

No. R. 489

2 April 2003

CUSTOMS AND EXCISE ACT, 1964
AMENDMENT OF RULES (NO. DAR/73)

Under section 19A, 20, 21, 39(2A), 60, 61 and 120 of the Customs and Excise Act, 1964, the rules published in Government Notice R.1874 of 8 December 1995 are amended to the extent set out in the Schedule hereto as follows:

- (1) General rules 19A.01 to 19A.10 published in Government Notice R.1251 (Government Gazette No 23897) on 1 October 2002 insofar as they relate to fuel levy goods and rules numbered 19A4.01 to 19A4.09 in respect of fuel levy goods shall come into operation on 2 April 2003.
- (2) Where rule 19A4.09 states any date before 2 April 2003 for any requirement, that date is specified in respect of transitional arrangements made with licensees of customs and excise warehouses and licensed distributors contemplated in section 64F in order to implement the procedures specified in these rules and the rules for section 64F on 2 April 2003.

PRAVIN JAMNADAS GORDHAN
COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

SCHEDULE

By the insertion in the rules for section 19A after the rules numbered 19A3 of the following:

"19A4 Rules in respect of fuel levy goods

19A4.01 Customs and excise warehouses for the manufacture and storage of fuel levy goods

- (a) These rules are in addition to the general rules numbered 19A.01 to 19A.10.
- (b) Customs and excise warehouses for the manufacture or storage of fuel levy goods may be licensed only as a -
 - (i) customs and excise manufacturing warehouse where such warehouse is a warehouse established for the purpose of manufacturing a range of products which

include fuel levy goods by the conversion of crude oil, coal, gas or any other source of hydrocarbon or blending such range of products;

- (ii) customs and excise storage warehouse for the storage of fuel levy goods for export including for the supply as stores for foreign-going ships;
 - (iii) customs and excise warehouse for the storage of fuel levy goods which will be marked or used as aviation kerosene as contemplated in section 37A and its rules which when so marked or so used are free of duty as specified in section A of Part 2 and Part 5 of Schedule No. 1.
- (c) Any reference in the rules to "marked goods" or "aviation kerosene" means such goods and such kerosene administered in terms of section 37A and its rules.

19A4.02 Clearance of fuel levy goods from a customs and excise manufacturing or storage warehouse and payment of duty

- (a) (i) Where fuel levy goods are removed from a customs and excise manufacturing warehouse for any purpose such goods must be entered for home consumption and payment of duty, and any documents approved by the Commissioner, duly completed and issued in respect of all removals from such warehouse by any means of transportation contemplated in rule 19A4.03 shall, subject to compliance with the provisions of section 38(4), be deemed to be due entry for home consumption of such fuel levy goods.
- (ii) A petroleum excise account on form DA 160 recording all removals of fuel levy goods produced and received during the accounting month contemplated in rule 19A.06 -
 - (aa) showing the calculation of the excise duty and fuel levy payable on such removals;
 - (bb) supported by its schedules;
 - (cc) together with the validating bill of entry DA 610,

must be submitted to reach the Controller within 30 days after the end of the accounting month concerned during the hours of business prescribed in item 201.20 of the Schedule to the Rules for acceptance of bills of entry and for receipt of duties and other revenue.

- (iii) When accounting for any quantity of fuel levy goods in terms of any provision of these rules, such quantity must be expressed in litres at 20° C, utilising the IP 60 (B) measurement tables, jointly published by the Institute of Petroleum and the

American Society for Testing of Materials.

- (iv) Payment of the duty calculated on form DA 160 must be submitted to reach the Controller during the hours of business prescribed in item 201.20 of the Schedule of the Rules for acceptance of bills of entry and for receipt of duties and other revenue as follows—
 - (aa) half within 30 days after the end of such accounting month;
 - (bb) half within 60 days after the end of such accounting month.
- (v) If payment is made by electronic funds transfer, proof of payment must be submitted to reach the Controller during the hours of business referred to in subparagraph (iii).
- (b)
 - (i) For the purposes of section 19(a)(ii), fuel levy goods stored in a customs and excise storage warehouse for the purposes contemplated in rule 19A4.01(b)(ii) may not be removed from such warehouse for home consumption and payment of duty, except if the Commissioner, on good cause shown, and subject to such conditions as the Commissioner may impose in each case, permits such removal.
 - (ii)
 - (aa) No unmarked goods or goods not for use as aviation fuel may be removed from any warehouse contemplated in rule 19A4.01(b)(iii) for home consumption and payment of duty, except with the permission of the Controller;
 - (bb) Any goods in such warehouse shall in addition to section 37A and its rules be subject to the provisions of rule 19A4.09
 - (iii) The licensee must submit accounts quarterly on form DA 159 as required in terms of rule 19A.06(f).

