

No. R. 311

26 February 2003

**CUSTOMS AND EXCISE ACT, 1964.-  
AMENDMENT OF SCHEDULE NO. 6 (NO. 6/103)**

Under section 75(15) of the Customs and Excise Act, 1964, Schedule No. 6 to the said Act is hereby amended, with retrospective effect to 1 October 2002, to the extent set out in the Schedule hereto.

M MPAHLWA  
DEPUTY MINISTER OF FINANCE

**SCHEDULE**

I Rebate Item	II Tariff Item	III Code	C D	IV Description	V Extent of Rebate	VI Extent of Refund	Anno= tations
609.23				By the insertion after rebate item 609.22 of the following:			
"609.23	000.00	01.00	00	Excisable tobacco products specified in items 104.30 and 104.35 of Section A of Part 2 of Schedule No. 1, which, after entry or deemed entry for home consumption and payment of duty and removal from any customs and excise manufacturing warehouse, are found to be off specification or have become contaminated or have undergone post-manufacturing deterioration and are returned to a customs and excise manufacturing warehouse for reprocessing or destruction, subject to compliance with the Notes hereto.  Notes:  1. (a) Tobacco products which are off specification or have undergone post-manufacturing deterioration or have become contaminated may only be reprocessed or destroyed in a customs and excise manufacturing warehouse where the excise duty is not less than R25 000 on any quantity found to be off-specification or that have undergone post-manufacturing deterioration or which became contaminated within a period of twelve months after removal from such warehouse and such goods are returned to such warehouse within such period.	As provided in the Notes hereto		

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				<p>(b) (i) The provisions of this item shall apply in respect of tobacco products -</p> <p>(aa) in the case of cigarettes, if the cigarettes are returned in the originally sealed outer containers containing at least 9 000 cigarettes;</p> <p>(bb) in the case of other tobacco products, if such products are returned in the originally sealed outer containers used for wholesale or similar trade packing.</p> <p>2. (a) (i) The licensee of the manufacturing warehouse in which such products will be reprocessed or destroyed must apply to the Commissioner for such reprocessing or destruction, stating-</p> <p>(aa) fully the grounds on which a refund is claimed in terms of this item;</p> <p>(bb) the quantity and tariff item of each of the products returned for reprocessing or destruction, and the duty paid thereon.</p> <p>(ii) Any such application shall be supported by a credit note in respect of the products concerned.</p> <p>(b) If the Commissioner approves the application, any tobacco products returned in terms of this item shall be -</p>			

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				<p>(i) kept intact and entirely separate from any other goods or materials until they have been examined and identified by an officer; and</p> <p>(ii) unpacked, where applicable, and transferred to and mixed with stocks of materials for processing, under supervision of an officer; or</p> <p>(iii) destroyed under supervision of an officer.</p> <p>(c) The licensee of a customs and excise manufacturing warehouse to which such products are returned for reprocessing or destruction must keep a record which includes at least the following -</p> <p>(i) a detailed description of the goods received including the applicable tariff item;</p> <p>(ii) the quantity received;</p> <p>(iii) the date of receipt;</p> <p>(iv) the name or registered business name (if any) and the physical address of the person from whose premises the products concerned were returned;</p>			

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				<p>(v) the delivery note under cover of which such products were returned.</p> <p>3. (a) For the purpose of section 75(11A), the licensee of the customs and excise manufacturing warehouse must produce proof of the rate of excise duty paid or payable on the products for reprocessing or destruction in accordance with the provisions of this item and, if the licensee is unable to produce such proof, the duty on any quantity so returned, shall be calculated for refund purposes at the lowest rate of excise duty levied in terms of this Act on such products during a period of 12 months prior to the date of the examination contemplated in Note 2(b)(i).</p> <p>(b) The licensee of such warehouse may, after reprocessing or destruction of the products concerned, and on accounting for the goods reprocessed in the monthly account, prescribed in the rules for section 19A, set-off as contemplated in section 77 any amount duly refundable against the amount payable on any such account during a period of two years after receipt of the goods for reprocessing or destruction, as the case may be."</p>			