

**EXCISE**

**EXTERNAL POLICY**

**CLEARANCE OF BONDED / INTER-  
WAREHOUSE MOVEMENTS**

**TABLE OF CONTENTS**

<b>1</b>	<b>SUMMARY OF MAIN POINTS</b>	<b>3</b>
<b>2</b>	<b>POLICY</b>	<b>3</b>
2.1	Control and clearance	3
2.2	Keeping of records	3
2.3	Penalties	4
2.4	Appeal against decisions	4
2.5	Aviation kerosene	4
2.6	Bunkering of foreign going ships	4
2.7	Malt Beer	5
2.8	Oil	5
2.8.1	Local removal	5
2.8.2	Exports	6
2.9	Other Fermented Beverages (OFB)	8
2.10	Spirits	9
2.11	Tobacco	10
2.12	Traditional African Beer (TAB)	11
2.13	Wine and Vermouth	11
<b>3</b>	<b>RELATED INFORMATION</b>	<b>12</b>
3.1	Legislation	12
3.2	Cross References	13
3.3	Quality Records	13
<b>4</b>	<b>DEFINITIONS AND ACRONYMS</b>	<b>13</b>
<b>5</b>	<b>DOCUMENT MANAGEMENT</b>	<b>16</b>

## 1 SUMMARY OF MAIN POINTS

- a) The policy applies to licensees and registrants who are required to make Clearance Declarations (CD's) other than the Excise Duty and Levy return (EXD 01).
- b) The policy covers the following industries:
  - i) Aviation kerosene;
  - ii) Bunkering of Foreign going ships;
  - iii) Malt Beer;
  - iv) Oil;
  - v) Other Fermented Beverages (OFB);
  - vi) Spirits;
  - vii) Tobacco;
  - viii) Traditional African Beer and Beer powder (TAB); and
  - ix) Wine and Vermouth.

## 2 POLICY

### 2.1 Control and clearance

- a) Excisable / levy goods which are removed in bond in South Africa (SA), Botswana, Lesotho, Namibia and Swaziland (BLNS) countries or for export to a destination outside the Southern African Customs Union (SACU) (ex warehouse) may only be removed so if an official Clearance Declaration (CD) is processed before such removal is undertaken and must be acquitted in the manner prescribed.
- b) All movements of bonded products (removals and receipts) from and into licensed warehouses must be declared by licensees using officially prescribed CD's per type of removal. Copies of official CD's for removal ex warehouse (with road manifest where applicable) must accompany the consignment at all times until it reaches its indicated destination.
- c) The following procedure codes must be acquitted:
  - i) CD's with procedure codes E 45-00, E 45-46, E 45-47, E 46-45, E 47-00 or E 47-46;
  - ii) CD's ex-warehouse with procedure codes F 52-00, F 52-46 or F 52-47; and
  - iii) Export CD's with procedure codes H 68-00, H 68-46 or H 68-47.
- d) The following removal certificates, used for entering ex-warehouse movements of Excisable goods, must be acquitted:
  - i) DA 32; and
  - ii) DA 33A.
- e) Such CD's and / or certificates are additional to the summary declaration required to be made on the EXD 01.

### 2.2 Keeping of records

- a) Every client must keep for record purposes for a period of five (5) years:
  - i) Books, returns and documents in respect of all transactions relating to the Rules; and
  - ii) Any data related to such documents created by means of a computer.
- b) The five (5) year period is calculated from the end of the calendar year in which the document was created, lodged or required. (Refer to Sections 101 and 101A).
- c) Every client must produce such books, returns and documents on demand.

## 2.3 Penalties

- a) Failure to adhere to the provisions of the Act, as set out in this document, is considered an offence.
- b) Offences may render the client liable to, as provided for in the Act:
  - i) Monetary penalties;
  - ii) Criminal prosecution; and/or
  - iii) Suspension or cancellation of registration and/or license.

## 2.4 Appeal against decisions

- a) In cases where clients are not satisfied with any decision taken in terms of the Customs and Excise Act they have a right of appeal to the relevant appeal committee. The policy in this regard, as well as the process to be followed, is contained in document SE-APL-02.
- b) Should clients be unhappy with a decision of any appeal committee, their recourse will be to lodge an application for Alternative Dispute Resolution (ADR) with the relevant appeal committee. The committee will add its comments thereto and forward the application to the ADR Unit for attention. The policy in this regard, as well as the process to be followed is contained in document SC-CC-26.
- c) Should clients wish to appeal any decisions in terms of Value-Added Tax (VAT) penalties, they are directed to the provisions of Sections 215 to 220 of the Tax Administration Act No. 28 of 2011 for the percentage based penalty and Section 224 of the Tax Administration Act No. 28 of 2011 for the understatement penalty. In this regard, please consult the SARS website or nearest SARS Branch Office.

