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REPUBLIC OF SOUTH AFRICA

**RATES AND MONETARY
AMOUNTS AND AMENDMENT
OF REVENUE LAWS BILL**

*(As introduced in the National Assembly (proposed section 77))
(The English text is the official text of the Bill)*

(MINISTER OF FINANCE)

Comments on the Draft Bill must please be emailed to Ms. Mmule Majola at mmule.majola@treasury.gov.za and to Ms. Adele Collins at acollins@sars.gov.za by no later the close of business on Friday, 31 March 2017.
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22 February 2017

*Draft***GENERAL EXPLANATORY NOTE:**

- [] Words in bold type in square brackets indicate omissions from existing enactments.
- _____ Words underlined with a solid line indicate insertions in existing enactments.
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BILL

To fix the rates of normal tax; to amend the Transfer Duty Act, 1949; so as to amend transfer duty monetary thresholds; to amend the Income Tax Act, 1962, so as to amend rates of tax and monetary amounts; to amend the Customs and Excise Act, 1964, so as to amend rates of duty in Schedule 1 to that Act; to insert a new part; to insert a new section; to insert new tariff items; to amend the Taxation Laws Amendment Act, 2016 so as to change an effective date; to amend the Rates and Monetary Amounts and Amendment of Revenue Laws Act, 2016 so as to make corrections; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Interpretation

1. (a) For the purposes of section 2, any word or expression to which a meaning has been assigned in the Transfer Duty Act, 1949 (Act No. 40 of 1949), bears the meaning so assigned unless the context otherwise indicates.

(b) For the purposes of sections 3, 4, 5, 6, 7, 8, 9, 10 and 11, Part II and Schedule I, any word or expression to which a meaning has been assigned in the Income Tax Act, 1962 (Act No. 58 of 1962), bears the meaning so assigned unless the context otherwise indicates.

(c) For the purposes of Schedule II, any word or expression to which a meaning has been assigned in the Customs and Excise Act, 1964 (Act No. 91 of 1964), bears the meaning so assigned unless the context otherwise indicates.

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Amendment of section 2 of Act 40 of 1949, as amended by section 1 of Act 59 of 1951, section 1 of Act 31 of 1953, section 1 of Act 32 of 1954, section 2 of Act 77 of 1964, section 1 of Act 56 of 1966, section 2 of Act 66 of 1973, section 3 of Act 88 of 1974, section 5 of Act 106 of 1980, section 3 of Act 87 of 1988, section 2 of Act 136 of 1992, section 3 of Act 97 of 1993, section 1 of Act 37 of 1995, section 9 of Act 37 of 1996, section 2 of Act 32 of 1999, section 2 of Act 30 of 2002, section 31 of Act 12 of 2003, section 1 of Act 16 of 2004, section 1 of Act 9 of 2005, section 1 of Act 31 of 2005, section 14 of Act 9 of 2006 section 2 of Act 18 of 2009, section 2 of Act 24 of 2011, section 2 of Act 13 of 2015 and section 2 of Act 13 of 2016

2. (1) Section 2 of the Transfer Duty Act, 1949, is hereby amended by the substitution in subsection (1)(b) for subparagraphs (i) and (ii) of the following subparagraphs respectively:

- “(i) 0 per cent of so much of the said value or the said amount, as the case may be, as does not exceed **[R750 000]** R900 000;
- (ii) 3 per cent of so much of the said value or the said amount, as the case may be, as exceeds **[R750 000]** R900 000 but does not exceed R1, 25 million;”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2017 and applies in respect of property acquired or interest or restriction in any property renounced on or after that date.

Fixing of rates of normal tax

3. (1) The rates of tax fixed by Parliament in terms of section 5(2) of the Income Tax Act, 1962, are set out in paragraphs 1, 2, 3, 4, 5, 6, 7 and 9 of Schedule I.

(2) The rate of tax fixed by Parliament in terms of section 48B(1) of the Income Tax Act, 1962, is set out in paragraph 8 of Schedule I.

(3) Subject to subsection (4), the rates of tax referred to in subsection (1) apply in respect of—

- (a) any person (other than a company or a trust other than a special trust) for the year of assessment ending during the period of 12 months ending on 28 February 2018;
- (b) any company for any year of assessment ending during the period of 12 months ending on 31 March 2018; and
- (c) any trust (other than a special trust) for any year of assessment commencing and ending during the period commencing on 1 March 2017 and ending on 28 February 2018.

(4) The rate of tax referred to in subsection (2) applies in respect of the taxable turnover of a person that is a registered micro business as defined in paragraph 1 of the Sixth Schedule to

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the Income Tax Act, 1962, in respect of any year of assessment ending during the period of 12 months ending on 28 February 2018.

Amendment of section 6 of Act 58 of 1962, as amended by section 4 of Act 90 of 1962, section 3 of Act 6 of 1963, section 5 of Act 72 of 1963, section 8 of Act 55 of 1966, section 7 of Act 95 of 1967, section 7 of Act 76 of 1968, section 8 of Act 89 of 1969, section 7 of Act 88 of 1971, section 5 of Act 104 of 1980, section 5 of Act 96 of 1981, section 5 of Act 91 of 1982, section 4 of Act 94 of 1983, section 4 of Act 121 of 1984, section 3 of Act 96 of 1985, section 4 of Act 85 of 1987, section 4 of Act 90 of 1988, section 4 of Act 70 of 1989, section 3 of Act 101 of 1990, section 4 of Act 129 of 1991, section 4 of Act 141 of 1992, section 5 of Act 21 of 1995, section 4 of Act 36 of 1996, section 3 of Act 28 of 1997, section 22 of Act 30 of 1998, section 5 of Act 32 of 1999, section 15 of Act 30 of 2000, section 6 of Act 19 of 2001, section 11 of Act 30 of 2002, section 35 of Act 12 of 2003, section 6 of Act 16 of 2004, section 3 of Act 9 of 2005, section 7 of Act 31 of 2005, section 20 of Act 9 of 2006, section 5 of Act 8 of 2007, section 1 of Act 3 of 2008, section 7 of Act 60 of 2008, section 6 of Act 17 of 2009, section 8 of Act 7 of 2010, sections 6(3) and 9 of Act 24 of 2011, section 2 of Act 13 of 2012, section 4 of Act 23 of 2013, section 3 of Act 42 of 2014, section 4 of Act 13 of 2015, section 4 of Act 25 of 2015 and section 5 of Act 13 of 2016

4. (1) Section 6 of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (2) for paragraphs (a), (b) and (c) of the following paragraphs, respectively::

- “(a) a primary rebate, an amount of ~~[R13 500]~~ R13 635;
- (b) a secondary rebate, if the taxpayer was or, had he or she lived, would have been 65 years of age or older on the last day of the year of assessment, an amount of ~~[R7 407]~~ R7 479; and
- (c) a tertiary rebate if the taxpayer was or, had he or she lived, would have been 75 years of age or older on the last day of the year of assessment, an amount of ~~[R2 466]~~ R2 493.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2017 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 6A of Act 58 of 1962, as inserted by section 10 of Act 24 of 2011 and amended by section 3 of Act 13 of 2012, section 6 of Act 22 of 2012, section 5 of Act 23 of 2013, sections 6 and 7 of Act 31 of 2013, section 4 of Act 42 of 2014, section 5 of Act 13 of 2015 and section 6 of Act 13 of 2016

5. (1) Section 6A of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (2)(b) for subparagraphs (i), (ii) and (iii) of the following subparagraphs, respectively:

- “(i) ~~[R286]~~ R303, in respect of benefits to the person;

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- (ii) [R572] R606, in respect of benefits to the person and one dependant; or
- (iii) [R572] R606, in respect of benefits to the person and one dependant, plus [R192] R204, in respect of benefits to each additional dependant,”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2017 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 8 of Act 58 of 1962, as amended by section 6 of Act 90 of 1962, section 6 of Act 90 of 1964, section 9 of Act 88 of 1965, section 10 of Act 55 of 1966, section 10 of Act 89 of 1969, section 6 of Act 90 of 1972, section 8 of Act 85 of 1974, section 7 of Act 69 of 1975, section 7 of Act 113 of 1977, section 8 of Act 94 of 1983, section 5 of Act 121 of 1984, section 4 of Act 96 of 1985, section 5 of Act 65 of 1986, section 6 of Act 85 of 1987, section 6 of Act 90 of 1988, section 5 of Act 101 of 1990, section 9 of Act 129 of 1991, section 6 of Act 141 of 1992, section 4 of Act 113 of 1993, section 6 of Act 21 of 1994, section 8 of Act 21 of 1995, section 6 of Act 36 of 1996, section 6 of Act 28 of 1997, section 24 of Act 30 of 1998, section 14 of Act 53 of 1999, section 17 of Act 30 of 2000, section 6 of Act 59 of 2000, section 7 of Act 19 of 2001, section 21 of Act 60 of 2001, section 12 of Act 30 of 2002, section 11 of Act 74 of 2002, section 18 of Act 45 of 2003, section 6 of Act 32 of 2004, section 4 of Act 9 of 2005, section 21 of Act 9 of 2006, section 5 of Act 20 of 2006, section 6 of Act 8 of 2007, section 9 of Act 35 of 2007, sections 1 and 5 of Act 3 of 2008, section 9 of Act 60 of 2008, section 11 of Act 17 of 2009, section 10 of Act 7 of 2010, section 16 of Act 24 of 2011, section 271 of Act 28 of 2011, read with paragraph 30 of Schedule 1 to that Act, section 9 of Act 22 of 2012, section 9 of Act 31 of 2013, section 5 of Act 42 of 2014, section 5 of Act 43 of 2014 and section 8 of Act 25 of 2015

6. (1) Section 8 of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (1)(b)(iiiA)(bb) for subitems (A) and (B) of the following subitems respectively:

- “(A) the wear and tear of that vehicle must be determined over a period of seven years from the date of original acquisition by that recipient and the cost of the vehicle must for this purpose be limited to [R560 000] R595 000, or such other amount determined by the Minister by notice in the Gazette; and
- (B) the finance charges in respect of any debt incurred in respect of the purchase of that vehicle must be limited to an amount which would have been incurred had the original debt been [R560 000] R595 000, or such other amount determined by the Minister in terms of subitem (A);”.

