



29 July 2025

To: The South African Revenue Service

Lehae La SARS,
299 Bronkhorst Street
PRETORIA
0181

VIA EMAIL:

SARS: C&E_Legislativecomments@sars.gov.za

RE: DRAFT SCHEDULES _APDP AMENDMENTS – Chapter 98

Dear Colleagues,

We set out below brief comments from the SAIT Tax Technical department regarding the draft amendments to rules under sections 26 and 120 of the Customs and Excise Act 1964. The rules under section 26 and 120 provide that the SAD 500 or SAD 505 forms be regarded as an application for permission for the transfer of ownership of dutiable goods in a customs and excise warehouse.

We value the opportunity to participate in the legislative process and would welcome further engagement where appropriate.

Please do not hesitate to contact us should you require further information.

Yours sincerely,

SAIT Tax Technical

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1. APDP Changes – Chapter 98

1.1. Comments

1.1.1. Working upon the premise of a general Customs specialist, who would likely lack the specific technical knowledge to evaluate the practical implications in detail given the complex and highly specialised nature of the APDP, particularly as it relates to the interpretation of the Notes to the relevant Schedules to the Act, E.G. Chapter 98 to Schedule 1 Part 1, Schedule 3 Rebate Item 317.04

1.1.1.1. The proposed amendment to include the electric vehicle (EV) market and its manufacturing into the Automotive Production and Development Programme (APDP) appears to be a logical and forward-thinking step in aligning South Africa's automotive policy with global trends in EV adoption and production.

1.1.1.2. The amendment includes a significant procedural update, particularly the completion of DA 199 forms, totalling 47 in number. On initial review, these forms appear rational and correctly aligned with the objectives of the amendment. However, given the technical depth required, there remains a risk that a key completion or reporting requirement may not be immediately apparent without review by a dedicated APDP specialist.

1.2. Recommendation

1.2.1. Prima facie, the amendment appears sound and requires no immediate changes. However, due to the technical and administrative complexity of APDP participation, particularly considering the new EV scope and extensive DA 199 form completion, we strongly recommend that a recognised APDP specialist be engaged to conduct a deeper compliance and procedural review before implementation. This will ensure the proper interpretation of the applicable Notes and Schedule provisions and accuracy in form completion and reporting obligations.

End.