19A4.03 Record of method of transportation in respect of fuel levy goods removed for home consumption from a customs and excise manufacturing warehouse

- (a) Any licensee who removes fuel levy goods for home consumption must keep a separate record for each method of transportation as follows—
 - (i) road;
 - (ii) rail;
 - (iii) sea;
 - (iv) air;
 - (v) pipeline (Petronet);
 - (vi) pipeline to local storage;
 - (vii) any other method of transportation or delivery (if any) fully detailed.

- (b) Such record shall contain the particulars required in respect of the invoice referred to in rule 19A.04.

19A4.04 Procedures relating to goods removed from a customs and excise warehouse

- (a) (i) Any fuel levy goods removed for any purpose by the licensee of a customs and excise warehouse must be removed from stocks which have been entered or are deemed to have been entered for home consumption in accordance with the provisions of these rules, hereafter referred to as "duty paid stock".
- (ii) Where fuel levy goods are removed for any purpose specified in these rules requiring compliance with a customs and excise procedure either in respect of the removal, movement or receipt thereof, such goods may only be so removed from a storage tank owned by or under the control of a licensee of a customs and excise manufacturing or storage warehouse.
- (iii) Only a licensee of such manufacturing warehouse or the storage warehouse contemplated in rule 19A4.01(b)(ii) or a licensed distributor as contemplated in section 64F may export fuel levy goods.
- (iv) Only a licensee of such manufacturing warehouse or a licensed distributor as contemplated in section 64F may remove fuel levy goods to any BLNS country.
- (v) When any fuel levy goods are transported by road for –
- (aa) export;
- (bb) removal to a BLNS country;
- (cc) removal to another customs and excise manufacturing warehouse or to a customs and excise storage warehouse;
- (dd) removal to a rail tanker, a ship or an aircraft for onward removal for export

such removal shall only be by a licensed remover of goods in bond as contemplated in section 64D unless the goods are carried by the licensee or licensed distributor using own transport.

- (vi) No such goods may be removed from one licensed storage warehouse to another such warehouse.

(vii) Fuel levy goods removed –

(aa) from one customs and excise manufacturing warehouse to another shall be subject to the procedures prescribed in rule 19A4.06.

(bb) by a licensed distributor shall be subject to section 64F and the rules therefor.

(viii) Every consignor must ensure that sufficient copies of forms DA550 or DA610 are processed at the office of the Controller or of form DA35 are prepared for the purposes of furnishing duly completed copies of the reverse thereof as may be required by the South African Revenue Service in terms of these rules or by any person mentioned in the forms who are required to prove fulfilment of any obligation under the provisions of the Act relating to the goods and the movement thereof as described on such forms.

(ix) (aa) The particulars to be declared and the statements to be furnished on any form must be in accordance with the requirements contained in such form or as specified in these rules.

(bb) Where a rule requires a form to be duly completed the front and reverse thereof must, where relevant, be so completed.

(x) Any reference in these rules to “consignor” means according to the context any licensee as defined in rule 19A.01 or any licensed distributor contemplated in section 64F or any licensed clearing agent of such licensee or licensed distributor who consigns fuel levy goods in accordance with procedures described in these rules to a licensee in the Republic or any consignee at a destination outside the Republic.