## 2.5 Aviation kerosene

- a) When supplying **foreign going** aircraft with aviation kerosene, the fuelling of such aircraft is deemed to be an **export**, which means that -
  - i) An export permit is required and clearance formalities may be effected as prescribed in SE-AK-02;
  - ii) One (1) consolidated monthly CD with procedure code F 52-47 must be presented to the nearest Controller / Branch Manager; within **fourteen (14) days** of month end; and
  - iii) Attached to the CD must be a schedule of either the invoice / flight receipt / stock requisition / delivery note for each quantity supplied, which shall include at least -
    - A) A statement that the aviation kerosene is to be used solely as fuel in aircraft(s);
    - B) The name and address of the licensee or the name and address of the registered supplier who supplies the aviation kerosene;
    - C) If applicable the registered name and address of the supplier who acquired it;
    - D) The delivery address if it is not the same as the registered address; and
    - E) When supplied for fuelling of an aircraft, the registration number of the aircraft.

## 2.6 Bunkering of foreign going ships

- a) Due to the fact that various vessels of different nationalities may be supplied with bunker fuel during a specified month and only one (1) CD is produced, the following information is to be inserted on the CD:
  - i) In the box "Country of Destination" the code "ZNC" (Unknown) must be inserted. In the "Consignee" box the wording "High Seas" must be inserted; and
  - ii) The rest of the CD must be completed as outlined in SC-CF-04.

## 2.7 Malt Beer

- a) Removals ex warehouse - Duty paid removals i.e. the total of all removals of malt beer to the local market including the SACU during the accounting period per the EXD 01.
- b) Bonded removals - Bonded removals (to any licensed warehouse): CD with procedure code E 45-47 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing prior to each such removal.
- c) Removals under rebate of duty: - All removals under rebate of duty during the accounting period per the EXD 01.
- d) Exports: CD with procedure code H 68-47 / F 52-47 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing at least 24 hours [i.e. one (1) official working day] prior to each such removal.
- e) Receipts into warehouse:
  - i) All consignments of malt beer received into the Special Storage Warehouse (SOS) from other licensed warehouses under bond CD with procedure code E 45-47 must be declared and entered by the receiving warehouse on CD with procedure code E 47-46 per individual consignment of malt beer so received.
  - ii) The licensee of the receiving warehouse must submit for processing such CD with procedure code E 47-46, per individual consignment of malt beer received into the SOS, to the local Controller / Branch Manager in respect of the malt beer so received within **fourteen (14) days** after the date of removal of those goods from the premises of the dispatching warehouse for delivery to the receiving warehouse.
  - iii) The processed CD with procedure code E 47-46 per consignment received into the warehouse made by the receiving warehouse serves as the acquittal document for the original declaration of removal ex-warehouse CD with procedure code E 45-47 per consignment made by the removing warehouse.

## 2.8 Oil

### 2.8.1 Local removal

- a) All removals of fuel levy goods as mentioned in Schedule 1 Part 2A from a manufacturing warehouse (VM) are duty paid.
- b) Removal of fuel levy goods from one (1) licensed VM to another licensed VM or to a licensed SOS:
  - i) The removal and receipt will be witnessed by an independent surveyor, upon which, a P.2.01 will be duly prepared and submitted to SARS for approval.
  - ii) The duties and levies must be paid on the EXD 01 for the respective products and within the prescribed period based on the volumes declared on the P.2.01.
  - iii) Upon despatch, the licensee of the sending warehouse must submit for processing a CD with purpose code ZMS of such product; upon receipt the receiving warehouse must submit for processing a CD with purpose code ZMR.
  - iv) Every consignor must ensure that sufficient copies of the relevant CD's are processed at the office of the Controller / Branch Manager for the completion in respect of the movement of the goods concerned.
  - v) For each removal and receipt the following documents must be completed / issued:
    - A) The **actual volume removed** by the consignor on the CD with purpose code ZMS;
    - B) The **actual volume received** by the consignee on the CD with purpose code ZMR;
    - C) Invoice;
    - D) Each such removal must be supported by a P.2.01 or weighbridge certificate and manifest where applicable; and
    - E) Only when the warehouse that is entitled to the set-off is in possession of all required documents may a set-off be claimed on the EXD 01.

