

Statutory Instrument No. 20 of 2021

**EXCISE DUTY ACT**  
(No. 34 of 2018)

**EXCISE DUTY AMENDMENT OF SCHEDULE (NO. 4) NOTICE, 2021**  
(Published on 12th March, 2021)

IN EXERCISE of the power conferred on the Minister of Finance and Economic Development by sections 53 and 54 of the Excise Duty Act, the schedules to the Act are proposed to be amended to the extent set out in the Schedule below:

**By the deletion of the following:**

Tariff Item	Tariff Subheading	Article Description	Rate of Excise Duty
106.20.04	3824.71.07	Containing pentafluoroethane, propane and chlorodifluoromethane (R-402A) or (R-402B)	500c/kg
106.20.05	3824.71.09	Containing propane, chlorodifluoromethane and octfluoropropane (R-403A) or (R-403B)	500c/kg
106.20.08	3824.71.15	Containing chlorodifluoromethane, 1,1-difluoroethane and chlorotetrafluoroethanes (R-401A) or (R-401B)	500c/kg
106.20.09	3824.71.17	Containing chlorodifluoromethane, Iso-Butane and 1-chloro-1,1-difluoroethane (R-406A)	500c/kg
106.20.10	3824.71.19	Containing chlorodifluoromethane, 1,1,1-trifluoroethane and pentafluoroethane (R-408A)	500c/kg
106.20.11	3824.71.21	Containing chlorodifluoromethane, chlorotetrafluoroethanes and 1-chloro-1,1-difluoroethane (R-409A) or (R-409B)	500c/kg
106.20.12	3824.71.23	Containing chlorodifluoromethane and 1,1-difluoroethane (R-415B)	500c/kg
106.20.13	3824.71.25	Containing propane, chlorodifluoromethane and 1,1-difluoroethane (R-418A)	500c/kg
106.20.14	3824.71.27	Containing chlorodifluoromethane and 1-chloro-1,1-difluoroethane (R-22/R-142B)	500c/kg
106.20.17	3824.72.07	Containing pentafluoroethane, propane and chlorodifluoromethane (R-402A) or (R-402B)	500c/kg
106.20.18	3824.72.09	Containing propane, chlorodifluoromethane and octfluoropropane (R-403A) or (R-403B)	500c/kg
106.20.19	3824.72.11	Containing dichlorodifluoromethane and 1,1-difluoroethane (R-500)	500c/kg
106.20.20	3824.72.13	Containing chlorodifluoromethane and chloropentafluoroethane (R-502)	500c/kg
106.20.21	3824.72.15	Containing chlorodifluoromethane, 1,1-difluoroethane and chlorotetrafluoroethanes (R-401A) or (R-401B)	500c/kg
106.20.22	3824.72.17	Containing chlorodifluoromethane, Iso-Butane and 1-chloro-1,1-difluoroethane (R-406A)	500c/kg
106.20.23	3824.72.19	Containing chlorodifluoromethane, 1,1,1-trifluoroethane and pentafluoroethane (R-408A)	500c/kg
106.20.24	3824.72.21	Containing chlorodifluoromethane, chlorotetrafluoroethanes and 1-chloro-1,1-difluoroethane (R-409A) or (R-409B)	500c/kg
106.20.25	3824.72.23	Containing chlorodifluoromethane and 1,1-difluoroethane (R-415B)	500c/kg
106.20.26	3824.72.25	Containing propane, chlorodifluoromethane and 1,1-difluoroethane (R-418A)	500c/kg
106.20.27	3824.72.27	Containing chlorodifluoromethane and 1-chloro-1,1-difluoroethane (R-22/R-142B)	500c/kg

