

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 155 [NW176E]
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155. Mr G G Hill-Lewis (DA) to ask the Minister of Finance:

- (1) With reference to his reply to question 933 on 11 October 2019, what items were imported in each of the instances that duty rebate item 406.1 was used since 2009;
- (2) whether these items were inspected by officials of the SA Revenue Service; if not, why not; if so, what are the relevant details?

NW176E

REPLY:

- (1) This response must be read together with the South African Revenue Service (SARS) written reply to the National Assembly dated 13 September 2019.

As previously communicated, rebate item 406.01 was, over the ten financial years in question, since 2009, used 311 times through 23 declarations to import goods into the Republic. The commodities involved (50 different commodities) are described in the following broad categories:

No	Product broad category	Product sub-category
1	Baking and confectionery products	Chewing gum, Chocolates, Biscuits, Waffles and wafers
2	Potatoes	Potatoes
3	Peanut Butter	Peanut Butter
4	Alcoholic Beverages	Beer, wine, whiskies, rum, gin, vodka, liqueurs
5	Tobacco Products	Cigarette and cigars
6	Beauty Products	Perfumery pastes, eye make-up preparations, shaving products and skin washing products
7	Tyres	Tyres
8	Clothing	Women Jackets, blazers, dresses and skirts
9	Works of arts and ornaments	Statuettes, paintings, drawings and pastels
10	Optical media	Recorded
11	Smart cards	Non-digital
12	Radio broadcasting receiver	Combined sound recording and reproducing apparatus
13	Monitors	Computer Monitors
14	Motor Vehicle	Ambulance
15	Wire	Winding Wire

Please find below a detailed extract of the imports which included quantities at a sub-product level.

HS Code	Commodity	Number of Imports
170490007	Chewing gum sugar coated or not, Other	13
180631005	Other, in blocks, slabs or bars :chocolate	11
180632001	Other, in blocks, slabs or bars:Not filled	16
180690006	Other, in blocks, slabs or bars:Not Other	12
190531003	Sweet biscuits; waffles and wafers:Sweet biscuits	9
190532006	Sweet biscuits; waffles and wafers:Waffles and wafers	1
200520902	Potatoes:Other	1
200811104	Nuts, ground-nuts and other seeds, whether or not mixed together:	2
200811902	Peanut butter:Other	3
200819008	Peanut butter:Other including mixtures	4
210690907	Food preparations not elsewhere specified or included: Other: Other	1
220300907	Beer made from malt:Other	1
220410004	Sparkling wine	7
220510313	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances:Fortified	3
220820106	Spirits obtained by distilling grape wine or grape marc:	8
220830100	Whiskies:	83
220830909	Whiskies:Other	4
220840105	Rum and other spirits obtained by distilling fermented sugarcane products:	1
220850109	Gin and Geneva	3
220860104	Vodka:	13
220860902	Vodka:Other	1
220870214	Liqueurs and cordials:	2
220870222	Liqueurs and cordials:Other	13
220890221	Other Spirits:Other	1
240210901	Cigars, cheroots and cigarillos, containing tobacco:Other	5
240220906	Cigarettes containing tobacco:Other	20
240290248	Cigarettes of tobacco substitutes:Other	1
330300109	Perfumes and toilet waters:Pastes and other intermediate products not put up for sale by retail	38
330420900	Eye make-up preparations:Other	2
330499909	Beauty or make-up preparations and preparations for the care of the skin:Other	9
330710906	Pre-shave, shaving or after-shave preparations:Other	2
340130003	Organic surface-active products and preparations for washing the skin, in the form of liquid or crea	2
401110098	New pneumatic tyres, of rubber:Having a rim size of 43 cm (17 inches) or more	6
620439009	Women's Jackets and blazers:Of other textile materials	2
620449003	Dresses:Of other textile materials	1
620459008	Skirts and divided skirts:Of other textile materials	1
830629007	Statuettes and other ornaments:Other	1
852349007	Optical media:Other	1
852380008	"Smart cards":Other	1
852791909	Combined with sound recording or reproducing apparatus: Other	1
852851106	Other monitors:	1
852859905	Other monitors: Other	1
854470002	Winding wire:	1
870324905	Ambulances: Other	1
970190001	Paintings, drawings and pastels; Other	1
Total		311

- (2) SARS has, in line with the World Customs Organisation Risk Management Guidelines, the Trade Facilitation Agreement as well as an acknowledgement that it would be impossible to inspect all shipments which traverse our borders, adopted a risk-based approach in terms of which interventions are earmarked only for consignment identified as posing a risk to our legislated mandate.

Guided by this globally accepted practice, on the 23 declarations as mentioned above, SARS identified a risk and intervened in seven (7), which translates into a 30% intervention rate. Of the seven entries wherein SARS intervened, two cases were successful (29% success rate- refund claim rejected as well as a voucher of correction insisted upon amending the declaration) with the rest released as entered (as no contravention was identified). The details relating to the seven entries are described in the following table:

Local Reference Number (LRN)	Customs Intervention	Outcome
01394043JHB20130115363920	YES	Physical inspection - Released as entered
01796636DBN20180807187782	YES	Refund rejected - Voucher of correction requested
00615068DBN20170418224300	YES	Inspection conducted - Voucher of correction requested
20288076DBN20160317144637	YES	Physical inspection - Released as entered
20288076DBN20151221142636	YES	Document inspection - Released as entered
20288076DBN20160223144130	YES	Physical inspection - Released as entered
20288076DBN20160125143393	YES	Document inspection - Released as entered