

RESTRICTED



ADVANCE IMPORT PAYMENTS

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TABLE OF CONTENTS

1	PURPOSE	3
2	SCOPE	3
3	POLICY STATEMENT	3
4	REFERENCES	4
4.1	Legislation	4
4.2	Cross References	4
5	DEFINITIONS AND ACRONYMS	4

RESTRICTED

1 PURPOSE

The South African Reserve Bank (SARB) has published an exchange control regulation under Section 9 of the Currency and Exchanges Act No. 9 of 1933, making provision for advance import payments (AIP). To comply with these requirements, SARS requires registered importers to submit an Advance Payment Notification (APN).

2 SCOPE

This document aims to facilitate compliance with APN requirements for importers intending to apply for an advance foreign exchange payment of **R100 000.00** and above.

3 POLICY STATEMENT

- a) An importer intending to apply to an authorised dealer to effect an advance payment must, before submitting such an application, notify SARS by submitting an APN via eFiling.
- b) Importers must be registered with Customs as prescribed in SC-CF-19 before submitting an APN. The general Customs client number 70707070 may not be used when completing an APN. If the importer is not registered with Customs:
 - i) SARS eFiling requests him/her to register with Customs as an importer before submitting an Advance Payment Notification to SARS.
 - ii) The importer:
 - A) Clicks on the OK button to go back to the Customs menu; and
 - B) Registers as an importer with Customs as prescribed in SC-CF-19.
- c) The importer must be logged in through an Organisation Tax Practitioner's profile. Importers with an Individual portfolio do not have access to the APN functionality.
- d) All the fields on the APN must be completed.
 - i) For a list of APN fields refer to SC-CC-33.
 - ii) Where the financing of a transaction is split between several authorised dealers, the first APN reference number assigned by SARS must be reflected on all the other related APNs submitted to SARS, in the related AIP reference field.
- e) The importer receives an APN reference number assigned by SARS.
- f) The importer must amend or cancel information that is incomplete, incorrect or outdated on the APN(s). However, an APN may not be amended or cancelled after the authorised dealer has made payment to the foreign supplier.
- g) An APN lapses and is automatically cancelled if an authorised dealer has not paid the foreign supplier within thirty (30) days of the date of the submission thereof to SARS.
- h) The APN reference number must be communicated to the authorised dealer by the importer when applying for an advance import payment.
- i) After making the advance import payment, the authorised dealer reports the payment to SARB.
- j) A valid goods declaration must:
 - i) Be submitted to Customs as prescribed in SC-CF-55 within four (4) months from the date of the advance import payment; and
 - ii) Reflect the APN reference number in the additional information field as prescribed in SC-CF-55-A01.

RESTRICTED

- k) If the importer:
- i) Does not submit the goods declaration within the permissible time period:
 - A) SARS may generate a case.
 - B) The importer is requested to submit supporting documents to SARS.
 - I) The importer can view the SARS correspondence or upload supporting documents on SARS eFiling by following the documented process in SC-CC-33.
 - II) The upload supporting documents may not exceed the limit of 5MB each.
 - ii) Does submit a goods declaration within the given time period he/she presents the authorised dealer with a copy of the released goods declaration.
- l) When a bank generated advance import payment reference number (BGA) is issued, the importer must prior to the submission of the goods declaration notify SARS by:
- i) Submitting a new APN by inserting the BGA reference number on the application, where no previous APN was issued by SARS, or
 - ii) Amending the existing APN by inserting the BGA reference number, when the APN particulars could not be verified by the authorised dealer.
- m) BGAs are allowed to be issued by authorised dealers:
- i) In exceptional circumstances, where obtaining an APN from SARS before payment is deemed impractical;
 - ii) When the importer is unable to notify SARS of the importer's intention to submit an APN to the authorised dealer due to a SARS system failure;
 - iii) When the importer provided an APN reference number on the **APN** application which could not be verified with SARS due to a SARS system failure; or
 - iv) In cases where at the time the importer applied for an APN and no APN was required (amount not exceeding **R100 000,00**) and due to currency fluctuations before payment could be affected by the authorised dealer the amount subsequently exceeded **R100 000,00**.

4 REFERENCES

4.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	Customs and Excise Act No. 91 of 1964: Sections 4(3)(ivC), 4(3A)(i), 10, 38, 39, 40, 41, 59A and 120(1)(mC) Customs and Excise Rules: Rules 38, 39, 40, 41; 59A.03(1), 59A.03, 120.10, 120.11, and 120.13
Other Legislation:	Currency and Exchange Tax Act No. 9 of 1933: Section 9 Promotion of Administrative Justice Act No. 3 of 2000: Sections 3 and 5
International Instruments:	None

4.2 Cross References

DOCUMENT #	DOCUMENT TITLE
SC-CC-33	Advance Import Payments – External Guide
SC-CF-19	Registration, Licensing and Designation – External Policy
SC-CF-55	Clearance Declaration – External Policy
SC-CF-55-A01	The Completion of Declarations – External Annex

5 DEFINITIONS AND ACRONYMS

Link for centralised definitions, acronyms, and abbreviations: [Glossary A-M | South African Revenue Service \(sars.gov.za\)](https://sars.gov.za/glossary)