106.20.30	3824.73.07	Containing pentafluoroethane, propane and chlorodifluoromethane (R-402A) or (R-402B)	500c/kg
106.20.31	3824.73.09	Containing propane, chlorodifluoromethane and octfluoropropane (R-403A) or (R-403B)	500c/kg
106.20.32	3824.73.11	Containing dichlorodifluoromethane and 1,1-difluoroethane (R-500)	500c/kg
106.20.33	3824.73.13	Containing chlorodifluoromethane and chloropentafluoroethane (R-502)	500c/kg
106.20.34	3824.73.15	Containing chlorodifluoromethane, 1,1-difluoroethane and chlorotetrafluoroethanes (R-401A) or (R-401B)	500c/kg
106.20.35	3824.73.17	Containing chlorodifluoromethane, Iso-Butane and 1-chloro-1,1-difluoroethane (R-406A)	500c/kg
106.20.36	3824.73.19	Containing chlorodifluoromethane, 1,1,1-trifluoroethane and pentafluoroethane (R-408A)	500c/kg
106.20.37	3824.73.21	Containing chlorodifluoromethane, chlorotetrafluoroethanes and 1-chloro-1,1-difluoroethane (R-409A) or (R-409B)	500c/kg
106.20.38	3824.73.23	Containing chlorodifluoromethane and 1,1-difluoroethane (R-415B)	500c/kg
106.20.39	3824.73.25	Containing propane, chlorodifluoromethane and 1,1-difluoroethane (R-418A)	500c/kg
106.20.40	3824.73.27	Containing chlorodifluoromethane and 1-chloro-1,1-difluoroethane (R-22/R-142B)	500c/kg
106.20.44	3824.74.07	Containing pentafluoroethane, propane and chlorodifluoromethane (R-402A) or (R-402B)	500c/kg
106.20.45	3824.74.09	Containing propane, chlorodifluoromethane and octfluoropropane (R-403A) or (R-403B)	500c/kg
106.20.46	3824.74.11	Containing dichlorodifluoromethane and 1,1-difluoroethane (R-500)	500c/kg
106.20.47	3824.74.13	Containing chlorodifluoromethane and chloropentafluoroethane (R-502)	500c/kg
106.20.48	3824.74.15	Containing chlorodifluoromethane, 1,1-difluoroethane and chlorotetrafluoroethanes (R-401A) or (R-401B)	500c/kg
106.20.57	3824.77.07	Containing pentafluoroethane, propane and chlorodifluoromethane (R-402A) or (R-402B)	500c/kg
106.20.58	3824.77.09	Containing propane, chlorodifluoromethane and octfluoropropane (R-403A) or (R-403B)	500c/kg
106.20.59	3824.77.11	Containing dichlorodifluoromethane and 1,1-difluoroethane (R-500)	500c/kg
106.20.60	3824.77.13	Containing chlorodifluoromethane and chloropentafluoroethane (R-502)	500c/kg
106.20.61	3824.77.15	Containing chlorodifluoromethane, 1,1-difluoroethane and chlorotetrafluoroethanes (R-401A) or (R-401B)	500c/kg
106.20.62	3824.77.17	Containing chlorodifluoromethane, Iso-Butane and 1-chloro-1,1-difluoroethane (R-406A)	500c/kg
106.20.63	3824.77.19	Containing chlorodifluoromethane, 1,1,1-trifluoroethane and pentafluoroethane (R-408A)	500c/kg
106.20.64	3824.77.21	Containing chlorodifluoromethane, chlorotetrafluoroethanes and 1-chloro-1,1-difluoroethane (R-409A) or (R-409B)	500c/kg
106.20.65	3824.77.23	Containing chlorodifluoromethane and 1,1-difluoroethane (R-415B)	500c/kg
106.20.66	3824.77.25	Containing propane, chlorodifluoromethane and 1,1-difluoroethane (R-418A)	500c/kg
106.20.67	3824.77.27	Containing chlorodifluoromethane and 1-chloro-1,1-difluoroethane (R-22/R-142B)	500c/kg
106.20.71	3824.79.07	Containing pentafluoroethane, propane and chlorodifluoromethane (R-402A) or (R-402B)	500c/kg
106.20.72	3824.79.09	Containing propane, chlorodifluoromethane and octfluoropropane (R-403A) or (R-403B)	500c/kg
106.20.73	3824.79.11	Containing dichlorodifluoromethane and 1,1-difluoroethane (R-500)	500c/kg

