

UNIVERSITY OF SWAZILAND
DEPARTMENT OF ACCOUNTING
MAIN EXAMINATION PAPER, MAY 2012

DEGREE/DIPLOMA AND YEAR OF STUDY:BCOMM IV/ IDE BCOMM LEVEL 6

TITLE OF PAPER :ADVANCED TAXATION

COURSE CODE : AC405 (M) 2012/ IDE AC405(M)2012

TIME ALLOWED :THREE (3) HOURS

TOTAL MARKS :100

- INSTRUCTIONS**
1. TOTAL NUMBER OF QUESTIONS ON THIS PAPER ARE FOUR (4). ANSWER ALL.
 2. THE MARKS AWARDED FOR A QUESTION/PART ARE INDICATED AT THE END OF EACH QUESTION/PART OF QUESTION.
 3. WHERE APPLICABLE, SUBMIT ALL WORKINGS AND CALCULATIONS.

NOTE: YOU ARE REMINDED THAT IN ASSESSING YOUR WORK, ACCOUNT WILL BE TAKEN OF ACCURACY OF THE LANGUAGE AND THE GENERAL QUALITY OF EXPRESSION, TOGETHER WITH THE LAYOUT AND PRESENTATION OF YOUR FINAL ANSWER.

SPECIAL REQUIREMENTS:STANDARD VALUES OF LIVESTOCK,AND A SAMPLE OF CUSTOMS AND EXCISE TARRIF TABLE

THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

QUESTION 1:

Manzini (PTY) Ltd carries on a business of a wholesale distributor of tobacco products. Its operations extend to Zambia and Zimbabwe. For its financial year ended 31st December 2011 it submitted to the Swaziland Revenue Authority the following Statement of Comprehensive income.

**MANZINI (PTY) LIMITED
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31.12.2011**

	Notes	E	E
INCOME			
Profit from trading in Swaziland			4,300,000
Local dividends from Cigarettes(Pty) Ltd	Note 1		50,000
Proceeds from a policy on the life of a director	Note 2		100,000
Net profit from its Zambia/Zimbabwe operations	Note 3		150,000
Liquidated bankrupt creditor	Note 4		10,000
Total net income			4,610,000
LESS EXPENSES			
Office salaries		2,400,000	
Insurance expense	Note 5	18,000	
Depreciation expenses of:			
Off ice buildings at a rate of 2%	Note 6	12,000	
Motor vehicles at a rate of 25%	Note 7	75,000	
Furniture at the rate of 15%	Note 7	15,000	
Loss on sale of a motor vehicle	Note 8	30,000	
Compensation paid	Note 9	18,000	
Legal expenses	Note 10	10,000	
Allowances paid to retired employees	Note 11	44,000	
Donation to University of Swaziland	Note 12	30,000	
Marketing expenses	Note 13	5,000	
General administrative expenses (all allowable)		<u>120,000</u>	
TOTAL EXPENSES			-2,777,000
NET PROFIT			<u>1,833,000</u>