(2) Subsection (1) comes into operation and applies in respect of years of assessment commencing on or after 1 March 2017.

Amendment of section 10 of Act 58 of 1962, as amended by section 8 of Act 90 of 1962, section 7 of Act 72 of 1963, section 8 of Act 90 of 1964, section 10 of Act 88 of 1965,

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section 11 of Act 55 of 1966, section 10 of Act 95 of 1967, section 8 of Act 76 of 1968, section 13 of Act 89 of 1969, section 9 of Act 52 of 1970, section 9 of Act 88 of 1971, section 7 of Act 90 of 1972, section 7 of Act 65 of 1973, section 10 of Act 85 of 1974, section 8 of Act 69 of 1975, section 9 of Act 103 of 1976, section 8 of Act 113 of 1977, section 4 of Act 101 of 1978, section 7 of Act 104 of 1979, section 7 of Act 104 of 1980, section 8 of Act 96 of 1981, section 6 of Act 91 of 1982, section 9 of Act 94 of 1983, section 10 of Act 121 of 1984, section 6 of Act 96 of 1985, section 7 of Act 65 of 1986, section 3 of Act 108 of 1986, section 9 of Act 85 of 1987, section 7 of Act 90 of 1988, section 36 of Act 9 of 1989, section 7 of Act 70 of 1989, section 10 of Act 101 of 1990, section 12 of Act 129 of 1991, section 10 of Act 141 of 1992, section 7 of Act 113 of 1993, section 4 of Act 140 of 1993, section 9 of Act 21 of 1994, section 10 of Act 21 of 1995, section 8 of Act 36 of 1996, section 9 of Act 46 of 1996, section 1 of Act 49 of 1996, section 10 of Act 28 of 1997, section 29 of Act 30 of 1998, section 18 of Act 53 of 1999, section 21 of Act 30 of 2000, section 13 of Act 59 of 2000, sections 9 and 78 of Act 19 of 2001, section 26 of Act 60 of 2001, section 13 of Act 30 of 2002, section 18 of Act 74 of 2002, section 36 of Act 12 of 2003, section 26 of Act 45 of 2003, sections 8 and 62 of Act 16 of 2004, section 14 of Act 32 of 2004, section 5 of Act 9 of 2005, section 16 of Act 31 of 2005, section 23 of Act 9 of 2006, sections 10 and 101 of Act 20 of 2006, sections 2, 10, 88 and 97 of Act 8 of 2007, section 2 of Act 9 of 2007, section 16 of Act 35 of 2007, sections 1 and 9 of Act 3 of 2008, section 2 of Act 4 of 2008, section 16 of Act 60 of 2008, sections 13 and 95 of Act 17 of 2009, section 18 of Act 7 of 2010, sections 28 and 160 of Act 24 of 2011, section 271 of Act 28 of 2011, read with item 31 of Schedule 1 to that Act, sections 19, 144, 157 and 166 of Act 22 of 2012, section 23 of Act 31 of 2013, section 14 of Act 43 of 2014, section 16 of Act 25 of 2015 and section 23 of Act 15 of 2016

7. (1) Section 10 of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (1)(q) in paragraph (ii) of the proviso for subparagraph (aa) of the following subparagraph

“(aa) if the remuneration proxy derived by the employee in relation to a year of assessment exceeded ~~[R400 000]~~ R600 000; and”;

(b) by the substitution in subsection (1)(q) in paragraph (ii)(bb)(A) of the proviso for the words preceding subitem (AA) of the following words:

“~~[R15 000]~~ R20 000 in respect of—”;

(c) by the substitution in subsection (1)(q) in paragraph (ii)(bb) of the proviso for item (B) of the following item

“(B) ~~[R40 000]~~ R60 000 in respect of a qualification to which an NQF level from 5 up to and including 10 has been allocated in accordance with Chapter 2 of the National Qualifications Framework Act, 2008 (Act No. 67 of 2008);”

(2) Subsection (1) is deemed to have come into operation on 1 March 2017 and applies in respect of years of assessment commencing on or after that date.

*Draft***Amendment of section 10B of Act 58 of 1962, as inserted by section 29 of Act 24 of 2011 and amended by section 4 of Act 13 of 2012, section 20 of Act 22 of 2012, section 25 of Act 31 of 2013, section 15 of Act 43 of 2014, section 6 of Act 13 of 2015 and section 25 of Act 15 of 2016**

8. (1) Section 10B of the Income Tax Act, 1962, is hereby amended—

(a) by the substitution in subsection (3)(b)(ii) for item (aa) of the following item:

“(aa) where the person is a natural person, deceased estate, insolvent estate or trust, the ratio of the number [26] 25 to the number [41] 45”;

(b) by the substitution in subsection (3)(b)(ii)(bb) for the words following subitem (BB) of the following words:

“the ratio of the number [13] 8 to the number 28; or”;

(a) by the substitution in subsection (3)(b)(ii) for item (cc) of the following item:

“(cc) where the person is an insurer in respect of its individual policyholder fund, the ratio of the number [15] 10 to the number 30; and”.

(2) Subsection (1) comes into operation and applies in respect of years of assessment commencing on or after 1 March 2017.

Amendment of section 12T of Act 58 of 1962, as amended by section 29 of Act 25 of 2015

9. (1) Section 12T of the Income Tax Act, 1962 is hereby amended—

(a) by the substitution in subsection (4) for paragraph (a) of the following paragraph:

“(a) limited to an amount of [R30 000] R33 000 in aggregate during any year of assessment”;

(b) by the substitution in subsection (7) for paragraph (a) of the following paragraph:

“(a) If during any year of assessment any person contributes in excess of the amount of [R30 000] R33 000 in respect of tax free investments, an amount equal to 40 per cent of that excess is deemed to be an amount of normal tax payable by the person contemplated in subsection 1 (b) in respect of that year of assessment.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2017 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 35A of Act 58 of 1962, as inserted by section 30 of Act 32 of 2004 and amended by section 5 of Act 32 of 2005, section 59 of Act 24 of 2011, section 271 of Act 28 of 2011 read with paragraph 43 of Schedule 1 to that Act, section 2 of Act 23 of 2015 and section 2 of Act 16 of 2016

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10. (1) Section 35A of the Income Tax Act, 1962, is hereby amended by the substitution in subsection (1) for paragraphs (a) to (c) of the following paragraphs respectively:

- “(a) [5] 7.5 per cent of the amount so payable, in the case where the seller is a natural person;
- (b) [7,5] 10 per cent of the amount so payable, in the case where the seller is a company; and
- (c) [10] 15 per cent of the amount so payable, in the case where the seller is a trust.”.

(2) Subsection (1) comes into operation on 22 February 2017 and applies in respect of any disposal on or after that date.

Amendment of section 64E of Act 58 of 1962, as substituted by section 53 of Act 17 of 2009 and amended by section 71 of Act 7 of 2010, section 76 of Act 24 of 2011, section 6 of Act 13 of 2012 and section 83 of Act 22 of 2012

11. (1) Section 64E of the Income Tax Act, 1962, is hereby amended by the substitution for subsection (1) of the following subsection:

“(1) Subject to paragraph 3 of the Tenth Schedule, there must be levied for the benefit of the National Revenue Fund a tax, to be known as the dividends tax, calculated at the rate of [15] 20 per cent of the amount of any dividend paid by any company other than a headquarter company.”.

(2) Subsection (1) is deemed to have come into operation on 22 February 2017 and applies in respect of any dividend paid on or after that date.

