

EXCISE

EXTERNAL

COMPLETION MANUAL

DL 163 DIAMOND EXPORT LEVY RETURN

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1 SCOPE

- a) The manual is to assist registrants in the Diamond Industry to complete the bi-annual [(six (6) monthly) Diamond Export Levy Return (DL 163) and its schedules.

2 COMPLETION OF THE DL 163 BI-ANNUAL [SIX (6) MONTHLY] DIAMOND EXPORT LEVY RETURN AND ANNEXURES, INCLUDING THE ELECTRONICALLY SUBMITTED EXCISE DUTY AND LEVY RETURN (EXD 01).

- a) The diamond export levy return (DL 163) is the summarising document reflecting all movements and values of the rough unpolished diamond(s), as well as the total levy payable, in respect of the assessment period, which must be accounted for i.e. bi-annually [six (6) monthly].
- b) The diamond export levy return must be completed in full, i.e. the DL 163 with all the applicable schedules attached for that specific accounting period and a duly signed and dated copy for record and audit verification purposes must be kept.
- c) In order to make it administratively easier to do business with the South African Revenue Service (SARS), the DL 163 (the EXD 01 return must be utilised for this purpose which is the electronic version of the DL 163) must be submitted i.e.:
- i) Electronically to the SARS Excise via the e-Filing platform; or
 - ii) Hand delivered to one (1) of the Controllers / Branch Manager's offices as stated in Rule 4.04(b) in respect of the Diamond Export Levy (Administration) Levy Act, from where it will be forwarded to the office of the Controller / Branch Manager: Alberton for capturing, should the client experience problems with eFiling.
- d) All columns on the diamond export levy return and its schedules, where applicable, must be completed.
- e) The assessment periods for diamond export levy are as follows:
- i) In the case of a natural person -
 - A) 1 March to 31 August; and
 - B) 1 September to end February.
 - ii) In the case of any other person -
 - A) Begins on the first day of the financial year for which financial accounts are prepared and ends six (6) calendar months after that day; and
 - B) Begins on the following day immediately after the period as described in paragraph 4(2)(b)(i) of the Diamond Export Levy (Administration) Act No. 14 of 2007 and ends on the last day of that financial year. If any financial year begins on any day other than the first day of a calendar month, the financial year will be deemed to begin on the first day of that month.
- f) **DL 163 – Diamond Export Levy Return -**
- i) **Registered Person Particulars:**
 - A) Client Code - The client code is important for identification purposes and registrants must ensure that the correct code is furnished.
 - B) Assessment period (From - To) - This is the assessment period in accordance with the periods as stipulated in Section 4(2) of the Diamond Export Levy (Administration) Act.
 - C) Client Type - The client type as indicated in Section 2 of the Diamond Export Levy (Administration) Act.
 - D) Particulars of Registrant
 - I) Registered Name – This must be the registered name, under which the unpolished diamond(s) will be exported from South Africa (SA).
 - II) Trade Name – If trading under a different name, this is compulsory. If any change in the name or the legal identity takes place, the Controller / Branch Manager must be notified immediately.
 - III) Physical address – This must be the address where the unpolished diamond(s) will be exported. If any change in the address takes place, the Controller / Branch Manager of Customs must be notified of the occurrence within seven (7) days.