- c) The product may only be removed once authorised by the Controller / Branch Manager after notice having been given of not less than 24 hours in writing of the intended removal. Controllers / Branch Managers may require that these removals be done under supervision of an Auditor Excise (AE) / Functional Specialist (FS) / Operations Specialist (OS).
- d) Such volumes removed must be entered on a P.2.01 by both the delivering and the receiving warehouses. The signed forms (by an independent surveyor to confirm the correctness thereof) must be delivered to the Controller / Branch Manager concerned within 72 hours after the completion of the removal or receipt.
- e) Specific modes of transport requirements:
  - i) By Pipeline:
    - A) Product so removed by pipeline may only be removed on issuing of and receipt of an electronically generated document approved by the Controller / Branch Manager.
    - B) Where goods are removed by **pipeline**, a monthly summary by movement type, product and receiving / dispatching warehouse is required on a CD. The supplier uses purpose code ZMS while the recipient uses purpose code ZMR.
  - ii) By Ship (As for movements by pipeline but in addition):
    - A) Where goods are removed by **ship**, the duly completed P.2.01 must be presented to Excise within 72 hours after such removal by the licensee removing the goods and on delivery thereof by the licensee receiving the goods.
    - B) A CD per removal / receipt, product, consignee and consignor.
    - C) The supplier uses purpose code ZMS; the recipient uses purpose code ZMR.
    - D) The duty / levy is assessed upon removal by the supplying warehouse and set-off once in possession of all relevant documentation by the receiving warehouse (where applicable).

## 2.8.2 Exports

- a) Export of mineral products defined in Chapter 27 of the Customs Tariff to destinations outside the SACU will be allowed under rebate of duty and levies; whereas destinations inside SACU will also be allowed under rebate of duty and levies (excluding Excise Duty).
- b) Mineral products will be deemed to be duly exported only if the prescribed proof of export is obtained as described in SC-TR-01-02 by the licensee and submitted to the Controller / Branch Manager within thirty (30) days after the export declaration was entered -
  - i) Original or clear photocopy of the duly endorsed export CD;
  - ii) Original signed bill of lading;
  - iii) Air waybill;
  - iv) Rail consignment note;
  - v) Road manifest; and
  - vi) CN2.
- c) Failure by the licensee to obtain such proof of export, as described in SC-TR-01-02, within thirty (30) days after the date of processing of the export CD will disqualify the licensee from entering the consignment under rebate of duty as an export on the relevant EXD 01. If the consignment has already been entered as an export on the said EXD 01, the licensee will be liable for payment of the Excise duty and levies relevant to the consignment to the Controller / Branch Manager.
- d) From a licensed VM, SOS or a Licensed Distributor of Fuel (LDF) (Rule 19A4.04):
  - i) All such movements are to be made from duty paid stocks.
  - ii) Only an SOS licensed for that purpose, or a VM, or a LDF may export fuel levy goods.
  - iii) SOS licensed for that purpose and VM may claim the set-off for exports on the EXD 01.
  - iv) LDF's are required to make refund claims on a DA 66 and present the below:
    - A) Customs Declaration;
    - B) CN1;
    - C) CN2;
    - D) Exit scan;

- E) Invoice from supplying VM;
- F) Commercial invoice to client; and
- G) Signed delivery note, must accompany DA 66 refund claim.
- v) All mineral products require an export permit which must be obtained in advance of the export. The permit is issued by the International Trade Administration Commission (ITAC) and approved by the Department of Minerals & Energy (DME).
- vi) An electronic system has been introduced to capture the export permits.
- vii) The exporter or his / her agent must ensure that the paper permit is submitted to the Customs Officer at the relevant Controller / Branch Manager's office before the CD is passed against such permit.
- viii) Once captured, proof must be provided to the exporter that the permit was indeed captured. This will take the form of a printout of the captured permit, stamped and signed by the Customs Officer / member responsible for the capture.
- ix) If Electronic Data Interchange (EDI) is used, the export permit must be retained by the exporter for inspection purposes by an AE / FS / OS.
- x) When fuel levy goods are exported, including supply as stores for foreign going ships or aircraft, entry must be made thereof on a CD at the office of the Controller / Branch Manager (refer to SE-AK-02).
- xi) In the case of an export by a LDF, each CD shall bear the invoice number of the licensee of the VM from whom the goods are obtained.

e) By road:

- i) A CD must be completed by the exporter or his agent at the place of departure and processed at the office of the Controller / Branch Manager within 72 hours of loading. Where there are missing or incomplete CD's, this will be acceptable provided the exporter can demonstrate that the incompleteness is not due to his fault and subject to complying with the procedure regarding acquittals.
- ii) All removals must be contained in sealed containers or tankers.
- iii) All copies of CD's required for production or retention of proof of export must accompany the driver of the vehicle.
- iv) The relevant CD on the reverse of all copies of the CD's must be completed by:
  - A) The consignor and the driver, on departure of the vehicle, recording the actual quantity loaded and sealed; and
  - B) The driver and any other person required to complete a CD during the movement of the goods.
- v) Where the fuel levy goods are exported through a BLNS country, when that BLNS country is a transit country to a final destination outside the SACU, the driver must report with the copies of the CD's containing the endorsements obtained in South Africa (SA) to the Customs Officer:
  - A) In the BLNS country at the point of entry; and
  - B) In the BLNS country at the point of exit, to obtain the endorsements on the reverse of the CD.
- vi) A copy of the final road manifest must be retained with the CD by the exporter and be available for inspection by SARS.
- vii) A separate amended declaration for each CD must be prepared detailing differences between quantities pre-cleared and quantities actually loaded or delivered.

f) By rail:

- i) A CD must be completed by the exporter or his agent at the place of departure and processed at the office of the Controller / Branch Manager within 72 hours of loading. Where there are missing or incomplete CD's, this will be acceptable provided the exporter can demonstrate that the incompleteness is not due to his fault and subject to complying with the procedure regarding acquittals.
- ii) All removals must be contained in sealed containers or tankers.
- iii) After being processed, all copies of the CD's required for this procedure must be presented with a provisional rail consignment note to Spoornet.

