

**UNIVERSITY OF SWAZILAND**  
**DEPARTMENT OF ACCOUNTING**  
**SUPPLEMENTARY EXAMINATION PAPER, JULY 2012**

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

**TITLE OF PAPER** :ADVANCED TAXATION

**COURSE CODE** : AC405 (S) 2012/ IDE AC405(S)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 CUSTOMS AND EXCISE TARRIF TABLE**

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

**QUESTION 1: CALCULATION OF TAXABLE INCOME PAYABLE BY A FARMER**

Mandla Gule is a farmer in the Mandla Mpisi area of Swaziland. His farming particulars for the year ended 30.6.2012 are as follows.

	E	E
<b>INCOME</b>		
<b>SALES</b>		
<b>Sale of produce</b>		
Sale of bean crop		150,000
Sale of maize		1,680,000
<b>Sale of livestock</b>		
Sale of 1 bull @ E7,000		7,000
Sale of 50, (3 year and over) cows @ E6,000		300,000
Sale of 40 , (1-2 years) tollies and heifers @ E3,000		120,000
<b>Sale of meat</b>		197,000
		<u>2,454,000</u>
<b>EXPENSES</b>		
Administration and general expenses (allowable)	313,000	
Depreciation of motor car and office furniture	12,000	
Donations	1,000	
Fertilizer	48,000	
Foodstuff for livestock	42,000	
Grain bags	30,000	
<b>Maintenance and repairs:</b>		
Farm buildings	67,000	
Implements	6,000	
Lorries and tractors	11,000	
Purchase of maize and potato seed	117,000	
Petrol, oil and grease	50,000	
Livestock purchase	275,000	
Railage and transport	8,000	
Rations for workers	24,000	
Seed spray	35,000	
Veterinary fees	4,000	
Wages- domestic servants	24,000	

<b>Wages –farm labourers</b>	<b>135,000</b>	
<b>Total expenses</b>	<b>1,202,000</b>	

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## NOTES TO THE ACCOUNTS

### Note 1. Details relating to livestock

Type of livestock	opening stock in quantities	Purchase	Sales	Closing stock in quantities
<b>Bulls</b>	<b>3</b>		<b>1 bull@E7,000</b>	
<b>Cows (3 year old and over)</b>	<b>140</b>	<b>10 cows @ E5,000</b>	<b>50cows@E6,000</b>	
<b>Tollies and heifers (2 to 3 years)</b>	<b>80</b>			
<b>Tollies and heifers (1 to 2 years)</b>	<b>100</b>	<b>50 tollies @E2,500</b>	<b>40 tollies (1 to 2) years @E3,000</b>	
<b>Calves (under 1 year)</b>	<b>50</b>			
<b>Oxen</b>	<b>30</b>	<b>25 oxen @ E4,000</b>		

#### Other livestock particulars:

- a. 20 calves were born,
- b. 10 calves became (1 to 2 year) tollies and heifers,
- c. 20 (1 to 2 years) tollies and heifers became (2 to 3) year tollies and heifers,
- d. 20 (2 to 3 year) tollies and heifers became 3 year old cows,
- e. 4 (2 to 3) year heifers were slaughtered for meat sales,
- f. 1 (one) (2 to 3) heifer was slaughtered for consumption by the family. The cost equivalent of one (2 to 3 year tolly) was E3,500.

#### Note 2: Family consumption of produce

The family also consumed produce worthy E30,000.

#### Note 3. Capital expenditure incurred during the year

Type of expenditure	E
<b>New implements for the farm</b>	<b>71,000</b>
<b>New tractor for the farm</b>	<b>182,000</b>

<b>New irrigation equipment</b>	<b>60,000</b>
<b>New borehole</b>	<b>35,000</b>
	<b>348,000</b>

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**Note 4 :**

At 30<sup>th</sup> June 2012 there was a crop of maize growing on land. It is estimated that the value of this crop is E20,000.

**Note 5 :**

Expenditure on petrol, oil, and grease includes E7,000 for private motor car expenses.

