

SOUTH AFRICAN REVENUE SERVICE

Government Gazette

2020-10-09

Notice R.

AMENDMENT OF PARAGRAPH 8 OF SCHEDULE 1 TO THE VALUE-ADDED TAX ACT, 1991 (ACT NO. 89 OF 1991) IN TERMS OF SECTION 74(3)(a) TO INSERT ITEM 406.00 IN CONSEQUENCE OF THE INSERTION OF REBATE ITEM 406.04 IN SCHEDULE NO. 4 OF THE CUSTOMS AND EXCISE ACT, 1964 (ACT NO. 91 OF 1964)

By virtue of the power vested in me by section 74(3)(a) of the Value-Added Tax Act, 1991 (Act No. 89 of 1991) (the Act), I, Tito Titus Mboweni, Minister of Finance, hereby amend paragraph 8 of Schedule 1 to the Act to regulate the exemption from value-added tax on the importation of goods for official use by an organisation or institution in terms of an agreement entered into by the Republic of South Africa.

**TT MBOWENI
MINISTER OF FINANCE**

GENERAL EXPLANATORY NOTES:

[] Words in bold type in square brackets indicate omissions from existing enactments.

_____ Words underlined with a solid line indicate insertions in existing enactments.

SCHEDULE

Schedule 1 to the Value-Added Tax Act, 1991 (Act No. 89 of 1991), is hereby amended -

(a) by the amendment of item 406.00 and an insertion in paragraph 8 after item No. 406.03/00.00/01.00 of item Nos. 406.04/00.00/01.00 of the following:

“406.00

NOTES:

1. This exemption (excluding item no.'s 406.03 and 406.04) is conditional upon reciprocal treatment accorded by the government of the mission requiring this exemption.
2. This exemption (excluding item no.'s 406.03 and 406.04) is allowed only if the Director-General: [Foreign Affairs] International Relations and Cooperation or an official acting on his or her authority has certified that a person requiring this exemption is listed in the register maintained by the Department of [Foreign Affairs] International Relations and Cooperation in accordance with the Diplomatic Immunities and Privileges Act, 2001.
3. For the purposes of item no.'s 406.03 and 406.04, "an organisation or institution" means an organisation which the Director-General: [Foreign Affairs] International Relations and Cooperation or an official acting under his or her authority has certified as an organisation or institution with which the Republic has concluded a formal agreement, which provides, *inter alia*, for the granting of such exemption.
5. A motor vehicle exempted in terms on items no.'s 406.02, 406.03, 406.04, 406.05 or 406.07, may not be offered, advertised, lent, hired, leased or given away, exchanged, sold or otherwise disposed of within a period of two years from the date of importation: Provided that any of the foregoing acts with this vehicle within a period of two years from date of importation renders the importer of the vehicle liable to pay tax as determined by the Commissioner in consultation with the Director-General: [Foreign Affairs] International Relations and Cooperation.

406.04/00.00/01.00 Goods imported for the official use by an organisation or institution in terms of an agreement as provided for in Note no. 3.