

**SOUTH AFRICAN REVENUE SERVICE**

**Government Gazette No. 44473  
Notice R. 369**

**Date: 2021-04-23**

**AMENDMENT OF PARAGRAPH 8 OF SCHEDULE 1 TO THE VALUE-ADDED TAX ACT, 1991 (ACT NO. 89 OF 1991) IN TERMS OF SECTION 74(3)(a) TO AMEND ITEM 406.00 IN CONSEQUENCE OF THE SUBSTITUTION OF NOTES TO REBATE ITEM 406.00 IN SCHEDULE NO. 4 OF THE CUSTOMS AND EXCISE ACT, 1964 (ACT NO. 91 OF 1964)**

By virtue of the power vested in me by section 74(3)(a) of the Value-Added Tax Act, 1991 (Act No. 89 of 1991) (the Act), I, Tito Titus Mboweni, Minister of Finance, hereby amend paragraph 8 of Schedule 1 to the Act to regulate purchases made by diplomats at licensed special shops.

**TT Mboweni  
Minister of Finance**

## GENERAL EXPLANATORY NOTES:

[ ] Words in bold type in square brackets indicate omissions from existing enactments.

— Words underlined with a solid line indicate insertions in existing enactments.

## SCHEDULE

Schedule 1 to the Value-Added Tax Act, 1991 (Act No. 89 of 1991), is hereby amended, **with effect from 1 July 2021** -

(a) by the amendment of item 406.00 in paragraph 8 of the following:

“406.00

NOTES:

1. **[The provisions of this item (excluding items 406.03 and 406.04) are conditional upon reciprocal treatment accorded by the government of the mission or person who is claiming these rebate facilities.]**
1. This exemption (excluding items 406.03 and 406.04) is allowed if the Director-General: Department of International Relations and Co-operation or an official acting under his or her authority has certified that any person requiring this exemption has been listed in the register maintained by Department of International Relations and Co-operation in accordance with the provisions of the Diplomatic Immunities and Privileges Act, 2001.
2. For the purposes of item no.'s 406.03 and 406.04, "an organisation or institution" means an organisation which the Director-General: Department of International Relations and Co-operation or an official acting under his or her authority has certified as an organisation or institution with which the Republic has concluded a formal agreement, which provides, *inter alia*, for the granting of such exemption.
3. **This exemption is not allowed to South African citizens or permanent residents of the Republic unless –**
  - (a) they are South African citizens who are also citizens of a state the territory of which formerly formed part of the Republic; or**
  - (b) the Government of the Republic has, by agreement with an organisation or institution contemplated in Note No. 2, undertaken to grant an exemption to a South African citizen who is a representative, member, agent or officer, but excluding a delegate, with or to such organisation or institution.**
4. A motor vehicle exempted in terms of item no.'s 406.02, 406.03, 406.04, 406.05 or 406.07, may not be offered, advertised, lent, hired, leased, pledged, given away, exchanged, sold or otherwise disposed of within a period of two years from the date of importation:  
Provided that any one of the foregoing acts with this vehicle within a period of two years from the date of importation renders the importer of the vehicle liable to pay tax as determined by the Commissioner in consultation with the Director-General: Department of International Relations and Co-operation.

**5. Alcohol and tobacco products exempted in terms of item no.'s 406.02, 406.03, 406.04, or 406.05: Provided that the importer of the alcohol and tobacco products will be held liable to pay tax on the supply of such products to the persons contemplated in item no.'s 406.02, 406.03, 406.04 or 406.05.**