- ii) **Leviable Export Transactions:**
- A) Total 'Fair Market Export Value' for this period (DL 163A) - This section must reflect the total fair market export value of all unpolished diamond(s) exported for the entire assessment period.
 - B) Less: Imports Credit Value [(Section 4 of the Diamond Export Levy (Administration) Act (DL 163B))] - The total value of all imports of unpolished diamonds that qualify for a credit.
 - C) Less: 'Relief for Temporary Exports' [Section 5 of the Diamond Export Levy (Administration Act) (DL 163C)] - This is the total value of all unpolished diamond(s) exported on a temporary basis.
 - D) Less: 'Relief for Election Purchases' [(Section 6 of the Diamond Export Levy (Administration Act) (DL 163D))] - This is the total value of all unpolished diamond(s) exported by elected buyers.
 - E) Less: Exemption [Sections 7, 8, 9 and 10 of the Diamond Export Levy (Administration Act) (DL 163E)] - This is the total value of all unpolished diamonds exported under an exemption in the case of Producers and Beneficiators.
 - F) Total: Value - The total value equals the total export for an assessment period, less -
 - I) Import credit value;
 - II) Relief for temporary exports; and / or
 - III) Relief for election purchases less exemptions.
 - G) Levy payable (Section 3 of the Diamond Export Levy Act No. 15 of 2007) - Equals the total value multiplied with the rate of levy.
- iii) **Declaration:**
- A) The declaration must be completed and signed or countersigned by the sole proprietor, partner, director, manager or secretary or a person of equal or higher capacity in the registrants business.
 - B) The person signing the declaration accepts full responsibility for the correctness of the diamond export levy return and all supporting schedules.
- g) **DL 163A – Total export value for this period (Inclusive of import credit, temporary exports, election purchases and exemptions) - This schedule is a summary of all exports for the assessment period -**
- i) **Registered Person Particulars:**
- A) Client Code - The client code is important for identification purposes and registrants must ensure that the correct code is furnished.
 - B) Assessment period (From - To) - This is the assessment period in accordance with the periods as stipulated in Section 4(2) of the Diamond Export Levy (Administration) Act.
 - C) Client Type - The client type as indicated in Section 2 of the Diamond Export Levy (Administration) Act.
- ii) **Declaration of Exports for this period:**
- A) Customs Clearance Declaration (CCD) number - containing the Movement Reference Number (MRN).
 - B) Line Number - This is the line number on which the rough diamonds were declared.
 - C) Date - Date(s) on which the CCD was processed.
 - D) Office - This is the office where the export declaration was processed.
 - E) Country of destination - This is the country, to which a shipment of unpolished diamond(s) was exported.
 - F) Customs Export Value - This is the Customs value of the unpolished diamond(s) in accordance with Section 72 of the Customs and Excise Act, No. 91 of 1964 (the Act).
 - G) Fair Market Value - This is the fair market value of the unpolished diamond(s) in accordance with Section 61(2) of the Diamonds Act No. 56 of 1986.
 - H) Total Values - The total Customs export value and fair market value of unpolished diamond(s) must be specified in the respective space provided.
- h) **DL 163B – Import Credit -**
- i) This schedule is a summary of all the import transactions of unpolished diamond(s) imported for the assessment period.
 - ii) The total value of all imported unpolished diamond(s) and total amount (credit) must be declared.
 - iii) Credits that remain after the set-off in the assessment period must be set-off on the return immediately succeeding the assessment period.

- iv) Credits are calculated on the value of a diamond as released for import in terms of Section 69B of the Diamonds Act.
- v) A person is not entitled to receive any credits as described in Section 4 of the Diamond Export Levy Act in respect of any unpolished diamond(s) if that diamond(s) was previously exported under the cover of:
 - A) A temporary exemption certificate; or
 - B) An election.
- vi) A person is not entitled to receive credits in respect of any unpolished diamond(s) imported during any assessment period in which that person qualifies for relief in terms of Part IV of the Diamond Levy Act.
- vii) **Registered Person Particulars:**
 - A) Client Code - The client code is important for identification purposes and registrants must ensure that the correct code is furnished.
 - B) Assessment period (From - To) - This is the assessment period in accordance with the periods as stipulated in Section 4(2) of the Diamond Export Levy (Administration) Act.
 - C) Client Type - The client type as indicated in Section 2 of the Diamond Export Levy (Administration) Act.
- viii) **Declaration of Imports Value (credit purposes) for this period:**
 - A) **CCD** number - containing the MRN.
 - B) Date - Date(s) on which the **CCD** was processed.
 - C) Office - Office where the **CCD** was processed.
 - D) Country of origin - This is the country where the unpolished diamond(s) originated.
 - E) Customs Value - This is the Customs value of unpolished diamond(s) in accordance with Section 65.
 - F) Fair Market Value - This is the fair market value of unpolished diamond(s) in accordance with Section 61 of the Diamonds Act.
 - G) Levy amount (credit) - This is the levy amount to be deducted as an import credit. The credit equals:
 - I) The levy rate; multiplied by the value as released for import in terms of Section 69B of the Diamonds Act.
 - H) Kimberley Process Certificate Number(s) - This is the certificate number(s) issued to the registrant confirming that the unpolished diamond(s) have been imported.
 - I) Kimberley Process Certificate date - This is the date of the certificate(s) issued to the registrant confirming that the unpolished diamond(s) have been imported.
 - J) Total Amounts - The total Customs and fair market values of unpolished diamond(s) must be specified in the respective spaces provided.
 - K) Total Levy amount (credit) - The total levy amount for which the registrant qualified for as a credit to be set-off from the levy payable.

