



Permission for Interruption of Transit of Goods through the Republic

Customs & Excise



South African Revenue Service

Permission for Interruption of Transit of Goods through the Republic

Preface

This guide provides information on obtaining permission for interruption of transit of goods through the Republic for purposes of performing certain activities.

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.

For more information, assistance and guidance you may –

- visit the **SARS website**;
- contact the SARS National Contact Centre –
 - if calling locally, on 0800 00 7277;
 - if calling from abroad, on +27 11 602 2093 (only between 8h00 and 16h30 South African time);
- have a virtual consultation with a SARS consultant by making an appointment via the **SARS website**;
- visit your nearest SARS branch office, preferably after making an appointment via the **SARS website**; or
- contact your own tax advisor or tax practitioner.

Comments on this guide may be e-mailed to **C&E_LegislativeComments@sars.gov.za**.

Legislative Policy: Customs and Excise
SOUTH AFRICAN REVENUE SERVICE
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1. Purpose

This guide provides information on obtaining permission for interruption of transit of goods through the Republic for purposes of performing certain activities.

2. Introduction

Goods entered for removal in bond through the Republic may only be delivered to a destination other than the destination declared on entry for removal in bond with the permission of the Commissioner.¹

The Commissioner may, on application, permit the removal of goods to a place (other than the destination declared on the entry for removal in bond) approved by the Commissioner for purposes of carrying out certain activities in respect of such goods.²

If goods entered for removal in bond are diverted without the permission of the Commissioner, the person who enters any goods for removal in bond or who may remove in bond any goods contemplated in subsection 18(1) and who removes or causes such goods to be so removed shall, upon demand, be required to pay –

- the duty and value-added tax (VAT) due under the Value-Added Tax Act, 1991, as if the goods were entered for home consumption on the date of entry for removal in bond;
- any amount that may be due under section 88(2);
- any interest due under section 105; and
- in certain circumstances, offenders may be liable to criminal prosecution.

3. Customs and Excise Act, 1964

The following table refers to the **key provisions** in the Act that are relevant. This table is not exhaustive and other provisions in the Act may also find application.

Customs and Excise Act, 1964	
Section	
18	Removal of goods in bond
88	Seizure
105	Interest on outstanding amounts
Rules to the Act	
Rule	
18.14	
120.04	

¹ See section 18(13)(a)(i) of the Act.

² See section 18(13)(b) of the Act.

The Act, and Rules are available on the **SARS website** under Legal Counsel ⇒ Primary Legislation (the Act) and Secondary Legislation (Rules).

4. Activities permitted in respect of goods in transit through the Republic

Under the Act,³ the Commissioner may permit the delivery of goods in transit through the Republic to a place (other than the destination declared on the entry for removal in bond) approved by the Commissioner for purposes of carrying out the following activities:

- Preserving or maintaining the goods
- Inspection of the goods
- Cleaning the goods
- Sorting the goods
- Tallying the goods
- Re-packing the goods
- Sealing the goods or the transport unit
- Exercising control over the movement of goods into, in and from such place
- Any other activity such as repair or fumigation that may be necessary to prepare and forward the goods for transit

5. Application for permission

You must apply for permission under the rules⁴ to the Act if transit of goods is to be interrupted for purposes of an activity needed under 4.

6. When should I apply and what should be reflected on the application?

If you anticipate routine interruptions during transit movements, you must apply before the commencement of the transit movement. Your application must at least reflect the following information:

- Your name and customs code
- If the application is submitted by a clearing agent or registered agent, the name and customs code of such clearing agent or registered agent
- The activity for purposes of which the transit is to be interrupted
- A motivation of why the transit is to be interrupted for that activity
- A description of the goods in respect of which the activity will be carried out
- The place where the activity will routinely be carried out
- Estimated duration of the activity

³ See section 18(13)(b)(i)(aa) to (ii).

⁴ See rule 18.14 to the Act.

In the case of an interruption that could not be foreseen before the start of the transit movement, you must apply before the commencement of the interruption. Your application must reflect the following information:

- Your name and customs code
- If the application is submitted by a clearing agent or registered agent, the name and customs code of such clearing agent or registered agent
- The movement reference number of the bill of entry submitted in respect of the goods
- The registration number of the vehicle in which the goods are transported
- The number of the container in which the goods are transported, if applicable
- The number of any seal used on the holding compartment of the vehicle or the container, if applicable
- The transport document number
- The activity for purposes of which the transit is to be interrupted
- A motivation of why the transit is to be interrupted for that activity
- The place where and the time when the activity will be carried out

In the case of a breakdown or accident which could result in goods being unlawfully removed, damaged or destroyed and immediate action is required, you must apply promptly after the transfer of the goods to another vehicle. Your application must reflect the following information:

- Your name and customs code
- If the application is submitted by a clearing agent or registered agent, the name and customs code of such clearing agent or registered agent
- The movement reference number of the bill of entry submitted in respect of the goods
- The registration number of the vehicle in which the goods are transported
- The number of the container in which the goods are transported, if applicable
- The number of any seal used on the holding compartment of the vehicle or the container, if applicable
- The transport document number
- The activity for purposes of which the transit is to be interrupted
- A motivation of why the transit is to be interrupted for that activity
- The place where and the time when the activity will be carried out

7. Do I need supporting documents?

Yes. Each application must be supported by –

- an authorisation when the application is submitted by a clearing agent or registered agent on your behalf; and
- such other documents as may be required for purposes of the application, for example, an accident report in the case of an accident.

8. Who can submit the application?

The application can be submitted by the –

- licensed remover of goods in bond responsible for the transit;
- registered agent of that licensed remover of goods in bond, if the licensed remover of goods in bond is not located in the Republic;
- importer or exporter of the goods; or
- clearing agent acting on behalf of the importer or exporter of the goods, or on behalf of the licensed remover in bond or registered agent.

9. Where do I submit the application?

You must submit the application via e-mail to **Rule18_14Application@sars.gov.za**. The application must be marked for the attention of the Customs Office⁵ closest to the area where such activity is to be carried out.

10. Application subject to conditions

An application may be granted subject to conditions which may include –

- requiring that the relevant activity be carried out under customs supervision subject to special or extra attendance charges payable under rule 120.04;
- conditions in relation to procedures and controls to be adhered to by the applicant during the carrying out of the activity; and
- any other condition that may be reasonably necessary in the circumstances.

11. Standing permissions

In the case of an application for interruptions that are expected to happen routinely during transit movements, a standing permission may be granted to carry out the relevant activity in respect of transit movements involving goods of the description indicated on the application, for a period of one year after date of issue of the permission.

A standing permission may, in the case of non-compliance with a condition subject to which the permission was granted, be withdrawn after –

- notifying the permission holder of the intended withdrawal and the reason for such withdrawal; and
- considering written representations by the permission holder on the proposed withdrawal submitted within 10 working days after the date of notification.

⁵ See www.sars.gov.za/customs-and-excise/customs-offices-and-contacts/