106.20.74	3824.79.13	Containing chlorodifluoromethane and chloropentafluoroethane (R-502)	500c/kg
106.20.75	3824.79.15	Containing chlorodifluoromethane, 1,1-difluoroethane and chlorotetrafluoroethanes (R-401A) or (R-401B)	500c/kg
106.20.76	3824.79.17	Containing chlorodifluoromethane, Iso-Butane and 1-chloro-1,1-difluoroethane (R-406A)	500c/kg
106.20.77	3824.79.19	Containing chlorodifluoromethane, 1,1,1-trifluoroethane and pentafluoroethane (R-408A)	500c/kg
106.20.78	3824.79.21	Containing chlorodifluoromethane, chlorotetrafluoroethanes and 1-chloro-1,1-difluoroethane (R-409A) or (R-409B)	500c/kg
106.20.79	3824.79.23	Containing chlorodifluoromethane and 1,1-difluoroethane (R-415B)	500c/kg
106.20.80	3824.79.25	Containing propane, chlorodifluoromethane and 1,1-difluoroethane (R-418A)	500c/kg
106.20.81	3824.79.27	Containing chlorodifluoromethane and 1-chloro-1,1 difluoroethane (R-22/R-142B)	500c/kg
106.20.83	3824.79.32	Containing 1,1,1-trifluoroethane, pentafluoroethane and 1,1,1,2-tetrafluoroethane (R-404A)	500c/kg
106.20.84	3824.79.34	Containing difluoromethane, pentafluoroethane and 1,1,1,2-tetrafluoroethane (R-407A), (R-407B), (R-407C), (R-407D), or (R-407E)	500c/kg
106.20.85	3824.79.38	Containing 1,1,1,2-tetrafluoroethane, difluoromethane and pentafluoroethane (R-407F) (LT)	500c/kg
106.20.86	3824.79.40	Containing difluoromethane and pentafluoroethane (R-410A)	500c/kg
106.20.87	3824.79.42	Containing difluoromethane, 1,1,1,2-tetrafluoroethane and Isobutene (R-422D)	500c/kg
106.20.88	3824.79.44	Containing pentafluoroethane and 1,1,1-trifluoroethane (R-507)	500c/kg
106.20.89	3824.79.46	Containing trifluoromethane and perfluoroethane (R-508A) or (R-508B)	500c/kg

**By the deletion of the following:**

Rebate Item	Tariff Heading	Rebate Code	CD	Description	Extent of Rebate
315.05	7308.90.90	01.01	86	Steel panels with an inner core of Portland cement, for the manufacture of elevated (raised) flooring systems for buildings classifiable in tariff subheading 7308.90.90	Full duty

**By the insertion of the following:**

Rebate Item	Tariff Heading	Rebate Code	CD	Description	Extent of Rebate
315.05	7308.90.99	01.01	80	Steel panels with inner core of Portland cement, for the manufacture of elevated (raised) flooring systems for buildings classifiable in tariff subheading 7308.90.90	Full duty

