed certificates are not obtained the foreign currency usage in respect of such motor vehicles, automotive components and automotive tooling exported may be deemed to be the full value of the foreign currency earning.</p>	