

EXCISE

EXTERNAL POLICY

BONDS

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1 SUMMARY OF MAIN POINTS

- a) This policy covers:
- i) The standards used to determine the amount of surety and the criteria used to review the amount of surety;
 - ii) The registration, cancellation, increase or decrease and governance of bonds and addendums which are the acceptable forms of surety; and
 - iii) Surety where it is a condition of approval, registration, licensing or designation.
- b) Cash deposits on provisional payments (DA 70) in lieu of bonds are no longer accepted for surety for any new applications. Cash deposits will only be accepted for duty and / or VAT, which are due or may become due pending compliance with a specified condition or obligation to Excise within a stipulated period, (e.g. the declaration process).
- c) This document does not cover:
- i) Completion of Bonds and Addendums as this is dealt with in document SE-BON-03-M01;
 - ii) Licensing and Registration as this is dealt with in document SE-LR-02;
 - iii) Customs Bonds as this is dealt with in document SC-SE-05;
 - iv) Other forms of surety, for example, placing liens are covered in the enforcement procedures; and
 - v) Plant and machinery, which cannot be used as surety to cover any Customs security risks.

2 POLICY

2.1 Surety as a condition

- a) In terms of Sections 47B(6), 54E(4), 59A(2)(a), 60(1)(c), 61(1) and (2), 64B(3) and (4), 64D(5), the Commissioner **may** require that security be lodged, in the form, nature and amount determined by the Commissioner, in order to protect the State from any possible loss of revenue incurred as a result of any relevant activity carried out by that client.
- b) Carbon Tax is currently regarded as a low-risk tax due to the fact that the said tax is levied on greenhouse gases (GHG) that have already been emitted into the atmosphere, a year before the carbon tax is to be declared and payable. **Therefore a bond is not required for Carbon Tax purposes as there is no dutiable goods to safeguard.**
- c) Although tobacco leaf dealers need to register in terms of Rule 107A , **no bond is required** as they do not have any liability towards the SARS but only have an obligation to keep and retain records.
- d) **The following is excluded from furnishing surety:**
- i) **For the duration of the national state of disaster declared in terms of the National Disaster Management Act 2002 (Act No. 57 of 2002) for:**
 - A) **Temporary registration in terms of Rebate Item 621.08 for recipients and users of partially or undenatured ethyl alcohol for disinfectants classifiable in heading 38 of Part 1 of Schedule 1; and**
 - B) **Temporary license for the:**
 - I) **Extension of the licensed premises of existing licensed Excise manufacturing warehouse; and**
 - II) **Spirits SOS warehouse (warehouse business type 48) licensed in terms of Rule 19A3.01(b)(v).**
- e) The amount of surety will be determined in terms of standards and assessed on an individual basis in terms of the criteria established.
- f) If a specific bond or addendum type is required for which no provision exists, the Trader Registration Division (TRD) must approach the Executive: Excise Audit Enforcement for the compilation of such a bond or addendum. The fully motivated conditions for such a bond or addendum must accompany the request.

- g) The EA01 (Addendum: Amend bond amount) or EA02 (Addendum: Licensed Distributor of Fuel) must only be used to increase the amount of the original bond amount which therefore increases the total surety.
- h) Clients can make use of various financial institutions for various client type bonds. This means that a client can have a rebate bond from financial institution X and a warehouse bond from financial institution Y.
- i) Only one (1) bond and / or addendum may be furnished to secure the risk per functionality and / or the limit required. In other words, a client cannot have a bond from financial institution X and another from financial institution Y both for the same warehouse bond.
- j) Only an addendum registered with the same financial institution as the original bond it relates to, must be accepted.
- k) The client is responsible for informing SARS immediately if any information on a bond / addendum e.g. financial institution, director, etc. has changed.
- l) The following bonds or addendums must be submitted manually to the applicable Branch Office (B/O) and this is applicable to all new registrations or licences which require bonds or addendums:

| Bond Header Description | Bond number |
|--|-------------|
| i) Excise Addendum: Amend Bond Amount | EA01 |
| ii) Excise Addendum: Distributor of Fuel | EA02 |
| iii) Excise Bond: Licensed Distributor of Fuel | EB01 |
| iv) Excise Bond: Environmental Levy | EB02 |
| v) Excise Bond: Rebates (6th Schedule) | EB03 |
| vi) Excise Bond: Manufacture of Excisable Products | EB04 |
| vii) Excise Bond: Approved Warehouses (OS & SOS) | EB05 |

