

# **Customs and Excise Regulations, 1984**

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LEGAL NOTICE NO. 126 OF 1984

**Customs and Excise Regulations, 1984**

In exercise of the powers conferred upon me by section 123 of the Customs and Excise Act, 1982,  
I,

K.T.J Rakhetla

Minister of finance, make the following Regulations:

## **Chapter I**

### **Preliminary**

#### **Citation**

1. These regulations may be cited as the Customs and Excise Regulations, 1984.
2. In these regulations unless the context otherwise requires, expressions used shall have the meaning respectively assigned to them in the Customs and Excise Act, 1982, hereinafter referred to as "the Act".

## **Chapter II**

### **Administration, General duties and Powers of Director and Officers**

#### **Officers to Perform Temporary and Additional duties**

3. (1) Any officer may at any time be called upon to perform temporary duties other than those ordinarily appertaining to his class or grade.  
  
(2) Officers in the general division may be called upon at any time to perform, in addition to their normal duties, such as clerical work as the Director may decide.

#### **Officers required to take extra attendance**

4. No officer shall have the right to refuse to take extra attendance, but the Director may exempt an officer from such an attendance in general or in any particular case.

#### **Production of authority by officer**

5. Any officer whose normal duties is to conduct inspections under the Act shall, on arrival at the premises of any importer, manufacturer or any other person on routine inspection duties declare his official capacity and purpose and produce the authority issued to him by the Director to conduct such inspection, but this regulation shall not apply in circumstances which the Director or such inspector considers exceptional.

## **Chapter III**

## **Importation, Exportation and Transit of goods**

6. (1) Only those places, roads, routes, airports, sheds, entrances and exits appointed or prescribed under section 6 of the Act and specified in schedule 2 shall be used or employed as the appointed places, roads, routes, sheds, airports, entrances and exits for importation, exportation, warehousing and transit of goods.

(2) The Use, employment or entry into any of the premises or places appointed in terms of section 6 of the Act shall be subject in each case to compliance with the requirements and stipulations of the Department Customs and Excise and other regulations obtaining in Lesotho.

## **Landing of aircraft at places not appointed for that purpose**

7. (1) The pilot of foreign - going aircraft who is forced by the stress of weather, accident or other circumstances beyond his control to land at a place in Lesotho not appointed as a place of entry or Customs and Excise airport (whether or not that aeroplane has already called at any place in Lesotho), shall forthwith report the arrival of his aircraft in terms of section 7 of the Act and circumstances of such arrival to the officer at that place.

(2) If no officer is stationed at a place mentioned in sub-regulation (1) such pilot shall forthwith report the circumstances of his arrival to the magistrate or member of the Police at or nearest to that place and such pilot shall also as soon as possible make a report in terms of section 7 to the officer at the place at which such aircraft was next due to land or to the officer nearest to the place where he has landed.

(3) Such pilot shall forthwith take steps to prevent the landing, loss, damage, removal or pilferage of any cargo or other goods on such aircraft or, if any cargo or goods are landed from such aircraft when in distress, to prevent the loss, damage, removal or pilferage of any cargo or other goods so landed. He shall also report the available particulars of all cargo or other goods landed from such aircraft to the officer, magistrate or member of the police force as the case may be.

(4) The pilot of such aircraft shall also prevent the passengers and crew of such aircraft from leaving the immediate vicinity thereof unless the permission of the officer, magistrate or member of the police force has been obtained or circumstances demand otherwise.

(5) Any magistrate or member of the police force to whom report is made by a pilot of such aircraft shall report the circumstances to the Director by the most expeditious means available and shall render all possible assistance to such pilot to comply with all the requirements of sub-regulations (2) to (4).

## **Report of arrival and departure of aircraft**

8. (1) The report referred in section 7(1)(a) of the Act shall state the information required in a form approved by the Director.

(2) The pilot of any foreign-going aircraft shall, before its departure from any place in Lesotho, deliver to the officer one declaration in a form approved by the Director in respect of all destinations.

(3) A manifest in a form approved by the director of all goods shipped as stores ex customs and excise warehouse and of all excisable and sales duty goods shipped as stores on such foreign-going aircraft (or alternatively copies of bills of entry for shipment of such goods), shall be attached by the officer of the general declaration.

(4) A manifest, in a form approved by the Director, of all goods ex customs and excise warehouse or goods on which a drawback of customs or excise duty due on export or imported goods on which duty has not been paid or excisable or sales duty goods, exported or removed in bond on such foreign-going aircraft to a place outside Lesotho (or alternatively copies of entry for shipment on such goods) shall be attached to such general declaration.

(5) A copy of the report outwards, in the approved form incorporating copies of the manifest of all goods shipped at that place on such foreign-going aircraft for a destination outside Lesotho (including the goods mentioned in sub-regulation (4) shall be attached to such certificate of clearance or general declaration).