**By the substitution of the following:**

Rebate Item	Tariff Heading	Rebate Code	CD	Description	Extent of Rebate
317.03				<p><b>INDUSTRY: SPECIFIED MOTOR VEHICLES NOTES:</b>            This item and the Notes thereto provide for the implementation of the Automotive Production and Development Programme (APDP) introduced by the International Trade Administration Commission of South Africa (ITAC).  <b>1. Acronyms and definitions</b></p> <p>For the purpose of this item, the following acronyms and definitions will have the meaning assigned to them in this note:</p> <p><b>1.1 Acronyms</b>            APDP – Automotive Production and Development Programme, CSP – Company Specific Percentage, IRCC – Import Rebate Credit Certificate, ITAC – The International Trade Administration Commission of South Africa, MIDP – Motor Industry Development Programme, PRCC – Production Rebate Credit Certificate, SACU – Southern African Customs Union, SARS – South African Revenue Service, VAA – Volume Assembly Allowance, VAT – Value-Added-Tax</p> <p><b>1.2 Definitions</b>            “automotive tooling” means –            (a) dies for drawing or extruding metal, of subheading 8207.20;            (b) tools for pressing, stamping or punching, of subheading 8207.30;            (c) work holders of subheading 8466.20;            (d) assembly jigs and assembly lines, of subheading 8479.89; and            (e) injection moulds, moulding patterns and moulds of heading 84.80, where the principal use is for the manufacture of specified motor vehicles, heavy vehicles as defined in Note 1 to rebate item 317.07 and automotive components for such motor vehicles.</p> <p>“Form C1” means a Form C1 as defined in the ITAC Regulations.            “imported component value” means the value for customs duty purposes of any imported original equipment components imported by the registrant or imported by or received from any person in SACU and used in the manufacture or assembly of original equipment components or specified motor vehicles.            “guidelines” means the guidelines issued by ITAC.            “original equipment components” means components classifiable in Chapter 98 of Schedule No. 1.            “registrant” means a person registered under this item. “regulation” means regulations made in terms of section 59 of the International Trade Administration Act, No. 71 of 2002.            “specified motor vehicles” means –            (a) road tractors or semi-trailers of subheading 8701.20 of a vehicle mass not exceeding 1 600 kg;            (b) motor vehicles for the transport of ten or more persons, including the driver, of heading 87.02, of a vehicle mass not exceeding 2 000 kg (excluding those of subheading 8702.10.10);            (c) motor cars (including station wagons) of heading 8703;            (d) motor vehicles for the transport of goods of heading 87.04 of a vehicle mass not exceeding 2 000 kg or a G.V.M. not exceeding 3 500 kg or of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg per            (e) chassis fitted with a cab (excluding shuttle cars and low construction flame-proof vehicles for use in underground mines and off-the-road logging trucks); and            (f) chassis fitted with engines of heading 87.06, of a mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg (excluding those for shuttle cars and low construction flameproof vehicles, for use in underground mines and off-the-road logging trucks).</p> <p>“the Act” means “this Act” as defined in section 1 of the Customs and Excise Act, No. 91 of 1964.            “VAA” means the following percentages of the value for VAA purposes:            (a) 20 per cent from 1 January 2013;            (b) 19 per cent from 1 January 2014;            (c) 18 per cent from 1 January 2015; and            (d) with effect from 1 January 2016, according to the following sliding scale depending on the number of units produced –</p>	

- (j) 10 per cent for 10 000 units or more but not more than 14 999 units;
- (ii) 11 per cent for 15 000 units or more but not more than 19 999 units;
- (iii) 12 per cent for 20 000 units or more but not more than 24 999 units;
- (iv) 13 per cent for 25 000 units or more but not more than 29 999 units;
- (v) 14 per cent for 30 000 units or more but not more than 34 999 units;
- (vi) 15 per cent for 35 000 units or more but not more than 39 999 units;
- (vii) 16 per cent for 40 000 units or more but not more than 44 999 units;
- (viii) 17 per cent for 45 000 units or more but not more than 49 999 units; and
- (ix) 18 per cent for 50 000 units or more;

"value for VAA purposes" means the value, determined on the basis prescribed in Note 7.1, of all specified motor vehicles produced in terms of this item during a quarter and ready for sale.

## 2. Registration

2.1 Applicants under this rebate item shall submit a letter of approval from ITAC confirming qualification for participation together with the application.

## 3. Submission of accounts

3.1 Registrants under this rebate item shall submit accounts in the following manner:

- (a) A quarterly account (DA 199) to the SARS customs office in which area of control the premises is registered and bring any customs duty and additional VAT to account at that office within 30 days from the closing date of the accounting period, but not later than the penultimate official working day following the period of three months during which the closing date of the account occurs.
- (b) For the purposes of this item the accounting periods shall be for four periods of three months each commencing on 1 January each year.
- (c) The registrant shall not be entitled to the deferment of additional VAT, other than the 30 days provided for in (a) above.

3.2 When the registrant becomes aware of an error in the account submitted, the registrant must amend the account as soon as reasonably possible by —

- (a) completing a form (DA 199A) for the quarter affected by the amendment;
- (b) adjusting all forms affected by the amendment;
- (c) submitting form (DA 199A), adjusted forms and payment of any customs duty and additional VAT together with an explanation of the reasons for the amendment to the SARS customs office referred to in Note 3.1(a).

## 4. Original equipment components imported by the registrant

4.1 The registrant shall clear all original equipment components for the manufacture of specified motor vehicles, under Chapter 98 of Schedule No. 1.