Amendment of section 107 of Act 58 of 1962, as amended by section 26 of Act 65 of 1973, section 46 of Act 97 of 1986, section 29 of Act 21 of 1994, section 37 of Act 2 of 1997, section 46 of Act 30 of 1998, section 34 of Act 5 of 2001, section 62 of Act 60 of 2001 and section 54 of Act 74 of 2002

12. (1) Section 107 of the Income Tax Act, 1962, is hereby amended by the addition to subsection (1) of the following paragraph:

“(g) prescribing the information that must be contained in a report that the Commissioner must submit to the Minister, in the form and manner and at the time that the Minister may prescribe, advising the Minister of matters as the Minister may prescribe.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2017.

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Amendment of paragraph 9 of Seventh Schedule to Act 58 of 1962, as amended by section 31 of Act 96 of 1985, section 34 of Act 65 of 1986, section 29 of Act 85 of 1987, section 59 of Act 101 of 1990, section 53 of Act 113 of 1993, section 33 of Act 21 of 1994, section 51 of Act 28 of 1997, section 55 of Act 30 of 1998, section 55 of Act 30 of 2000, section 57 of Act 31 of 2005, section 29 of Act 9 of 2006, section 2 of Act 8 of 2007, section 68 of Act 35 of 2007, sections 1 and 48 of Act 3 of 2008, section 65 of Act 17 of 2009, section 104 of Act 24 of 2011, section 7 of Act 13 of 2012 and section 8 of Act 23 of 2013, section 6 of Act 42 of 2014, section 76 of Act 43 of 2014, section 7 of Act 13 of 2015 and section 10 of Act 13 of 2016

13. (1) Paragraph 9 of the Seventh Schedule to the Income Tax Act, 1962, is hereby amended by the substitution in subparagraph (3)(ii) for the words preceding the proviso of the following words:

“‘B’ represents an abatement equal to an amount of [R75 000] R75 750.”.

(2) Subsection (1) is deemed to have come into operation on 1 March 2017 and applies in respect of years of assessment commencing on or after that date.

Amendment of section 1 of Act 91 of 1964, as amended by section 1 of Act 95 of 1965, section 1 of Act 57 of 1966, section 1 of Act 105 of 1969, section 1 of Act 98 of 1970, section 1 of Act 71 of 1975, section 1 of Act 112 of 1977, section 1 of Act 110 of 1979, sections 1 and 15 of Act 98 of 1980, section 1 of Act 89 of 1984, section 1 of Act 84 of 1987, section 1 of Act 68 of 1989, section 1 of Act 59 of 1990, section 1 of Act 19 of 1994, section 57 of Act 30 of 1998, section 46 of Act 53 of 1999, section 58 of Act 30 of 2000, section 60 of Act 59 of 2000, section 113 of Act 60 of 2001, section 131 of Act 45 of 2003, section 1 of Act 32 of 2004, section 85 of Act 31 of 2005, section 7 of Act 21 of 2006, section 10 of Act 9 of 2007, section 22 of Act 61 of 2008 and section 1 of Act 32 2014

14. (1) Section 1 of the Customs and Excise Act, 1964, is hereby amended—

(a) by the substitution in subsection (1) for the definition of “duty” of the following definition:

“‘**duty**’ means any duty leviable under this Act and, subject to –

(a) section 47B, any passenger tax leviable under that section; **[and]**

(b) Chapter VA, any environmental levy leviable under that Chapter; and

(c) Chapter VB, any health promotion levy leviable under that Chapter;”; and

(b) by the insertion in subsection (1) before the definition of “home consumption” of the following definitions:

“‘**health promotion levy**’ means any duty leviable under Part 7 of Schedule No. 1 on any goods which have been manufactured in or imported into the Republic;

‘**health promotion levy goods**’ means any goods specified in Part 7 of Schedule No. 1 which have been manufactured in or imported into the Republic;”.

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(2) Subsection (1) comes into effect on the date of promulgation of this Act.

Insertion of Chapter VB in Act 91 of 1964

15. (1) The following chapter is hereby inserted in the Customs and Excise Act, 1964 after Chapter VA:

“CHAPTER VB
HEALTH PROMOTION LEVIES”

Imposition of health promotion levy.

54G. A levy to be known as the health promotion levy shall be leviable on such imported goods and goods manufactured in the Republic as may be specified in any item of Part 7 of Schedule No. 1.

Rate of health promotion levy.

54H. (1) The health promotion levy shall be levied at a rate as may be specified in any item of Part 7 of Schedule No. 1 and the health promotion levy so specified in such item shall be payable in addition to any duty prescribed in respect of the goods concerned in any heading or subheading of Part 1, Part 2 or Part 3 of Schedule No. 1.

(2) Notwithstanding anything to the contrary contained in this Act, the health promotion levy shall, subject to the provisions of this Chapter and except for the purposes of any customs union agreement contemplated in section 49 or any other law, be deemed to be a duty leviable under this Act.

Application of other provisions of this Act.

54I. Subject to such exceptions and adaptations as may be prescribed in this Chapter, sections 54C to 54F shall apply *mutatis mutandis* to the health promotion levy imposed on health promotion levy goods of Part 7 of Schedule No. 1.”

(2) Subsection (1) comes into effect on the date of promulgation of this Act.

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Amendment of Schedule 1 to Act 91 of 1964, as amended by section 19 of Act 95 of 1965, section 15 of Act 57 of 1966, section 2 of Act 96 of 1967, section 22 of Act 85 of 1968, section 37 of Act 105 of 1969, section 9 of Act 98 of 1970, section 2 of Act 89 of 1971, section 12 of Act 103 of 1972, section 6 of Act 68 of 1973, section 3 of Act 64 of 1974, section 13 of Act 71 of 1975, section 13 of Act 105 of 1976, section 38 of Act 112 of 1977, section 3 of Act 114 of 1981, section 27 of Act 86 of 1982, section 10 of Act 89 of 1984, section 14 of Act 101 of 1985, section 11 of Act 69 of 1988, section 19 of Act 68 of 1989, section 40 of Act 59 of 1990, section 3 of Act 111 of 1991, section 15 of Act 105 of 1992, section 13 of Act 98 of 1993, section 12 of Act 19 of 1994, section 74 of Act 45 of 1995, section 8 of Act 44 of 1996, section 15 of Act 27 of 1997, section 75 of Act 30 of 1998, section 7 of Act 32 of 1999, section 64 of Act 30 of 2000, section 52 of Act 19 of 2001, section 53 of Act 30 of 2002, section 41 of Act 12 of 2003, section 155 of Act 45 of 2003, section 36 of Act 16 of 2004, section 14 of Act 9 of 2005, section 36 of Act 9 of 2006, section 76 of Act 8 of 2007, section 66 of Act 3 of 2008, section 88 of Act 17 of 2009, section 117 of Act 7 of 2010, section 127 of Act 24 of 2011, section 14 of Act 13 of 2012, section 9 of Act 23 of 2013, section 7 of Act 42 of 2014 and section 8 of Act 13 of 2015

16. (1) Schedule No. 1 to the Customs and Excise Act, 1964 (Act No. 91 of 1964), is hereby amended as set out in Schedule II to this Act.

(2) Subject to section 58(1) of the Customs and Excise Act, 1964, the amendments set out in Parts I and II of Schedule II to this Act are deemed to have come into operation on 22 February 2017.

(3) Subject to section 58(1) of the Customs and Excise Act, 1964, the amendments set out in Part III of Schedule II to this Act come into operation on the date of promulgation of this Act.

Amendment of section 74 of Act 89 of 1991, as amended by section 188 of Act 45 of 2003, and section 105 of 43 of 2014

17. (1) Section 74 of the Value-Added Tax Act, 1991, is hereby amended by the insertion after subsection (1) of the following subsection:

“(1A) The Minister may make regulations in regard prescribing the information that must be contained in a report that the Commissioner must submit to the Minister, in the form and manner and at the time that the Minister may prescribe, advising the Minister of matters as the Minister may prescribe by Regulation.”

(2) Subsection (1) is deemed to have come into operation on 1 March 2017.

Amendment to Schedule I of Act 13 of 2016

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18. (1) Schedule I to the Rates and Monetary Amounts and Amendment of Revenue Laws Act, 2016, is hereby amended—

(a) by the substitution in paragraph 1, in the table, in the third row of the second column for the amount “R61 269” of the amount “R61 296”.

(b) by the substitution in paragraph 9(a)(i) for the words preceding item (aa) of the following words:

“If a retirement fund lump sum withdrawal benefit accrues to a person in any year of assessment commencing on or after 1 March ~~[2017]~~ 2016, the rate of tax referred to in section 3(1) to be levied on that person in respect of taxable income comprising the aggregate of—”;

(c) by the substitution in paragraph 9(b)(i) for the words preceding item (aa) of the following words:

“If a retirement fund lump sum benefit accrues to a person in any year of assessment commencing on or after 1 March ~~[2017]~~ 2016, the rate of tax referred to in section 3(1) to be levied on that person in respect of taxable income comprising the aggregate of—”;

(d) by the substitution in paragraph 9(c)(i) for the words preceding item (aa) of the following words:

“If a severance benefit accrues to a person in any year of assessment commencing on or after 1 March ~~[2017]~~ 2016, the rate of tax referred to in section 3(1) to be levied on that person in respect of taxable income comprising the aggregate of—”.