- m) Bonds and addendums, as indicated below, which are still registered will remain effective and are not required to be replaced, unless there is any legal requirement, such as a change in the conditions or an increase of bond amounts. For this purpose the following bonds apply:

| Bond Header Description | Bond number |
|---|-------------|
| i) General Bond: for Approved Warehouse | DA 108 |
| ii) Addendum to Customs and Excise Bond | DA 109 |
| iii) Bond: General | DA 110 |
| iv) Bond: Manufacture of Excisable Products | DA 111 |
| v) Customs and Excise Bond: Excise Rebates | DA 112 |

- n) In terms of Section 59A(2)(a), the Commissioner may before registration / licensing, require any person or class of persons to furnish such surety in the form, nature or amount as may be determined by the Commissioner to protect the State from any loss likely to be incurred as a result of the activities to be registered.
- o) In terms of Section 60(1)(c)(i), any person applying for a registration / licence under any provision of this Act shall, before such registration / licence is issued, furnish surety in the form, nature or amount as may be determined by the Commissioner to protect the State from any loss likely to be incurred as a result of the activities to be licensed.
- p) The surety must be in the form of a bond issued by any approved financial institution:
- i) A list of the insurers approved to issue bonds can be found at www.fsb.co.za; or
 - ii) A list of South African registered banks (locally controlled, foreign controlled or branches of foreign banks) can be found at www.resbank.co.za.
- q) **Under no circumstances must bonds be accepted from foreign bank representatives.**
- r) The client type and form(s) that must be used to furnish surety because of registration or licence is prescribed in SE-BON-01-A01.

- s) It is the prerogative of the Commissioner for the SARS that if any client is non-compliant over a period of six (6) months, a bond / addendum can be enforced or the bond amount can be increased.
- t) In all instances where bonds / addendums are required, the bond / addendum amount must cover the duty and / or levies.
- u) Surety can be waived (not required / called for) where the client type is not listed in the policy / SOP for the furnishing of surety.
- v) Surety may be requested upon the submission of an amendment to an existing active Excise facility registered / licensed prior to the effective date of this policy document.

2.2 Standard amount of surety required

| Bond Header Description | | Bond number | Standard amount of security (the amount the applicant determines as limit for coverage) |
|-------------------------|---|-------------|---|
| a) | Excise Bond: Licensed Distributor of fuel | EB01 | i) The surety amount must cover any duties and levies on goods that will be transported at any given time. |
| b) | Excise Bond: Environmental Levy | EB02 | <p>i) An amount that will cover any levies that will be rebated at any given time in an approved Excise manufacturing warehouse.</p> <p>ii) As a standard, new clients are requested to project the levies on goods that will be rebated in a twelve (12) month period.</p> <p>iii) The standard for existing clients is the levies that were rebated in the preceding twelve (12) months.</p> <p>iv) The standard amount for levies should only cover dutiable commodities / material – therefore the standard amount should exclude any material, which is duty free.</p> |
| c) | Excise Bond: Rebates (6 th Schedule) | EB03 | <p>i) An amount that will cover any duties / levies that will be rebated at any given time in an approved Customs and Excise rebate store.</p> <p>ii) As a standard, new clients are requested to project the duties / levies on goods that will be rebated in a twelve (12) month period.</p> <p>iii) The standard for existing clients is the duties / levies that were rebated in the preceding twelve (12) months.</p> <p>iv) Applicants for registration as a Schedule 6 Rebate User, who intend to receive and store un-denatured and / or partially denatured spirits, who must lodge surety which is the greater of R20 000 or the amount contemplated in (i), (ii) or (iii) above, before such a client / premises may be registered.</p> |
| d) | Excise Bond: Manufacture of Excisable products | EB04 | <p>i) An amount that will cover any duties / levies that will be rebated at any given time in an approved Customs and Excise manufacturing warehouse.</p> <p>ii) As a standard, new clients are requested to project the duties / levies on goods that will be rebated in a twelve (12) month period.</p> <p>iii) The standard for existing clients is the</p> |