**Note 6 :**

Development expenditure b/f E250,000.

**REQUIRED :**

- A. Calculate the Emalangeneni value of opening stock as at 1<sup>st</sup> July, 2011.  
( 5 marks)
  - B. Calculate the ending stock in quantities and Emalangeneni values as at 30<sup>th</sup> June 2012.  
(5 marks)
  - C. Calculate the taxable income of the farmer as at 30<sup>th</sup> June 2012  
(25 marks)
- Total for the question** (30 marks)

**QUESTION 2:**

Mbabane Electronics Ltd's financial year ended on 30<sup>th</sup> June 2012. It manufactures computer games for children. Its year 2012 financial particulars are as follows.

Mbabane Electronics Ltd has an assessed loss brought forward from its 2011 year of E290,000. The other particulars of the Statement of Comprehensive Income are:

**MBABANE ELECTRONICS LTD  
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
30.6.2012**

<b>INCOME</b>	<b>NOTES</b>	<b>E</b>	<b>E</b>
Sales			3,500,000
Cost of sales			<u>1,900,000</u>
Gross profit			1,600,000
Sundry income			
-Local dividends	Note 1	11,000	
-Interest income		6,000	
-Profit on sale of plant and machinery	Note 2	<u>13,000</u>	
			30,000
			<u>1,630,000</u>
<b>LESS OTHER MANUFACTURING AND ADMINISTRATIVE EXPENSES</b>			
Bad debts	Note 3	27,000	
Provision for doubtful debts	Note 4	10,000	
Insurance premiums	Note 5	80,000	
Leave pay expense and provision	Note 6	35,000	
Pension fund contributions	Note 7	207,000	
Medical aid fund contributions	Note 8	27,000	
Depreciation	Note 9	152,500	
Fines	Note 10	1,000	
Warranty expense	Note 11	129,000	
Interest expenses			
--Long term loan	Note 12	85,000	
--Bank overdraft		70,000	
Other allowable expenses		<u>242,000</u>	
			<u>1,065,500</u>
<b>NET PROFIT BEFORE TAX</b>			<b>564,500</b>

**QUESTION 2:(CONTINUED)**

**NOTES TO THE QUESTION**

NOTE NO	EXPLANATION
1	The following dividend income accrued to Mbabane Electronics
	E
	Listed companies 4,000
	Unlisted 7,000
	11,000
2	The profit on sale of plant and machinery of E13,000 arose from the sale of a machine for E28,000. At the date of sale this machine had a book value of E15,000, an original cost of E23,000, and a tax written down value of E5,000.
3	The bad debts of E27,000 is made up of:
	E
	Trade debtors written off 10,000
	Employee's loan written off 5,000
	Trade accounts debtors acquired when acquiring the company 12,000
	27,000
4	The increase in doubtful debt provision debited to the income statement was E10,000
5	Mbabane Electronics pays its insurance premium in advance on the 1 <sup>st</sup> day of January of each year. The payment is debited to the statement of comprehensive income.
6	The leave pay expense of E35,000 includes leave pay actually paid to the employees during the year, and amounts credited to the leave day provisions so as to provide for accumulated leave pay due to employees but not yet taken at year end.
7	Mbabane Electronics contributes 23% of its employees' remuneration to its pension fund. In its Comprehensive Income Statement salaries and wages have been included in cost of sales. These salaries etc amount to E900,000.
8	Mbabane Electronics contributes 100% of the cost of employee medical aid.
9	Depreciation of E152,500 has been determined as follows:

## Note 9 continued

	Cost	Current	Book value	Tax written down value
		Depreciation	30 <sup>th</sup> June 2012	30 <sup>th</sup> June 2012
	E	E	E	E
Land	150,000		150,000	150,000
Factory blds	620,000	25,500	505,500	320,000
Office blds	622,000	34,700	478,300	622,000
Plant and machinery	860,000	86,000	559,000	430,000
Furniture and fittings	<u>63,000</u>	<u>6,300</u>	<u>28,350</u>	<u>37,201</u>
	2,315,000	152,500	1,721,150	1,559,201

The factory works at 2 shifts a day.