(2) Subsection (1) is deemed to have come into operation on 19 January 2017.

Amendment of section 128 of Act 25 of 2015

19. (1) Section 128 of the Taxation Laws Amendment Act, 2015, is hereby amended by the substitution for subsection (3) of the following subsection:

“(3) Paragraph (g) of subsection (1) comes into operation on 1 April ~~[2017]~~ 2019.”.

(2) Subsection (1) is deemed to have come into operation on 8 January 2016.

Amendment of section 129 of Act 25 of 2015

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20. (1) Section 129 of the Taxation Laws Amendment Act, 2015, is hereby amended by the substitution for subsection (2) of the following subsection:

“(2) Subsection (1) comes into operation on 1 April [2017] 2019.”.

(2) Subsection (1) is deemed to have come into operation on 8 January 2016.

Amendment of section 132 of Act 25 of 2015

21. (1) Section 132 of the Taxation Laws Amendment Act, 2015, is hereby amended by the substitution for subsection (2) of the following subsection:

“(3) Paragraph (e) of subsection (1) comes into operation on 1 April [2017] 2019.”.

(2) Subsection (1) is deemed to have come into operation on 8 January 2016.

Short title

22. This Act is called the Rates and Monetary Amounts and Amendment of Revenue Laws Act, 2017.

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Schedule I

(Section 3)

RATES OF NORMAL TAX

1. The rate of tax referred to in section 3(1) to be levied in respect of the taxable income (excluding any retirement fund lump sum benefit, retirement fund lump sum withdrawal benefit or severance benefit) of any natural person, deceased estate, insolvent estate or special trust in respect of any year of assessment for the year of assessment ending during the period of 12 months ending on 28 February 2018 is set out in the table below:

Taxable income	Rate of tax
Not exceeding R189 880	18 per cent of taxable income
Exceeding R189 880 but not exceeding R296 540	R34 178 plus 26 per cent of amount by which taxable income exceeds R189 880
Exceeding R296 540 but not exceeding R410 460	R61 910 plus 31 per cent of amount by which taxable income exceeds R296 540
Exceeding R410 460 but not exceeding R555 600	R97 225 plus 36 per cent of amount by which taxable income exceeds R410 460
Exceeding R555 600 but not exceeding R708 310	R149 475 plus 39 per cent of amount by which taxable income exceeds R555 600
Exceeding R708 310 but not exceeding R1500 000	R209 032 plus 41 per cent of amount by which taxable income exceeds R708 310
Exceeding R1500 000	R533 625 plus 45 per cent of amount by which taxable income exceeds R1 500 000

2. The rate of tax referred to in section 3(1) to be levied in respect of the taxable income of a trust (other than a special trust or a public benefit organisation, recreational club or small business funding entity referred to in paragraph 4) in respect of any year of assessment commencing and ending during the period commencing on 1 March 2017 and ending on 28 February 2018 is 45 per cent.

3. The rate of tax referred to in section 3(1) to be levied in respect of the taxable income of a company (other than a public benefit organisation, recreational club or small business funding entity referred to in paragraph 4 or a small business corporation referred to in paragraph 5) in respect of any year of assessment ending during the period of 12 months ending on 31 March 2018 is, subject to the provisions of paragraph 10, as follows:

- (a) 28 per cent of the taxable income of any company (excluding taxable income referred to in subparagraphs (b), (c) and (d));
- (b) in respect of the taxable income derived by any company from mining for gold on any gold mine with the exclusion of so much of the taxable income as the Commissioner determines to be attributable to the inclusion in the gross income of any amount referred to in paragraph (j) of the definition of “gross income” in section 1 of the Income Tax Act, 1962, but after the set-off of any assessed loss in terms of section 20(1) of that Act, a percentage determined in accordance with the formula:

$$y = 34 - \frac{170}{x}$$

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- in which formula y represents such percentage and x the ratio expressed as a percentage which the taxable income so derived (with the said exclusion, but before the set-off of any assessed loss or deduction which is not attributable to the mining for gold from the said mine) bears to the income so derived (with the said exclusion);
- (c) in respect of the taxable income of any company, the sole or principal business of which in the Republic is, or has been, mining for gold and the determination of the taxable income of which for the period assessed does not result in an assessed loss, which the Commissioner determines to be attributable to the inclusion in its gross income of any amount referred to in paragraph (j) of the definition of “gross income” in section 1 of the Income Tax Act, 1962, a rate equal to the average rate of normal tax or 28 per cent, whichever is higher: Provided that for the purposes of this subparagraph, the average rate of normal tax shall be determined by dividing the total normal tax (excluding the tax determined in accordance with this subparagraph for the period assessed) paid by the company in respect of its aggregate taxable income from mining for gold on any gold mine for the period from which that company commenced its gold mining operations on that gold mine to the end of the period assessed, by the number of rands contained in the said aggregate taxable income; and
- (d) in respect of the taxable income derived by any company from carrying on long-term insurance business in respect of its—
- (i) individual policyholder fund, 30 per cent; and
 - (ii) company policyholder fund, risk policy fund and corporate fund, 28 per cent.

4. The rate of tax referred to in section 3(1) to be levied in respect of the taxable income of any public benefit organisation that has been approved by the Commissioner in terms of section 30(3) of the Income Tax Act, 1962, or any recreational club that has been approved by the Commissioner in terms of section 30A(2) of that Act or any small business funding entity that has been approved by the Commissioner in terms of section 30C(1) is 28 per cent—

- (a) in the case of an organisation, club or small business funding entity that is a company, in respect of any year of assessment ending during the period of 12 months ending on 31 March 2018; or
- (b) in the case of an organisation or small business funding entity that is a trust, in respect for any year of assessment commencing and ending during the 12 month period commencing on 1 March 2017 and ending on 28 February 2018.

5. The rate of tax referred to in section 3(1) to be levied in respect of the taxable income of any company which qualifies as a small business corporation as defined in section 12E of the Income Tax Act, 1962, in respect of any year of assessment ending during the period of 12 months ending on 31 March 2018, subject to paragraph 7, is set out in the table below:

Taxable income	Rate of tax
Not exceeding R75 750	0 per cent of taxable income
Exceeding R75 750 but not exceeding R365 000	7 per cent of amount by which taxable income exceeds R75 750
Exceeding R365 000 but not exceeding R550 000	R20 248 plus 21 per cent of amount by which taxable income exceeds R365 000
Exceeding R550 000	R59 098 plus 28 per cent of amount by which taxable income exceeds R550 000

6. The rate of tax referred to in section 3(1) to be levied on taxable income attributable to income derived by a qualifying company within a special economic zone as contemplated in

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section 12R of the Income Tax Act, 1962, subject to paragraph 7, is 15 cents on each Rand of taxable income.

7. If a company is subject to both paragraphs 5 and 6 in respect of determining the rate of tax to be levied on an amount of taxable income of a company, the tax payable in respect of that amount of taxable income is the lesser of the tax determined under paragraph 5 and paragraph 6 in respect of that amount of taxable income.

8. The rate of tax referred to in section 3(2) to be levied in respect of the taxable turnover of a person that is a registered micro business as defined in paragraph 1 of the Sixth Schedule to the Income Tax Act, 1962, in respect of any year of assessment ending during the period of 12 months ending on 28 February 2018 is set out in the table below:

Taxable turnover	Rate of tax
Not exceeding R335 000	0 per cent of taxable turnover
Exceeding R335 000 but not exceeding R500 000	1 per cent of amount by which taxable turnover exceeds R335 000
Exceeding R500 000 but not exceeding R750 000	R1 650 plus 2 per cent of amount by which taxable turnover exceeds R500 000
Exceeding R750 000	R6 650 plus 3 per cent of amount by which taxable turnover exceeds R750 000

9. (a) (i) If a retirement fund lump sum withdrawal benefit accrues to a person in any year of assessment commencing on or after 1 March 2017, the rate of tax referred to in section 3(1) to be levied on that person in respect of taxable income comprising the aggregate of—

- (aa) that retirement fund lump sum withdrawal benefit;
- (bb) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in subitem (aa);
- (cc) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in subitem (aa); and
- (dd) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in subitem (aa),

is set out in the table below:

Taxable income from lump sum benefits	Rate of tax
Not exceeding R25 000	0 per cent of taxable income
Exceeding R25 000 but not exceeding R660 000	18 per cent of amount by which taxable income exceeds R25 000
Exceeding R660 000 but not exceeding R990 000	R114 300 plus 27 per cent of amount by which taxable income exceeds R660 000
Exceeding R990 000	R203 400 plus 36 per cent of amount by which taxable income exceeds R990 000

(ii) The amount of tax levied in terms of item (i) must be reduced by an amount equal to the tax that would be leviable on the person in terms of that item in respect of taxable income comprising the aggregate of—

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- (aa) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in item (i)(aa);
- (bb) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in item (i)(aa); and
- (cc) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum withdrawal benefit contemplated in item (i)(aa).