| Bond Header Description | Bond number | Standard amount of security (the amount the applicant determines as limit for coverage) |
|---|-------------|---|
| | | <p>duties / levies that were rebated in the preceding twelve (12) months.</p> <p>iv) The standard amount for duties / levies should only cover dutiable commodities / material – therefore the standard amount should exclude any material, which is duty free.</p> <p>v) Applicants for the licensing of a <u>Tobacco Manufacturing Warehouse</u>, who intend to manufacture cigarettes, must lodge surety which is the greater of R2 million or the amount contemplated in (i), (ii) or (iii) above, before such a client / warehouse may be licensed.</p> <p>vi) Applicants for the licensing of a <u>Fuel Manufacturing Warehouse</u>, who intend to manufacture petroleum products, who must lodge surety to the amount of R5 million before such a client / warehouse may be licensed.</p> |
| e) Excise Bond: Approved warehouses (OS / SOS) | EB05 | <p>i) The standard surety amount must cover the duties / levies and taxes on goods that will be stored in a licensed Customs and Excise warehouse and be calculated based on a one (1) month average of the duties / levies and taxes calculated over a twelve (12) month period.</p> <p>ii) Applicants for the licensing of a <u>Tobacco Special Storage Warehouse</u>, who intend to store cigarettes, who must lodge surety which is the greater of R2 million or the amount contemplated in (i) above, before such a client / warehouse may be licensed.</p> <p>iii) Applicants for the licensing of a <u>Fuel Special Storage Warehouse</u>, who intend to store fuel, must lodge surety which is the greater of R1 million or the amount contemplated in (i) above, before such a client / warehouse may be licensed.</p> |

2.3 Deduction of surety from the standard amount

- a) SARS will determine the deductions applicable on receipt of the SE-BON-02-A01 depending on the merits of each case.
- b) No deductions must be allowed if the client is:
- i) Non-compliant; or
 - ii) Insolvent; or
 - iii) In liquidation; or
 - iv) Has a criminal record.
- c) No deductions will be allowed against a Licensed Distributor of Fuel (LDF) bond or any fixed bonds.

2.4 Change in legal status

- a) The following are regarded as changes in legal status and a new bond must be obtained:
 - i) Change in the name of a company;
 - ii) Change in legal identity of a company;
 - iii) Mergers of companies; and
 - iv) Takeovers of companies.
- b) The client must ensure that their legal status has not changed from the time he / she has furnished a bond.
- c) A change in a legal status can render the bond furnished invalid.
- d) If SARS becomes aware that a client's legal status has changed, a letter will be forwarded to the client giving a period of thirty (30) days to produce a replacement bond.
- e) All activities will be cancelled if no replacement bond is received within the prescribed period.
- f) An addendum (EA01 / EA02) may not be utilised for any change in legal identity.
- g) The licensing and registration policy must be adhered to in cases of legal changes (refer to SE-LR-02).

2.5 Request for increase or decrease of bond amount

- a) Any Excise team may motivate for the request for:
 - i) Surety when the surety has been waived; or
 - ii) The increase or decrease of an existing bond.
- b) If a bond must be increased, the B/O will inform the client accordingly. A new bond or addendum must be presented to the B/O within fourteen (14) working days. If no bond / addendum is received, the functionality will be cancelled without any further notice.
- c) A client may inform the B/O of his / her re-calculation of the standard bond amount with the request to increase / decrease the amount of surety accordingly. On receipt of such an application together with SE-BON-02-A01, the B/O will reconsider the risk, apply the applicable deductions, recalculate the bond amount, and forward the application with all internal documentation to the TRD for further processing.
- d) The letter requesting surety will be sent to the applicant by the TRD indicating the approved bond amount to be lodged. No new / addendum bond to be submitted prior to receipt of this letter. A new bond or addendum must be presented to the TRD within fourteen (14) working days from the date of this letter.
- e) The bond amount can only be decreased after the vetting process has been followed and the risk identified. An application for the decrease of the bond amount must be treated as follows:
 - i) Surety amount is supported by a bond and an addendum:
 - A) The applicant may apply for the decrease of the secured amount up to the full amount of the addendum. In this case the addendum must be cancelled if all obligations there under have been met; or
 - B) The applicant may apply for the decrease of the secured amount up to the full amount of the addendum and a portion of the bond. In this case, a new bond with a new secure amount must be presented by the client where after the original bond and addendum must be cancelled if all obligations there under have been met.
 - ii) Surety amount is only supported by a bond - A new bond with the decreased amount must be presented by the client where after the original bond must be cancelled if all obligations there under have been met.
- f) The B/O will advise the client whether the increase / decrease application has been approved.

