

EXCISE

EXTERNAL POLICY

PRESCRIBED PAYMENT RULES

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1 SUMMARY OF MAIN POINTS

- a) The policy applies to registrants / licensees who must comply with the **prescribed payment rules**.
- b) The policy does not cover:
 - i) **SARS payment rules** as this is dealt with in **GEN-PAYM-01-G01**;
 - ii) Declaration / Return submissions via eFiling as this is dealt with in document **SE-ACC-02-M01**; and
 - iii) Submission of accounts / returns as this is dealt with in document **SE-ACC-05**.

2 POLICY

- a) The Act determines that every registrant / licensee, when required to make payment of duty / levy, must make such payment due to the Controller / Branch Manager as prescribed by Rule.
- b) Rule 119A.R101A(10)(e) defines that payment for a person referred to in 119A.R101A(10)(d) of the definition of "taxpayer" or a tax practitioner, as applicable, must make payment in respect of returns or any other amounts required to be paid in terms of the Act, submit such payments to the South African Revenue Service (SARS) only in terms of the eFiling service.

2.1 Payment rules

- a) The EXD 01 is the summarising document reflecting all movements and sales figures, as well as the amount of duty / levy payable, in respect of all goods during the accounting / assessment period.
- b) The relevant accounting / assessment period can either be monthly, quarterly or bi-annually which must be paid to the Controller / Branch Manager within the **prescribed payment rules** (refer to **SE-PAY-01-A01**).

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 SC-CC-24.
- 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.

3 RELATED INFORMATION

3.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	Customs and Excise Act No. 91 of 1964: 101, 101A and 119. Customs and Excise Rules: 101, 101A and 119A.R101A(10)(b), (d), (e) and (f). Tax Administration Act No. 28 of 2011: Sections 215 to 220 and 224.
Other Legislation:	Diamond Export Levy (Administration) Act No. 14 of 2007: Sections 2 to 5. Diamond Export Levy (Administration) Act No. 14 of 2007: Rules 2.01 – 5.05.
International Instruments:	None

3.2 Cross References

DOCUMENT #	DOCUMENT TITLE
GEN-PAYM-01-G01	SARS Payment Rules – External Guide
SE-APL-01	Internal Administrative Appeal - External Policy
SE-APL-02	Internal Alternative Dispute Resolution – External Policy
SE-ACC-02-M01	eFiling Registration – External Manual
SE-ACC-02-M02	Declaration / Account Submission via eFiling – External Manual
SE-GEN-02	Accounting for Duty / Levy – External Policy
SE-CON-02	Control and Clearance of Bonded / Inter-Warehouse movements – External Policy
SE-ACC-05	Submission of Accounts / Returns – External Policy
FIN-AM-03	Excise eAccount on eFiling – External Manual

3.3 Quality Records

Number	Title
EXD 01	Excise Duty and Levy return
SE-PAY-01-A01	Payment rules

4 DEFINITIONS AND ACRONYMS

Licensee	Any person licensed under any provision of the Act.
Policy	Used to convey the policy mandated by legislation and the sequential steps to be followed.
Registrant	A person registered by the Commissioner in terms of Section 2(4) of the Diamond Export Levy (Administration) Act. No. 14 of 2007.
Tax practitioner	Any agent provided for in the Act for any person referred to in the definition of Taxpayer in paragraphs (a) to (c).
Taxpayer	Includes: <ul style="list-style-type: none"> a) The licensee of a customs and excise warehouse; b) A registered aircraft operator or an aircraft operator who is liable to register; c) Except for the purpose of Rule 119A.R101A(10)(b), a person who must effect payments by using e-filing as contemplated in rule 119A.R101A(10)(f); or d) A registered person who is required to submit a return in terms of the Diamond Export Levy (Administration) Act. No. 14 of 2007.

5 DOCUMENT MANAGEMENT

Policy Owner	Executive: Excise
Detail of change from previous revision	Document owner has been changed; and Cross Reference Q-codes changed.
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