(xi) (aa) (A) Every consignor who consigns any goods to any destination; or

(B) any person to whom the goods are consigned who acknowledges receipt of any goods at any destination in the Republic,

and who is required to complete and sign any statement or declaration on such documents in respect of such goods shall expressly authorise the person who may sign any statement or declaration,

- (bb) any driver of a vehicle of a licensed remover of goods in bond shall be deemed to be authorised to sign the documents concerned.
- (xii) Any consignor must, in addition to any document that may be prescribed in these rules for acquittal purposes, keep a record of all documents relating to the customs and excise procedure and the movement of the goods consigned, including where relevant -
 - (aa) a contract of carriage;
 - (bb) proof of receipt by a consignee at a destination inside or outside the * Republic; and
 - (cc) proof of invoicing of and of receipt of payment for the goods, and for agency or other services.
- (b) (i) (aa) When fuel levy goods are exported, including supply as stores for foreign-going ships, entry must be made thereof on form DA550 at the office of the Controller before loading.
- (bb) In the case of a removal by a licensed distributor each such form shall bear the invoice number of the licensee of the manufacturing warehouse from whom the goods are obtained.
- (cc) Where a discrepancy occurs between the quantity loaded and actually exported, the form DA 550 must be amended by voucher of correction.

Exports by Road

- (ii) Where fuel levy goods are exported by road the following procedures apply:
 - (aa) A form DA 550 must be completed at the place of departure and processed at the office of the Controller before loading.
 - (bb) All copies of forms DA 550 required for production or retention of proof of export must accompany the driver of the vehicle.
 - (cc) The relevant declaration on the reverse of all copies of the form DA550 must be completed by-

- (A) the consignor and the driver on departure of the vehicle, recording the actual quantity loaded and sealed;
 - (B) the driver and any other person required to complete a declaration during the movement of the goods.
- (dd) Where the fuel levy goods are exported through a BLNS country the driver must report with the copies of the form DA550 containing the endorsements obtained in the Republic to the customs officer-
- (A) in the BLNS country at the point of entry when removed to the BLNS country which is the final country of destination, or which is a transit country to a final destination country outside the common customs area; and
 - (B) in the BLNS country at the point of exit when that BLNS country is a transit country to a final destination country outside the common customs area; and
 - (C) in the first country outside the common customs area at the point of entry only where that country is the final destination country or is a transit country to any other country outside the common customs area,
- to obtain the endorsement on the reverse of the form.
- (ee) A copy form DA550 with the reverse duly completed must be retained by -
- (A) the consignor;
 - (B) the customs border post of exit in the Republic; and
 - (C) if applicable, the licensed remover of goods in bond.
- (ff) A duly completed copy of form DA550 in respect of the goods so exported must accompany -
- (A) the monthly account of the licensee in support of set-off of duty against the amount due and payable on that account; or
 - (B) an application for a refund of duty by the licensed distributor.

Exports by Rail

- (iii) Where fuel levy goods are exported by rail the following procedures apply:
- (aa) A form DA 550 must be completed at the place of departure and processed at the office of the Controller before loading.
 - (bb) After being processed, all copies of the form DA550 required for this procedure must be presented with a provisional Rail Consignment Note to Spoornet.
 - (cc) The relevant declaration on the reverse of all copies of the form DA550 must be completed by the consignor and Spoornet after loading of the rail tanker, recording the actual quantity loaded and sealed. One copy of the DA550 form must be retained by-
 - (A) the consignor; and
 - (B) Spoornet.
 - (dd) A duly completed copy of form DA550 supported by the final Rail Consignment note in respect of the goods so exported must accompany -
 - (A) the monthly account of the licensee in support of set off of duty against the amount due and payable on that account; or
 - (B) an application for a refund of duty by the licensed distributor.

Exports by Ship

- (iv) Where fuel levy goods are exported by ship (including stores for foreign-going ships) the following procedures apply:
- (aa) A provisional shipping order must be submitted to the Controller at least 24 hours before loading commences.
 - (bb) A form DA 550 must be completed at the place of departure and processed at the office of the Controller before loading.
 - (cc) A duly completed copy of form DA550 amended by voucher of correction where necessary, supported by the export bill of lading in respect of the goods so exported must accompany -

- (A) the monthly account of the licensee in support of set off of duty against the amount due and payable on that account; or
- (B) an application for a refund of duty by the licensed distributor.

Exports by Air

- (v) Where fuel levy goods are exported by air the following procedures apply:
 - (aa) A form DA 550 must be completed at the place of departure and processed at the office of the Controller before loading.
 - (bb) The relevant declaration on the reverse of all copies of the form DA550 must be completed by the consignor and the air carrier after loading of the aircraft, recording the actual quantity loaded and sealed. One copy of the DA550 form must be retained by-
 - (A) the consignor; and
 - (B) the air carrier.
 - (cc) A duly completed copy of form DA550 supported by the air waybill in respect of the goods so exported must accompany-
 - (A) the monthly account of the licensee in support of set off of duty against the amount due and payable on that account; or
 - (B) an application for a refund of duty by the licensed distributor.