(b) (i) If a retirement fund lump sum benefit accrues to a person in any year of assessment commencing on or after 1 March 2017, the rate of tax referred to in section 3(1) to be levied on that person in respect of taxable income comprising the aggregate of—

- (aa) that retirement fund lump sum benefit;
- (bb) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum benefit contemplated in subitem (aa);
- (cc) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum benefit contemplated in subitem (aa); and
- (dd) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum benefit contemplated in subitem (aa),

is set out in the table below:

Taxable income from lump sum benefits	Rate of tax
Not exceeding R500 000	0 per cent of taxable income
Exceeding R500 000 but not exceeding R700 000	18 per cent of amount by which taxable income exceeds R500 000
Exceeding R700 000 but not exceeding R1 050 000	R36 000 plus 27 per cent of amount by which taxable income exceeds R700 000
Exceeding R1 050 000	R130 500 plus 36 per cent of amount by which taxable income exceeds R1 050 000

(ii) The amount of tax levied in terms of item (i) must be reduced by an amount equal to the tax that would be leviable on the person in terms of that item in respect of taxable income comprising the aggregate of—

- (aa) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the retirement fund lump sum benefit contemplated in item (i)(aa);
- (bb) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the retirement fund lump sum benefit contemplated in item (i)(aa); and
- (cc) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the retirement fund lump sum benefit contemplated in item (i)(aa).

(c) (i) If a severance benefit accrues to a person in any year of assessment commencing on or after 1 March 2017, the rate of tax referred to in section 3(1) to be levied on that person in respect of taxable income comprising the aggregate of—

- (aa) that severance benefit;

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- (bb) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the severance benefit contemplated in subitem (aa);
- (cc) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the severance benefit contemplated in subitem (aa); and
- (dd) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the severance benefit contemplated in subitem (aa),

is set out in the table below:

Taxable income from lump sum benefits	Rate of tax
Not exceeding R500 000	0 per cent of taxable income
Exceeding R500 000 but not exceeding R700 000	18 per cent of amount by which taxable income exceeds R500 000
Exceeding R700 000 but not exceeding R1 050 000	R36 000 plus 27 per cent of amount by which taxable income exceeds R700 000
Exceeding R1 050 000	R130 500 plus 36 per cent of amount by which taxable income exceeds R1 050 000

(ii) The amount of tax levied in terms of item (i) must be reduced by an amount equal to the tax that would be leviable on the person in terms of that item in respect of taxable income comprising the aggregate of—

- (aa) severance benefits received by or accrued to that person on or after 1 March 2011 and prior to the accrual of the severance benefit contemplated in item (i)(aa);
- (bb) retirement fund lump sum withdrawal benefits received by or accrued to that person on or after 1 March 2009 and prior to the accrual of the severance benefit contemplated in item (i)(aa); and
- (cc) retirement fund lump sum benefits received by or accrued to that person on or after 1 October 2007 and prior to the accrual of the severance benefit contemplated in item (i)(aa).

10. The rates of tax set out in paragraphs 1, 2, 3, 4, 5, 6, 7 and 9 are the rates required to be fixed by Parliament in accordance with the provisions of section 5(2) of the Income Tax Act, 1962.

11. The rate of tax set out in paragraph 8 is the rate required to be fixed by Parliament in accordance with the provisions of section 48B(1) of the Income Tax Act, 1962.

12. For the purposes of this Schedule, income derived from mining for gold includes any income derived from silver, osmiridium, uranium, pyrites or other minerals which may be won in the course of mining for gold and any other income which results directly from mining for gold.

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Schedule II

**AMENDMENT OF PART 1 OF SCHEDULE NO. 1 TO CUSTOMS AND
EXCISE ACT, 1964**

(Sections 1 and 13)

Part I

1. (1) By the deletion in Chapter 22 of tariff subheadings 2208.20.10 and 2208.20.90.
(2) Subparagraph (1) is deemed to have come into operation on 24 February 2016

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PART II

AMENDMENT OF PART 2A OF SCHEDULE NO. 1 TO CUSTOMS AND EXCISE ACT, 1964

Tariff Item	Tariff subheading	Article Description	Rate of Excise Duty
104.00	PREPARED FOODSTUFFS; BEVERAGES, SPIRITS AND VINEGAR; TOBACCO		
104.01	19.01	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 per cent by mass of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 04.01 to 04.04, not containing cocoa or containing less than 5 per cent by mass of cocoa calculated on a totally defatted basis not elsewhere specified or included:	
104.01.10	1901.90.20	Traditional African beer powder as defined in Additional Note 1 to Chapter 19	34,7c/kg
104.10	22.03	Beer made from malt:	
104.10.10	2203.00.05	Traditional African beer as defined in Additional Note 1 to Chapter 22	7,82c/li
104.10.20	2203.00.90	Other	R86.39/li aa
104.15	22.04	Wine of fresh grapes, including fortified wines; grape must (excluding that of heading 20.09):	
104.15.01	2204.10	Sparkling wine	R11.46/li
104.15	2204.21	In containers holding 2 li or less:	
104.15	2204.21.4	Unfortified wine:	
104.15.03	2204.21.41	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.	R3.61/li
104.15.04	2204.21.42	Other	R175.19/li aa
104.15	2204.21.5	Fortified wine:	
104.15.05	2204.21.51	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R6.17/li
104.15.06	2204.21.52	Other	R175.19/li aa
104.15	2204.22	In containers holding more than 2 li but not more than 10 li:	
104.15	2204.22.4	Unfortified wine:	
104.15.13	2204.22.41	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.	R3.61/li
104.15.15	2204.22.42	Other	R175.19/li aa
104.15	2204.22.5	Fortified wine:	
104.15.17	2204.22.51	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R6.17/li
104.15.19	2204.22.52	Other	R175.19/li aa
104.15	2204.29	Other:	
104.15	2204.29.4	Unfortified wine:	
104.15.21	2204.29.41	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 16.5 per cent by vol.	R3.61/li
104.15.23	2204.29.42	Other	R175.19/li aa
104.15	2204.29.5	Fortified wine:	
104.15.25	2204.29.51	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R6.17/li
104.15.27	2204.29.52	Other	R175.19/li aa
104.16	22.05	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances:	
104.16	2205.10	In containers holding 2 li or less:	
104.16.01	2205.10.10	Sparkling	R11.46/li
104.16	2205.10.2	Unfortified:	
104.16.03	2205.10.21	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 15 per cent by vol.	R3.61/li
104.16.04	2205.10.22	Other	R175.19/li aa
104.16	2205.10.3	Fortified:	
104.16.05	2205.10.31	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R6.17/li
104.16.06	2205.10.32	Other	R175.19/li aa
104.16	2205.90	Other:	

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Tariff Item	Tariff subheading	Article Description	Rate of Excise Duty
104.16	2205.90.2	Unfortified:	
104.16.09	2205.90.21	With an alcoholic strength of at least 4.5 per cent by volume but not exceeding 15 per cent by vol.	R3.61/li
104.16.10	2205.90.22	Other	R175.19/li aa
104.16	2205.90.3	Fortified:	
104.16.11	2205.90.31	With an alcoholic strength of at least 15 per cent by volume but not exceeding 22 per cent by vol.	R6.17/li
104.16.12	2205.90.32	Other	R175.19/li aa
104.17	22.06	Other fermented beverages (for example, cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included:	
104.17.03	2206.00.05	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	R11.46/li
104.17.05	2206.00.15	Traditional African beer as defined in Additional Note 1 to Chapter 22	7,82c/li
104.17.07	2206.00.17	Other fermented beverages, unfortified, with an alcoholic strength of less than 2.5 per cent by volume.	R86.39/li aa
104.17.09	2206.00.19	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.	R86.39/li aa
104.17.11	2206.00.21	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.	R86.39/li aa
104.17.15	2206.00.81	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.	R86.39/li aa
104.17.16	2206.00.82	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.	R86.39/li aa
104.17.17	2206.00.83	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.	R71.82/li aa
104.17.21	2206.00.84	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.	R71.82/li aa
104.17.22	2206.00.85	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.	R86.39/li aa
104.17.25	2206.00.87	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.	R71.82/li aa
104.17.90	2206.00.90	Other	R175.19/li aa
104.21	22.07	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 per cent by vol. or higher; ethyl alcohol and other spirits, denatured, of any strength:	
104.21.01	2207.10	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 per cent by vol. or higher	R175.19/li aa
104.21.03	2207.20	Ethyl alcohol and other spirits, denatured, of any strength	R175.19/li aa
104.23	22.08	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 per cent by vol.; spirits, liqueurs and other spirituous beverages:	
104.23	2208.20	Spirits obtained by distilling grape wine or grape marc:	
104.23	2208.20.1	In containers holding 2 li or less:	
104.23.01	2208.20.11	Brandy as defined in Additional Note 7 to Chapter 22	R149.23/li aa
104.23.02	2208.20.19	Other	R175.19/li aa