4.2 All such original equipment components shall —

- (a) on importation be cleared under procedure code "Placement of goods under the 'Processing for Home Use' procedure"; or
- (b) if cleared on importation for storage and stored in a licensed customs and excise storage warehouse, be cleared before removal for use under procedure code "Processing for Home Use" of goods, previously placed under (c) "Warehousing" procedure; and
- (c) when cleared as contemplated in paragraphs (a) or (b), pay VAT on the value for customs duty purposes as if a "full duty" extent of rebate applies.

4.3 The value for customs duty purposes of all original equipment components shall be included in the quarter during which such components were cleared under the procedure code 'Processing for Home Use'.

## 5. Original equipment components supplied to the registrant

5.1 A registrant must ensure and produce proof if required that the Form C1 completed by the supplier of original equipment components correctly declares the imported component value.

5.2 (a) The imported component value on the Form C1 completed by a SACU supplier and received by the registrant during a quarter shall be recorded in the ensuing quarter irrespective of whether it has been used in production as yet or paid for; and

- (b) The imported component value on the Form C1 shall be deducted by the registrant in the quarter when the original equipment components are —
  - (i) incorporated into original equipment components and exported;
  - (ii) used in the manufacture of specified motor vehicles and exported;
  - (iii) transferred to parts and accessories; or
  - (iv) destroyed under customs supervision.

5.3 (a) Registrants shall be liable for any customs duty underpaid resulting from the under declaration of the imported component value on Form C1.

- (b) If ITAC reports any amendments to Form C1, the quarterly account to which it relates must be amended as may be necessary to give effect to the amendment reported, including payment of any customs duty due.
- (c) If Form C1 is not obtained or duly completed, the price at which the original equipment components were purchased by the registrant shall be deemed to be the imported component value in respect of the original equipment components.
- (d) Any incorrect information supplied on Form C1 can render the whole document null and void and may result in the purchase price of all items in such document being regarded as imported component value.

## 6. Determination of value for duty and additional VAT

- 6.1 Determination of the value for the calculation of customs duty and additional VAT on original equipment components imported by the registrant:**
- (a) The value for customs duty purposes of original equipment components cleared under Chapter 98 during a quarter, less the value for customs duty purposes of the original equipment components —
- (i) in unopened containers or unit load devices, provided that the value for customs duty purposes of such components in containers or unit load devices not opened shall be carried forward as an opening balance to the ensuing quarter;
  - (ii) used in the manufacture of original equipment components and supplied to other registrants in terms of this rebate item;
  - (iii) used in the manufacture of specified motor vehicles and exported;
  - (iv) used in the manufacture of original equipment components and exported;
  - (v) returned to the overseas suppliers;
  - (vi) transferred to the parts and accessories division;
  - (vii) destroyed under customs supervision.
- (b) If the deductions specified in subparagraphs (i) to (vii) exceed the value for customs duty purposes of imported original equipment components the value must be reduced to nil.
- (c) For the purposes of Notes 6.1(a) (iii) and (iv) registrants may carry forward any excess value for customs duty purposes of original equipment components imported and used in exports during a quarter to —
- (i) the ensuing quarter; and
  - (ii) such further quarters as the Commissioner may allow in exceptional circumstances.
- 6.2 Determination of the value for the calculation of the customs duty and additional VAT on original equipment components received by the registrant:**
- (a) The imported component value of original equipment components received from any person in SACU during the previous quarter less the imported component value of original equipment components —
- (i) used in the manufacture of original equipment components and exported during the current quarter;
  - (ii) used in the manufacture of specified motor vehicles and exported during the current quarter;
  - (iii) transferred to the parts and accessories division during the current quarter; and
  - (iv) destroyed under customs supervision during the current quarter.
- (b) If the deductions specified in subparagraphs (i) to (iv) exceed the imported component value of original equipment components received the value must be reduced to nil.
- (c) For the purposes of Notes 6.2(a) (i) and (ii) registrants may carry forward any excess value for customs duty purposes of original equipment components imported and used in exports during a quarter to —
- (i) the ensuing quarter; and
  - (ii) such further quarters as the Commissioner may allow in exceptional circumstances.
- 7. Deductions**
- 7.1 The value for VAA purposes for any quarter shall be —**
- (a) in the case of specified motor vehicles manufactured for the SACU market, the recommended retail list price (including options), (exclusive of VAT, excise duty in terms of Section B of Part 2 of Schedule No. 1 and environmental levy in terms of Sections D and E in Part 3 of Schedule No. 1) applicable to such motor vehicle(s) at the time of production thereof and ready for sale; or
  - (b) in the case of specified motor vehicles exported outside the SACU, the “price free on board” as contemplated in section 72 of the Act;
  - (c) less in respect of each of paragraphs (a) and (b), a CSP(s) on a quarterly basis.
- 7.2 A registrant shall not receive or be entitled to utilise VAA for the quarter for which the account is submitted, unless a CSP has been determined by ITAC.**
- 7.3 The VAA of specified motor vehicles shall be declared —**
- (a) when designated for export, but not exported at the end of a quarter, as the recommended retail list price on form DA 199.04A for that quarter; and
  - (b) when exported —
    - (i) as the “price free on board value” in the quarterly account during which the export took place on form DA199.04B; and
    - (ii) the recommended retail list price mentioned in (a) on form DA199.02.
- 7.4 ITAC will inform the Commissioner of any amendments to a CSP as a result of which the quarterly accounts must be amended.**
- 7.5 The Commissioner may, in the case of any model for which a recommended retail list price contemplated in paragraph 7.1 is not available, determine a value in terms of section 69 (3) of the Act.**
- 7.6 The VAA in any quarter shall firstly be utilized, if applicable, to reduce the value as calculated in terms of Notes 6.1 and 6.2.**
- 7.7 “Excess VAA” shall be calculated as follows:**
- (a) The balance of any excess VAA brought forward from the previous quarter;
  - (b) less any excess VAA utilised under rebate item 460.17 for this quarter;
  - (c) plus the VAA for this quarter;
  - (d) less the VAA utilised to offset the duty liability calculated in terms of Note 8.1 (d) for this quarter.