2.6 Notice of cancellation and withdrawal of a bond

- a) A bond must be cancelled in the following instances:
 - i) On the DA 185 application of cancellation by the registrant or licensee;
 - ii) When the financial institution gives notice in writing of withdrawal of the bond;
 - iii) When the registrant or licensee has undergone a change in legal identity; and / or
 - iv) When the registrant or licensee has defaulted, is unable to meet its obligations and the SARS deems it necessary to cancel the registration or licence or a specific functionality.
- b) A person, who has no further use for the registered or licenced premises, may apply on a DA 185 application to the B/O for the cancellation of such facility. As a result, all bonds furnished for such activities may also be cancelled. A DA 185 application must be submitted for each surety bond / facility / license separately.
- c) Notice of withdrawal of a bond by a financial institution:
 - i) In terms of Rule 120.09, any person who has furnished a bond may give the Commissioner thirty (30) calendar days' notice of withdrawal of such bond. The thirty (30) calendar days period must commence from the date of receipt of the notification of withdrawal from the financial institution by the SARS and not from the date of the notification to the client.
 - ii) After the expiry of the thirty (30)-calendar day's period, no new obligations can accrue under the bond concerned. However, the financial institution remains responsible for transactions entered into prior to the expiry of the bond. If the financial institution gives notice to withdraw the bond, the client must furnish a new bond prior to the cancellation of the current bond or else the functionality will be cancelled with the bond. Such replacement bond will only become effective on the date following the cancellation date of the previous bond.
- d) The bond and / or addendum will only be cancelled once all outstanding obligations have been met.
- e) The B/O will notify the client and financial institution of the cancellation.
- f) The original cancelled bond will be returned to the financial institution per registered mail.

2.7 Breach of conditions covered by a bond

- a) When the conditions for which a bond has been furnished are not met, SARS will withhold a sufficient portion of the bond to cover the outstanding amount payable.
- b) After reasonable attempts have been made to collect from the principal debtor, relevant documentation to substantiate the claim and a request for payment of the actual amount to be paid by the financial institution will be made to the financial institution concerned with a copy to the principal debtor.
- c) The B/O will notify the client and the financial institution of cancellation of the bond and / or addendum.
- d) When the amount has been settled by the financial institution, the bond will be cancelled.

2.8 Bond / addendum authentication

- a) Bonds and addendums will be authenticated with the applicable financial institutions once a year.
- b) If any bonds and / or addendums are not authenticated, the client will be notified accordingly for the replacement thereof.

2.9 Keeping of records

- a) Every client must keep for record purposes for a period of five (5) years:
 - i) Books, accounts and documents in respect of all transactions relating to the Rules for the purpose of any acquittal procedure; and
 - ii) Any data related to such documents created by means of a computer.

- b) The five (5) year period is calculated from the end of the calendar year in which the document was created, lodged or required (Sections 101 and 101A).
- c) Every client must produce such books, accounts and documents on demand.

2.10 Penalties

- a) Failure to adhere to the provisions of the Act, as set out in this document, is considered an offence.
- b) Offences may render the client liable to, as provided for in the Act:
 - i) Monetary penalties;
 - ii) Criminal prosecution; and / or
 - iii) Cancellation / suspension of a license / registration.

