



# World of Customs

SAIT Webinar  
31 March 2022

*YOUR KEY TO THE TAX COMMUNITY*

## Call for comments:

- The draft amendment is proposed in Part 1D of Schedule No. 6 – Insertion of Note 10 to align with similar corresponding refund provisions of malt beer and other fermented beverages.
- The draft amendments are proposed to Part 2 of Schedule No. 5 – Substitute the title of part 2 of Schedule No. 5 and header of refund item: 522.00 to include “and imported goods abandoned or destroyed”. Insert Note: 7 and rebate item 522.02/22.02/01.02 to provide for alcoholic beverages which, after entry for home consumption and payment of duty, have undergone post manufacturing deterioration (expired stock) and are returned to the original importer of the goods for destruction.
- The draft amendment to Rules under Section 21 and 120 – Duty free sale of motor vehicles to diplomats.

## Call for comments:

- The draft amendment to paragraph 8 of Schedule 1 to the Value-Added Tax Act, 1991 – amendment to Rebate item 406.00 will allow for diplomats and other foreign representatives to purchase imported motor vehicles from a Customs and Excise storage warehouse.
- The draft amendments are proposed to the Customs and Excise Act - amendment to Rebate item 406.00 will allow for diplomats and other foreign representatives to purchase imported motor vehicles from a Customs and Excise storage warehouse.

## Submissions made during the period:

- SAIT submission – The draft amendments are proposed to Part 2 of Schedule no. 5 10th March 2022.
- SAIT submission – The draft amendments as proposed in parts 1D of Schedule No. 6. 9th March 2022.
- SAIT submission – The draft amendments as proposed in parts 1, 2B and 3E of Schedule No's. 3, 5 and 6. 4th March 2022.
- SAIT submission – The draft amendment to Rules under section 120 Kosi Bay. 4th March 2022.

## Changes on SARS's side:

- 8th March 2002 – published Average Exchange Rates.
- 4th March 2022- Media release: joint operations involving SARS Customs division, the SAPS and the Metro Police – led to confiscation of over 2 million cigarettes and narcotics in Durban on 3rd March 2022.
- 3rd March 2022 – Media statement: A scrap metal exporter found guilty of mis-declaring a consignment of scrap metal to avoid paying export duties.
- 1st March 2022 – published weekly list of unentered goods.
- 28th February 2022 – published trade statistics recording for January 2022 preliminary trade balance surplus of R 3.55 billion.
- 25th February 2022 – Media release: Assets of two diagnostic radiologists attached for tax debt of R 52 million.

- 24th February 2022 – Media release: Two SARS officials arrested for extorting money from tax payer.
- 23rd February 2022 – Media release: SARS Customs conducted inspections, search and seizure operations on cigarette companies in KwaZulu Natal, Western Cape and Gauteng.
- 23rd February 2022 - Webinar: SARS presented on Authorized Economic Operator (AEO) for all stakeholders.
- 22nd February 2022 – published weekly list of unentered goods.
- 21st February 2022 – Policy: Registration, Licensing and Designation Policy updated with facility codes – Transit shed and container depots.
- 17th February 2022 – published Guide for Tax Rates/Duties/Levies (Issue 15)
- 15th February 2022 – published weekly list of unentered goods.
- 15th February 2022 – Prohibited and Restricted Imports and Exports list updated with HS 2022.

## RLA system:

- SARS letter to trade dated 25th February 2022.
- Onboarding of existing Customs clients to RLA system.
- Initially designed for new applications – not previously registered.
- Existing clients were required to follow manual process i.e. DA 185.
- RLA system was designed on a first-in first out principle.
- Re-registration of existing clients would impact turnaround times.
- System stable, can now cater for re-registration of existing clients.
- Clearing Agents/Customs brokers will be the first client type.
- Will allow Clearing Agents/Customs Brokers to register relationships with clients under Relationship Management component.

## **RLA system:**

- Those clients will then be invited to re-register on RLA.
- All other client types will also enjoy full benefits of RLA system.
- Benefits:
  - SARS eFiling users granted easier access to submit applications online.
  - SARS eFiling client can manage own registration profiles.
  - Re-use existing client data and documentation.
  - Automated electronic notifications – Application Outcome letters.
  - Improved management capability of applications.
  - Online Relationship Management.
  - Client Relationship Management will provide SARS with ability to combat misuse of codes, etc.
  - Renewal applications managed through RLA.

## Invoice Requirements for Customs:

- SARS Invoice Requirements for Customs Policy updated on 24th February 2022.
- Amendments made to various points in policy.
- Minimum requirements – Section 41 of Act 91, 1964:
  - One of official languages
  - Issued by the Supplier who exports goods to SA.
  - True reflection of the transaction, including:
    - Nature of transaction – outright sale, lease, hire, etc.
    - Goods to which the transaction relates,
    - Amount paid or payable.
  - Reflect country of origin

## Invoice Requirements for Customs:

- Display:
  - Date of issue,
  - Name and physical address of issuer,
  - Name of person to whom the invoice issued,
  - Price paid or payable: including –
    - Commissions;
    - Discounts;
    - Costs;
    - Charges;
    - Expenses;
    - Royalties;

## Invoice Requirements for Customs:

- Price paid or payable: including –
  - Freight costs;
  - Taxes;
  - Drawbacks;
  - Refunds;
  - Rebates;
  - Remissions; or
  - Any other information that affects the price paid or payable.
  - i.e. forward exchange contracts.
- Particulars to make a valid entry.
- Description of the goods as they are:
  - Part/Item Number
  - Full description
  - Quantity

## Amended Invoices:

- An amended invoice replacing original;
- Supplementary invoice if original is split; or
- Debit or credit note if amounts are changed.

## *David Liebenberg biography*

- Worked at SARS Customs for 6 years – 1990's.
- Has 32 years experience working in the Customs and Freight Forwarding Industry.
- Has worked in major Freight Forwarding Companies.
- Served as Director of Customs – SAAFF
- Is TETA registered Assessor.
- Guest lectures at the University of Potchefstroom.
- Established his consultancy business: D. Liebenberg Consultancy in 2014.

Thank you