- iv) The relevant CD on the reverse of all copies of the CD must be completed by the consignor and Spoornet after loading of the rail tanker, recording the actual quantity loaded and sealed. One (1) copy of the CD must be retained by:
    - A) The consignor; and
    - B) Spoornet.
  - v) A separate amended declaration for each CD must be prepared detailing differences between quantities pre-cleared and quantities actually loaded or delivered.
- g) By ship (including ship's stores):
- i) A provisional shipping order must be submitted by the ship's agent to the Controller / Branch Manager at least 24 hours before loading commences.
  - ii) A CD must be completed by the exporter or his / her agent at the place of departure and submitted for processing to the office of the Controller / Branch Manager within 72 hours of loading.
  - iii) After loading of the vessel and determination of the final volumes, an amended declaration to the CD must be completed by the exporter or his agent and submitted together with the export permit to the Controller / Branch Manager within seven (7) days.
  - iv) If EDI is used, the export permit must be retained by the exporter for inspection purposes by an AE / FS / OS.
  - v) In the case of exports, a duly completed copy of a CD supported by the export CD in respect of the goods so exported must:
    - A) Support the monthly EXD 01 of the licensee in respect of set-off of Excise duty, Fuel levy and RAF levy against the amount due and payable on that EXD 01; or
    - B) Accompany an application for a refund of Excise duty, Fuel levy and Road Accident Fund (RAF) levy (DA 66) by the LDF.
  - vi) The procedure with regards to the bunkering of vessels (ship's stores) is contained in SE-BFS-02.
  - vii) Particular attention must be paid to Sections 5 and 24 which provide:
    - A) That the continental shelf is deemed to be part of SA and is thus not a foreign destination; and
    - B) Those goods consumed, sold or disposed of in SA (other than by or to the master, crew, passengers or visitors) become dutiable.
- h) By air:
- i) A CD must be completed by the exporter or his agent at the place of departure and processed at the office of the Controller / Branch Manager within 72 hours of loading.
  - ii) The relevant CD on the reverse of all copies of the CD must be completed by the consignor and the air carrier after loading of the aircraft, recording the actual quantity loaded and sealed. One (1) copy of the CD must be retained by:
    - A) The consignor; and
    - B) The air carrier.
- i) Where a blend of distillate fuel with biodiesel is exported to a country outside of the SACU the Excise duty, Fuel levy and RAF levy which may be set-off on the EXD 01 after acquittal will be calculated on the rates applicable to biodiesel.

## 2.9 Other Fermented Beverages (OFB)

### a) **Removals ex warehouse:**

- i) Duty paid removals: - The total of all removals of OFB to the local market (SACU) during the accounting period per the EXD 01.
- ii) Bonded removals to Special Manufacturing Warehouse (SVM) and Storage Warehouse (OS) and SOS warehouses submitting EXD 01s (i.e. excluding Duty Free Shops and Ship / Aircraft Chandlers):
  - A) Removal certificate (DA 32 / SAWIS 6) - per individual consignment of OFB; and
  - B) The removal certificate (DA 32 / SAWIS 6) must be duly completed, per consignment, prior to the relevant consignment being sent in bond from his / her premises;



- C) Ensure that a copy of such completed form(s) are accompanying the consignment at all times;
  - D) Ensure that the consignee Customs and Excise warehouse licensee acknowledges receipt of the consignment on the specific form and that such receipted forms are received back from the consignee licensee; and
  - E) Have the originally receipted copy of all these forms readily available for audit purposes by Excise at all times for a period of at least five (5) years after such removal.
- iii) Bonded removals to SOS warehouses NOT submitting EXD 01's (i.e. Duty Free Shops and Ship/Aircraft Chandlers): – CD with procedure code E 45-00 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing prior to each such removal.
- iv) Removals under rebate of duty: - Removals under rebate of duty during the accounting period per the EXD 01.