NOTES TO THE QUESTION

Note Number	Particulars															
1	<i>Cigarettes (Pty)</i> is a 90% owned subsidiary of Manzini (Pty) Limited.															
2	In the year ended 31 st December 2011 Manzini (Pty) Ltd paid out a total <i>insurance premium</i> of E18,000. E6,000 was a premium for loss of profit, E4,800 was a premium of a life policy on one of the directors of the company, and E7,200 was a premium on the assets owned by the company. <i>The director in question</i> died in March 2011. The E100,000 in the statement of Comprehensive Income represents the amount awarded to Manzini (Pty) Ltd in terms of this policy.															
3	The net profit from Zambia/Zimbabwe is the appropriate portion for the company after the foreign taxes.															
4	In 2009 Manzini (Pty) Ltd had purchased stock of cigarettes from a Zimbabwe manufacturer worth E20,000. Manzini (Pty) paid the 50% (E10,000) when the stock was received. It was to pay the balance of E10,000 later. <i>The supplier was declared bankrupt</i> and liquidated before the second balance was paid. Within the 2 years after 2009, cheques written by Manzini to the Zimbabwe company were returned with "address no longer valid" endorsed on them. Manzini (Pty) has "written back" this balance in the statement of Comprehensive Income.															
5	The premiums are as per note 2. Premium for loss of profit policy: E6,000 Premium on a policy for the director: E4,800 Premium on the assets of the company: <u>E7,200</u> <i>Total</i> <u>E18,000</u>															
6	On 1.1.2011 Manzini (Pty) purchased <i>its office buildings</i> Purchase price E500,000 Land and buildings on which it is built <u>E100,000</u> <u>E600,000</u>															
7	<i>Depreciation</i> is at accelerated wear and tear of tax written down values. The assets were acquired on 1.1.11															
	<table border="1"> <thead> <tr> <th></th> <th>Motor Vehicles</th> <th>Furniture</th> </tr> <tr> <th></th> <th>E</th> <th>E</th> </tr> </thead> <tbody> <tr> <td>New Vehicles and furniture</td> <td>300,000</td> <td>100,000</td> </tr> <tr> <td>Rate of wear and tear</td> <td>25%</td> <td>15%</td> </tr> <tr> <td>Depreciation expense</td> <td>E75,000</td> <td>E15,000</td> </tr> </tbody> </table>		Motor Vehicles	Furniture		E	E	New Vehicles and furniture	300,000	100,000	Rate of wear and tear	25%	15%	Depreciation expense	E75,000	E15,000
	Motor Vehicles	Furniture														
	E	E														
New Vehicles and furniture	300,000	100,000														
Rate of wear and tear	25%	15%														
Depreciation expense	E75,000	E15,000														
8	<i>Sale of motor vehicle</i> At the time of its sale, the carrying amount (book value) of the motor vehicle disposed off was E 130,000. It was sold for E100,000. The motor vehicle was originally purchased at E230,000. The Swaziland Revenue Authority had allowed E180,000 wear and tear allowances.															

AC405(M)2012 Page 4 of 8	
9	<i>Compensation paid.</i>
	The compensation of E18,000 was for consequential loss arising out of inferior cigarettes supplied to a customer. Manzini (Pty) was negligent in allowing the inferior cigarettes to slip through its quality control checking procedures. Legal expenses in this connection were E8,000.
10	<i>Legal expenses</i>
	Legal expenses in connection with Note 9 E8,000
	Legal expenses in connection with debt collection E2,000
	<u>E10,000</u>
11	<i>Allowances to retired/dead employees relate to the following amounts:</i>
	E
	a. Mr Mamba, an ex employee who retired because of ill health 20,000
	b. Mrs Lukhele, a widow of a former employee Mr Lukhele 15,000
	c. Mr Dlamini a dependent relative of Mr Dladlu, a former employee. 9,000
	<u>44,000</u>
12	<i>The laboratory equipment</i> Were to be used by the electronic engineering, and chemistry students.
13	<i>Marketing expenses</i>
	The expenditure of E5,000 relate to research into, and obtaining information as to the marketing of cigarettes in Mozambique.
14	<i>Purchase of an aircraft for E10,000,000</i> An air craft was purchased and brought to use on on 1.1.2011 so as to facilitate travel for its directors and other executives. No depreciation was provided in the statement of comprehensive income for the year ended 31.12.2011. The aircraft is hired out when the directors and executives are not using it. The revenues for the hire are not included in the statement of comprehensive income.
15	<i>Loss b/f from the year ended 31.12.2010</i> The loss brought forward was E26,000.

REQUIRED :

Compute the Corporation Tax payable by Manzini (Pty) for the year ended 31.12.2011

(30 marks)

QUESTION 2:

Lawyer Adam Kunene and his wife Pink Magongo.

For the year of assessment ended 30th June 2012 ,lawyer Adam Kunene had a taxable income of E280,000 made up of net rentals of E80,000 and a taxable profit of E200,000 from his legal practice.

On 1st September 2011 lawyer Adam Kunene and wife Pink Magongo were divorced.Pink was awarded the rent producing property as her share of the divorce settlement.

Lawyer Adam and Pink had been married for 20 years.They are still very much in love and they live together as husband and wife,in every respect,except the legal aspect.The sole reason they got divorced was to reduce the amount of normal tax payable by lawyer Kunene.

