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**GOVERNMENT NOTICES**

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**SOUTH AFRICAN REVENUE SERVICE**

No. R. 770

31 August 2010

**CUSTOMS AND EXCISE ACT, 1964  
AMENDMENT OF RULES (DAR/74)**

Under Chapter VA and section 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 **with effect from 1 September 2010**



**GEORGE NGAKANE VIRGIL MAGASHULA  
COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE**

**SCHEDULE**

(a) By the insertion after rule 54FA.09 of the following rules:

**“Environmental levy imposed on carbon dioxide emissions of new motor vehicles manufactured in or imported into the Republic in terms of items 151.01 or 151.02 in Section D of Part 3 of Schedule No. 1**

54FB.01 (a) The provisions of these rules apply to—

- (i) new motor vehicles manufactured in or imported into the Republic of which the carbon dioxide emissions are liable to environmental levy in terms of items 151.01 or 151.02 in Section D of Part 3 of Schedule No. 1;
- (ii) the export of such new motor vehicles to any BLNS country or to any country outside the common customs area;
- (iii) the submission of accounts for the environmental levy;
- (iv) other matters relating to the administration of the environmental levy for the purposes of Chapter VA.

- (b) For the purposes of Chapter VA, these rules and any form to which these rules relate, unless the context otherwise indicates—
- (i) the expressions “**BLNS country**”, “**customs and excise laws and procedures**”, “**licensee**”, “**manufacturing warehouse**”, “**SARS**”, “**storage warehouse**”, “**the Act**” and “**warehouse**”, shall have the meanings assigned thereto in rule 54F.01;
  - (ii) “**environmental levy**” means the environmental levy imposed in terms of items 151.01 or 151.02 in Section D of Part 3 of Schedule No. 1 and the Notes thereto;  
“**new motor vehicle**” means a new motor vehicle to which the environmental levy applies; and  
“**motor vehicle type**”, for the purposes of Rule 54FB.03(b), means a category of power driven motor vehicles which does not differ in such essential aspects as body, power train, transmission, traction battery (if applicable), tyres and unladen mass.
- (c) Except as otherwise provided in Chapter VA and these rules—
- (i) any provision of this Act relating to—
    - (aa) a customs and excise manufacturing or storage warehouse, the manufacture or storage of goods in such a warehouse including liability for duty, submission of accounts, payment of duty, removal of such goods for home consumption, removal in bond, export, entry under rebate of duty, refund of duty, keeping of books, accounts and documents, the responsibility of the licensee and any other requirement prescribed in connection with such warehouse;
    - (bb) the importation of goods and imported goods;
    - (cc) the exportation of goods and goods exported;
  - (ii) sections 36A, 59A and 60, 64D and 64E and the rules made thereunder and the definitions in such rules;
  - (iii) the rules numbered 54F and 120A
- shall as may be applicable, apply *mutatis mutandis* to any environmental levy goods manufactured in or imported into or exported from the Republic.

### **Closing and submission of accounts for environmental levy**

- 54FB.02 An account for payment of environmental levy must be—
- (a) completed quarterly on form DA 177;
  - (b) submitted together with form DA 75; and
  - (c) the environmental levy paid at the same time,
- as prescribed in rule 36A.04 in respect of excise duty.

### **Test reports**

- 54FB.03 (a) Every importer or manufacturer of a new motor vehicle type must obtain and retain a test report in respect of the carbon dioxide emission of such a vehicle type from a testing laboratory recognised by the National Regulator for Compulsory Specifications of South Africa.
- (b) The report referred to in paragraph (a) must be kept available for inspection and produced or submitted at the request of an officer for a period of five years from the date the vehicle was manufactured or imported.
- (c) Where the importer or manufacturer fails to obtain or submit a test report in respect of a new motor vehicle type upon request, the Commissioner must calculate the carbon dioxide emission of such a vehicle type in terms of the method specified in Note 5 to Section D of Part 3 of Schedule No.1

### **New motor vehicles exported to a BLNS country**

- 54FB.04 Where a new motor vehicle is exported to a BLNS country—
- (a) from a customs and excise warehouse, the vehicle must be removed in bond in terms of the provisions of section 18 and the rules applicable to such a removal;
  - (b) from duty paid stocks by—
    - (i) a licensee of a customs and excise manufacturing warehouse, a refund of environmental levy paid or payable on a vehicle manufactured in the Republic, may be set off against the environmental levy payable

- on the quarterly environmental levy account on complying with item 681.01 of Schedule No. 6;
- (ii) an authorised dealer of a licensee of a customs and excise manufacturing warehouse, any refund of environmental levy paid on a vehicle manufactured in the Republic, is subject to compliance with item 681.05 of Schedule No. 6 and the Notes to Part 4 of that Schedule, as may be applicable;
  - (iii) an importer, any refund of environmental levy paid on an imported vehicle is subject to compliance with item 551.02 of Schedule No. 5 and the Notes to Part 5 of that Schedule, as may be applicable.

#### **Implementation provisions**

- 54FB.05 (a) These provisions apply to locally manufactured or imported new vehicles cleared for home consumption from 1 September 2010.
- (b) Licensees may include environmental levy payable for September 2010 with the accounts for the quarter 1 October 2010 to 31 December 2010.
- (c) Any licence issued in respect of a manufacturing warehouse for the manufacture of motor vehicles liable to excise duty will be regarded as including the manufacture of motor vehicles of which the carbon dioxide emissions are liable to environmental levy.”

- (b) By the insertion in item 202.00 of the Schedule to the rules of the following form:

“DA177 Environmental Levy Account for Carbon Dioxide Emission Levy (Chapter VA of the Customs and Excise Act, 91 of 1964 and the rules thereto)”