b) **Receipts into warehouse:**

- i) Bonded receipts into SVM, OS and SOS warehouses submitting EXD 01's (i.e. excluding Duty Free Shops and Ship / Aircraft Chandlers):
- A) All consignments of OFB received into warehouse from other licensed warehouses under bond per removal certificate DA 32 /SAWIS 6 must be accounted for by the receiving warehouse licensee per the EXD 01 applicable to the accounting period in which such product was received in such warehouse.
  - B) Bulk OFB received into SVM warehouses from other SVM warehouses under bond per removal certificate DA 32 / SAWIS 6 for the rendering of services only, e.g. filtration, stabilisation and bottling, and which does not become the property of the receiving warehouse licensee (service accounts), must be accounted for by the receiving warehouse licensee / service provider per the EXD 01 applicable to the accounting period in which such product was received in such warehouse.
- ii) Bonded receipts into SOS warehouses NOT submitting EXD 01's (i.e. Duty Free Shops and Ship / Aircraft Chandlers):
- A) All consignments of OFB received into the SOS licensed as Duty Free Shops and / or Ship / Aircraft Chandlers from other licensed warehouses under bond per CD with procedure code E 45-00 must be declared and entered by the receiving licensee on CD with procedure code E 46-45 per individual consignment of OFB so received.
  - B) Such CD with procedure code E 46-45 per individual consignment of OFB received into warehouse must be made and submitted to the local Controller / Branch Manager within fourteen **(14) days** after the date of removal of those goods from the premises of the dispatching warehouse for delivery to the receiving warehouse.
  - C) The processed CD with procedure code E 46-45 per consignment of OFB received into warehouse made by the receiving licensee serves as the acquittal document for the original CD of removal ex-warehouse CD with procedure code E 45-00 per consignment made by the removing warehouse licensee.

## 2.10 Spirits

a) **Removals ex-warehouse:**

- i) Duty paid removals: - The total of all removals of spirits to the local market including the SACU during the accounting period per the EXD 01.
- ii) Bonded removals to warehouses submitting EXD 01's [Primary Manufacturing Warehouse (VMP), Secondary Manufacturing Warehouse (VMS) and (SOS)]: - CD with procedure code E 45-00 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing within 24 hours after each such removal.
- iii) Bonded removals to SOS's licensed as Duty Free Shops and / or Ship / Aircraft Chandlers not submitting EXD 01's: - CD with procedure code E 45-00 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing within 24 hours after each such removal.

b) **Removals under rebate of duty:**

- i) Spirits removed for **fortification** of wine.
  - A) CEB 01 with purpose code ZGR per individual consignment must be completed and kept by the licensee for audit purposes
- ii) Spirits **removed** to registered rebate users:
  - A) DA 33A per individual consignment must be completed and kept by the licensee for audit purposes;
  - B) At the end of each accounting period (month / quarter) the total volumes of spirits removed per DA 33A during the specific month must be declared on the EXD 01; and
  - C) Submission of the monthly / quarterly EXD 01 (SOS Warehouses).
- iii) All other removals of spirits under rebate of duty (e.g. losses) during the accounting period must be declared per Rebate Item per the EXD 01.

c) **Exports:**

- i) CD with procedure code H68-00 / H 68-47 / F52-00 / F 52-47 per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing at least 24 hours [i.e. one (1) official working day] prior to each such removal.

d) **Receipts into warehouse:**

- i) All consignments of spirits received into the warehouse (VMP, VMS and SOS) from other licensed warehouses under bond per CD with procedure code E 45-00 must be declared and entered by the receiving warehouse on CD with procedure code E 46-45 per individual consignment of spirits so received.
- ii) The licensee of the receiving warehouse must submit for processing such CD with procedure code E 46-45, per individual consignment of spirits received into a VMP, VMS or SOS warehouse, to the local Controller / Branch Manager in respect of the spirits so received within **fourteen (14) days** after the date of removal of those goods from the premises of the dispatching warehouse for delivery to the receiving warehouse.
- iii) The processed CD with procedure code E 46-45 per consignment received into the warehouse made by the receiving warehouse serves as the acquittal document for the original CD of removal ex-warehouse with procedure code E 45-00 per consignment made by the removing warehouse.

**2.11 Tobacco**a) **Removals ex warehouse:**

- i) Duty paid removals i.e. the total of all removals of tobacco products to the local market including the SACU during the accounting period per the EXD 01.

b) **Bonded removals (to any licensed warehouse):**

- i) CD with procedure code E 45-47 per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing prior to each such removal.

c) **Removals under rebate of duty:**

- i) All removals under rebate of duty during the accounting period per the EXD 01.

d) **Exports:**

- i) CD with procedure code H 68-47 / F 52-47 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing at least 24 hours [i.e. one (1) official working day] prior to each such removal.

e) **Receipts into warehouse:**

- i) All consignments of tobacco products received into the warehouse (VM or SOS) from other licensed warehouses under bond per CD with procedure code E 45-47 must be declared and entered by the receiving warehouse on CD with procedure code E 47-46 per individual consignment of tobacco products so received.
- ii) The licensee of the receiving warehouse must submit for processing such CD with procedure code E 47-46, per individual consignment of tobacco products received into a VM or SOS, to the local Controller / Branch Manager in respect of the tobacco products so received within fourteen **(14) days** after the date of removal of those goods from the premises of the dispatching warehouse for delivery to the receiving warehouse.
- iii) The processed CD with procedure code E 47-46 per consignment received into the warehouse made by the receiving warehouse serves as the acquittal document for the original CD of removal ex-warehouse CD with procedure code E 45-47 per consignment made by the removing warehouse.