Lawyer Adam is 62 years old,and Pink is 55 years old.She does not have any other income.

RATES OF NORMAL TAX FOR INDIVIDUAL PERSONS OTHER THAN COMPANIES OR TRUSTS (WITH EFFECT FROM JULY 1ST 2008)

TAXABLE INCOME E	RATES OF INCOME E
0 to 60,000	0+20% of the excess over 0
60,001 to 80,000	12,000 +25% of excess over 60,000
80,001 to 100,000	17,000 +30% of the excess over 80,000
Over 100,001	23,000 +33% of the excess over 100,000
	In the year of assessment 2011/2012 certain benefits are taxed at 100% of the benefit value.

REQUIRED :

You are required to analyze the tax implications of Lawyer Adam Kunene and his wife,Pink Magongo,s marriage and divorce arrangements by taking into consideration section 65 of the Swaziland's Income Tax Order.

(10 marks)

QUESTION 3:**A. REQUIRED :
CUSTOMS AND EXERCISE DUTY REBATES**

What are the SACU's rebates on the customs & exercise duty, and the conditions relating to the following.

1. Goods for heads of state, diplomats and other foreign representatives.
2. Goods imported by immigrants, tourists, returning residents, and other passengers for their personal use.
3. Personal effects, sporting and recreational equipment, new or used.
4. Motor vehicles imported by natural persons on change of permanent residence.

Total for section A

(15 marks)

**B. REQUIRED :
COMPUTE THE CUSTOMS AND EXERCISE DUTY OF THE FOLLOWING**

1	Importation of 1 "Noah" motor vehicle capable of transporting 10 or more persons including a driver that would have the recommended total retail price (exclusive of sales tax) of E500,000. The total value for Ad Valorem custom duty purpose would be E300,000.
2	Importation of 3,000 litres of wine spirits, manufactured by distillation.
3	Importation of Charlie perfume and toilet water valued at a total of E20,000.
4	Importation of 25 air conditioning machines of the wall type-split systems used in buildings valued at a total value of E90,000.
5	Importation of refrigerators, and freezers worth E60,000.
6	Importation of 500,000 "Marlboro" cigarettes (individual cigarette sticks) valued at a total value of E20,000,000.
7	Importation of 200kgs "Havana" cigars valued at a total value of E150,000.
8	Importation of 2500 litres of Champagne sparkling wine valued at a total value of E1,500,000.
9	Importation of Nokia cellular telephones sets worth. E250,000.
10	Importation of eye makeup worth E80,000

**Marks for section B
Total for the question**

**(15 marks)
(30 marks)**

QUESTION 4:

TAXATION OF A FARMER

Mr. John Magurube (55 years old) is a pig farmer. The following particulars relate to his current year of assessment, (year ends on 30.6.12)

<i>Note 1: Details of his livestock</i>			
		Over 12 months	Under 12 months
Pigs		(older)	(young)
Standard values		E250	E50
Market value		E800	E200
Opening stock (number)		300	350
Closing stock (number)		?????*	????*
The following events also took place.			
1	Fifty older pigs and 100 young pigs died of natural causes.		
2	1,100 older pigs were purchased for E660,000.		
3	3,400 young pigs were born.		
4	1,550 young pigs matured into older pigs.		
5	10 older pigs were slaughtered for consumption by the Magurube family. These were the only livestock items consumed.		
6	1,590 older pigs were sold at E800 each.		
7	Determine the ending stock balance in numbers.		

Note 2 :

Veterinary expenses of E22,000 include E2,000 for treatment of his private goats.

Note 3 :

Pig feed on hand on 30th June 2012 was E6,400 (at cost). There was no pig feed on hand on 30th June on 30th June 2011.

Note 4 :

Magurube is a member of a medical scheme. He is a sole contributor to it. He does not have an employer. Medical cover is provided for himself, his wife, and their two minor children.

Note 5 :

The balance of his capital development expenditure brought forward from his 2011 year of assessment was E151,700.