**Note 10: Fines**

The fines were incurred for various infringements of the local by laws applicable to manufacturers operating in the area.

**Note 11: Warranties**

Mbabane Electronics offers a 2 year warranty on all products sold. Based upon historical data it raises a warranty provision at the end of its financial year to reflect its potential future liability for warranty expenses on products that have been sold and are still covered by the warranty period. When incurred, warranty expenses are debited to the warranty provision account. A reconciliation of this warranty provision account is as follows:

	E
Balance as at 30 <sup>th</sup> June 2011/1 <sup>st</sup> July 2011	158,000
Less warranty expenditure actually incurred	<u>-60,000</u>
	98,000
Add increase in provision	<u>129,000</u>
Balance of the warranty provision account as at 30 <sup>th</sup> June 2012	<u>227,000</u>

**Note 12 : Long term loan's interest expense**

The long term loan was entered into to fund the purchase of shares where Mbabane Electronics get dividend income.

**REQUIRED:** Compute the company tax payable.

**(30 marks)**

**QUESTION 3:**

**REQUIRED :**

**Calculate the Emalangen Exercise Duties, and Custom Duties that would be collected from the following transactions.**

1	Importation of one BMW (Bayern Motor Works) saloon car capable of transporting 5 passengers including a driver that would have the recommended total retail price (exclusive of sales tax) of E450,000. The total value for Ad Valorem custom duty purpose would be E320,000.
2	Importation of one motorcycles with reciprocating internal combustion engine capacity of 200 cc valued at E10,000.
3	A pleasure boat with a Yamaha outboard motor
4	Importation of Manicure and Pedicure beauty make up worth E30,000
5	Importation of 3 air conditioning machines of the wall type-split systems used in buildings valued at a total value of E12,000.
6	Importation of refrigerators, and freezers worth E50,000.
7	Importation of 2,000,000 " Philip Morris" cigarettes (individual cigarette sticks) valued at a total value of E20,000,000.
8	Importation of 200 kgs of "Sweetnut" pipe tobacco valued at E400,000
9	Importation of 3,000 litres of "Martin" fortified wine worth E400,000
10	Importation of 2,500 litres of distilled wine worthy E300,000
11	Importation of 20,000 litres of petrol worth E150,000
12	Importation of 50,000 litres of aviation kerosene worth E500,000
13	Importation of muzzle loading firearms worth E100,000.
14	Importation of artificial fur coats valued at a total value of E400,000
15	Importation of articles and equipment for general physical exercise, gymnastic, and other sports valued at E35,000
16	A resident disembarked at Matsapha International airport with the following
	a. 4 litres of unfortified wine.
	b. 3 litres of spirits distilled out of wine
	c. one kg of pipe tobacco. Compute the net sales and customs duties after the rebates.

(20 marks)



**QUESTION 4:**

**REQUIRED :**

**In tax planning what does the expression “Choosing the best form of doing business mean” ?**

**(20 marks)**

**TOTAL FOR THE PAPER**

**(100 marks)**

	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
<b>Mules</b>	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
<b>Pigs</b>	Over 12 months	250
	Under 12 months	50
<b>Poultry</b>	Over 9 months	5

The standard values fixed by regulation are as follows:

**EXHIBIT 3.2: THE STANDARD VALUES OF LIVESTOCK**

Description of livestock		Standard value Emalangeni
<b>Cattle</b>	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 2 years (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
<b>Sheep</b>	Wether (castrated ram-old English)	60
	Rams (uncastrated male sheep)	100
	Ewes (female sheep-old English)	40
	Lambs (young sheep)	10
<b>Goats</b>	Fully grown	40
	Kids under 1 year	10
<b>Horses</b>	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
<b>Donkeys</b>	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
<b>Mules</b>	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
<b>Pigs</b>	Over 12 months	250
	Under 12 months	50
<b>Poultry</b>	Over 9 months	5

Date as on : 2006-03-02

SCHEDULE 1 / PART 2 / SECTION A

Customs & Excise Tariff

SECTION A

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

NOTES:

1. Any duty specified in this part in respect of any goods as a suspended duty shall be payable on entry for home consumption of such goods to the extent specified to be in operation in respect of such goods.
2. Beer in retail pack may not be removed from one manufacturing warehouse to another such warehouse.
3. If duty should become payable on any beer which is in a process of manufacture such duty shall be calculated according to the registered strength and quantity of the final product.
4. No paragraph.
5. If any excisable goods classified in tariff item 104.20.10, 104.20.15, 104.20.25 or 104.20.29 are mixed, such mixture shall be classified under the tariff item relating to that constituent in respect of which the percentage absolute alcohol by volume exceeds 6 per cent and in respect of which the higher rate of duty applies.
6. The rates of duty specified in tariff items 104.20.40 and 104.50 are additional to the rate of duty specified in tariff items 104.20.10, 104.20.15, 104.20.29 and 104.20.30.

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	W/alt 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	3 667.82c/li absolute alcohol	3 667.82c/li absolute alcohol
104.15	22.04	Wine of fresh grapes, including fortified wines; grape must (excluding that of heading 20.09)		
	22.05	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
	.30	Other	365.35c/li	365.35c/li
104.20	22.07	Denatured 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;		

2200

Date as on : 2006-08-02

## SCHEDULE 1 / PART 2 / SECTION A

Customs &amp; 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		GENERAL 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		Paraffin, 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

Date as on : 2006-03-02

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		Dichlorotetrafluoromethanes and chloropentafluoroethane	500c/kg	500c/kg
.37		Bromochlorodifluoromethane, bromotrifluoromethane and dibromotetrafluoroethanes	500c/kg	500c/kg
106.20	33.24	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
.20		Mixtures containing dichlorodifluoromethane or trichlorofluoromethane		



Date as on: 2006-03-02

SCHEDULE 1 / PART 2 / SECTION A

Customs & Excise T

Tariff Item	Tariff Heading	Article Description	Rate of Duty	
			Excise	Customs
.39		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/li	3.817c/li
.50	38.24	Other biodiesel	3.817c/li	3.817c/li

50.0

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(3)(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: 2007-03-30

## SCHEDULE 1 / PART 2 / SECTION B

Customs &amp; Excise

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	63.03		Articles of apparel, clothing accessories and other articles of fur skin		
		6303.10	Articles of apparel and clothing accessories	7%	7%
120.15	63.04		Artificial fur and articles thereof		
		6304.00	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%

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## SCHEDULE 1 / PART 2 / SECTION B

Customs &amp; 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		
		8518.1	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 R 15 000 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		

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Customs &amp; 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		
		8711.20.00	With reciprocating internal combustion piston engine of a cylinder capacity of 200 cm <sup>3</sup> or more but not exceeding 250 cm <sup>3</sup>	5%	5%
		8711.30	With reciprocating internal combustion piston engine of a cylinder capacity exceeding 250 cm <sup>3</sup> but not exceeding 500 cm <sup>3</sup>	5%	5%
		8711.40	With reciprocating internal combustion piston engine of a cylinder capacity exceeding 500 cm <sup>3</sup> but not exceeding 800 cm <sup>3</sup>	5%	5%
		8711.50	With reciprocating internal combustion piston engine of a cylinder capacity exceeding 800 cm <sup>3</sup>	7%	7%
		8711.90.20	Other, of a cylinder capacity of 200 cm <sup>3</sup> or more but not exceeding 800 cm <sup>3</sup>	5%	5%
		8711.90.30	Other, of a cylinder capacity exceeding 800 cm <sup>3</sup>	7%	7%

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Tariff Item	Tariff Heading	Sub-Heading	Article Description	Rate of Duty	
				Excise	Customs
126.20	93.03		Yachts and other vessels for pleasure or sports; rowing boats and canoes		
		9303.90	Water scooters and the like	7%	7%
129.10	93.02	9302.90	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 pintables, 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		
		9506.30	Golf balls	7%	7%