Use of form DA35

- (c) (i) (aa) When fuel levy goods are removed -
 - (A) by the licensee of a customs and excise manufacturing warehouse by road to a licensed storage warehouse or to a BLNS country;
 - (B) by a licensed distributor as contemplated in section 64F by road to a BLNS country; or
 - (C) by any licensee of such manufacturing warehouse or licensed distributor to a railway tanker for carriage to a BLNS country,

the licensee or licensed distributor removing the goods must enter the goods on form DA35 at the time of each such removal.

- (bb) Each such form shall be given a unique alpha-numeric number with a two digit alpha code identifying the depot of delivery of the licensee, followed by a six digit number indicating the date (ddmmyy), followed by serial number of at least six digits.
- (cc) In the case of a removal by a licensed distributor each such form shall bear the invoice number of the licensee of the manufacturing warehouse from whom the goods are obtained.

Removals by Road to a BLNS country

- (ii) Where fuel levy goods are removed by road to a BLNS country the following procedures apply:
 - (aa) All copies of forms DA 35 required for production or retention of proof of removal to a BLNS country must accompany the driver of the vehicle.
 - (bb) All copies of the said forms DA 35 must be completed and signed by the consignor and the driver on departure of the vehicle, recording the actual quantity loaded and sealed. A copy of one of the DA 35 forms must be retained by -
 - (A) the consignor;
 - (B) the customs border post of exit in the Republic; and
 - (C) if applicable, the licensed remover of goods in bond.
 - (cc) A duly completed copy of form DA 35 in respect of the goods so removed must -
 - (A) be recorded by such licensee in the register and summarised as contemplated in paragraphs (e) and (f).
 - (B) be kept available for inspection by the licensee of the customs and excise manufacturing warehouse together with the other documents contemplated in paragraph (a)(xii).
 - (C) accompany an application for a refund of duty by the licensed distributor.

Removals by Rail to a BLNS country

- (iii) Where fuel levy goods are removed by rail to a BLNS country the following procedures apply:
- (aa) A form DA 35 must be completed at the place of departure before loading.
 - (bb) All copies of the form DA35 required for this procedure must be presented with a provisional Rail Consignment Note to Spoornet.
 - (cc) The relevant declaration on the reverse of all copies of the form DA35 must be completed by the consignor and Spoornet after loading of the rail tanker, recording the actual quantity loaded and sealed. One copy of the DA 35 forms must be retained by-
 - (A) the consignor; and
 - (B) Spoornet.
 - (dd) A duly completed copy of form DA 35 supported by the final Rail Consignment note in respect of the goods so removed to a BLNS country must be dealt with as contemplated in paragraph (c)(ii)(cc).

Use of form DA 610

- (d) (i) When fuel levy goods are removed by road -
- (aa) by a licensee of a customs and excise manufacturing warehouse or by a licensed distributor as contemplated in section 64F to a ship for carriage to a BLNS country, or
 - (bb) by any such licensee or licensed distributor to an aircraft for carriage to a BLNS country,
- the licensee or licensed distributor removing the goods must enter the goods on form DA610 at the office of the Controller as contemplated in subparagraphs (ii) and (iii).
- (cc) In the case of a removal by a licensed distributor each such form shall bear the invoice number of the licensee of the manufacturing warehouse from whom the goods are obtained.

Removals by Ship to a BLNS country

- (ii) Where fuel levy goods are removed by ship to a BLNS country the following procedures apply:
 - (aa) A provisional shipping order must be submitted to the Controller at least 24 hours before loading commences.
 - (bb) A form DA 610 (ZRS) must be completed at the place of departure and processed at the office of the Controller before loading.
 - (cc) A duly completed copy of form DA 610 (ZRS) supported by the bill of lading in respect of the goods so removed must accompany -
 - (A) the monthly account of the licensee in support of set off of duty against the amount due and payable on that account; or
 - (B) an application for a refund of duty by the licensed distributor.

