



Goods for Display or Use at Exhibitions, Fairs, Meetings or Similar Events

Customs & Excise



South African Revenue Service

Goods for Display or Use at Exhibitions, Fairs, Meetings or Similar Events

Preface

This guide provides information on the legislative framework governing temporary admission of goods for display or use at exhibitions, fairs, meetings or similar events. It does not go into comprehensive technical and legal detail and should therefore not be used as a legal reference.

This guide has no binding legal effect.

Should you require more information you may –

- visit the SARS website at www.sars.gov.za ;
- visit your nearest SARS branch office; preferably after making an appointment via the **SARS website**
- contact your own tax advisor or tax practitioner;
- contact the SARS National Contact Centre –
 - if calling locally, on 0800 00 7277;
 - if calling from abroad, on +27 11 602 2093 (only between 8am and 4pm South African time).

Comments on this guide may be emailed to C&E_LegislativeComments@sars.gov.za

Legislative Policy: Customs and Excise

SOUTH AFRICAN REVENUE SERVICE

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1. Introduction

The Guidelines on Temporary Admission issued by The World Customs Organisation provide a useful introduction to the international approach to goods that are temporarily admitted for display or at exhibitions, fairs, meetings or similar events.

“When goods are to stay only temporarily in a customs territory, the payment of the import duties and taxes applicable to them is not warranted in light of the administrative burden for customs in collecting these duties and taxes and refunding them after the goods are exported. Furthermore, from an international trader’s perspective, this would cause the same goods to be liable for payment of import duties and taxes each time they were temporarily imported into a customs territory. In addition, goods temporarily imported free of duties and taxes are not in competition with domestic goods since their use is limited and they must be re-exported within the approved time limit. For these reasons, the national legislation of most administrations allows conditional relief from import duties and taxes for certain categories of temporarily imported goods.

In particular, by facilitating the exchange of articles of an educational, scientific or cultural nature, this procedure benefits not only cultural development but also education and scientific research, which are vital for the progress of mankind.”¹

2. Purpose

This guide provides information on the legislative framework governing temporary admission of goods for display or use at exhibitions, fairs, meetings or similar events.

3. Legislative framework

3.1 Convention on Temporary Admission

The Council of the World Customs Organization (WCO) adopted the Convention on Temporary Admission (the Istanbul Convention) on 26 June 1990. It opened for signature until 30 June 1991 and entered into force on 27 November 1993.

South Africa has acceded to the General Provisions, as well as Annexes A and B1, of the Istanbul Convention. Annex B1 concerns goods for display or use at exhibitions, fairs, meetings or similar events.

3.2 Customs and Excise Act, 1964

The following table refers to the **key provisions** in the Act that are relevant to temporary admission of goods for display or use at exhibitions, fairs, meetings or similar events. Other provisions in the Act may also find application.

Customs and Excise Act, 1964	
Section	
1	Definition of “importer” and “exporter”
4	General duties and powers of officers

¹ Kyoto Convention – Specific Annex G – Chapter 1 - Guidelines on Temporary admission.

6	Appointment of places of entry, authorised roads and routes etc
38	Entry of goods and time of entry
39	Importer and exporter to produce documents and pay duties.
40	Validity of entries
43	Disposal of goods on failure to make due entry, goods imported in contravention of any other law and seized and abandoned goods
44	Liability for duty
49	Agreements in respect of rates of duty lower than general rates of duty and other agreements providing for matters requiring customs administration
59A	Registration of persons participating in activities regulated by this Act.
65	Value for duty purposes on any goods imported into the Republic
72	Value of goods exported
75	Specific rebates, drawbacks and refunds of duty
101	Business accounts, documents etc to be available for inspection
101A	Electronic communication for the purposes of customs and excise procedures
113	Prohibition and restrictions
114	Duty constitutes a debt to the State
Rules under the Customs and Excise Act, 1964	
Rules for section 38 of the Act	
Rules for section 59A of the Act	
Schedules to the Act – Tariff Book	
Schedule 4 Part 3	Rebate item 480.00 Goods temporarily admitted under rebate of customs duties Rebate item 480.10 Goods for display or use at exhibitions, fairs, meetings or similar events

The Act and Schedules to the Act are available on the **SARS website** under Legal Counsel, Primary Legislation, while the rules are available under Legal Counsel, Secondary Legislation.

4. What is temporary admission?

“Temporary admission” means –²

“the customs procedure under which certain goods (including means of transport) can be brought into a customs territory conditionally relieved from payment of import duties and taxes and without application of import prohibitions or restrictions of economic character; such goods (including means of transport) must be imported for a specific purpose and must be intended for re-exportation within a specified period and without having undergone any change except normal depreciation due to the use made of them.”

