



SMALL BUSINESS
CUSTOMS TRADER

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Customs trader leaflet

Intended for Customs & Excise import/export information for traders.

Must I apply for customs and excise registration as an importer/exporter?

That depends on your own unique circumstances and self-assessment against the legal requirements stated by section 59A of the Customs and Excise Act No. 91 of 1964 (the Customs & Excise Act) and the rules thereto.

No person may import goods into, or export goods from, the Republic of South Africa unless that person, except a traveller, is registered as an importer or exporter; and is represented by a registered agent, in the case of an importer or exporter not located in the Republic.

When must I register for a customs code as an importer/exporter?

- Before goods can be imported or exported, SARS may require a person or entity to formally license or register and obtain a customs code number before conducting any activity regulated by the Customs and Excise Act.

The following persons are excluded from formal registration requirements:

- A person, including a traveller, who imports or exports goods of which the total value required to be declared is less than R150 000 during any calendar year, whether such goods are imported or exported in one or more consignments
- A person who imports or exports goods classifiable under tariff subheading 9999.00.10 or 9999.00.20 as contemplated in the notes to Chapter 99 of Schedule No.1
- A person who is not a South African citizen who exports a motor vehicle registered in the Republic to a non-SACU country of destination for personal use.

Persons excluded from formal registration requirements may make use of the registration code 70707070 subject to the following conditions:

- He/she is a natural person
- Enters the goods for home consumption, temporary export or export
- Reflects in the field provided on the bill of entry or declaration form his or her:
 - » South African Revenue Service taxpayer reference number; or
 - » South African identity document number, in the case of a South African citizen or a permanent resident of the Republic, or passport document number in the case of a person who is not a South African citizen nor a permanent resident.

To register for a customs code

- You must complete the DA 185: Application form: Registration /Licensing of Customs and Excise clients, together with the relevant supporting annexure to the DA 185 or
- Use the Electronic Registration System and complete the online version DA185 and the relevant online supporting Annexure.
- Please refer to the following External Policies on www.sars.gov.za:
 - » Customs Registration, Licensing and Designation SC-CF-19
 - » Excise Licensing and Registration SE-LR-02

What do you need to declare?

Traders who import/export goods must declare and if applicable enter those goods with Customs. They must provide all relevant prescribed documents for the goods (such as the bill of entry, invoice and transport documents etc.), and pay the applicable import duties, levies and Value-Added Tax (VAT) or applicable export duties and levies.

What are the exemptions/exceptions from entry requirements?

The following goods imported do not need to be entered and do not require the submission of an import bill of entry ("customs declaration"):



- Containers temporarily imported
- Human remains
- Goods which in the opinion of the Commissioner are of no commercial value
- Goods imported under an international carnet (this serves as customs declaration)
- Goods of a value for duty purposes not exceeding R500, and on which no duty is payable in terms of Schedule No. 1 of the Customs and Excise Act. To release the above goods, Form DA 306 – Application for release of goods in terms of section 38(1)(a) of the Customs and Excise Act No. 91 of 1964, must be completed.

The following goods exported do not need to be entered and do not require the submission of an export bill of entry ("customs declaration"):

- Human remains
- Goods which, in the opinion of the Commissioner for the South African Revenue Service (SARS), are of no commercial value
- Goods not exceeding the value of R500 and on which no export duty is payable.

A person exporting any of the goods referred to above shall apply for release of such goods on form DA 306A -Export of goods in terms of section 38(3)(a) read with rule 38.03(b) of the Customs and Excise Act No. 91 of 1964.

What types of duties, levies and taxes may be payable on imported goods?

- Ordinary customs duty
- Specific Excise Duties on imported goods of the same class or kind of locally manufactured goods
- Ad Valorem Excise Duties on imported goods of the same class or kind of locally manufactured goods
- Anti-Dumping and Countervailing duties
- Safeguard duties
- Environmental levy
- Value Added Tax (VAT).



*Anti-Dumping and Countervailing duties are levied on goods considered to be dumped in South Africa, as well as on subsidized imported goods.

*Safeguard duties are levied on goods to which there was a surge in importation thereof causing material injury to local industries.

There is also an **Import Levy** on certain goods such as tyres, plastic bags, light bulbs and sugary beverages.

*There is Diamond Export Levy payable by a holder of a license as prescribed in the Diamond Export Levy (Administration) Act No. 14 of 2007, subject to certain relief measures and exemptions as specified.

Prohibited and restricted goods

- SARS administers certain prohibitions and restrictions on behalf of a number of government departments, institutions and bodies
- Prohibited means the goods are not allowed to enter or exit South Africa
- Restricted means goods are allowed to enter or exit South Africa under certain conditions e.g. permit or certificate is required.

To access a list of “Prohibited and restricted SC-CC-32”, visit the Customs page on the SARS website www.sars.gov.za.



Note: Traders and travellers must be aware of the Counterfeit Goods Act No. 37 of 1997, which states that goods of inferior quality made or sold under another brand, without the brand owners authorisation, is an infringement upon which civil and/or criminal proceedings may be taken against the offender.

Cash restrictions

- A traveller is allowed to declare and carry a maximum of R25 000 / unlimited foreign currency, whether leaving or entering
- A traveller shall declare whether or not he has with him any banknotes, gold, securities or foreign currency; and produce any bank notes, gold, securities or foreign currency which he has with him
- The South African bank notes is unlimited if the traveller is going to / coming from a country within the Common Monetary Area (CMA)
- Travellers are advised to contact the South African Reserve Bank to obtain approval prior to taking cash across the borders of South Africa
- Although there's technically no legal limit on how much money you can carry on a plane, if you're traveling internationally you must declare amounts of more than **\$10,000** on your customs form, and be prepared for possible interviews with customs or law enforcement to explain the amount of money you have with you.

What happens if I have not complied with customs' requirements?

SARS endeavours to educate and inform traders of their tax/duty obligations through various interventions, to help you keep your tax affairs in order. Traders who are found to be non-compliant will be subjected to the Penal Provisions of the Customs and Excise Act No. 91 of 1964, which includes a penalty, fine or criminal prosecution.



Note: If you are starting a new business, you need to register your company with the Company and Intellectual Property Commission (CIPC) formerly called CIPRO on www.cipc.org.za and SARS will automatically generate a Company Income Tax (CIT) reference number for you. The company representative must then register on SARS eFiling to update information, and transact electronically and conveniently with SARS.

DISCLAIMER: The information contained in this leaflet is intended as guidance only and is not considered to be a legal reference, nor is it a binding ruling. The information does not take the place of legislation and readers who are in doubt regarding any aspect of the information displayed in the leaflet should refer to the relevant legislation, or seek a formal opinion from a suitably qualified individual.

For more information you may-

- Visit the Customs and Excise page on the SARS website www.sars.gov.za.
- Call the SARS Contact Centre
 - If calling locally, on 0800 00 7277 (select option 4)
 - If calling from abroad, on +27 11 602 2093 (only between 8 am and 4 pm South African time)