Note 6 : On December 2011 Magurube purchased a tractor worth E150,0000

MAGURUBE'S STATEMENT OF RECEIPTS AND EXPENDITURE

AC405(M)2012

Page 8 of 8

	Note	E
RECEIPTS		
Pigs sold		1,272,000
Pig manure (pig dung used as a fertilizer) sold		608,000
Bonus from SD pig Co-operative Society based on its turnover from pigs supplied to it by Mr Magurube		130,000
Rental		120,000
		<u>2,130,000</u>
EXPENDITURE		
Pig purchased	Note 1	660,000
Salaries- farm employees		376,500
Veterinary expenses	Note 2	22,000
Interest incurred		27,000
Hire of farming equipment		6,000
Prevention of soil erosion		4,800
Pig feed purchased	Note 3	251,400
Dipping tank constructed		48,300
Donation to a qualifying university		30,000
Medical scheme contributions	Note 4	24,000
		<u>1,450,000</u>

REQUIRED :

A: (i) Compute the pigs opening stock in money values.

(ii) Compute the pigs closing stock in quantities and money values.

(5 marks)

B:Compute the taxable income of Mr. Magurube for the year ended 30th June 2012.

(25 marks)

Total marks

(30 marks)

TOTAL FOR THE PAPER

(100 marks)

SECTION B

AD VALOREM EXCISE DUTIES, AND AD VALOREM CUSTOMS DUTIES ON IMPORTED GOODS OF THE SAME CLASS OR KIND

NOTES:

1. For the purposes of the calculation of the rate of excise duty in terms of items 126.01 to 126.05 "A" means the recommended retail price, exclusive of value-added tax, less 20%. The result of the calculation $0,00003 \times A$ shall be rounded-off to the third decimal comma.
2. For the purposes of the calculation of the rate of customs duty in items 126.01 to 126.05 "B" means the value for the ad valorem customs duty purposes as prescribed in section 65(8)(a) of the Act. The result of the calculation $0,00003 \times B$ shall be rounded-off to the third decimal comma.
3. For the purposes of item 126.01 to 126.05 the following motor vehicles are deemed not to be excisable:
 - (i) motor vehicles manufactured by enthusiasts solely from secondhand parts or from second hand and new parts for own use, as the Commissioner may decide; and
3. For the purposes of item 126.01 to 126.05 the following motor vehicles are deemed not to be excisable:
 - (ii) motor vehicles which are manufactured by the conversion of excisable or non-excisable motor vehicles.
4. For the purposes of items 126.01, 126.02, 126.04 and 126.05 the expression "vehicle mass" shall not include the mass of any fuel or water but shall include the mass of any lubricants, spare wheel and tools which are supplied as standard equipment.

Date as on : 2006-08-02

SCHEDULE 1 / PART 2 / SECTION A

Customs & Excise Tariff

Tariff Item	Tariff Heading	Article Description	Rate of Duty	
			Excise	Customs
104.00		PREPARED FOODSTUFFS; BEVERAGES, SPIRITS AND VINEGAR; TOBACCO		
104.01	19.01	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40 per cent by mass of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 04.01 to 04.04, not containing cocoa or containing less than 5 per cent by mass of cocoa calculated on a totally defatted basis not elsewhere specified or included		
.10		Traditional African beer powder as defined in Additional Note 1 to Chapter 19	34,7c/kg	34,7c/kg
104.10	22.03	Beer made from malt		
.10		Traditional African beer as defined in Additional Note 1 to Chapter 22	7,82c/li	7,82c/li
.20		Other	3 867.82c/li absolute alcohol	3 867.82c/li absolute alcohol
104.15	22.04	Wine of fresh grapes, including fortified wines; grape must (excluding that of heading 20.09)		
	22.05	Vermouths and other wine of fresh grapes flavoured with plants or aromatic substances		
.02		Sparkling wine	465.58c/li	465.58c/li
.04		Unfortified wine	158.09c/li	158.09c/li
.06		Fortified wine	287.88c/li	287.88c/li
104.17	22.06	Other fermented beverages (for example, cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included:		
.05		Traditional African beer as defined in Additional Note 1 to Chapter 22	7,82c/li	7,82c/li
.15		Other fermented beverages, unfortified	183.38c/li	183.38c/li
.17		Other fermented beverages, fortified	365.35c/li	365.35c/li
.22		Mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages	183.38c/li	183.38c/li
.90		Other	365.35c/li	365.35c/li
104.20	22.07	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 per cent volume or higher; ethyl alcohol and other spirits, denatured, of any strength:		
	22.08	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 per cent volume; spirits, liqueurs and other spirituous beverages:		

