

**SOUTH AFRICAN REVENUE SERVICE
SUID-AFRIKAANSE INKOMSTEDIENS**

No. R. 1002

26 October 2007

**CUSTOMS AND EXCISE ACT, 1964.
AMENDMENT OF SCHEDULE NO. 6 (NO. 6/110)**

Under section 75 of the Customs and Excise Act, 1964, Schedule No. 6 Part 3 to the said Act is hereby amended, **with effect from 1 October 2007**, to the extent set out in the Schedule hereto.

**J MOLEKETI
DEPUTY MINISTER OF FINANCE**

SCHEDULE

By the insertion after Note 6(a)(ix) of the following:

6. (a) (x) "electricity generation plants" means the electricity generation plants known as -
(aa) Ankerlig Power Station situated in Atlantis; and
(bb) Gourikwa Power Station situated at Mossel Bay, utilizing Open Cycle Gas Turbine (OCGT) units.

By the substitution for Note 6(a)(v) of the following:

6. (a) (v) "non-eligible purchases" means purchases of distillate fuel by a user not for use and not used as prescribed in these Notes as fuel for own primary production in farming, forestry or mining on land or in offshore mining, any vessel contemplated in paragraphs (b)(ii) and (b)(iii) to this Note, in any locomotive contemplated in paragraph (b)(iv) to this Note or for electricity generation contemplated in paragraph (b)(v) to this Note and includes such fuel used in transport for reward or if resold;

By the substitution for Note 6(b)(v) of the following:

ELECTRICITY GENERATION PLANTS

6. (b) (v) Distillate fuel used as fuel by electricity generation plants with a capacity exceeding 200 megawatt per plant and using that fuel solely for the purpose of generating electricity, for the national distribution network is -
105 cents per litre fuel levy, plus 41,5 cents per litre Road Accident Fund levy equals to 146,5 cents per litre.
- (vi) Any claim for a refund of levies provided for in paragraph (b)(i), (ii), (iii), (iv) or (v) to this Note must be reduced by any non-eligible purchases.

By the substitution for Note 6(p), (q) and (r) of the following:

6. (p) Electricity generation plants: Refund of levies on eligible purchases of distillate fuel for use as fuel solely by electricity generation plants specified in (b)(v) to this Note, supplying electricity to the national electricity distribution network.
- (q) Keeping of books, accounts and other documents for the purposes of this item
- (i) (aa) All books, accounts or other documents to substantiate the refund claim (including purchase invoices, sales invoices and logbooks) must be kept for a period of five years from the date of use or disposal of the distillate fuel or the refund return, whichever occurs last.
- (bb) Any person who sells any distillate fuel to a user must keep a copy of the tax invoice for five years from the date of sale.
- (cc) Any such books, accounts or other documents and invoices must be produced for inspection to any officer in accordance with the provisions of section 4 of this Act.
- (ii) Purchase documents must be in the name of the user.
- (iii) Books, accounts or other documents must show in respect of each claim how the quantity of distillate fuel on which a refund was claimed was calculated.
- (iv) If a user carries on business in more than one of the categories of eligible activities, or in any ineligible activity, the books, accounts or other documents regarding each activity must be kept separately.
- (v) Documentation must show how the distillate fuel purchased was used, sold or otherwise disposed of. The user must -
- (aa) keep books, accounts or other documents of all purchases or receipts of distillate fuel, reflecting -
- (A) the number and date of each invoice relating to such purchases or receipts;
- (B) the quantities purchased or received;
- (C) the seller's name and business address; and
- (D) the date of purchase and receipt,
- (bb) keep books, accounts or other documents in respect of the storage and use of distillate fuel, reflecting -
- (A) the date or period of use;
- (B) the quantity and purpose of use;
- (C) full particulars of any fuel supplied on a dry basis to any contractor or other person who renders qualifying services to the user;
- (D) the capacity of each tank in which fuel is stored and the receipt and removal from such tanks,
- (cc) where the fuel was sold or otherwise disposed of or used (except supplied on a dry basis), record in such books, accounts or other documents -
- (A) the quantity of fuel involved;
- (B) in each case, whether the fuel was sold or otherwise disposed of or used and the date thereof;
- (C) where applicable to whom the fuel was sold or otherwise disposed of;
- (D) the price received for the fuel, including details of any offsetting arrangements, barter or other dealings involved,
- (dd) keep logbooks in respect of fuel supplied to each vehicle, vessel or other equipment used in the following activities -
- (A) onland mining;
- (B) forestry;
- (C) farming;
- (D) fishing;
- (E) coastwise shipping;
- (F) offshore mining;
- (G) National Sea Rescue Institute;
- (H) rail freight;
- (I) electricity generation.

- (r) Losses of distillate fuel
- (i) Distillate fuel lost through accident, theft, leakage or any other cause whatsoever is regarded as non-eligible.
 - (ii) A refund may not be claimed for lost distillate fuel and the quantity lost must be reflected as a non-eligible purchase on the refund return.
 - (iii) The following records must be kept:
 - (aa) The date the loss occurred, or the date the loss was detected.
 - (bb) Where the loss occurred and the circumstances surrounding the incident.
 - (cc) The quantity of fuel lost and how the quantity was calculated.
 - (iv) A copy of the police report, where applicable, or insurance claim details can provide the information necessary to substantiate the particulars of the loss.
- (s) Declaration to be furnished in respect of distillate fuel in terms of section 75(1C)(d)(i).
Every user shall furnish a declaration to the Commissioner at such time and in such form reflecting such particulars relating to purchases and use and refund claims and supported by such documents, as the Commissioner may determine.