



# **CLEARANCE OF CONTINUOUS TRANSMISSION COMMODITIES**

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## 1 PURPOSE

- a) This policy relates to the movement, declaration, clearance and payment for the importation or exportation of continuous transmission commodities (CTCs) as stipulated under Rule 38.16.
- b) The policy is applicable to clients that import, or export goods classified as CTC.

## 2 POLICY STATEMENT

### 2.1 Registration

- a) The clients that are involved in importing, exporting or moving any CTCs within SACU must register with SARS as in terms of SC-CF-19.
- b) Such registration will follow the procedures as prescribed in Section 59A and its Rules. The application for such registration is done on DA 185.

### 2.2 Import/movement of CTCs

- a) Section 38 states that every importer of goods shall declare them to Customs within seven days of the date on which such goods are deemed to be imported in terms of Section 10. This excludes the goods in a container depot as provided for in Section 43(1)(a) or within such time as the Commissioner may prescribe by Rule in respect of any means of carriage.
- b) Rule 38.02 determines that the person entering such goods shall produce to the Controller/Branch Manager such evidence as the Controller/Branch Manager may require in each case to substantiate any particulars shown on such entry.
- c) Clearance must be made at the office of the Controller/Branch Manager in whose area of control, the head office of the importer/remover is situated in terms of SC-CF-55.
- d) The duty and tax (VAT) due on CTCs must be paid on the goods declaration by the client.
- e) The client must submit a duly completed goods declaration and an invoice together with the duty (if applicable) and VAT payable must be submitted to the Controller/Branch Manager regarding the previous month's imports either as a hard copy or via EDI. In the case of EDI, accredited clients must not submit a hard copy whereas non accredited clients must still submit a hard copy.
- f) The invoice must meet the requirements specified in terms of SC-CF-30.
- g) The client must submit proof of payment for duty/tax made electronically (EFT) to the Controller/Branch Manager.
- h) Payment due is the total import amount cost of the imported goods. Letters of credit, debt agreement and payment plans are regarded as proof of payment.

### 2.3 Export/movement of CTCs

- a) In terms of Section 38 every exporter of any goods shall, before such goods are exported from South Africa, deliver a declaration to the Controller/Branch Manager, but the Commissioner may allow such a declaration to be delivered at such time as he/she deems reasonable.
- b) Clearance must be made at the office of the Controller/Branch Manager in whose area of control the head office of the exporter/remover is situated in terms of SC-CF-55.
- c) The client must submit a duly completed goods declaration and an invoice together with the duty (if applicable) and VAT payable must be submitted to the Controller/Branch Manager regarding the previous month's imports either as a hard copy or via EDI. In the case of EDI, accredited clients must not submit a hard copy whereas non accredited clients must still submit a hard copy.

- d) The invoice **must be** serially or transactional numbered and dated, must at least reflect the following:
- i) Name of exporter;
  - ii) Period applicable (month concerned);
  - iii) Quantity;
  - iv) Where applicable, the price charged for each unit; and
  - v) Total price of the invoice (value).
- e) The value of any goods exported/moved from the **South Africa** shall be the price of those goods free on board at the place of despatch from **South Africa**, which value shall be declared on **the goods declaration**. If there is no such free-on-board price, the export value shall be the value as if the goods would have been sold at a free-on-board price.

## 2.4 Quantity and code

- a) The quantities required must be entered using the goods declaration.
- b) The statistical unit must be converted to match the statistical unit of the tariff by using a formula which must be reflected in the endorsements field on the goods declaration.
- c) Both statistical units (tariff and product) must then be reflected on the said goods declaration.

## 2.5 Clearance period

- a) **In terms of Rule 38.16(b)(iv)** every importer, exporter or mover **of CTCs must** capture the required or outstanding entry within a period of 25 days after the end of the accounting period. Importers, exporters or movers must submit the date on which they intend to effect clearance to the local Controller/Branch Manager for approval. An importer or exporter cannot deviate from the clearance date without making prior arrangement with the Controller/Branch Manager.
- b) Where the clearance date and payment of duty and tax, if applicable, falls on a Saturday, Sunday or public holiday then the clearance and payment, if applicable, must be effected on or before the penultimate working day.

## 2.6 Zero rate (VAT)

- a) If the vendor is the owner of the line being used to transport CTCs, the owner of such line is contractually liable for the full cost relating to the use of such line.
- b) The supply must be zero-rated.

## 3 REFERENCES

### 3.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	<b>Customs and Excise Act No. 91 of 1964:</b> Sections 10, 38, <b>43</b> , 59A, <b>Customs and Excise Rules:</b> Rule 38.02, 38.16, <b>59A</b> and 60.08.
Other Legislation:	<b>None</b>
International Instruments:	<b>None</b>

### 3.2 Cross References

DOCUMENT NUMBER	DOCUMENT TITLE
SC-CF-19	Registration Licensing and Designation
SC-CF-30	Invoice Requirements
SC-CF-55	Clearance Declaration

## 4 DEFINITIONS AND ACRONYMS

Link for centralised definitions and acronyms: [Glossary A-M | South African Revenue Service \(sars.gov.za\)](https://www.sars.gov.za/glossary)