Date as on : 2006-08-02

SCHEDULE 1 / PART 2 / SECTION A

Customs & Excise Tariff

Tariff Item	Tariff Heading	Article Description	Rate of Duty	
			Excise	Customs
.10		Wine spirits, manufactured by the distillation of wine	5 521.00c/li absolute alcohol	5 521.00c/li absolute alcohol
.15		Spirits, manufactured by the distillation of any sugar cane product	5 521.00c/li absolute alcohol	5 521.00c/li absolute alcohol
.25		Spirits, manufactured by the distillation of any grain product	5 521.00c/li absolute alcohol	5 521.00c/absolute alcohol
.29		Other spirits	5 521.00c/li absolute alcohol	5 521.00c/li absolute alcohol
.40		Liqueurs and other spirituous beverages	5 521.00c/li absolute alcohol	5 521.00c/li absolute alcohol
104.30	24.02	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes:		
.10		Cigars, cheroots and cigarillos, of tobacco or of tobacco substitutes	148 515.70c/kg net	148 515.70c/kg net
.20		Cigarettes, of tobacco or of tobacco substitutes	278.04 c/10 cigarettes	278.04c/10 cigarettes
104.35	24.03	Other manufactured tobacco and manufactured tobacco substitutes; "homogenised" or "reconstituted" tobacco; tobacco extracts and essences:		
.10		Cigarette tobacco and substitutes thereof	15 649.41c/kg	15 649.41c/kg
.20		Pipe tobacco and substitutes thereof	8 261.93c/kg net	8 261.93c/kg net
105.00		MINERAL PRODUCTS		
105.10	27.10	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by mass 70 per cent or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations:		
.03		Petrol, as defined in Additional Note 1(b) to Chapter 27	3,909c/li	3,909c/li
.09		Aviation kerosene, as defined in Additional Note 1(d) to Chapter 27	free	free
.13		Illuminating kerosene, as defined in Additional Note 1(f) to Chapter 27, marked	free	free
.15		Illuminating kerosene, as defined in Additional Note 1 (f) to Chapter 27, unmarked	3,817c/li	3,817c/li
.17		Distillate fuel, as defined in Additional Note 1(g) to Chapter 27	3,817c/li	3,817c/li
.19		Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(j) to Chapter 27, marked	free	free
.21		Specified aliphatic hydrocarbon solvents, as defined in Additional Note 1(l) to Chapter 27, unmarked		

Date as on : 2006-08-02

SCHEDULE 1 / PART 2 / SECTION A

Customs & Excise Tariff

Tariff Item	Tariff Heading	Article Description	Rate of Duty	
			Excise	Customs
106.00		PRODUCTS OF THE CHEMICAL OR ALLIED INDUSTRIES		
106.10	29.03	Halogenated derivatives of hydrocarbons:		
.03		Carbon tetrachloride	500c/kg	500c/kg
.05		1,1,1-Trichloroethane (methyl chloroform)	500c/kg	500c/kg
.09		Chlorotrifluoromethane	500c/kg	500c/kg
.11		Pentachlorofluoroethane	500c/kg	500c/kg
.13		Tetrachlorodifluoroethanes	500c/kg	500c/kg
.15		Heptachlorofluoropropanes	500c/kg	500c/kg
.17		Hexachlorodifluoropropanes	500c/kg	500c/kg
.19		Pentachlorotrifluoropropanes	500c/kg	500c/kg
.21		Dichlorodifluoromethane	500c/kg	500c/kg
.23		Tetrachlorotetrafluoropropanes	500c/kg	500c/kg
.25		Trichloropentafluoropropanes	500c/kg	500c/kg
.27		Dichlorohexafluoropropanes	500c/kg	500c/kg
.29		Trichlorofluoromethane	500c/kg	500c/kg
.31		Chloroheptafluoropropanes	500c/kg	500c/kg
.33		Trichlorotrifluoroethanes	500c/kg	500c/kg
.35		Dichlorotetrafluoroethanes and chloropentafluoroethane	500c/kg	500c/kg
.37		Bromochlorodifluoromethane, bromotrifluoromethane and dibromotetrafluoroethanes	500c/kg	500c/kg
106.20	38.24	Prepared binders of foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included; residual products of the chemical or allied industries, not elsewhere specified or included		
.10		Mixtures containing acyclic hydrocarbons, perhalogenated only with fluorine and chlorine (excluding mixtures containing chlorodifluoromethane, dichlorodifluoromethane or trichlorofluoromethane)	500c/kg	500c/kg

