

Office
Pretoria

Enquiries
Alwin Jonas

Building
Block D

Reference
Vaping products

03 April 2023

**All Importers and Local Manufacturers
of Vaping Tobacco Products**

South African Revenue Service

Pretoria Head Office
299 Bronkhorst Street,
Nieuw Muckleneuk, 0181
Private Bag X923, Pretoria, 0001
SARS online: www.sars.gov.za
Telephone (012) 422 4000

Dear Valued Trader

TAXING OF VAPING TOBACCO PRODUCTS

The Minister of Finance announced in the 2022 Budget on 23 February 2022 that excise duty on vaping tobacco products would be introduced. Nicotine and nicotine-substitute solutions in vaping products will be included in the tax net with a flat excise duty rate of R2.90/ml from 1 June 2023.

As a result, tariff amendments were affected to Part 2A of Schedule No.1 as well as rebate and refund items in Part 1E of Schedule No. 6 to the Customs and Excise Act, No. 91 of 1964 (the Act). The forms DA260 Excise Account for Tobacco Products in which the vaping products will be accounted for excise duty purposes were also amended accordingly to insert the vaping products.

These amendments as published in the Government *Gazette* are available on the SARS website at the following links respectively:

<https://www.sars.gov.za/wp-content/uploads/Legal/AmendActs/LPrim-AA-2022-02-Taxation-Laws-Amendment-Act-20-of-2022-GG-47826-5-Jan-2023.pdf>

<https://www.sars.gov.za/legal-counsel/secondary-legislation/rule-amendments/rule-amendments-2023/>

SARS shall collect the excise duty on these vaping products as provided for in terms of Part 2A of Schedule No. 1 of the Act from 1 June 2023 as announced in the Budget.

Manufacturers of these products are therefore required to apply for and obtain licenses for their manufacturing premises in respect of such products with SARS before 1 June 2023 and to submit their first excise duty account by 28 July 2023. Special storage warehouses in respect of such products should similarly be licensed with SARS before 1 June 2023.

For any Licensing and Registration queries please contact the nearest Customs Branch office or email CustomsSSMReg@sars.gov.za.

Sincerely



Executive: Excise

Anand Khelawon

**ISSUED ON BEHALF OF THE COMMISSIONER OF THE SOUTH AFRICAN
REVENUE SERVICE**