**2.12 Traditional African Beer (TAB)**a) **Duty paid removals:**

- i) The total of all removals of TAB (including TAB powder) to the local market including the SACU during the accounting period per the EXD 01.

b) **Bonded removals:**

- i) Removal certificate (DA 32) - per individual consignment of TAB; and
- ii) CD with procedure code E 45-47 - Total of all such bonded removals of TAB during the accounting period per the EXD 01.

c) **Removals under rebate of duty:**

- i) All removals under rebate of duty during the accounting period per the EXD 01.

d) **Exports:**

- i) CD with procedure code H 68-47 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing at least 24 hours [i.e. one (1) official working day] prior to each such removal.

**2.13 Wine and Vermouth**

- a) For this purpose, the SAWIS 6 and SAWIS delivery record will be accepted as official removal documents in terms of Section 38(4).

- b) One (1) SAWIS 6 per day will be accepted for various consignments per client, provided that each consignment must be accompanied by a SAWIS delivery record. The SAWIS 6 will be a summary of the SAWIS delivery records for the day.

c) **Removals ex warehouse:**

- i) Duty paid removals: - The total of all removals of wine and vermouth to the local market, including the SACU during the accounting period per the EXD 01.
- ii) Bonded removals to warehouses submitting EXD 01's (SVM, OS and SOS for export only):
  - A) The removal certificate (DA 32 / SAWIS 6) must be duly completed, per consignment, prior to the relevant consignment being sent in bond from his / her premises;
  - B) Ensure that a copy of such completed form(s) are accompanying the consignment at all times;
  - C) Ensure that the consignee Customs and Excise warehouse licensee acknowledges receipt of the consignment on the specific form and that such receipted forms are received back from the consignee licensee; and

- D) Have the originally receipted copy of all these forms readily available for audit purposes by Excise at all times for a period of at least five (5) years after such removal.
- iii) Bonded removals to SOS warehouses NOT submitting EXD 01's (i.e. Duty Free Shops and Ship/Aircraft Chandlers): – CD with procedure code E 45-00 - per individual consignment must be completed and submitted by the licensee to the Controller / Branch Manager for processing prior to each such removal.
- iv) Removals under rebate of duty - All removals under rebate of duty during the accounting period per the EXD 01.

d) **Receipts into warehouse:**

- i) Bonded receipts into SVM, OS and SOS warehouses submitting EXD 01's (i.e. excluding Duty Free Shops and Ships/Aircraft Chandlers):
- A) All consignments of wine and vermouth received into warehouse from other licensed warehouses under bond per removal certificate DA 32 must be accounted for by the receiving warehouse licensee per the EXD 01 applicable to the accounting period in which such product was received in such warehouse.
- B) Bulk wine and vermouth received into an SVM from another SVM under bond per removal certificate DA 32 for the rendering of services only, e.g. filtration, stabilisation and bottling, and which does not become the property of the receiving warehouse licensee (service accounts), must be accounted for by the receiving warehouse licensee / service provider per the EXD 01 applicable to the accounting period in which such product was received in such warehouse.
- ii) Bonded receipts into SOS warehouses NOT submitting EXD 01's (i.e. Duty Free Shops and Ship / Aircraft Chandlers) -
- A) All consignments of wine and vermouth received into SOS warehouses licensed as Duty Free Shops and / or Ship / Aircraft Chandlers from other licensed warehouses under bond per CD with procedure code E 45-00 must be declared and entered by the receiving licensee on CD with procedure code E 46-45 per individual consignment of wine and vermouth so received.
- B) Such CD with procedure code E 46-45 per individual consignment of wine and vermouth received into warehouse must be made and submitted to the local Controller / Branch Manager within fourteen **(14) days** after the date of removal of those goods from the premises of the dispatching warehouse for delivery to the receiving warehouse.
- C) The processed CD with procedure code E 46-45 per consignment of wine and vermouth received into a warehouse made by the receiving licensee serves as the acquittal document for the original CD of removal ex-warehouse CD with procedure code E 45-00 per consignment made by the removing warehouse licensee.