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Tariff Item	Tariff subheading	Article Description	Rate of Excise Duty
104.23	2208.2.09	Other	
104.23.03	2208.20.91	Brandy as defined in Additional Note 7 to Chapter 22	R149.23/li aa
104.23.04	2208.20.99	Other	R175.19/li aa
104.23	2208.30	Whiskies:	
104.23.05	2208.30.10	In containers holding 2 li or less	R175.19/li aa
104.23.07	2208.30.90	Other	R175.19/li aa
104.23	2208.40	Rum and other spirits obtained by distilling fermented sugarcane products:	
104.23.09	2208.40.10	In containers holding 2 li or less	R175.19/li aa
104.23.11	2208.40.90	Other	R175.19/li aa
104.23	2208.50	Gin and Geneva:	
104.23.13	2208.50.10	In containers holding 2 li or less	R175.19/li aa
104.23.15	2208.50.90	Other	R175.19/li aa
104.23	2208.60	Vodka:	
104.23.17	2208.60.10	In containers holding 2 li or less	R175.19/li aa
104.23.19	2208.60.90	Other	R175.19/li aa
104.23	2208.70	Liqueurs and cordials:	
104.23	2208.70.2	In containers holding 2 li or less:	
104.23.21	2208.70.21	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R71.82/li aa
104.23.22	2208.70.22	Other	R175.19/li aa
104.23	2208.70.9	Other:	
104.23.23	2208.70.91	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R71.82/li aa
104.23.24	2208.70.92	Other	R175.19/li aa
104.23	2208.90	Other:	
104.23	2208.90.2	In containers holding 2 li or less:	
104.23.25	2208.90.21	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R71.82/li aa
104.23.26	2208.90.22	Other	R175.19/li aa
104.23	2208.90.9	Other:	
104.23.27	2208.90.91	With an alcoholic strength by volume exceeding 15 per cent by vol. but not exceeding 23 per cent by vol.	R71.82/li aa
104.23.28	2208.90.92	Other	R175.19/li aa
104.30	24.02	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes:	
104.30	2402.10	Cigars, cheroots and cigarillos containing tobacco:	
104.30.01	2402.10.10	Imported from Switzerland	R3 298.56/kg net
104.30.03	2402.10.90	Other	R3 298.56/kg net
104.30	2402.20	Cigarettes containing tobacco:	
104.30.05	2402.20.10	Imported from Switzerland	R7.15/10 cigarettes
104.30.07	2402.20.90	Other	R7.15/10 cigarettes

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Tariff Item	Tariff subheading	Article Description	Rate of Excise Duty
104.30	2402.90.1	Cigars, cheroots and cigarillos of tobacco substitutes:	
104.30.09	2402.90.12	Imported from Switzerland	R3 298.56/kg net
104.30.11	2402.90.14	Other	R3 298.56/kg net
104.30	2402.90.2	Cigarettes of tobacco substitutes:	
104.30.13	2402.90.22	Imported from Switzerland	R7.15/10 cigarettes
104.30.15	2402.90.24	Other	R7.15/10 cigarettes
104.35	24.03	Other manufactured tobacco and manufactured tobacco substitutes; “homogenised” or “reconstituted” tobacco; tobacco extracts and essences:	
104.35	2403.1	Smoking tobacco, whether or not containing tobacco substitutes in any proportions:	
104.35.01	2403.11	Water pipe tobacco specified in Subheading Note 1 to Chapter 24	R182.24/kg net
104.35	2403.19	Other:	
104.35.02	2403.19.10	Pipe tobacco in immediate packings of a content of less than 5 kg	R182.24/kg net
104.35.03	2403.19.20	Other pipe tobacco	R182.24/kg net
104.35.05	2403.19.30	Cigarette tobacco	R321.45/kg
104.35	2403.99	Other:	
104.35.07	2403.99.30	Other cigarette tobacco substitutes	R321.45/kg
104.35.09	2403.99.40	Other pipe tobacco substitutes	R182.24/kg net

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Part III

**INSERTION OF PART 3 OF SCHEDULE NO. 1 TO CUSTOMS AND EXCISE ACT,
1964**

1. Schedule No.1 of the Customs and Excise Act, is hereby amended by the addition of the following Part and Section:

SCHEDULE NO. 1/ PART 7

HEALTH PROMOTION LEVY

NOTES:

1. Whenever the tariff heading or subheading under which any goods are classified in Part 1 of this Schedule is expressly quoted in any health promotion levy item of this Part in which such goods are specified, the goods so specified in such health promotion levy item shall be deemed to include only goods which are classifiable under the said tariff heading or subheading.
2. Appropriation for own use for any purpose by the licensee of a customs and excise warehouse of any goods specified in this Part in such warehouse shall render such goods liable to payment of any health promotion levy in accordance with the provisions of this Act

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SCHEDULE NO. 1/ PART 7/ SECTION A

HEALTH PROMOTION LEVY ON SUGARY BEVERAGES

NOTES:

1. Any rate of levy on sugary beverages is payable on any goods specified in this Section either imported into or manufactured in the Republic.
2. Any levy on sugary beverages specified in this Section shall be payable in addition to any Customs and Excise duty payable in terms of any other Part of Schedule No.1.
3. Imported goods shall not be declared on separate bills of entry for the purposes of this Part of Schedule No. 1.
4. Any reference to sugar content means both the intrinsic and added sugar and other sweetening matter contained in any sugary beverage specified in this Section.
5. The sugar content of sugary beverages liable to the levy on sugary beverages must be calculated on -
 - (a) the sugar content stated on the food labelling of the sugary beverage as prescribed in terms of the Foodstuffs, Cosmetics and Disinfectants Act, No. 54 of 1972; or
 - (b) the sugar content as certified by a testing laboratory recognized by the National Regulator for Compulsory Specifications of South Africa as prescribed in the rules.

2. By the insertion of the following items in Section A to Part 7 of Schedule No. 1:

Health Promotion Levy Item	Tariff subheading	Article Description	Rate of Health Promotion levy
191.05	21.06	Food preparations not elsewhere specified or included:	
191.05	2106.90	Other:	
191.05.05	2106.90.20	Syrups and other concentrates or preparations for making beverages, whether or not with a basis of fruit juice (other than those in the form of powders or granules)	1.05c/gram of the sugar content that exceeds 4g/100ml
191.07	22.02	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages (excluding fruit or vegetable juices of heading 20.09):	
191.07	2202.10	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured:	
191.07.05	2202.10.10	In sealed containers holding 2.5 li or less excluding those in collapsible plastic cubes	2.1c/gram of the sugar content that exceeds 4g/100ml
191.07.10	2202.10.90	Other	2.1c/gram of the sugar content that exceeds 4g/100ml

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Health Promotion Levy Item	Tariff subheading	Article Description	Rate of Health Promotion levy
191.07	2202.9	Other:	
191.07	2202.91	Non-alcoholic beer:	
191.07.15	2202.91.20	In sealed containers holding 2.5 li or less (excluding those in collapsible plastic tubes and those with a basis of milk)	2.1c/gram of the sugar content that exceeds 4g/100ml
191.07.20	2202.91.90	Other	2.1c/gram of the sugar content that exceeds 4g/100ml
191.09	2202.99	Other:	
191.09.25	2202.99.20	In sealed containers holding 2.5 li or less (excluding those in collapsible plastic tubes and those with a basis of milk)	2.1c/gram of the sugar content that exceeds 4g/100ml
191.09.90	2202.99.90	Other	2.1c/gram of the sugar content that exceeds 4g/100ml

3. By the substitution for the title to Schedule No. 4 of the following title:

“REBATES AND REFUNDS OF EXCISE DUTIES, FUEL LEVY, ROAD
ACCIDENT FUND LEVY, ENVIRONMENTAL LEVY AND HEALTH
PROMOTION LEVY”

4. By the substitution in Schedule No. 4 for Note 3 of the following note:

- “3.(a) Note 3 to Schedule No. 3 shall apply mutatis mutandis in respect of any expression relating to the extent of any rebate in this Schedule and in addition the extent of any rebate in this Schedule and in addition the extent of the rebate shall, subject to the Notes to Part 5 of this Schedule, be deemed to include a rebate of any environmental levy payable in terms of Part 3 of Schedule No. 1 and health promotion levy payable in terms of Part 7 of Schedule No.1.
- (b) Note 5 to Schedule No. 3 shall apply mutatis mutandis to any reference to a tariff heading or subheading in this Schedule.”

5. By the insertion of the following Part 7 in Schedule No. 4:

**“PART 7
REBATES OF HEALTH PROMOTION LEVY**

NOTES:

1. For the purposes of Chapter VB of the Act and this Schedule –

- (a) any imported goods referred to in any item of this Schedule shall, subject to compliance with any relevant Note or rule, be admitted under rebate of health promotion levy as contemplated in Note 3 of the General Notes to this Schedule to the extent that such rebate can be applied; and
- (b) the provisions for a rebate of duty on any goods specified in any item of this Schedule shall, subject to these notes, determine entitlement to any rebate of health promotion levy, notwithstanding that no customs duty is leviable on the goods concerned.

2. “Full duty” when referring to the extent of rebate in any item in this Part means the health promotion levy payable in terms of the relevant item of Part 7 of Schedule No. 1 less any rebate, refund or drawback of such levy granted previously in respect of the goods.

