Customs Legislation

Dear Customs client

UPDATE ON NEW CUSTOMS LEGISLATION

We would like to update you on progress regarding the new Customs Acts published in the Government Gazette in July 2014.

Throughout the year, high-level discussions have been taking place about how best to implement the Acts, keeping in mind system development and stakeholder readiness. It is important that the legislation is understood and all components required to deliver the Acts are built before we embark on implementation.

We have now reconsidered our initial approach of introducing Registration, Licensing and Accreditation (RLA) first and will rather be focusing on Reporting of Conveyancing and Goods (RCG), building on the platform created by the new Manifest Processing System (MPR) which was introduced last year. All impacted clients for RCG will be engaged through the stakeholder engagement sessions as well as directly, closer to implementation which is only likely to take place in the first half of next year.

In the meantime, work has continued on the drafting of the Rules under the Customs Control Act and the Customs Duty Act.

A workshop was held to discuss the comments received on the second draft of the Customs Control Rules on 30 August 2016, and thereafter work started on the third draft of those Rules which was published on the SARS website on 3 May 2017. The third draft was published for sight only and not comments and has been “frozen” for purposes of SARS systems design and development.

Please note that the draft is not published for public comment.

The second draft of the Customs Duty Rules was published for public comment on 1 September 2016 and a workshop was held on 29 May 2017 to discuss the comments received on that draft, as well as the new Customs Deferrment Policy. The draft Deferrment Rules were published separately for public comment on 2 June 2017, the closing date for comments being 31 July 2017.

Work on the third draft of the Customs Duty Rules has been completed and this draft is expected to be published on the SARS website during the first week of July 2017. As in the case of the third draft of the Customs Control Rules, this draft is the so-called “frozen” draft for purposes of systems development.

As stakeholders were informed during the 29 May workshop, the outstanding rules (i.e. Chapters 2 and 37 of the Customs Control Act) as well as the penalty lists in respect of both Acts will be published for public comment when internal discussions and drafting has been finalised. Furthermore the process of aligning the Customs Tariff to the new legislation is progressing.

It is to be noted that no Excise Rules will be drafted now, as the current rules relating to Excise under the 1964 Act, will continue to apply.

A guide relating to the transition from the current legislation to the new dispensation has recently been published on the SARS website and can be accessed by clicking here: Transition guide

We are also about to embark on roadshows to discuss the New Customs Acts with both SARS staff and clients. These will begin in July and end in August and every major centre in each region will be covered.
The purpose of the roadshows is to give a high-level overview of the impact of the new Acts on stakeholders, as well as progress on the legislation and the implementation thereof.

If you would like to attend, please click here to book your place: New Customs Acts briefing sessions.

Bookings will be on a first come, first served basis and are limited to a maximum of one person per organisation.

Once the roadshows have been completed, we will update our dedicated web page on the SARS website with presentations and new “Frequently Asked Questions”. The page can be accessed by clicking here: http://www.sars.gov.za/ClientSegments/Customs-Excise/AboutCustoms/Pages/New-Customs-Legislation-update.aspx.

SARS will continue to engage with public and private stakeholders throughout the process.

Thank you for your support.

Sincerely

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