### 3 RELATED INFORMATION

#### 3.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	<b>Customs and Excise Act No. 91 of 1964:</b> 5, 18, 18A, 19, 19A, 20, 21, 24, 27, 38(4), 38A, 64D, 101, 101A and 119 <b>Customs and Excise Rules:</b> 18.01 to 18.14, 18A.01 to 18A.08, 19.01 to 19.07, 19A.04, 20.14, 20.17, 21.04, 38A.01 to 38A.13, 64D, 101, 101A, 119A.R101A(10)(d) and (e), 120A.01 and 120B <b>Customs and Excise Tariff:</b> Chapter 27 and <b>Schedule 1</b> Part 2A, 5A <b>Tax Administration Act No. 28 of 2011:</b> Sections 215 to 220 and 224 <b>The South African Revenue Service Act No. 34 of 1997</b>
Other Legislation:	<b>Maritime Zones Act No. 15 of 1994:</b> Section 8(1)
International Instruments:	<b>United Nations Convention on the Law of the Sea:</b> Article 76

### 3.2 Cross References

DOCUMENT #	DOCUMENT TITLE
SC-CC-26	Alternative Dispute Resolution – External Policy
SC-TR-01-02	Acquittal of Customs Declarations – External Standard
SE-ACC-02	Declaration and Return Submission via eFiling – External Manual
SE-ACC-05	Submission of Accounts>Returns – External Policy
SE-AK-02	The Storage, Use and Disposal of Aviation Kerosene – External Policy
SE-APL-02	Administrative Appeal – External Policy
SE-BE-02	Beer – External Policy
SE-BFS-02	Bunkering of Foreign Going Ships – External Policy
SE-CF-04	Completion of Declarations – External Manual
SE-GEN-GEN-02	Accounting for Duty/Levy – External Policy
SE-OFB-02	Other Fermented Beverages – External Policy
SE-OIL-02	Oil Industry – External Policy
SE-REF-02	Refunds – External Policy
SE-REF-03	Completion of DA 66 – External Manual
SE-SP-02	Spirits – External Policy
SE-TAB-02	Traditional African Beer – External Policy
SE-TOB-02	Tobacco – External Policy
SE-WV-02	Wine and Vermouth – External Policy

### 3.3 Quality Records

NUMBER	TITLE
DA 32 / SAWIS 6	Certificate for removal of Excisable /specified goods ex warehouse
DA 33A	Certificate for removal of excisable / specified goods ex warehouse to Registered Rebate Users
DA 66	General application for drawback / refund
EXD 01	Excise Duty and Levy return
P.2.01	Dipping Certificate

## 4 DEFINITIONS AND ACRONYMS

<b>Biodiesel</b>	Biodiesel is normally produced from vegetable or animal fats and oils sourced from a variety of vegetable or animal products.
<b>CD</b>	Any Customs clearance declaration made to declare goods imported, exported, moved in bond or transit or moved across the borders between the SACU countries.
<b>BLNS</b>	a) Consists of: <ul style="list-style-type: none"> <li>i) The Republic of Botswana;</li> <li>ii) The Kingdom of Lesotho;</li> <li>iii) The Republic of Namibia; and</li> <li>iv) The Kingdom of Swaziland</li> </ul>
<b>Clearance Declaration</b>	Applicable SAD form (e.g. SAD 500, 501, 502, 503, 504, 505, 506, etc.) or CD 1 (Customs Declaration).
<b>CN 1</b>	Customs Notification 1 is used to notify declarants of the status of CD's submitted, which may include specific actions required, for example, request for supporting documents etc. The CN 1 is also used in the road freight modality for release purposes at land ports; this will only be communicated to the declarant once the commercial vehicle has been marked as arrived at the port.
<b>CN 2</b>	Customs Notification 2 is used in road freight as a control document permitting a commercial vehicle to exit the port of exit. The document comprises of a consolidated view of all shipments at CD level on the vehicle and is scanned at the point of exit which serves as proof that the goods left SA.