Draft

6. By the insertion of the following rebate items to Part 7 of Schedule No.4

Rebate Item	Tariff Heading	Rebate Code	CD	Description	Extent of Rebate
REBATES OF HEALTH PROMOTION LEVY					
499.01	00.00	01.00		<p>Goods in respect of which health promotion levy together with the customs duty amounts to not less than R2 500, proved to have been lost, destroyed or damaged on any single occasion in circumstances of VIS MAJOR or in such other circumstances as the Commissioner deems exceptional while such goods are-</p> <p>(a) in any customs and excise warehouse or in any appointed transit shed or under control of the Commissioner;</p> <p>(b) being removed with deferment of payment of duty or under rebate of duty from a place in the Republic to any other place in terms of the provisions of this Act; or</p> <p>(c) being stored in any rebate storeroom, provided-</p> <p>(i) no compensation in respect of the customs duty, fuel levy, environmental levy, or health promotion levy on such goods has been paid or is due to the owner by any other person;</p> <p>(ii) such loss, destruction or damage was not due to any negligence or fraud on the part of the person liable for the duty; and</p> <p>(iii) such goods did not enter into consumption.</p>	Full duty

7. By the substitution for the title to Schedule No. 5 of the following title:

“SPECIFIC DRAWBACKS AND REFUNDS OF CUSTOMS DUTIES, FUEL LEVY,
ENVIRONMENTAL LEVY AND HEALTH PROMOTION LEVY”

Draft

8. By the insertion in Schedule No. 5 of the following Part:

PART 6**DRAWBACKS AND REFUNDS OF HEALTH PROMOTION LEVY ON IMPORTED GOODS**

9. By the insertion of the following drawbacks and refund items to Part 6 of Schedule No 5:

Refund or Drawback Item	Tariff Heading	Code	CD	Description	Extent of Refund or Drawback
560.00	DRAWBACKS OF HEALTH PROMOTION LEVY ON IMPORTED GOODS EXPORTED				
560.01	00.00	01.00		Goods exported in accordance with the provisions of item 521.00/00.00/01.00, 522.00, 522.03, 522.04 or 522.05 on which the health promotion levy has been paid	Full duty
561.00	REFUNDS OF HEALTH PROMOTION LEVY ON IMPORTED GOODS				
561.01	GOODS ABANDONED OR DESTROYED OF ITEM 532.00				
561.01	00.00	01.00		Goods abandoned or destroyed as contemplated in item 532.00 on the which health promotion levy has been paid	Full duty
561.02	OTHER HEALTH PROMOTION LEVY GOODS EXPORTED TO A BLNS COUNTRY				
561.02	00.00	01.00		Goods (excluding those covered by item 551.02) in respect of which the health promotion levy has been paid and that are exported to a BLNS country as defined in rule 54F.01	Full duty

10. By the substitution for the title to Schedule No. 6 of the following title:

“REBATES AND REFUNDS OF EXCISE DUTIES, FUEL LEVY, ROAD ACCIDENT FUND LEVY, ENVIRONMENTAL LEVY AND HEALTH PROMOTION LEVY”

Draft

11. By the insertion Schedule No. 6 of the following Notes:

PART 5

REBATES AND REFUND ON HEALTH PROMOTION LEVY

NOTES:

1. For the purposes of Chapter VB of the Act and the provisions of this Schedule -
 - (a) Subject to compliance with any relevant Note or rule, any health promotion levy goods manufactured in the Republic shall be admitted under rebate of the health promotion levy or a refund of the health promotion levy shall be paid or set off in respect of such goods as specified in this Part;
 - (b) any provision for a rebate or refund of excise duty in respect of goods for the purposes or use specified in any such item, shall to the extent that it can be applied and except if otherwise specified in this Part, apply mutatis mutandis for the purpose of a rebate or refund of health promotion levy on such goods;
 - (c) the provisions contemplated in paragraph (b) shall determine entitlement to a rebate or refund of health promotion levy specified in this Part notwithstanding that no excise duty is leviable on the goods concerned; and
 - (d) notwithstanding paragraphs (a), (b) and (c), a rebate or refund of health promotion levy is not allowed where any Note in the Section specifying the item of Part 7 of Schedule No. 1 imposing the health promotion levy otherwise provides.
2.
 - (a) "Full duty" in this Part means the health promotion levy payable in terms of the relevant item in Part 7 of Schedule No. 1 less any rebate, refund or drawback of such levy granted previously in respect of the goods.
 - (b) The reference 00.00 in the tariff item/health promotion levy column of this Part in respect of any item thereof, shall, as may be applicable in each case, be deemed to refer to any health promotion levy item or all such items specified in Part 7 of Schedule No. 1.
3. The relevant rebate or refund item must be reflected on each document issued or processed, including the quarterly account referred to in the rules, where any health promotion levy goods are removed or otherwise dealt with for the purposes or use or in the circumstances specified in such item.

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12. By the insertion of the following rebate and refund items in Part 5 of Schedule No. 6:

Rebate Item	Tariff Item	Rebate Code	CD	Description	Extent of Rebate
690.00	REBATES OF HEALTH PROMOTION LEVY				
690.01	00.00	01.00		Health promotion levy goods in respect of which the health promotion levy payable (if applicable) thereon amount to not less than R2 500, proved to have been lost, destroyed or damaged, on any single occasion in circumstances of VIS MAJOR or in such other circumstances as the Commissioner deems exceptional, while such goods are – (a) In any customs and excise warehouse; (b) are being removed in bond; or (c) are under the control of the Commissioner, provided no compensation in respect of health promotion levy on such goods has been paid or is due to the owner by any other person and such loss, destruction or damage was not due to any negligence or fraud on the part of the person liable for the duty and that such goods did not enter into consumption	Full duty
690.02	00.00	02.00		Manufactured health promotion levy goods in a customs and excise warehouse used for the manufacture by reprocessing of health promotion levy goods or the manufacture of other goods	Full duty
691.00	REFUNDS OF HEALTH PROMOTION LEVY				

Draft

691.01	00.00	01.00	<p>Goods liable to the health promotion levy specified in any item of Part 7 of Schedule No. 1 which, after entry or deemed entry for home consumption and payment of duty by the licensee of a customs and excise manufacturing warehouse as contemplated in Chapter VB of the Act and its rules, are removed by such licensee to a consignee in a BLNS country, subject to compliance with the Notes hereto</p> <p>NOTES:</p> <p>1. Definitions and application of provisions</p> <p>(a) The refund provided for in this item is subject to the provisions of section 75(11A).</p> <p>(b) For the purposes of this item, these Notes and section 75(11A), unless the context otherwise indicates – "BLNS country" or "any other country in the common customs area" means the Republic of Botswana, the Kingdom of Lesotho, the Republic of Namibia or the Kingdom of Swaziland; "refund" as provided in this item means the amount of health promotion levy that may be set-off against the amount of health promotion levy payable on the quarterly health promotion levy account of a licensee of a customs and excise manufacturing warehouse on complying with the Notes, the rules for Chapter VB and any rule regulating the movement of goods to which this item relates; "set-off" means a set-off of duty contemplated in section 77 that is refundable in terms of this item.</p> <p>(c) Any such set-off may, subject to Note 2(c) be shown on the account if so provided thereon as a deduction from the dutiable quantity.</p> <p>2. Set-off against accounts in respect of health promotion levy goods removed as contemplated in the item:</p> <p>(a) The removal of such goods shall be subject to such conditions and procedures as the Commissioner may prescribe by rule.</p> <p>(b) Where such health promotion levy goods have been duly removed to the consignee in a BLNS country, the licensee may, where proof of such removal has been obtained and, any other requirement has been complied with as prescribed in the rules, set-off the health promotion levy paid or payable on the goods so removed against the health promotion levy payable in respect of any such goods as declared in the health promotion levy account for any accounting period during a period of two years after the date any prescribed document was processed in respect of such removal.</p> <p>(c) (i) For the purposes of section 75 (11A), the licensee of the customs and excise manufacturing warehouse must produce proof of the health promotion levy paid or payable on the goods so removed to a BLNS country and if the licensee is unable to produce such proof the environmental levy on any quantity of the goods so removed must be calculated at the lowest rate of health promotion levy levied in terms of this Act on such goods during the month prior to the date on which any prescribed document was processed in respect of the removal of the goods concerned.</p> <p>(ii) Where the rate of duty payable on any goods accounted for on the health promotion levy account differs from the rate paid or payable contemplated in subparagraph (i) on the goods so removed, an appropriate adjustment must be made to the total amount payable on such account in respect of the set-off contemplated in paragraph (b).</p>	As provided hereto
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Draft