2.11 Promotion of Administrative Justice Act

- a) The Promotion of Administrative Justice Act (PAJA) No. 3 of 2000 gives effect to everyone's right to administrative action that is lawful, reasonable and procedurally fair. Any person whose rights have been adversely affected by administrative action has the right to be given written reasons, as contemplated in Section 33 of the Constitution of the Republic of South Africa, 1996. PAJA:
 - i) Provides for the review of administrative action by a court or where appropriate, an independent and impartial tribunal;
 - ii) Imposes a duty on the State to give effect to those rights;
 - iii) Promotes an efficient administration as well as good governance; and
 - iv) Creates a culture of accountability, openness and transparency in the Public Administration or in the exercise of a public power or the performance of a public function, by giving effect to the right to just administrative action.
- b) Administrative action, which significantly and unfavourably affects the right or valid expectations of any person, must be procedurally fair. A fair administrative procedure depends on the circumstances of each case.
- c) A person must be given:
 - i) Written reasons of the nature and purpose of the proposed administrative action;
 - ii) A reasonable opportunity to make representations;
 - iii) A clear statement of the administrative action; and
 - iv) Adequate notice of any right of review or internal appeal, where applicable.
- d) Before administrative action can be taken by Excise, the client must be allowed the opportunity to:
 - i) Obtain assistance and, in serious or complex cases, legal representation;
 - ii) Present and dispute information and arguments; and
 - iii) Appear in person.
- e) Just administrative action requires the Excise Officer to consider all the facts presented and obtained in addition to affording the client the opportunity to be heard, prior to instituting any administrative action.
- f) Clients whose rights have been significantly and unfavourably affected by administrative action and who have not been given reasons for the action may, within ninety (90) days after the date on which the client become aware of the action, request Excise to furnish written reasons for the action.
- g) Excise must after receiving the request, give the client adequate reasons in writing for an administrative action. It must, subject to subsection (4) of the Promotion of Administrative Justice Act 3 of 2000 and in the absence of proof to the contrary, be presumed in any proceedings for judicial review that the administrative action was taken without good reason.

2.12 Appeal against decisions

- a) In cases where clients are not satisfied with any decision taken in terms of the Act, they have a right of appeal to the relevant appeal committee. The policy in this regard, as well as the process to be followed, is contained in document SE-APL-02.
- b) Should clients not be satisfied with a decision of any appeal committee, their recourse will be to lodge an application for ADR (Alternative Dispute Resolution) with the relevant appeal committee. The committee will add its comments thereto and forward the application to the ADR Unit for consideration. The policy in this regard, as well as the process to be followed, is contained in document SC-CC-26.

2.13 Procedure

2.13.1 Receipt of a bond / addendum

- a) The client will receive the bond or addendum template and amount of surety required from the Branch Office for completion and signatories by the applicant and financial institution indicating the amount required for surety.
- b) The completed bond or addendum form and supporting documents (SE-BON-01-A01 and SE-BON-02-A01) must be submitted to the applicable Branch Office.
- c) The client must submit his / her original signed bond or addendum together with:
 - i) A copy of the letter originally forwarded to him / her requesting a bond or addendum indicating the amount.
 - ii) If a company, the original resolution passed at a meeting of the board of directors (refer to SE-BON-01-A06); or
 - iii) If a closed corporation, proof of the express consent of the members on a letter head (refer to SE-BON-01-A06).
- d) The client must keep a copy of the completed and signed bond or addendum for record purposes.
- e) The Trader Registration Officer must acknowledge receipt of the original bond or addendum and supporting documents when the client submits the documents manually.