i) **DL 163C – Relief for Temporary Exports -**

- i) This schedule is a summary of all unpolished diamond(s) exported temporary for the assessment period.
- ii) A registered person must bring levy to account within fourteen (14) days of all un-acquitted temporary exports.
- iii) The total values of all temporary unpolished exported diamond(s) exported and acquitted must be declared.
- iv) **Registered Person Particulars:**
 - A) Client Code - The client code is important for identification purposes and registrants must ensure that the correct code is furnished.
 - B) Assessment period (From - To) - This is the assessment period in accordance with the periods as stipulated in Section 4(2) of the Diamond Export Levy (Administration) Act.
 - C) Client Type - The client type as indicated in Section 2 of the Diamond Export Levy (Administration) Act.
- v) **Declaration of Temporary Exports for this period:**
 - A) **CCD** information - **CCD** number - This is the MRN.
 - B) Line number - This is the line number on which the rough diamonds were declared.
 - C) Date - Date(s) on which the **CCD** was processed.
 - D) Office - Office where the export declaration was processed.
 - E) Country of destination - This is the country to where unpolished diamond(s) was exported.

- F) Exemption Certificate Number - This is the certificate number issued to the registrant confirming that the unpolished diamond(s) has been exported on a temporary basis in accordance with Section 64A of the Diamonds Act.
- G) Exemption Certificate date - This is the date(s) of the certificate number(s) issued to the registrant confirming that the unpolished diamond(s) has been exported on a temporary basis.
- H) Fair Market Value - This is the fair market value of unpolished diamond(s) in accordance with Section 61(2) of the Diamonds Act.
- I) Acquitted Yes / No - The acquitted status of the export transaction must be stated here.
- J) Total Value - This is the total value of unpolished diamond(s) exported on a temporary basis.
- K) **CCD** Import Information - **CCD** number - This is the MRN.
- L) Line number - This is the line number on which the rough diamonds were declared.
- M) Date - Date(s) on which the **CCD** was processed.
- N) Office - Office where the export declaration was processed.
- O) Country of origin - This is the country where a shipment of rough diamond(s) originated.
- P) Value - This is the value of unpolished diamond(s) re-imported.
- Q) Total Value - This is the total value of unpolished diamond(s) re-imported.

j) **DL 163D – Relief for Election purchases -**

- i) This schedule is a summary of all unpolished diamond(s) exported under election purchases for the assessment period.
- ii) The total value of all elected unpolished diamond(s) exported must be declared here.
- iii) **Registered Person Particulars:**
 - A) Client Code - The client code is important for identification purposes and registrants must ensure that the correct code is furnished.
 - B) Assessment period (From - To) - This is the assessment period in accordance with the periods as stipulated in Section 4(2) of the Diamond Export Levy (Administration) Act.
 - C) Client Type - The client type as indicated in Section 2 of the Diamond Export Levy (Administration) Act.
- iv) **Declaration of Exports for this period:**
 - A) **CCD** number - This is the MRN.
 - B) Line number - Line number on which the rough diamond(s) were declared.
 - C) Date - Date(s) on which the **CCD** was processed.
 - D) Office - Office where the export declaration was processed.
 - E) Country of destination - This is the country to where unpolished diamond(s) was exported.
 - F) Customs Export Value - This is the Customs export value of unpolished diamond(s) in accordance with Section 72 of the Act.
 - G) Fair Market Value - This is the fair market value of unpolished diamond(s) in accordance with Section 61(2) of the Diamonds Act.
 - H) Election Reference Number(s) - This is the election reference number(s) issued by the SARS on a DL 1(A) to confirm that the unpolished diamond(s) has been exported as an election purchase.
 - I) Election Reference Date(s) - This is the date(s) of the election reference(s) to confirm that the unpolished diamond(s) has been exported as an election purchase.
 - J) Total Customs Value - This is the total Customs value of unpolished diamond(s) exported as an election purchase.
 - K) Totals Fair Market Value - This is the total fair market value of unpolished diamond(s) exported as an election purchase.

k) **DL 163E – Exemption (Producers and Beneficiators):**

- i) This schedule is a summary of all unpolished diamond(s) exempted for the assessment period.
- ii) The total value for exemption of the levy on exports must be declared.
- iii) **Registered Person Particulars -**
 - A) Client Code - The client code is important for identification purposes and registrants must ensure that the correct code is furnished.
 - B) Assessment period (From - To) - This is the assessment period in accordance with the periods as stipulated in Section 4(2) of the Diamond Export Levy (Administration) Act.