Date as on : 2006-08-02

SCHEDULE 1 / PART 2 / SECTION A

Customs & Excise Tariff

Tariff Item	Tariff Heading	Article Description	Rate of Duty	
			Excise	Customs
.30		Other mixtures containing perhalogenated derivatives of acyclic hydrocarbons containing two or more different halogens	500c/kg	500c/kg
.40	38.24	Biodiesel as defined in Additional Note 1(a) to Chapter 38	3.817c/l	3.817c/l
.50	38.24	Other biodiesel	3.817c/l	3.817c/l

Date as on : 2007-03-30

SCHEDULE 1 / PART 2 / SECTION B

Customs & Excise Tariff

Tariff Item	Tariff Heading	Sub Heading	Article Description	Rate of Duty	
				Excise	Customs
118.15	33.03	3303.00	Perfumes and toilet waters (excluding pastes and intermediate products not put up for sale by retail)	7%	7%
118.20	33.04		Beauty or make-up preparations and preparations for the care of the skin (excluding medicaments), including sunscreen or sun tan preparations; manicure or pedicure preparations		
		3304.10	Lip make-up preparations (excluding pastes and other intermediate products not put up for sale by retail and any preparations having a Sun Protection Factor (SPF) of 15 or more)	5%	5%
		3304.20	Eye make-up preparations (excluding pastes and other intermediate products not put up for sale by retail)	5%	5%
		3304.30	Manicure or pedicure preparations (excluding pastes and other intermediate products not put up for sale by retail)	5%	5%
		3304.91	Powders, whether or not compressed (excluding pastes and other intermediate products not put up for sale by retail and baby powders and any preparations having a Sun Protection Factor (SPF) of 15 or more)	5%	5%
		3304.99	Other (excluding pastes and other intermediate products not put up for sale by retail and barrier cream in packings of 5 kg or more and any preparations having a Sun Protection Factor (SPF) of 15 or more)	5%	5%
118.33	36.04		Fireworks, signalling flares, rain rockets, fog signals and other pyrotechnic articles		
		3604.10	Fireworks	7%	7%
120.10	43.03		Articles of apparel, clothing accessories and other articles of furskin		
		4303.10	Articles of apparel and clothing accessories	7%	7%
120.15	43.04		Artificial fur and articles thereof		
		4304.00	Articles of apparel and clothing accessories	7%	7%
124.05	84.15		Air conditioning machines of a kind used for buildings, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated		
		8415.10	Window or wall types, self-contained or "split-systems", having a rated cooling capacity not exceeding 8,8 kW	7%	7%
		8415.8	Other, having a rated cooling capacity not exceeding 8,8 kW	7%	7%
		8415.90	Indoor units for machines of subheading 8415.10.40	7%	7%