Removals by Air to a BLNS country

- (iii) Where fuel levy goods are removed by air to a BLNS country the following procedures apply:
 - (aa) A form DA610 (ZRA) must be completed at the place of departure and processed at the office of the Controller before loading.
 - (bb) The relevant declaration on the reverse of all copies of the form DA610 (ZRA) must be completed by the consignor and the air carrier after loading of the aircraft, recording the actual quantity loaded and sealed. One copy of the DA610 forms must be retained by-
 - (A) the consignor; and
 - (B) the air carrier.
 - (cc) A duly completed copy of form DA610 supported by the air waybill in respect of the goods so removed must accompany-
 - (A) the monthly account of the licensee in support of set off of duty against the amount due and payable on that account; or
 - (B) an application for a refund of duty by the licensed distributor.

Other Provisions

- (e) (i) The licensee of the customs and excise manufacturing warehouse must keep a register of each form DA 35 issued and must include the consignee's name and address, client number and quantity delivered.
- (ii) A copy of the register must accompany the form DA 610 (ZDA) or (ZDS) contemplated in paragraphs (f)(i) and (ii).
- (f) Every removal of fuel levy goods on form DA35 as required in terms of paragraph (c), must, if duly completed as contemplated in these rules, be summarised monthly -
- (i) until the closing of accounts for each accounting month on form DA 610 (ZDA) for road or rail removals to a BLNS country;
- (ii) until the closing of accounts for each accounting month on form DA 610 (ZDS) for removals to a storage warehouse by the licensee of a customs and excise manufacturing warehouse; or
- (iii) on form DA 610 (ZRW) by the licensee of the customs and excise storage warehouse receiving the goods,
- and such summaries must be duly processed at the offices of the respective Controllers as contemplated in these rules and so processed before submission of the accounts for the accounting month in the case of subparagraphs (i) and (ii).
- (g) a copy of form DA 610 (ZRW) and the processed form DA 610 (ZDS) or the provisional form DA610 (ZDA) in respect of forms DA35, duly completed by the authorised person on the reverse acknowledging receipt may, subject to rule 19A.06(c) and paragraph (k) be accepted as proof of delivery for the purposes of set-off contemplated in rule 19A4.05 in respect of goods so removed and delivered by such licensee.
- (h) The provisions of this paragraph shall apply *mutatis mutandis* to such movement of fuel levy goods obtained by a licensee of a manufacturing warehouse from the storage tank of another such licensee.
- (ij) Where any person is unable to produce any document containing any statement or declaration required in terms of these rules such person must for the purposes of acquittal contemplated in these rules -
- (i) furnish an affidavit regarding the circumstances in which the document was lost and declare therein that the goods were duly delivered at the destination stated in the prescribed bill of entry or other document under cover of which the goods were removed; and

- (ii) produce any supporting documentary evidence as may be required by the Commissioner relating to the removal and delivery of the goods concerned.
- (k) Whenever any fuel levy goods are removed to BLNS countries or exported by the licensee of a customs and excise warehouse, the said licensee must include with the excise account required to be submitted in terms of these rules, a statement to the effect that-
 - (i) the goods removed to BLNS countries or exported as reflected in the said account were duly removed to and received by the consignee in the BLNS countries or were duly exported, as the case may be;
 - (ii) a record of the proof of such removal and receipt or export is available at the licensed premises and will be kept in accordance with the requirements of rule 19A.05.
- (l) The provisions of rule 19A.06(e) shall apply *mutatis mutandis* to any goods removed or exported as contemplated in this rule.
- (m) The reverse for forms DA 550 and DA 610 is only applicable to the movement of fuel levy goods as contemplated in these rules.

19A4.05 Set-off of duty on fuel levy goods exported or removed to a storage warehouse contemplated in rule 19A4.01 or to a BLNS country in the common customs area

- (a) (i) The excise duty and fuel levy on fuel levy goods exported or removed from duty paid stock to a storage warehouse contemplated in rule 19A4.01(b)(ii) by a licensee of a customs and excise manufacturing warehouse; or
- (ii) the fuel levy on fuel levy goods removed by such licensee for consumption in any BLNS country

may, subject to compliance with the requirements prescribed in the relevant item of Schedule No. 6 and these rules, be set off against any amount payable during any accounting month, where the goods concerned have been duly exported or duly delivered into such storage warehouse or to the consignee in such BLNS country, as the case may be.