2.13.2 Verification of bond(s) / addendum(s) and supporting documents

- a) The client must ensure that:
 - i) The bond / addendum has been issued by a **South African registered bank** including locally controlled, foreign controlled or branches of foreign banks or an **insurer registered with the Financial Services Board (FSB)** for issuing bonds. A list of the insurers approved to issue bonds can be found at www.fsb.co.za ; a list of South African banks can be found at www.resbank.co.za.
 - ii) The terms and conditions i.e. the wording as contained in the bond / addendum document has not been altered or changed (refer to SE-BON-03-M01).
 - iii) The lawfully delegated principal representative's names as per the resolution or consent in writing appear on the bond / addendum.
 - iv) The bond or addendum amount as per the requesting letter corresponds to the bond or addendum amount.
 - v) The full names of the representatives and their designations of the individuals authorised to sign on behalf of the principal and financial institution appear on the bond / addendum.
 - vi) A signatory signs in his / her own capacity and not on behalf of someone else.
 - vii) The signatures of two (2) witnesses are present for each signature of the individuals authorised to sign the bond / addendum on behalf of the principal and financial institution.
 - viii) Any alterations to the bond or addendum are initialled by all signatories, including witnesses.
 - ix) The corporate seal (stamp) of the financial institution is impressed on the bond / addendum.
 - x) The reference number from the financial institution is inserted on the bond / addendum.
 - xi) No correction fluid has been used on the bond / addendum.
 - xii) The financial institution on both the bond / addendum corresponds. An addendum to a bond may not be accepted if underwritten by two (2) different financial institutions.

- b) The addendum will only be used to increase the amount of surety and not to change any legal identity, change of ownership, etc.
- c) If there is a change in legal identity, change of ownership, etc. the client must be requested to complete the applicable application form and annexure as prescribed in the Rules (refer to SE-LR-02).
- d) The representative(s) whose name(s) appears on the original resolution passed at a meeting of the board of directors or the express consent of the close corporation will be the only person(s) authorised to sign the bond / addendum.
- e) All signatories on the bond / addendum must correspond with the listed names indicated as authorised representative(s) on the resolution or letter of consent (refer to SE-BON-01-A06).
- f) Authorised representatives and their witnesses whose names appear on the bond / addendum must initial next to each correction on the bond / addendum as well as at the bottom of each page of the bond / addendum except for the last page where the original signatures of the representatives and witnesses must appear.
- g) If any of the above is not in order, the original bond or addendum must be rejected to the client with reasons for the necessary corrective action.
- h) The addendum (EA01 / EA02) must clearly identify the bond to which it refers, including the name of the financial institution, the bond number, the date of issue and the name of the principal and the amount by which the bond is increased or decreased.

2.13.3 Registration of the bond or addendum

- a) The bond or addendum will be rejected to the client with reasons if it is not valid or not all the required documents are submitted.
- b) The Branch Office will register the bond or addendum on the applicable SARS system and forward a registration letter to the client and financial institution by registered mail.

2.14 Withdrawal of surety by financial institution

- a) If the financial institution gives the SARS notice of withdrawal, the B/O will inform the client of the financial institution's intent of withdrawal within three (3) working days and forward an acknowledgement to the financial institution.
- b) The client must apply for a new bond as prescribed in paragraph 2.12.
- c) If no new bond has been received within a thirty (30) calendar days from the client, the bond and activity will be cancelled.
- d) Such replacement bond will only become effective on the date following the system's cancellation date of the previous bond. This means that all new transactions will be processed against the new bond whilst the B/O must ensure, that within thirty (30) days, all obligations recorded against the cancelled bond (old bond) have been met.

3 RELATED INFORMATION

3.1 Legislation

| TYPE OF REFERENCE | REFERENCE |
|---|---|
| Legislation and Rules administered by SARS: | <p>Customs and Excise Act No. 91 of 1964: Sections 39(1)(B), 47B(6), 54E (4), 59A, 59A(2)(a), 60(1)(c), 61(1) and (2), 64A(2) and (3), 64B(3) and (4), 64C (1), 64D, 64E, 64(G), 75(10)(a), 101, 101A 107(2)(a), 114, 119A,120A,120(1)(mA)</p> <p>Customs and Excise Rules: 18A.08, 18A.10(a), 19A.02(a), 19A4.08(c), 20.17(b), 26.01(f), 37A.14(b), 46A.2.16(c), 49A.12(12)(b), 49B.10(9)4(b), 54F.04(a), 59A.07(2), 59A.08(2), 60.01(1)©, 60.02(1)(d), 60.07(2), 64B.01(1,2,3,4), 64D.01(1,3)(c), 64D.04(1), 64D.09(4), 64D.10(5), 64D.11(5), 64D.13(9), 64D(19), 64F.02, 64G.03, 64G.04, 64G.06, 120.08, 120.09.</p> |

