

Customs and Excise (General) (Amendment) Regulations, 2022
(No. 107)

IT is hereby notified that the Minister of Finance and Economic Development has, in terms of section 235, as read with section 120, of the Customs and Excise Act [*Chapter 23:02*], made the following regulations: —

1. These regulations may be cited as the Customs and Excise (General) (Amendment) Regulations, 2022 (No. 107).

2. The Customs and Excise (General) Regulations, 2001, published in Statutory Instrument 154 of 2001 (hereinafter called “the principal regulations”), are amended in Part XIII by the insertion of the following section after section 100—

“Transparency and accountability in the utilisation of rebates

100A. (1) This section shall apply to all rebates granted in terms of section 125 of the Act as read with Part XIII of these regulations.

(2) Any importer that benefits from a rebate granted in terms of this part shall be required to present to the Minister, an annual report in a form approved by the Secretary for Finance, showing full particulars of all the benefits achieved in the utilisation of the rebate facility granted in terms of these regulations. The report shall be in such a manner that the following aspects on the importer’s business can be readily ascertained or accounted for to the satisfaction of the Minister—

- (a) ZIMRA certified tax payment for the period prior to application; and
- (b) the incremental employment levels achieved by the importer; and
- (c) capacity utilisation levels attained from the use of the rebate; and
- (d) value of new investment received since the implementation of the rebate; and
- (e) growth in the importer’s output for those importers granted manufacturers rebates; and

Customs and Excise (General) (Amendment) Regulations, 2022
(No. 107)

- (f) research and development initiatives carried out by the importer; and
- (g) for importers that export their products, CD1 forms discharged for the period prior to the application for the rebate; and
- (h) corporate social responsibilities executed by the importer; and
- (i) activities to protect the environment against degradation; and
- (j) in the case of mining, submission of monthly reports to the Ministry responsible for Mines and Mining Development.

(3) If an importer fails to produce the annual report in the manner approved in terms of subsection (2), the rebate shall be immediately withdrawn and any rebated goods received by the importer during the period when the report was not so produced shall be deemed to have been used for a purpose other than that for which the rebate was granted. The importer shall be required to pay the rebated revenue forthwith and the penalty for failure to keep records.

(4) The annual report by the importer shall be submitted within thirty days from the end of the twelve months period calculated from—

- (a) the 1st of January, 2020, in the first year; and
- (b) thereafter from the 1st of January every year subsequently.”.

3. In section 144T (“Rebate of Duty on Capital Equipment imported for use in specified industries”) of the principal regulations are amended by the insertion of following subsection after subsection (6)—

“(7) The following additional conditions apply to a person making an application for a rebate under this section)—

- (a) the person must be a business entity registered or incorporated in terms of the Companies and Other Business Entities Act [*Chapter 24:31*];

- (b) the rebate granted to any person in terms of this section shall not be extended to any subcontractors, suppliers or any other third party associated with the person granted the rebate (for the avoidance of doubt, the rebate shall be granted to the registered company or incorporated entity under the specified industries);
- (c) in order for any equipment to be eligible for award of the rebate under this section, it must have a minimum import value of ten thousand United States dollars.”.