- 7.8** Any excess VAA may be utilised to reduce the value for customs duty purposes of specified motor vehicles imported under rebate item 460.17 in the next quarter, provided that
- (a) prior written approval for the utilisation of such excess VAA shall be obtained from the Commissioner;
  - (b) the value of the excess VAA shall be reduced by 20 per cent if used on imported fully built-up motor vehicles; and
  - (c) the remaining balance of any excess VAA shall be the opening balance in the next quarter.
- 7.9** The VAA or any excess VAA is not tradable or transferable.
- 7.10** A PRCC may only be used --
- (a) by the registrant or other importers in whose name the certificate is issued to apply for rebate in terms of section 75 or a refund provided for in section 76 of the Act; and
  - (b) to offset the duty liability calculated in terms of note 8.1(e).
- 7.11** The person in whose name a PRCC is issued shall be liable for any discrepancies in the application for the PRCC for whatever reason, which may result in the issue of an incorrect certificate and shall remain liable for the customs duty as if no rebate had been allowed.
- 8.** Extent of rebate
- 8.1** The calculation of the value to determine the extent of rebate shall be --
- (a) the value for customs duty purposes of imported original equipment components calculated in terms of Note 6.1;
  - (b) plus the imported component value of original equipment components received from any person in SACU calculated in terms of Note 6.2;
  - (c) plus the VAA calculated in terms of Note 7.3(b) (Form DA 199.02);
  - (d) less the VAA utilised in terms of Note 7.1 for this quarter; and if any liability remains;
  - (e) less the value of PRCCs to the point that the value is reduced to nil.
- 8.2** The extent of rebate provided for in this rebate item shall not exceed the customs duty payable on the entry of imported goods under Chapter 98 of Schedule No. 1.
- 8.3** If any liability remains after the calculation in terms of Note 8.1, the customs duty and additional VAT must be brought to account.
- 9.** Compliance
- 9.1** The registrant or component supplier must, as applicable, comply with --
- (a) this rebate item, rebate items 317.06 and 317.07 of Schedule No. 3, rebate item 460.17 of Schedule No. 4 and refund items 536.00, 537.00 and 538.00 of Schedule No. 5 and the Notes thereto;
  - (b) section 75 and any other provisions of the Act;
  - (c) the regulations;
  - (d) the guidelines; and
  - (e) any directives issued by the Commissioner and ITAC.

MADE this 15th day of February, 2021.

DR. T. MATSHEKA,  
*Minister of Finance and Economic  
 Development.*