

Customs and Excise (Baking Industry Manufacturer) (Rebate)
Regulations, 2018

ARRANGEMENT OF SECTIONS

Section

1. Title and commencement.
2. Interpretation.
3. Completion and use of prescribed forms.
4. Grant of rebate.
5. Registration of manufacturers.
6. Storage of rebated goods.
7. Clearance of goods.
8. Manufacturer to keep stock-book.
9. Disposal of rebated goods.
10. Eligibility of goods for rebate.
11. Cancellation of registration.
12. Transparency and accountability in the utilisation of rebate facility.

FIRST SCHEDULE: Forms.

SECOND SCHEDULE: Goods eligible for rebate.

THIRD SCHEDULE: Fees.

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:—

Title and commencement

1. (1) These regulations may be cited as the Customs and Excise (Baking Industry Manufacturer) (Rebate) Regulations, 2018.

(2) These regulations shall come into effect from 1st January, 2019.

Interpretation

2. In these regulations—

Customs and Excise (Baking Industry Manufacturer) (Rebate)
Regulations, 2018

“applicant” means any person making an application for registration as a manufacturer in the baking industry in terms of these regulations;

“form” means the appropriate form referred to in the First Schedule;

“manufacturer” means any person who is registered as a baker of bread in terms of section 5;

“goods” means any raw material referred to in the Second Schedule used in the baking of bread.

Completion and use of prescribed forms

3. (1) All forms in terms of these regulations and copies thereof shall be completed indelibly and in a legible manner.

(2) An officer may refuse to accept any form if he or she considers that any part of it is illegible and that it has not been properly completed.

Grant of rebate

4. Subject to these regulations, a rebate of duty shall be granted on goods referred to in the Second Schedule, imported or taken out of bond by a manufacturer for use in the baking of bread.

Registration of manufacturers

5. (1) Any person or persons who wish to claim a rebate of duty in terms of these regulations shall apply to the proper officer in Form BIMR 1 for registration as a manufacturer.

(2) An application referred to in subsection (1) shall be supported by a detailed formula for the manufacture of the bread and such additional information or documents as the Commissioner may require and shall be made before the importation or removal from bond of any goods intended for the baking of bread.

(3) In order to be eligible for registration hereunder the applicant must be registered with the Zimbabwe Revenue Authority and have a valid tax clearance certificate.

(4) On receipt of an application in terms of this section the proper officer shall, before referring the application for consideration by the Commissioner, inspect the applicant's premises and baking machinery and report his or her findings to the Commissioner.

(5) If the Commissioner approves the application, he or she shall call on the applicant to—

- (a) erect on his or her premises the stores provided for in section 6; and
- (b) enter into a bond on Form No. 143, with sufficient surety in an amount determined by the Commissioner, for the securing of duty and compliance with the requirements of these regulations; and
- (c) pay the fee prescribed in terms of section 173 of the Customs and Excise (General) Regulations, 2001, published in Statutory Instrument 154 of 2001.

(6) When the applicant has complied with the requirements of this section, the Commissioner shall register the applicant and the fee for registration as a manufacturer shall be the prescribed amount:

Provided that where the registration of an applicant is approved after the 30th of June in any year, the fee payable in terms of this section shall be half of the fee referred to in this subsection.

(7) The prescribed fee for renewal of registration of a manufacturer shall be payable annually on or before the 1st of January every year.

(8) The Commissioner may reject an application for registration if he or she is of the opinion that—

- (a) adequate control of goods imported or taken out of bond under this rebate of duty is not likely to be maintained; or
- (b) any provision of these regulations will not be complied with.

Storage of rebated goods

6. (1) The manufacturer shall provide on his or her premises secure stores for the safe storage of goods on which duty has been rebated and shall, at his or her own expense, provide the necessary fastenings so that the stores may be secured with Customs locks.

(2) No goods on which duty has been rebated may be stored elsewhere other than in the stores provided for in subsection (1) of this section, and no such store shall, without the prior written permission of the Commissioner, be used for any other purposes.

Clearance of goods

7. (1) Goods to be entered under the rebate of duty provided for in these regulations shall be entered for consumption at the port of entry and removed under bond into rebate store of the manufacturer.

(2) A manufacturer shall, when effecting entry on importation or on removal from bond of goods intended for manufacture under rebate, submit with the relevant bill of entry, a declaration signed by him or her, to the effect that the goods are to be used solely in the baking of bread.

Manufacturer to keep stock-book

8. (1) A manufacturer shall keep a stock-book, in a form approved by the Commissioner, showing full particulars of all receipts and disposals of goods entered for the baking of bread in such a manner that the rebated goods can readily be accounted for the satisfaction of the Commissioner.