- C) Client Type - The client type as indicated in Section 2 of the Diamond Export Levy (Administration) Act.
- iv) **Declaration of Exemption particulars for Producers**
- A) **Sales particulars for this period:**
- I) Declaration of Exemptions per client type (Producer) - The registrant must indicate the category, i.e. large, medium or small producer.
 - II) Total sales for this period - This is the total sales by the registrant in compliance with Section 7, 8 and 9 of the Diamond Export Levy Act.
 - III) Invoice Number(s) - All the invoice number(s) of sales for this period must be declared here.
 - IV) Date - The date(s) of all sales invoice(s) number(s) for this period must be declared here.
 - V) Amount - The amount of sales for all unpolished diamond(s) sold must be declared here.
 - VI) Total - The total amount of sales for all unpolished diamond(s) sold must be declared here.
- B) **(Customs declaration) for this period:**
- I) **CCD** number - This is the MRN.
 - II) Line number - Line number on which the rough diamond(s) **was** declared.
 - III) Date - Date(s) on which the **CCD** was processed.
 - IV) Office - This is the office where the export declaration was processed.
 - V) Country of destination - This is the country to where the unpolished diamond(s) was exported.
 - VI) Customs Export Value - This is the Customs export value of unpolished diamond(s) in accordance with Section 72 of the Act.
 - VII) Fair Market Value - This is the fair market value of unpolished diamond(s) in accordance with Section 61(2) of the Diamonds Act.
 - VIII) Exemption certificate number - This is the certificate number(s) issued to the registrant confirming that the unpolished diamond(s) has been exported under an exemption.
 - IX) Exemption certificate date - This is the date(s) of the certificate(s) issued to the registrant confirming that the unpolished diamond(s) has been exported under an exemption.
 - X) Total Value - This is the total value of a shipment of unpolished diamond(s) exported under exemption.
 - XI) Total Value - This is the total value of unpolished diamond(s) exported under exemption.
- v) **Declaration of Exemptions particulars for Beneficiator - CCD Information**
- A) **CCD** number - This is the MRN.
 - B) Line number - Line number on which the rough diamond(s) **was** declared.
 - C) Date - Date(s) on which the **CCD** was processed.
 - D) Office - Office where the export declaration was processed.
 - E) Country of destination - This is the country to where the unpolished diamond(s) was exported.
 - F) Customs Export Value - This is the Customs export value of unpolished diamond(s) in accordance with Section 72 of the Act.
 - G) Fair Market Value - This is the market value of unpolished diamond(s) in accordance with Section 61(2) of the Diamonds Act.
 - H) Export Permit number - The permit number(s) issued to the registrant confirming that the unpolished diamond(s) had been exported under the conditions of Section 26(1)(h) of the Diamonds Act.
 - I) Export Permit date - This is the date(s) of permit(s) issued to the registrant confirming that the unpolished diamond(s) has been exported.
 - J) Total Value - This is the total value of unpolished diamond(s) exported under exemption.

3 MEASURES

a) N/A

4 REFERENCES

4.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	Customs and Excise Act. No. 91 of 1964: Sections 65, 72 and 119A Customs and Excise Rule: 119A.R101A(10)(d) Diamond Export Levy (Administration) Act No. 14 of 2007: Section 4 Diamond Export Levy (Administration) Act No. 14 of 2007: Rules 1.01 – 15.01 Diamond Export Levy Act No. 15 of 2007: Sections 1 to 15 Diamond Export Levy Act No. 15 of 2007: Rules 1.01 – 11.01 Diamonds Act No. 56 of 1986: Sections 26(h), 48(A), 61, 61(2), 64A and 69B Customs and Excise Tariff: Schedule 1 Parts 1 and 3A and Schedule 6
Other Legislation:	Diamond Export Levy (Administration) Act No. 14 of 2007: Section 4 Diamond Export Levy Act No. 15 of 2007: Sections 1 to 15 Diamonds Act No. 56 of 1986: Sections 26(h), 48(A), 61, 61(2), 64A and 69B Mineral and Petroleum Resources Development Act No. 28 of 2002.
International Instruments:	None

