

MEMORANDUM ON THE OBJECTS OF THE CUSTOMS AND EXCISE AMENDMENT BILL, 2019

1. PURPOSE OF BILL

The Customs and Excise Amendment Bill, 2019 (the “Bill”), proposes to amend the Customs and Excise Act, 1964.

2. OBJECTS OF BILL

2.1 Customs and Excise Act, 1964: Insertion of section 54AA

The proposed amendment inserts a new provision for the purpose of the administration of allowances and limitation of allowances in relation to the Carbon Tax Act. The provision facilitates the administering of those allowances and limitation of allowances as rebates, refunds or drawbacks. The proposed provision further requires that a taxpayer as defined in the Carbon Tax Act must license premises as may be prescribed by rule. The provision also regulates actions, pertaining to submission and verification of accounts, collection and payment of the carbon tax. The proposed amendment also allows the Commissioner to make rules insofar as it is necessary to regulate duties, powers and rights not regulated by the Carbon Tax Act in relation to collection and payment of the Carbon Tax.

2.2 Short title and commencement

The clause makes provision for the short title and commencement of the proposed Act.

3. CONSULTATION

The amendment proposed by this Bill was published on National Treasury’s website for public comment as part of the proposed Carbon Tax Bill. Comments by interested parties were considered. Accordingly, the general public and institutions at large have been consulted in preparing the Bill.

4. FINANCIAL IMPLICATIONS FOR STATE

An account of the financial implications for the State was given in the 2018 Budget Review, tabled in Parliament on 21 February 2018.

5. PARLIAMENTARY PROCEDURE

5.1 The State Law Advisers and the National Treasury and South African Revenue Service are of the opinion that this Bill must be dealt with in accordance with the procedure established by section 75 of the Constitution of the Republic of South Africa, 1996, since it contains no provision to which the procedure set out in section 74 or 76 of the Constitution applies.

5.2 The State Law Advisers are of the opinion that it is not necessary to refer this Bill to the National House of Traditional Leaders in terms of section 18(1)(a) of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003), since it contains no provision pertaining to customary law or customs of traditional communities.