<b>Consignor</b>	<p>a) A consignor may provide security for any bonded goods transported by any road vehicle.</p> <p>b) Any importer, licensee of a Customs and excise warehouse who enters any goods for storage or manufacture in a Customs and excise warehouse or for use under rebate of duty and removes goods to such warehouse or the rebate user.</p> <p>c) Any importer, licensee or exporter or other principal who enters any imported goods or any manufactured or stored in a licensed Customs and warehouse for removal in bond or for export as contemplated in Section 18, 18A or 20(4);</p> <p>d) Any clearing agent for any such importer, licensee, exporter or other principal who:</p> <ul style="list-style-type: none"> <li>i) Enters such goods for removal in bond or for export; or</li> <li>ii) Contracts any carrier to transport such goods to a consignee within or outside SA.</li> </ul> <p>e) Any clearing agent, importer, exporter, or licensee who provides security for any carrier; or</p> <p>f) Any clearing agent who acts on behalf of any principal outside SA in respect of goods destined for such principal or where goods brought into SA by any carrier from any country in Africa are removed in bond to any destination in SA for home consumption or for removal in bond or for export to any destination outside SA.</p>
<b>Controller / Branch Manager</b>	The officer designated by the Commissioner to be the Controller / Branch Manager of Customs and Excise in respect of that area or matter and includes an officer acting under the control or direction of any officer so designated by the Commissioner.
<b>Duty Free Shop</b>	<p>a) These shops or stores are retail outlets that are exempt from the payment of certain local or national taxes and duties on the following requirements i.e.:</p> <ul style="list-style-type: none"> <li>i) That the goods sold will be sold to travellers who will take them out of the country; or</li> <li>ii) Only persons who are accredited by the Department of Foreign Affairs (DIRCO) that are in possession of a valid Diplomatic or Consular identity card may enter and purchase goods that are duty free.</li> </ul>
<b>E 45-00</b>	Clearance for Removal of Excise goods from one Excise warehouse to another Excise warehouse in South Africa or BLNS country.
<b>E 45-46</b>	Clearance for Removal of excise goods from one (1) excise warehouse to another excise warehouse in SA or BLNS country, where the goods were previously rewarehoused.
<b>E 45-47</b>	Clearance for Removal in Bond of Excise goods from one Excise Warehouse to another Excise Warehouse in South Africa or BLNS, where the goods were previously subject to a change of ownership.
<b>E 46-45</b>	Clearance for re-warehousing of Excise goods, removed in bond from one Excise warehouse to another.
<b>E 47-00</b>	Clearance for Change of Ownership of goods in an Excise Warehouse. (No physical movement of goods).
<b>E 47-46</b>	Clearance for Change of Ownership of goods, which were previously removed in bond from one excise warehouse to another.
<b>EDI</b>	Electronic Data Interchange
<b>Excisable goods</b>	Any goods specified in Part 2 of Schedule 1 imported into or manufactured in SA.
<b>Excise Duty</b>	Any duty leviable under Part 2 of Schedule 1 on any goods imported into or manufactured in SA.

EXD 01	Excise Duty and Levy return
F 52-00	Supply of 'Stores' of locally manufactured 'excise' products, ex an excise manufacturing warehouse.
F 52-46	Supply of "Stores" of excise goods ex an excise "Storage Warehouse", previously re-warehoused.
F 52-47	Supply of Stores of Excise goods ex a "Storage Warehouse", previously subject to a change of ownership.
Fuel levy goods	Any goods specified in Part 5A of Schedule 1
H 64-00	Outright Export of "locally produced excisable goods", with the intention of claiming a rebate or refund under the 6th Schedule.
H 68-00	Clearance for Outright Export of "excise goods" manufactured in an Excise Warehouse.
H 68-46	Clearance for Outright Export of "excise" goods from an Excise Warehouse.
H 68-47	Clearance for Outright Export of Excise goods from an Excise Warehouse, previously having undergone a change of ownership.
ITAC	International Trade Administration Commission
LDF	Licensed Distributor of Fuel
Licensees	Any person licensed under any provision of the Act
OFB	Other Fermented Beverages
OS	Storage Warehouse
Policy	Used to convey the policy mandated by legislation and the sequential steps to be followed.
Road Accident Fund (RAF)	A state insurer established by statute. It provides insurance cover to all drivers of motor vehicles in SA in respect of liability incurred or damage caused as a result of a traffic collision. Liability incurred in relation to property damage (such as damage to vehicles, buildings, vehicle contents) is excluded from cover. The RAF operates a system whereby the claimant is assigned a percentage of responsibility for the accident, and the RAF pays the claimant a percentage of a full settlement based on a percentage that was not deemed to be their responsibility. Insurance premiums are collected by the RAF through a levy on motor vehicle fuel.
SACU	a) The South African Customs Union, consisting of: <ul style="list-style-type: none"> <li>i) The Republic of South Africa;</li> <li>ii) The Republic of Botswana;</li> <li>iii) The Republic of Lesotho;</li> <li>iv) The Republic of Namibia; and</li> <li>v) The Kingdom of Swaziland.</li> </ul>
Schedule 1 Part 2A	Specific Excise Duties on locally manufactured or on imported goods of the same class or kind.
SOS	Special Storage Warehouse
SVM	Special Manufacturing Warehouse
TAB	Traditional African Beer
The DME	Department of Minerals and Energy
Value-Added Tax	Value-added Tax is commonly known as VAT. VAT is an indirect tax on the consumption of goods and services in the economy. Revenue raised for government by requiring certain businesses to register and to charge VAT on the taxable supplies of goods and services. These businesses become vendors that act as the agent for government in collecting the VAT. VAT is charged at each stage of the production and distribution process and it is proportional to the price charged for the goods and services.
VM	Manufacturing Warehouse
VMP	Primary Manufacturing Warehouse
VMS	Secondary Manufacturing Warehouse
VOC	Previously Voucher of Correction, changed to amended declaration
ZMR	Monthly summary by the receiving Special Storage Warehouse of fuel levy goods received from a manufacturing warehouse.
ZMS	Monthly summary by the supplying manufacturing warehouse of fuel levy goods removed to a Special Storage Warehouse.

## 5 DOCUMENT MANAGEMENT

Policy Owner	Executive: Governance
Detail of change from previous revision	Initial release
Template number and revision	GC-TM-03 – Rev 9