- (b) The provisions of paragraph (a)(i) shall apply *mutatis mutandis* to such exports by a licensee of a customs and excise storage warehouse contemplated in rule 19A4.01(b)(ii).
- (c) Where a licensee of a manufacturing warehouse obtains fuel levy goods from another licensee of a manufacturing warehouse for export or for removal to a BLNS country, the licensee who so obtains such goods may set off any excise duty or fuel levy, as the case may be against the monthly account subject to compliance with the requirements prescribed in the relevant item in Schedule No. 6 and these rules.

- (d) The provisions of rules 19A.06(e) shall apply *mutatis mutandis* to any set-off as contemplated in this rule.

19A4.06 Removal of fuel levy goods from one customs and excise manufacturing warehouse to another customs and excise manufacturing warehouse

- (a) Any fuel levy goods removed from one customs and excise manufacturing warehouse to another customs and excise manufacturing warehouse shall be supplied from duty paid stock.
- (b) (i) Any fuel levy goods so removed may, when removed by pipeline, be removed on issuing of, and receipt may be acknowledged by means of, an electronically generated document approved by the Controller for the licensees concerned;
- (ii) (aa) Such removals and receipts must be summarised monthly and entered on form DA 610 (ZMS) by the supplying warehouse and form DA 610 (ZMR) by the receiving warehouse.
- (bb) Such forms must be summarised monthly until the date of closing of accounts and must be processed by the office of the controller concerned.
- (iii) Where fuel levy goods are so removed by ship, entry must be made on such form DA610 within 72 hours after such removal by the licensee removing the goods and on delivery thereof by the licensee receiving the goods.
- (iv) The deduction allowed in terms of section 75(18)(e) is only deductible in respect of removals from the customs and excise manufacturing warehouse from which the fuel levy goods are removed as provided in this rule.
- (aa) The provisions of rules 19A.06(e) shall apply *mutatis mutandis* to any set-off as contemplated in this rule.
- (bb) Any set-off in terms of this rule shall be subject to the provisions of the relevant item of Schedule No. 6 and these rules.

19A4.07 Removal of fuel levy goods for own use

- (a) Any licensee of a customs and excise manufacturing warehouse that requires fuel levy goods for own use shall remove such goods from duty paid stocks.

19A4.08 Fuel levy goods returned to the Republic from a BLNS country

- (a) Whenever fuel levy goods removed to any BLNS country are returned to the Republic the quantity of fuel levy goods returned shall be measured by calculating the difference between the quantity removed, as reflected on the DA 35 form, and the sum of the quantities delivered as per signed delivery notes and as reflected on the front of the said DA 35 or on any continuation sheet thereof.
- (b)
 - (i) An officer shall seal the tank containing such goods and endorse the form DA35 as required in box 6 thereof.
 - (ii) The seal may only be removed under customs supervision at the place of unloading.
 - (iii) The officer must submit a copy of the form DA35 and a report to the section concerned in Head Office.
 - (iv) The licensee or licensed distributor must respectively deduct any such returns from any set-off amount or refund of duty.
- (c) Any fuel levy goods that are contaminated or that have been found to be off specification and are returned to the Republic from a BLNS country may be removed for reprocessing or destruction to a customs and excise manufacturing warehouse on processing of form DA610 (ZDA) and furnishing of adequate security on entering the Republic and if so removed and received in such warehouse shall be subject to the provisions of item 609.25 of Schedule No. 6.

19A4.09 Removal of fuel levy goods from a customs and excise manufacturing warehouse to a customs and excise storage warehouse for marking or use as aviation kerosene as contemplated in section 37A and its rules

- (a) The provisions of these rules relating to the removal of fuel levy goods from a customs and excise manufacturing warehouse to another such warehouse or to a storage warehouse contemplated in rule 19A4.01(b)(ii) shall apply *mutatis mutandis* to the removal of fuel levy goods to the storage warehouse contemplated in rule 19A4.01(b)(iii).
- (b) The provisions of rule 19A4.05 relating to set-off shall apply *mutatis mutandis* in respect of the customs and excise manufacturing warehouse from which the goods are removed to such storage warehouse.
- (c) The marking of goods in such warehouse and the removal of marked goods or aviation kerosene there from shall be subject to section 37A and its rules.