| TYPE OF REFERENCE | REFERENCE |
|----------------------------|--|
| | Value-Added Tax Act No. 89 of 1991: 7, 11, 13, 14 and Schedule 1 |
| Other Legislation: | Credit Agreements Act No. 75 of 1980: Section 1 General Law Amendment Act No. 50 of 1956: Section 6 National Archives of South Africa Act No. 43 of 1996: All National Credit Act No. 34 of 2005: All National Small Business Act No. 102 of 1996: Section 1, Schedule to the Act Promotion of Administrative Justice Act No. 3 of 2000: Section 3 Public Finance Management Act No. 1 of 1999: All |
| International Instruments: | Kyoto Convention: General Annex, Chapter 5: Security Standard 5.1 -5.7 Specific Annex D: Chapter 1, Standard 14, Specific Annex E: Chapter 1, Standard 3 |

3.2 Cross References

| DOCUMENT # | DOCUMENT TITLE |
|---------------|---|
| GC-LER-03 | Legal Entity – External Policy |
| SC-CC-26 | Alternative Dispute Resolution – External Policy |
| SC-SE-05 | Customs Bonds – External Policy |
| SE-APL-02 | Internal Administrative Appeal – External Policy |
| SE-BON-03-M01 | Completion Manual For Bonds And Addendums – External Manual |
| SE-LR-02 | Licensing and Registration – External Policy |

3.3 Quality Records

| Number | Title |
|-------------------------|---|
| Annexure A to Rule 54 F | Pro Forma Bond for Environmental Levy |
| Annexure A to Rule 64 F | Pro Forma Bond for a Licensed Distributor of Fuel |
| DA 70 | Application to make a Provisional Payment |
| DA 108 | General Bond: for Approved Warehouse |
| DA 109 | Addendum to Customs and Excise Bond |
| DA 110 | Bond: General |
| DA 111 | Bond: Manufacture of Excisable Products |
| DA 112 | Customs and Excise Bond: Excise Rebates |
| EA01 | Excise Addendum: Amend Bond Amount |
| EA02 | Excise Addendum: Distributor of Fuel |
| EB01 | Excise Bond: Distributor of Fuel |
| EB02 | Excise Bond: Environmental Levy |
| EB03 | Excise Bond: Rebates (6 th Schedule) |
| EB04 | Excise Bond: Manufacturer of Excisable Products |
| EB05 | Excise Bond: Warehouse (OS & SOS) |
| SE-BON-02-A01 | Bond Assessment |

4 DEFINITIONS AND ACRONYMS

| | |
|-----------------------------------|---|
| Act | The Customs and Excise Act, No. 91 of 1964 |
| ADR | Alternative Dispute Resolution |
| Amendment of bond | To add an addendum to the original bond in order to increase the total surety amount. |
| Authentication | The confirmation received from the financial institution that the bonds / addendums are still valid. |
| Bond(s) | For the purpose of this document, bonds refer to the bonds prescribed as well as the deferment guarantee. |
| CC | Close Corporation |
| CIPC | Compliance and Intellectual Property Commission formerly known as CIPRO |
| EA | Excise Addendum |
| EB | Excise Bond |
| Financial Institution (FI) | Banking or insurance institution approved by the Financial Services Board. |
| FSB | Financial Services Board |

| | |
|---------------|---|
| LDF | Licensed Distributor of Fuel |
| LTD | Limited |
| PAJA | Promotion of Administrative Justice Act |
| Person | Includes a company, close corporation, co-operative society, firm, partnership, statutory body or club. |
| PTY | Proprietary |
| SARS | South African Revenue Service |
| Surety | That which ensures to the satisfaction of Excise that an obligation will be fulfilled. |

5 DOCUMENT MANAGEMENT

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| Policy Owner | Executive: Excise |
| Detail of change from previous revision | Paragraph 2.1.(d)(i)(A) has been inserted to make provision for temporary registration in terms of Rebate Item 621.08 classifiable in heading 38 of Part 1 of Schedule No. 1;and Paragraph 2.1.(d)(i)(B) has been inserted to make provision for the extension of the temporary license of an existing excise manufacturing warehouse and spirits warehouse. |
| Template number and revision | GC-TM-03 - Rev 9 |