70

Date as on : 2007-03-30

SCHEDULE 1 / PART 2 / SECTION B

Customs & Excise Tariff

Tariff Item	Tariff Heading	Sub Heading	Article Description	Rate of Duty	
				Excise	Customs
124.07	84.18		Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 84.15		
		8418.6	Other refrigerating or freezing equipment and heat pumps for air conditioning machines of a kind used for buildings of subheading 8415.10.40	7%	7%
124.37	85.17		Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as local or wide area network), excluding transmission or reception apparatus of heading 84.43, 85.25, 85.27 or 85.28		
		8517.11	Line telephone sets with cordless handsets	7%	7%
		8517.12	Telephones for cellular networks or for other wireless networks, designed for use when carried in the hand or on the person	7%	7%
124.40	85.18		Microphones and stands therefor; loudspeakers, whether or not mounted in their enclosures; headphones and earphones whether or not combined with a microphone, and sets consisting of a microphone and one or more loudspeakers; audio-frequency electric amplifiers; electric sound amplifier sets		
		8518.2	Loudspeakers, whether or not mounted in their enclosures	7%	7%
		8518.40	Audio-frequency electric amplifiers	7%	7%
		8518.50	Electric sound amplifier sets	7%	7%
124.45	85.19		Sound recording or reproducing apparatus (excluding telephone answering machines, cinematographic sound recording apparatus, tape duplicators and dubbing machines)	7%	7%
		8521.10	Magnetic tape-type (excluding those for use with magnetic tape of a width exceeding 25 mm and video tape duplicators, cassette-type, not incorporating a video reproducing device)	7%	7%
		8521.90	Other	7%	7%
124.66	85.25		Transmission apparatus for radio-broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus; television cameras, digital cameras and video camera recorders		
		8525.80	Digital cameras and video camera recorders (excluding digital camcorders with a value for duty purposes exceeding R15 000 for the basic camera unit exclusive of any peripherals e.g. memory stick, battery, additional lenses, etc.)	7%	7%
124.70	85.27		Reception apparatus for radio-broadcasting, whether or not combined, in the same housing, with sound recording or reproducing apparatus or a clock		

Date as on : 2007-03-30

SCHEDULE 1 / PART 2 / SECTION B

Customs & Excise Tariff

Tariff Item	Tariff Heading	Sub Heading	Article Description	Rate of Duty	
				Excise	Customs
		8527.00	Domestic radio-broadcast receivers, including those of a kind used in motor vehicles, whether or not combined, in the same housing, with sound recording or reproducing apparatus or a clock	7%	7%
124.75	85.28	8528.00	Monitors and projectors, not incorporating television reception apparatus (excluding those of a kind solely or principally used in an automatic data processing system of heading 84.71); reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus	7%	7%
126.02	87.02	8702.00	Motor vehicles for the transport of ten or more persons, including the driver (excluding such vehicles of a value for AD VALOREM excise duty purposes of less than R130 000 or vehicles for the transport of 15 or more persons, including the driver)	{{(0,00003 x A) - 0,75}% with a maximum of 20% (See Note 1 to this Part)	{{(0,00003 x B) - 0,75}% with a maximum of 20% (See Note 2 to this Part)
126.03	87.03	8703.00	Motor cars and other motor vehicles principally designed for the transport of persons (excluding those of heading 87.02), including station wagons and racing cars (excluding hearses and ambulances)	{{(0,00003 x A) - 0,75}% with a maximum of 20% (See Note 1 to this Part)	{{(0,00003 x B) - 0,75}% with a maximum of 20% (See Note 2 to this Part)
126.04	87.04	8704.00	Motor vehicles for the transport of goods of a vehicle mass not exceeding 1 600 kg without rear body or 2 000 kg with rear body or of a G.V.M. not exceeding 3 500 kg (excluding motor vehicles of subheading 8704.10, off-the-road logging trucks and shuttle cars and low construction flame proof vehicles for use in underground mines)	{{(0,00003 x A) - 0,75}% with a maximum of 20% (See Note 1 to this Part)	{{(0,00003 x B) - 0,75}% with a maximum of 20% (See Note 2 to this Part)
126.05	87.06	8706.00	Chassis fitted with engines, for the motor vehicles of headings 87.01 to 87.05 (excluding those for motor vehicles of subheading 8704.10) of a vehicle mass not exceeding 1 600 kg or of a G.V.M. not exceeding 3 500 kg	{{(0,00003 x A) - 0,75}% with a maximum of 20% (See Note 1 to this Part)	{{(0,00003 x B) - 0,75}% with a maximum of 20% (See Note 2 to this Part)
126.10	87.11		Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars		
		8711.20.90	With reciprocating internal combustion piston engine of a cylinder capacity of 200 cm ³ or more but not exceeding 250 cm ³	5%	5%
		8711.30	With reciprocating internal combustion piston engine of a cylinder capacity exceeding 250 cm ³ but not exceeding 500 cm ³	5%	5%
		8711.40	With reciprocating internal combustion piston engine of a cylinder capacity exceeding 500 cm ³ but not exceeding 800 cm ³	5%	5%
		8711.50	With reciprocating internal combustion piston engine of a cylinder capacity exceeding 800 cm ³	7%	7%
		8711.90.20	Other, of a cylinder capacity of 200 cm ³ or more but not exceeding 800 cm ³	5%	5%
		8711.90.30	Other, of a cylinder capacity exceeding 800 cm ³	7%	7%