5. Which rebate item in the tariff book provides for temporary admission for display or use at exhibitions, fairs, meetings or similar events?

The Act provides for rebate item 480.10 in Schedule 4 in order to provide for the temporary admission of goods under rebate of duty (that is, imported duty free) for display or use at exhibitions, fairs, meetings or similar events provided for in Annex B1 of the Istanbul Convention.

6. What are the general rules for temporary admission?

The general rules include –

- goods must remain unchanged;
- they must be identifiable;
- security may be required;
- period to re-export prescribed;
- import and re-export procedures apply; and
- section 113 prohibitions and restrictions apply.

7. What are the types of events to which the general rules apply?

The general rules apply to goods imported for display or demonstration at the following events:

- A trade, industrial, agricultural or crafts exhibition, fair, or similar show or display
- An exhibition or meeting that is primarily organised for a charitable purpose
- An exhibition or meeting that is primarily organised to promote any branch of learning, art, craft, sport or scientific, educational or cultural activity, to promote religious knowledge or worship, to promote tourism or to promote friendship between peoples
- A meeting of representatives of any international organisation or international group of organisations
- A representative meeting of an official or commemorative character

² Definition in Article 1 of the body of the Istanbul Convention.

8. What goods may I import for these events?

The following goods are granted temporary admission:

- Goods intended for display or demonstration at an event
- Goods intended for use in connection with the display of foreign products at an event, including –
 - Goods necessary for the purpose of demonstrating foreign machinery or apparatus to be displayed
 - Construction and decoration material, including electrical fittings, for the temporary stands of foreign exhibitors
 - Advertising and demonstration material which is demonstrably publicity material for the foreign goods displayed, for example, sound and image recordings, films and lantern slides, as well as apparatus for use therewith
- Equipment, including interpretation equipment, sound and image recording apparatus and films of an educational, scientific or cultural character intended for use at international meetings, conferences or congresses

In order for rebate item 480.10 to apply –

- the number or quantity of each article must be reasonable having regard to the purpose of importation; and
- Customs must be satisfied that the notes prescribed in item 480.00, read with rebate item 480.10, will be fulfilled.

9. Can I import goods for an exhibition with a view to sale?

No. Rebate item 480.10 cannot be used in respect of exhibitions organised for private purposes in shops or business premises with a view to sell the goods imported.

10. Can the goods be loaned or hired out for reward?

No, Goods granted temporary admission under rebate item 480.10 shall not, whilst they are cleared under the rebate item –

- be loaned, or used in any way for hire or reward; or
- be removed from the place of the event.

11. Do I need to register as an importer and exporter?

Yes. Registration is an important element in the customs regulatory framework and serves a key function in the chain of supervision. In order to import or export goods from the Republic, the person importing or exporting must be registered as an importer or exporter under section 59A read with the rules to section 59A.

12. Do I need to lodge security?

Yes, if you use this procedure, you will have to provide security, unless an international carnet is used. You can reclaim this when you re-export your goods.

13. Do I need to enter the goods temporarily admitted?

Yes. Goods imported under rebate item 480.10 must, on importation and on re-exportation, be entered on form SAD 500 or on such other form as may be specified by the Commissioner.

International carnets for the temporary admission of goods referred to in section 38 will be accepted in the place of import and export documents and as security for any duty in respect of rebate item 480.10.

On re-exportation of the goods concerned –

- such goods may be re-exported through any customs and excise office through which goods may be exported and may be exported in more than one consignment; and
- the documents produced at the time of entry must be produced to the relevant office and the goods re-exported under the supervision of an officer, if so required by that office.

14. How are the goods identified on importation and re-exportation?

Goods are identified by foreign seals, by marks, by numbers or other identification permanently fixed to them, by description, by photographs or by sampling. If goods cannot readily be identified in these ways, customs and excise marks or seals may be fixed to the goods.

15. When must I re-export the goods temporarily admitted?

Goods must be re-exported –

- in the case of goods under an international carnet within the period of validity of such carnet; and
- in the case of other goods, within six months from the date of entry thereof or within such further period as the Commissioner may, in exceptional circumstances, allow.

16. When does the liability of the importer cease?

The liability of the importer for duties and taxes ceases if he or she proves that the goods have been duly re-exported or if the goods have been exported under the supervision of an officer.

17. May I abandon, destroy or enter the goods for home consumption?

Yes, if the Commissioner grants a request to terminate temporary admission by abandonment or destruction of the goods or by entering the goods for home consumption.