



NEWSFLASH

25th August 2017

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Please see herein interesting industry information that may be relevant and valuable to you. If you would like more information on any comments noted herein, please contact us directly and we will gladly expand or investigate further for you – please direct all enquiries to Graeme Impson on graeme.impson@sctsolutions.co.za

Below you will find tariff rate changes as of 25th August 2017, as well as a note on general rate increases with shipping lines (GRI)

General Rate Increase (GRI) - FAR EAST FREIGHT RATES SEPTEMBER:

Once again we have been advised by all shipping lines ex the Far East to expect a significant GRI applicable for September sailings. Most lines are publishing warning notices of a GRI in the magnitude of US\$ 500 per 20ft and US\$ 900 per 40ft. SCT has been negotiating aggressively with our preferred carriers over the last two weeks and whilst we still have some contracts requiring confirmation I can advise that we have managed to date to keep the GRI down to between US\$ 250 and US\$ 300 per TEU depending on port. We will keep you updated as we complete negotiations. If you should have any enquiries or concerns please contact Gary Knight – gary.knight@sctsolutions.co.za.

AMENDMENTS

Tariff Amendment 1

In terms of section 48 of the Customs and Excise Act, 1964, Part 1 of Schedule No. 1 to the said Act is hereby amended to the extent set out in the Schedule hereto.

By the insertion of the following:

Heading/ Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
0405.20.10	2	- - With a milk fat content of 39 per cent or more but less than 75 per cent	kg	500c/kg with a maximum of 37%	500c/kg with a maximum of 37%	500c/kg with a maximum of 37%	free	500c/kg with a maximum of 37%

0405.20.90	0	-- Other	kg	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	500c/kg with a maximum of 79%	free	500c/kg with a maximum of 79%
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By the substitution of the following:

Heading/ Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
0405.20		- Dairy spreads:						
3301.90.20	0	-- Extracted oleoresins obtained from extraction of opium	kg	12%	free	free	free	12%
3301.90.30	7	-- Extracted oleoresins obtained from extraction of liquorice	kg	12%	free	free	free	12%

Tariff Amendment 2

In terms of section 48 of the Customs and Excise Act, 1964, Part 1 of Schedule No. 1 to the said Act is hereby amended to the extent set out in the Schedule hereto.

By the substitution of the following:

Heading/ Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
8704.21.75	0	--- Other, with an engine capacity not exceeding 1 000 cm ³ (excluding the vehicles of subheading 8704.21.77)	u	25%	18%	20%	free	25%

Tariff Amendment 3

In terms of section 48 of the Customs and Excise Act, 1964, Part 1 of Schedule No. 1 to the said Act is hereby amended to the extent set out in the Schedule hereto.

By the insertion of the following:

Heading/ Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
7321.11.10	0	--- Stoves for gas fuel, having two or more plates with gas burners and a gas oven with a gross capacity not exceeding 100 litres	u	30%	free	15%	free	27%
7321.11.90	9	--- Other	u	15%	free	15%	free	13,5%

By the substitution of the following:

Heading/ Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
7321.11		- - For gas fuel or for both gas and other fuels:						

Tariff Amendment 4

In terms of section 48 of the Customs and Excise Act, 1964, Part 1 of Schedule No. 1 to the said Act is hereby amended to the extent set out in the Schedule hereto.

By the substitution of the following:

Heading/ Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
9801.00.40	1	- For motor vehicles for the transport of goods of heading 87.04, of a vehicle mass not exceeding 2 000 kg or of a G.V.M. not exceeding 3 500 kg per chassis fitted with a cab (excluding shuttle cars and low construction flame-proof vehicles, for use in underground mines and off-the-road logging trucks; excluding tyres)	kg	20%	20%	20%	20%	20%

Tariff Amendment 5

In terms of section 48 of the Customs and Excise Act, 1964, Part 2B of Schedule No. 1 to the said Act is hereby amended to the extent set out in the Schedule hereto.

By the substitution of the following:

Tariff Item	Tariff Subheading	Article Description	Rate of Excise Duty
126.04.02	8704.21.75	Other, with an engine capacity not exceeding 1 000 cm ³ (excluding the vehicles of subheading 8704.21.77)	(See Note 2 to this Part)

Tariff Amendment 6

In terms of section 48 of the Customs and Excise Act, 1964, Part 3E of Schedule No. 1 to the said Act is hereby amended to the extent set out in the Schedule hereto.

By the substitution of the following:

Environmental Levy Item	Tariff Subheading	Article Description	Rate of Environmental Levy
153.04.15	8704.21.75	Other, with an engine capacity not exceeding 1 000 cm ³ (excluding the vehicles of subheading 8704.21.77)	R2.30/kg net

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CUSTOMS MATTERS
by The Customs @ Wylie Team

‘Brace yourself for an increase in compliance audits’

SA Revenue Service has published its Annual Performance Plan 2017/2018 (“the Plan”) which, from a customs perspective, doesn’t contain anything too shocking as according to the Plan, Sars intends increasing both customs and excise compliance and revenue.

There are various plans in place to assist Sars in achieving its goal of increased revenue and compliance. The Plan states that Sars will “Deliver additional customs and excise revenue through targeted compliance and enforcement activities in high risk areas of non-compliance”. Essentially Sars plans to improve revenue inflow through an increased number of customs stops and post-clearance audits.

Sars cites undervaluation as a main reason for the ‘leakage in potential customs duties and VAT’ as well as increased abuse of rules of origin, valuation and tariff classification. It plans to address these issues by building a stronger transfer pricing, valuation and rules of origin system.

The message from the Plan is clear – that there is going to be an increase in stops, interventions and audits with a strong focus on compliance and the additional collection of revenue.



Sars’ performance plan is expected to deliver additional revenue through increased stops and post-clearance audits.

Given the above, it is advisable to ensure that those licensed and registered with Customs and Excise are fully compliant with the current legislation and that each movement of goods is secured by way of a clear paper trail. If there is any doubt as to whether or not your tariff, value and country of origin are correctly declared, it is best to seek the assistance of Sars by making application for a tariff, value or origin determination.

(Supplied by FTW)



We thank you for your continued support and partnership

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