

## SOUTH AFRICAN REVENUE SERVICE

NO. R. 1151

23 SEPTEMBER 2016

**CUSTOMS AND EXCISE ACT, 1964.**  
**AMENDMENT OF SCHEDULE NO. 6 (NO. 6/1C/43)**

In terms of section 75 of the Customs and Excise Act, 1964, Part 1C of Schedule No. 6 to the said Act is hereby amended to the extent set out in the Schedule hereto.



**M. JONAS**  
**DEPUTY MINISTER OF FINANCE**

**SCHEDULE**

**By the insertion of the following Note(s) after Note 5 in Section C to Part 1 of Schedule No. 6:**

6. For the purpose of items 620.22, 620.23 and 620.24 the following:

- (a) (i) Wine, vermouth and other fermented beverages which are off-specification or has become contaminated or has undergone post-manufacturing deterioration may be returned to a customs and excise special manufacturing warehouse (SVM) for destruction or reprocessing, only if such products are found to be off-specification, contaminated or has undergone post-manufacturing deterioration within a period of 12 months after removal from the SVM and that the goods are returned within this period.
- (ii) The provisions of this item shall apply in respect of wine, vermouth and other fermented beverages -
- (aa) under the control of the manufacturer;
- (bb) returned as produced from the same batch(es), and
- (cc) returned in the originally sealed containers for wholesale or similar packaging.
- (iii) The licensee of the customs and excise manufacturing warehouse in which such goods will be reprocessed or destroyed must apply to the Commissioner for such reprocessing or destruction stating the circumstances in which the goods have become, and the extent to which the goods are, off-specification or contaminated.
- (b) (i) If the Commissioner approves the application, any wine, vermouth or other fermented beverages returned in terms of this item shall be -
- (aa) kept intact and entirely separate from any other goods or materials until it has been examined and identified by an officer; and
- (bb) unpacked, where applicable, and transferred to and mixed with stocks of materials for reprocessing, under supervision of an officer; or
- (cc) destroyed under supervision of an officer.
- (ii) The licensee of a SVM to which such products are returned for destruction or reprocessing must keep a record which includes at least the following -
- (aa) a detailed description of the goods received including the applicable tariff item;
- (bb) the quantity received;
- (cc) the date of receipt;
- (dd) the delivery note under cover of which such products were returned;
- (ee) proper record of the excise inspection processes; and
- (ff) proper record of the excise permission to destroy or reprocess.
- (c) (i) For the purpose of section 75(11A), the licensee of the SVM making such application must produce proof that duty was in fact paid as well as the rate at which the excise duty was paid on such products presented for destruction or reprocessing in accordance with the provisions of this item and, if the licensee is unable to produce such proof of the rate, 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 the 12 months period contemplated in Note

- 6(a)(i).
- (ii) Where any goods containing spirits for which any rebate of duty on the spirits has been allowed as contemplated in section 75(18) are returned to a customs and excise manufacturing warehouse for reprocessing or destruction as provided in this item, the excise duty so allowed as a rebate in respect of the goods returned must be paid back before any process of reworking the product or destruction thereof may take place.
  - (d) The licensee of such warehouse may, after reprocessing or destruction of the products concerned, and on accounting for the goods reprocessed or destroyed 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 such account during a period of two years after receipt of the goods for reprocessing or destruction, as the case may be.

**By the insertion of the following:**

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund	
620.22	104.15	Wine, after removal from a special manufacturing warehouse (SVM) after entry for home consumption and payment of duty, are found to be off-specification or have become contaminated or have undergone post manufacture deterioration and are returned to a SVM for destruction or reprocessing, subject to the provision of Note 6 to this Section:					
620.22	104.15.01	01.01	75	Sparkling wine		Full duty	
620.22	104.15.03	02.01	73	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.		Full duty	
620.22	104.15.04	03.01	72	Other		Full duty	
620.22	104.15.05	04.01	76	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.		Full duty	
620.22	104.15.06	05.01	72	Other		Full duty	
620.22	104.15.07	06.01	79	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.		Full duty	
620.22	104.15.08	07.01	75	Other		Full duty	
620.22	104.15.09	08.01	71	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.		Full duty	
620.22	104.15.10	09.01	78	Other		Full duty	
620.23	104.16	Vermouth, after removal from a special manufacturing warehouse (SVM) after entry for home consumption and payment of duty, are found to be off-specification or have become contaminated or have undergone post manufacture deterioration and are returned to a SVM for destruction or reprocessing subject to the provision of Note 6 to this Section:					
620.23	104.16.01	01.01	74	Sparkling		Full duty	
620.23	104.16.03	02.01	72	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 15 per cent by vol.		Full duty	
620.23	104.16.04	03.01	79	Other		Full duty	

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
620.23	104.16.05	04.01	75	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.		Full duty
620.23	104.16.06	05.01	71	Other		Full duty
620.23	104.16.09	06.01	71	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 15 per cent by vol.		Full duty
620.23	104.16.10	07.01	78	Other		Full duty
620.23	104.16.11	08.01	74	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.		Full duty
620.23	104.16.12	09.01	70	Other		Full duty
<b>620.24</b>	<b>104.17</b>			<b>Other fermented beverages, after removal from a special manufacturing warehouse (SVM) after entry for home consumption and payment of duty, are found to be off-specification or have become contaminated or have undergone post manufacture deterioration and are returned to a SVM for destruction or reprocessing subject to the provision of Note 6 to this Section:</b>		
620.24	104.17.03	01.01	77	Sparkling fermented fruit or mead beverages; mixtures of sparkling fermented beverages derived from the fermentation of fruit or honey; mixtures of sparkling fermented fruit or mead beverages and non-alcoholic beverages		Full duty
620.24	104.17.05	02.01	75	Traditional African beer as defined in Additional Note 1 to Chapter 22		Full duty
620.24	104.17.07	03.01	73	Other fermented beverages, unfortified, with an alcoholic strength of less than 2.5 per cent by volume		Full duty
620.24	104.17.09	04.01	71	Other fermented beverages of non-malted cereal grains, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 9 per cent by vol.		Full duty
620.24	104.17.11	05.01	71	Other mixtures of fermented beverages of non-malted cereal grains and non-alcoholic beverages, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 9 per cent by vol.		Full duty
620.24	104.17.15	06.01	71	Other fermented apple or pear beverages, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 15 per cent by vol.		Full duty
620.24	104.17.16	07.01	78	Other fermented fruit beverages and mead beverages, including mixtures of fermented beverages derived from the fermentation of fruit or honey, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 15 per cent by vol.		Full duty
620.24	104.17.17	08.01	74	Other fermented apple or pear beverages, fortified, with an alcoholic strength of at least 15 per cent by volume but not exceeding 23 per cent by vol.		Full duty
620.24	104.17.21	09.01	76	Other fermented fruit beverages and mead beverages including mixtures of fermented beverages derived from the fermentation of fruit or honey, fortified, with an alcoholic strength of at least 15 per cent by volume but not exceeding 23 per cent by vol.		Full duty

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate	Extent of Refund
620.24	104.17.22	10.01	70	Other mixtures of fermented fruit or mead beverages and non-alcoholic beverages, unfortified, with an alcoholic strength of at least 2.5 per cent by volume but not exceeding 15 per cent by vol.		Full duty
620.24	104.17.25	11.01	75	Other mixtures of fermented fruit or mead beverages and non-alcoholic beverages, fortified, with an alcoholic strength of at least 15 per cent by volume but not exceeding 23 per cent by vol.		Full duty
620.24	104.17.90	12.01	73	Other		Full duty