(2) If a manufacturer fails to keep a stock-book in the manner approved in terms of subsection (1), any rebated goods received by the manufacturer during the period when the stock-book was not so kept shall be deemed to have been used for a purpose other than that for which the rebate was granted. Unless the manufacturer satisfies the Commissioner that the rebated goods were used for the purpose for which the rebate was granted shall pay the rebated revenue forthwith and the penalty for failure to keep records.

(3) The stock-book and premises of a manufacturer shall be open for inspection by an officer at any time.

Disposal of rebated goods

9. (1) Subject to subsections (2) and (3) of this section, a manufacturer shall not, except with the written authority of the Commissioner, and on payment of the duty rebated, dispose of any rebated goods otherwise than in accordance with these regulations.

(2) The Commissioner may authorise the disposal of rebated goods on payment of such duty, not exceeding the amount of duty rebated, as he or she thinks fit, if in the opinion of the Commissioner, the goods cannot be economically used for the purpose for which they were entered under rebate.

(3) A manufacturer shall, when required by the Commissioner to do so, carry out under the supervision of an officer, at such times, as the Commissioner may consider necessary, any baking operation in which goods entered under rebate are used.

(4) Duty on rebated goods which are accidentally destroyed before being used in the baking of bread may be remitted if the Commissioner is satisfied that every reasonable effort was made and precaution taken to prevent their destruction.

Eligibility of goods for rebate

10. Only the goods listed in the Second Schedule shall be eligible for rebate if imported or taken out of bond under the tariff heading indicated opposite thereto.

Cancellation of registration

11. (1) The Commissioner may cancel or suspend the registration of a manufacturer if such manufacturer—

- (a) ceases to be a baker of bread; or
- (b) fails to comply with or contravenes any of the provisions of these regulations; or
- (c) fails to pay the fee for the renewal of registration in accordance with subsection (7) of section 5; or
- (d) so requests.

Customs and Excise (Baking Industry Manufacturer) (Rebate)
Regulations, 2018

(2) If any registration is cancelled in terms of subsection (1) of this section, any duty rebated shall immediately become due and payable.

Transparency and accountability in the utilisation of rebate facility

12. (1) A manufacturer shall be required to present to the Minister of Finance and Economic Development, an annual report in a form approved by the Minister, showing full particulars of all the benefits achieved in the utilisation of the rebate facility granted in terms of these regulations.

(2) The report referred to in subsection (1) shall be in such a manner that the effect on the following aspects on the manufacturer's business can be readily ascertained or accounted for to the satisfaction of the Minister—

- (a) the incremental employment levels achieved by the manufacturer;
- (b) capacity utilisation levels attained from the use of the rebate;
- (c) value of new investment received since the employment of the rebate;
- (d) growth in the manufacturer's output; and
- (e) research and development initiatives carried out by the manufacturer.

(3) If a manufacturer fails to produce the annual report in the manner approved in terms of subsection (1), the rebate shall be immediately withdrawn and any rebated goods received by the manufacturer 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 manufacturer shall be required to pay the rebated revenue forthwith and the penalty for failure to keep records.

(4) The annual report by the manufacturer shall be submitted within thirty days from the end of the 12 months period calculated from the effective date of these regulations in the first year and thereafter from the 1st of January every year subsequently.

S.I. 275 of 2018

FIRST SCHEDULE (*Section 2*)

FORMS

<i>Form No.</i>	<i>Titles</i>
BIMR 1	Application for registration
143	Baking Industry Manufacturer's Bond

In terms of section 5(2) of the Interpretation Act [*Chapter 1:01*], the stated forms are not published in these regulations. They may be inspected free of charge at the offices of the Zimbabwe Revenue Authority.

SECOND SCHEDULE (*Section 10*)

GOODS ELIGIBLE FOR REBATE

The goods listed below shall be imported or taken out of bond under rebate only by manufacturers registered in terms of section 5.

Commodity Code	Description of goods
1109.00.00	Wheat Gluten, whether or not dried
1517.90.00	Other (Bakers' Fats)
2106.90.90	Other (Seed mix)
2915.50.00	Propionic acid, its salts and esters (Calcium Propionate)
2915.70.00	Palmitic acid, stearic acid, their salts and esters (Sodium Stearate Lactylate)
2936.27.00	Vitamin C and its derivatives (Ascorbic acid)

THIRD SCHEDULE (*Section 6*)

FEES

Initial Registration	US\$100,00
Renewal of Registration	US\$100,00