205

Date as on : 2007-03-30

SCHEDULE 1 / PART 2 / SECTION B

Customs & Excise Tariff

Tariff Item	Tariff Heading	Sub Heading	Article Description	Rate of Duty	
				Excise	Customs
126.20	89.03		Yachts and other vessels for pleasure or sports; rowing boats and canoes		
		8903.99	Water scooters and the like	7%	7%
129.10	93.02	9302.00	Revolvers and pistols (excluding those of heading 93.03 or 93.04), being firearms (excluding target shooting pistols of 5,6 mm calibre)	7%	7%
129.15	93.03		Other firearms and similar devices which operate by the firing of an explosive charge (for example, sporting shotguns and rifles, muzzle-loading firearms, Very pistols and other devices designed to project only signal flares, pistols and revolvers for firing blank ammunition, captive-bolt humane killers, line-throwing guns)		
		9303.10	Muzzle-loading firearms	7%	7%
		9303.20	Other sporting, hunting or target-shooting shotguns, including combination shotgun-rifles	7%	7%
		9303.30	Other sporting, hunting or target-shooting rifles	7%	7%
129.20	93.04		Other arms (for example, spring, air or gas guns and pistols, truncheons), (excluding those of heading 93.07)		
		9304.00	Spring, air or gas guns and pistols (excluding those designed to project a missile suitable for the injection of animals)	7%	7%
130.10	95.04		Articles for funfair, table or parlour games, including pinball, billiards, special tables for casino games and automatic bowling alley equipment		
		9504.10	Video games of a kind used with a television receiver	7%	7%
		9504.30	Other games of skill or chance, including parts thereof, operated by means of coin, encoded magnetic strip, "smart" cards or other tokens (excluding bowling alley equipment)	7%	7%
		9504.90	Video games with self-contained screen and games of skill or chance with an electronic display, including parts thereof	7%	7%
130.15	95.06		Articles and equipment for general physical exercise, gymnastics, athletics, other sports (including table-tennis) or outdoor games, not specified or included elsewhere in this Chapter; swimming pools and paddling pools		
		9506.32	Golf balls	7%	7%

22

THE STANDARD VALUES OF LIVESTOCK

Description of livestock		Standard value Emalangeni
Cattle	Bulls (uncastrated male cow)	720
	Oxen (castrated male cow used for draught)	440
	Cows (fully grown female of a bovine animal)	440
	Tollies and Heifers 2years (heifer a young cow especially one that has not had more than one calf)	280
	Tollies and Heifers 1 year	200
	Calves under 1 year	120
Sheep	Wether (castrated ram-old English)	60
	Rams (uncastrated male sheep)	100
	Ewes (female sheep-old English)	40
	Lambs (young sheep)	10
Goats	Fully grown	40
	Kids under 1 year	10
Horses	Stallion 4 years and over (uncastrated adult male horse)	600
	Mares 4 years and over (female horse)	400
	Gelding 3 years and over (castrated horse)	300
	Colts and fillies 3 years (colt-young male horse, filly young female horse)	300
	Colts and fillies 2 years	200
	Colts and fillies 1 year	150
	Foals under 1 year (young male horse)	60
Donkeys	Jacks over 3 years (Jack ass-male donkey)	15
	Jacks under 3 years	10
	Jennies over 3 years (jennies-female donkeys)	15
	Jennies under 3 years	10
	Foals under 1 year (foal-young of a horse or related animal)	5

Standard values continued

Description of livestock		Standard value Emalangeni
Mules	Over 4 years (mule-generally offspring of a female donkey and male horse, but could be offspring of male donkey and female horse)	300
	3 years to 4 years	200
	2 years to 3 years	150
	Under 2 years	60
Pigs	Over 12 months	250
	Under 12 months	50
Poultry	Over 9 months	5