691.02	00.00	02.00	<p>Goods liable to the health promotion levy specified in any item of Part 7 of Schedule No. 1 which, after entry or deemed entry, for home consumption and payment of duty by the licensee of a customs and excise manufacturing warehouse as contemplated in Chapter VB of the Act and its rules, are found to be off-specification or otherwise defective and are returned to such warehouse for reprocessing, subject to compliance with the Notes hereto</p> <p>NOTES:</p> <p>1. Definitions and application of provisions:</p> <p>(a) The refund provided for in this item is subject to the provisions of section 75(11A).</p> <p>(b) For the purposes of this item, these Notes and section 75(11A), unless the context otherwise indicates - "refund" as provided in this item means the amount of health promotion levy that may be set off against the amount of health promotion levy payable on the quarterly health promotion levy account of a licensee of a customs and excise manufacturing warehouse on complying with the Notes and the rules for Chapter VB; "set-off" means a set-off of duty contemplated in section 77 that is refundable in terms of this item.</p> <p>2. Limitation: For the purposes of any refund in terms of this item, goods may only be returned to a customs and excise manufacturing warehouse for reprocessing where the health promotion levy amounts to not less than R100 on any quantity found to be so off-specification or otherwise defective on a single occasion within a period of six months after removal from such warehouse and such goods are returned within one month after expiry of such period.</p> <p>3. Procedures and set-off against accounts: The licensee of the customs and excise manufacturing warehouse to which such goods are returned must keep a record which includes at least the following -</p> <p>(a) a detailed description of the goods received including the applicable tariff item;</p> <p>(b) the quantity received;</p> <p>(c) the date of receipt;</p> <p>(d) the name or registered business name (if any) and the physical address of the person who returned the goods concerned;</p> <p>(i) a copy of the credit note issued to, and the delivery or stock return note issued by the person who returned the goods;</p> <p>(ii) reasons for the return of the goods;</p> <p>(iii) the invoice or dispatch delivery note number issued and the date of issue in respect of the removal of the goods to the person concerned.</p> <p>4. (a) For the purposes of section 75(11A) the licensee of the customs and excise manufacturing warehouse must produce proof of the health promotion levy paid or payable on the goods returned for reprocessing in accordance with the provisions of this item and, if the licensee is unable to produce such proof, the levy on any quantity so returned, shall be calculated at the lowest rate levied in terms of this Act on such goods during the month prior to the date of the return of the goods.</p> <p>(b) The licensee of the customs and excise manufacturing warehouse may, after accounting for the goods in the quarterly health promotion levy account, set off the amount of duty duly refundable in terms of this item against the amount of duty payable in respect of any such goods as declared on any such account during a period of two years after receipt of the goods.</p> <p>(c) Where the rate of duty payable on any goods accounted for on the health promotion levy account differs from the rate as contemplated in paragraph (a) on the goods so returned an appropriate adjustment must be made to the total amount payable on such account in respect of set-off contemplated in paragraph (b).</p>	As provided hereto
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Draft

691.03	00.00	03.00		<p>Goods liable to the health promotion levy specified in any item of Part 3 of Schedule No. 1 which, after entry or deemed entry, for home consumption and payment of duty by the licensee of a customs and excise manufacturing warehouse as contemplated in Chapter VB of the Act and its rules are returned to such warehouse for any purpose other than reprocessing as contemplated in item 681.02, subject to compliance with the Notes hereto</p> <p>NOTES:</p> <p>1. Definitions and application of provisions:</p> <p>(a) The refund provided for in this item is subject to the provisions of section 75(11A).</p> <p>(b) For the purposes of this item, these Notes and section 75(11A), unless the context otherwise indicates -</p> <p>"refund" as provided in this item means the amount of health promotion levy that may be set off against the amount of health promotion levy payable on the quarterly health promotion levy account of a licensee of a customs and excise manufacturing warehouse on complying with these Notes and the rules for Chapter VB;</p> <p>"set-off" means a set-off of duty contemplated in section 77 that is refundable in terms of this item.</p> <p>2. Limitation:</p> <p>For the purposes of any refund in terms of this item, goods may only be returned to a customs and excise manufacturing warehouse where the health promotion levy amounts to not less than R100 on any quantity returned on a single occasion within a period of six months after removal from such warehouse and such goods are returned within one month after expiry of such period.</p> <p>3. Procedures and set-off against accounts:</p> <p>The licensee of the customs and excise manufacturing warehouse to which such goods are returned must keep a record which includes at least the following:</p> <p>(a) a detailed description of the goods received including the applicable tariff item;</p> <p>(b) the quantity received;</p> <p>(c) the date of receipt;</p> <p>(d) the name or registered business name (if any) and the physical address of the person who returned the goods concerned;</p> <p>(e) a copy of the credit note issued to, and the delivery or stock return note issued by the person who returned the goods;</p> <p>(f) reasons for the return of the goods;</p> <p>(g) the invoice or dispatch delivery note number issued and the date of issue in respect of the removal of the goods to the person concerned.</p> <p>4. (a) For the purposes of section 75(11A) the licensee of the customs and excise manufacturing warehouse must produce proof of the health promotion levy paid or payable on the goods returned in accordance with the provisions of this item and, if the licensee is unable to produce such proof, the levy on any quantity so returned, shall be calculated at the lowest rate levied in terms of this Act on such goods during the month prior to the date of the return of the goods.</p> <p>(b) The licensee of the customs and excise manufacturing warehouse may, after accounting for the goods in the health promotion levy account, set-off the amount of duty duly refundable in terms of this item against the amount of duty payable in respect of any such goods as declared on such account during a period of two years after receipt of the goods.</p> <p>(c) Where the rate of duty payable on any goods accounted for on the health promotion levy account differs from the rate as contemplated in paragraph (a) on the goods so returned an appropriate adjustment must be made to the total amount payable on such account in respect of the set-off contemplated in paragraph (b).</p>	As provided hereto
691.04	00.00	04.00		Health promotion levy goods exported.	Full duty

Draft

691.05	00.00	06.00	<p>Goods liable to the health promotion levy specified in any item of Part 7 of Schedule No. 1 which, after entry or deemed entry for home consumption and payment of duty by the licensee of a customs and excise manufacturing warehouse as contemplated in Chapter VB of the Act and its rules, are removed by such licensee to a consignee outside the common customs union, subject to compliance with the Notes hereto</p> <p>NOTES:</p> <p>1. Definitions and application of provisions</p> <p>(a) The refund provided for in this item is subject to the provisions of section 75(11A).</p> <p>(b) For the purposes of this item, these Notes and section 75(11A), unless the context otherwise indicates— "BLNS country" or "any other country in the common customs area" means the Republic of Botswana, the Kingdom of Lesotho, the Republic of Namibia or the Kingdom of Swaziland; "Common Customs Union" means the combined areas of the Member States of SACU; "SACU" means Southern African Customs Union; "refund" as provided in this item means the amount of health promotion levy that may be set-off against the amount of health promotion levy payable on the quarterly health promotion levy account of a licensee of a customs and excise manufacturing warehouse on complying with the Notes, the rules for Chapter VB and any rule regulating the movement of goods to which this item relates; "set-off" means a set-off of duty contemplated in section 77 that is refundable in terms of this item.</p> <p>(c) Any such set-off may, subject to Note 2(c) be shown on the account if so provided thereon as a deduction from the dutiable quantity.</p> <p>2. Set-off against accounts in respect of health promotion levy goods removed as contemplated in the item:</p> <p>(a) The removal of such goods shall be subject to such conditions and procedures as the Commissioner may prescribe by rule.</p> <p>(b) Where such health promotion levy goods have been duly removed to the consignee outside the common customs union, the licensee may, where proof of such removal has been obtained and, any other requirement has been complied with as prescribed in the rules, set-off the health promotion levy paid or payable on the goods so removed against the environmental levy payable in respect of any such goods as declared in the health promotion levy account for any accounting period during a period of two years after the date any prescribed document was processed in respect of such removal.</p> <p>(c) (i) For the purposes of section 75(11A), the licensee of the customs and excise manufacturing warehouse must produce proof of the health promotion levy paid or payable on the goods so removed outside the common customs area and if the licensee is unable to produce such proof the health promotion levy on any quantity of the goods so removed must be calculated at the lowest rate of environmental levy levied in terms of this Act on such goods during the month prior to the date on which any prescribed document was processed in respect of the removal of the goods concerned.</p> <p>(ii) Where the rate of duty payable on any goods accounted for on the health promotion levy account differs from the rate paid or payable contemplated in subparagraph (i) on the goods so removed, an appropriate adjustment must be made to the total amount payable on such account in respect of the set-off contemplated in paragraph (b).</p>	As provided hereto
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13. Part 1 of Schedule No. 1 to the Customs and Excise Act is hereby amended by the insertion of the following items.

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Heading / Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
2106.90.20	6	-- Syrups and other concentrates or preparations for making beverages, whether or not with a basis of fruit juice (other than those in the form of powders or granules)	kg	free	free	free	free	free

14. Part 1 of Schedule No. 1 to the Customs and Excise Act is hereby amended by the substitution of the following items:

Heading / Subheading	CD	Article Description	Statistical Unit	Rate of Duty				
				General	EU	EFTA	SADC	MERCOSUR
2106.90.25	7	-- Other, syrups (excluding syrups with a basis of fruit juice)	kg	free	free	free	free	free