4.2 Cross References

DOCUMENT #	DOCUMENT TITLE
QMS-01	Quality Management System Manual
SE-ACC-02-M02	Declaration and Return submission via eFiling – External Manual
SE-DEL-02	Diamond Export Levy – External Policy

4.3 Quality Records

NUMBER	TITLE
DL 1(A)	Proof of Election
DL 163	Diamond Export Levy Return
DL 163A	Total export value for this period
DL 163B	Import Credit
DL 163C	Relief for Temporary Exports
DL 163D	Relief for Election Purchases
DL 163E	Exemption
EXD 01	Excise Duty and Levy Return

5 DEFINITIONS AND ACRONYMS

Act	Customs and Excise Act, No. 91 of 1964
Assessment period	The calendar months in which levy must be assessed, namely six (6).
Beneficiator	A person who holds a license to polish diamonds for the purpose of business or trade and to set unpolished diamond in tools, implements or other articles or to crush or alter those diamonds for the purpose of such setting or for the purpose of trade.
BELN	The Republic of Botswana, the Kingdom of eSwatini (Swaziland), Lesotho and the Republic of Namibia.
CCD	Customs Clearance Declaration
Customs Clearance Declaration	Applicable SAD form (e.g. SAD 500, 501, 502, 503, 504, 505, 506, etc.) or CD 1 (Customs Declaration).

Controller/Branch Manager	The officer designated by the Commissioner, to be the Controller / Branch Manager of Customs and Excise in respect of that area or matter, and includes, an officer acting under the control or direction of any officer, so designated by the Commissioner.
Country of Destination	The country to which a shipment of rough diamonds will be exported.
Country of Origin	The country where a shipment of rough diamonds has been mined or extracted.
Dealer	The holder of a diamond dealer's licence entitling the holder to carry on business as a buyer, seller, importer or exporter of unpolished diamond(s).
Direct Levypayer	A person who does not qualify for registration under Section 2(1) of the Diamond Export Levy (Administration) Act No. 14 of 2007 or a person contemplated in Section 5(1A) of that Act.
eFiling	The South African Revenue Service (SARS) eFiling is a free, online process for the submission of returns and declaration and other related services. This free service allows taxpayers, tax practitioners, businesses to register free of charge and submit returns, and declarations, make payment and perform a number of other interactions with SARS in a secure online environment.
Export	Removing any unpolished diamond from SA.
Import	Bringing any unpolished diamond into SA.
Levy	The Diamond Levy Payable when a CCD has been delivered for export in respect of any unpolished diamond(s).
MRN (Original Movement Reference number)	This number indicates the unique reference of the original clearance declaration to which the amendment, replacement or cancellation clearance refers. The number must be entered in the following sequence and format - Office Of Entry (AN3) Date (CCYYMMDD) (N8) Number (N7).
Policy	Used to convey the Policy mandated by legislation and the sequential steps to be followed.
Producer	Any person entitled to win or recover diamonds in terms of Sections 19, 25 and 27 of the Mineral and Petroleum Resources Development Act No. 28 of 2002.
Purchase	In relation to an unpolished diamond, means to purchase the unpolished diamond, to deal in it or to obtain it by way of barter, pledge or any like manner.
Return Levypayers	A registered person who makes payment of the levy based on a periodic return as contemplated in Section 5(1) of the Diamond Export Levy (Administration) Act No. 14 of 2007.
Unpolished diamond(s)	A diamond in its natural state or a synthetic diamond which has after the production thereof not been altered in any manner and includes diamond powder, a crushed diamond, a fragment and a partly processed diamond.

6 DOCUMENT MANAGEMENT

Business Owner	Executive: Excise
Document Owner	Executive: Head: Business Design and Engineering
Author	Noeleen Singh
Detail of change from previous revision	The 'Scope' under paragraph 1 has been updated; Paragraph 2 has been updated; BLNS countries have been amended to BELN countries due to the Kingdom of Swaziland changing to the Kingdom of Eswatini; 'Legislation', 'Cross References', 'Quality Records' and 'Definitions and Acronyms' have been updated under paragraphs 4.1, 4.2, 4.3 and 5, respectively; Business and Document owner changed; Document Q-code changed from SE-DL-03-CM01 to SE-DEL-03-M01; and Template number and revision changed from ECS-TM-16 to GC-TM-16.
Template number and revision	GC-TM-16 – Rev 5