- (d) (i) Fuel levy goods may not be removed from such storage warehouse for home consumption and payment of duty except where approved by the Controller as contemplated in rule 19A4.02(b)(ii).
- (ii) The provisions relating to the submission of accounts specified in rule 19A.06 shall apply *mutatis mutandis* to such storage warehouse.
- (iii) Payment of any duty on goods so removed must be submitted together with such quarterly account.
- (e) Liability for duty of the licensee shall cease where -
 - (i) the goods concerned have been duly marked and removed from such warehouse in terms of the provisions of section 37A and its rules;
 - (ii) the aviation kerosene removed from such warehouse has been duly received in a dedicated tank situated at an airport or has been otherwise dealt with as prescribed in section 37A and its rules; and
 - (iii) the duty on any deficiency or goods removed for home consumption and payment of duty has been brought to account as contemplated in paragraph (d).

19A4.10 Transitional arrangements**Licensing**

- (a) (i) (aa) On or before 15 March 2003, or within a reasonable time after such date, every licensee of an existing customs and excise manufacturing warehouse; and
 - (bb) at any time, any applicant for a licence for a customs and excise storage warehouse contemplated in rules 19A4.01(b)(ii) or (iii),

must apply for a licence on form DA 185 and the appropriate annexure which must be submitted together with supporting documents required and the completed pro forma agreement in accordance with the requirements specified in rule 19A.02.
- (ii) (aa) The existing licence of the manufacturing warehouse will remain in force unless the Controller decides to cancel such license and issue a new license.
- (bb) Any licensee shall furnish such additional security as the Commissioner may require before 28 March 2003.
- (b) (i) (aa) From 2 April 2003 all fuel levy goods removed from a customs and excise manufacturing warehouse must be entered for home consumption and payment of duty as contemplated in rule 19A4.02(a)(i).

- (bb) Licensees must take stock of all fuel levy goods in any customs and excise storage warehouse which have not on that date been entered for home consumption and removed from such warehouse as contemplated in section 38(4), rule 27.31 and relevant provisions of rules 36.04, 36.05(a) and 36.06.
 - (cc) For the purposes of this rule, the licensees concerned must take stock of all fuel levy goods in such warehouses after close of business on 1 April 2003 at a time on that date as arranged with the Controller, for the purposes of entry for home consumption on 2 April 2003 as contemplated in sub paragraph (b)(ii)(bb).
 - (dd) An account for fuel levy goods removed from any such warehouse from the last date of closing of duty accounts preceding 1 April 2003 and close of business on 1 April 2003 must be submitted to the Controller, and the duty due paid thereon not later than 29th May 2003 during the hours of business prescribed in item 201.20 of the schedule to the rules for acceptance of bills of entry and for receipt of duties and other revenue.
- (ii) (aa) Stock reports must reflect in respect of each type of such products -
- (A) the stock figure by quantity;
 - (B) the applicable rate of duty;
 - (C) assessed excise duty and fuel levy amounts calculated at the rates of excise duty and fuel levy leviable on 2 April 2003.
- (bb) Stock reports together with Certificate of Removal forms DA32 must be presented to the Controller during the hours of business referred to in paragraph (b)(i)(bb) on 2 April 2003 and such forms DA32 shall, for the purposes of section 38(4) be deemed to be entries for home consumption of such stocks on that date.
- (iii) Within 7 days of conclusion of such stocktaking licensees must submit to the Controller any amendments to such stock reports together with any amended form DA32 where applicable.
- (iv) Any goods in transit from any manufacturing or storage warehouse to another such warehouse must be shown separately and included in the stock of the receiving warehouse.

- (v) Officers may without prior notice attend the stocktaking at any such warehouse.
- (vi) Officers may verify or monitor stocktaking in conjunction with licensees as the Controller may consider necessary.

Transfers in bond to and de-licensing of storage warehouse

- (c) (i) After close of business 1 April 2003 no goods may be removed in bond to any customs and excise storage warehouse.
- (ii) Where the licence of any licensed storage warehouse is cancelled as contemplated in section 19A(3) the surety bond will be cancelled when the licensee has fulfilled all obligations under such bond.

Assessment and payment of duty

- (d) (i) The Controller will furnish confirmation of the duties payable on the fuel levy goods in stock according to the stock reports and forms DA32 and any amendments thereto as contemplated in paragraph (b)(ii) on or before 30 April 2003.
- (iii) The licensee must pay the duty due on or before 29th May 2003."