

Safcor Panalpina's bulletin to our valued partners

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2 August 2010

SARS Customs Modernisation

SARS' Commissioner for Customs and Excise, Oupa Magushula, last week officially launched the current phase of his Department's Modernisation Programme. The practical initial implication for Safcor Panalpina clients of this phase, which will kick off on October 1st, is the introduction of Customs Procedure Codes (CPCs) for all clearance processes handled by Customs. CPCs are more specific than the Purpose Codes currently in use and provide a clearer understanding of the circumstances under which any individual SARS declaration is made: they indicate not only the transaction that is being processed but the past and expected future status of the consignment.

For example, a duty paid import clearance with the purpose code "DP" will be replaced by the CPC "A 11 00". This is a composite code that indicates that the goods are not only being duty paid for home use, but also that they are a direct import that has not been previously subject to any other SARS procedure. At the same time we will have to indicate on behalf of clients whether the VAT paid is to be claimed in the future as input tax and whether the goods are used or second-hand.

Other initiatives will include the phasing out of the F.178 (for exports) and the compulsory introduction of ICN/UCR numbers for imports.

SARS can introduce technical/operational changes in advance of the enabling legislation; these changes and the Modernisation Programme go hand in hand with the New Customs Bills which have been the subject of numerous advices and information bulletins from Safcor Panalpina to clients in recent months as well as presentations/workshops at the main centres.

The Customs Bills are expected to become law by the end of this year. They will radically change the relationships between importers, agents and SARS and allow entities who consistently comply with SARS self-assessment requirements to reap the benefits of this by becoming Preferred Compliant Traders.

Safcor Panalpina has for many years been at the forefront of new process and management initiatives as they have been implemented by SARS Customs. We fully support the Modernisation Programme and are here to assist our clients in their efforts to become fully compliant with these changing requirements.

We will continue to advise you, our clients, of changing SARS requirements as the modernization process continues.

Please contact your nearest Safcor Panalpina office should you require any further information.

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