(6) The pilot of such foreign-going aircraft shall submit, at the time of reporting inwards of such aircraft, to the officer at every place at which such aircraft calls, the certificate of clearance or general declaration issued to him at every place in Lesotho at which such aircraft has previously called and such certificate or declaration may be retained by the officer until the time of departure of such aircraft.

(7) To the transire submitted in terms of section 7(6) of the Act by the pilot of a foreign going aircraft in respect to each place in Lesotho at which it is due to call, the officer shall attach a manifest, in the form approved by the Director, of goods removed in bond or, alternatively, copies of all bills of entry for the removal in bond to that place (or if no goods in removal in bond to that place, the relative transire shall contain a statement to that effect) and such transire shall contain a statement as to whether or not goods of the nature referred to in sub-regulation (3) or (4) have been shipped at any place in Lesotho.

(8) Such transire shall be handed to the officer at the time of reporting inwards of such aircraft at the place of destination and shall be retained by the officer at that place.

(9) The officer may refuse clearance for the departure of any aircraft from any place unless evidence to his satisfaction has been produced that the pilot of such aircraft has complied with the provisions of all laws of Lesotho with which it was his duty to comply.

(10) The pilot of any aircraft arriving at or departing from any place in Lesotho shall submit to the officer as many copies of such documents referred to in sub-regulations (1) to (8) as the officer may require.

### **Boarding and searching of aircrafts**

9. (1) All sealable goods which have not been declared by the pilot or any member of the crew of an aircraft at any place in Lesotho in terms of section 9 of the Act and any other goods (not being personal baggage or possession of the pilot, crew or passengers) which the pilot is unable to prove to the satisfaction of the officer to be manifested for discharge at any other place shall be treated as illicit goods and shall be liable to forfeiture.

(2) The officer may prohibit any person who has no official business relating to any aircraft on such aircraft from boarding such aircraft until such formalities on arrival of aircraft relating to customs and excise requirements as he may decide have been completed.

### **Aircraft stores**

10. (1) The declaration required in terms of section 9(1) of the Act shall be made on a form approved by the Director and shall be handed over to the officer on demand immediately upon arrival of any aircraft at any place in Lesotho and, if not demanded before the time of reporting such aircraft, the said form shall be submitted to officer at the time of reporting such aircraft.

(2) The declaration required to be made in terms of section 9(1) of the act shall be made individually on the same form by the pilot and every member of the crew of any aircraft.

(3) The pilot and any member of the crew of an aircraft arriving in Lesotho shall each be allowed to retain for his own consumption such goods and quantities are enumerated below for a period of four days:-

( a) Pilot-

Tobacco in any form.....	230grms
Portabl spirits in any form.....	1 litre
Wine.....	3 litres
Beer or Stout.....	3 litres

(b) Officers, including pursers, surgeons, chief stewards, wireless operators and serangs-

Tobacco in any form.....	175grms
Portable spirits in any form.....	1 litre
Wine.....	3 litre
beer or stout.....	3 litres

(c) Other members of the crew-

tobacco in any form.....	115grms
portable spirits.....	Nil
wine.....	3 litres

beer or stout..... Nil

(4) The regulations shall not entitle the pilot or any member of the crew to land such goods without payment of duty except with the permission of the officer.

(5) If required to do so by the officer, the pilot or any member of the crew shall produce all sealable goods in his possession.

(6) The officer shall place under seal all quantities in excess of those enumerated in sub-regulation (3), as well as any other goods mentioned in section 9(3) of the Act and any of the following prohibited and restricted goods:

(a) Undesirable publications, objects and films;

(b) Fire-arms (which include gas and alarm pistols and gas rifles of calibre of 5,6mm and larger) and ammunition; and

(c) Dangerous weapons which include swords, daggers, bayonets, knives with cutting edge of 10cm or more in length (excluding knives for domestic or industrial purposes), loaded or spiked sticks, knuckle dusters, flick knives, batons of solid rubber, tear gas pens and pistols and walking sticks, etc., which are capable of concealing a blade or any other deadly weapon.

(7) The pilot shall provide every facility for such sealing but the officer may permit the pilot of the aircraft or any member of the crew of an aircraft to leave any sealable stores in his possession on arrival of such aircraft in Lesotho in his custody until re-exported under official supervision by such pilot or member of the crew.

(8) In cases where the pilot and crew remain on board for more than four days at any place, the officer may, at the request of the pilot or any member of the crew, issue from under seal further quantities as enumerated below:

Pilot-

Tobacco in any form.....30gms

Portable spirits in any form..... 100ml

Wine..... 1 litres

Beer or Stout..... 1 litres

Officers, including pursers, surgeons, chief stewards, wireless operators and serangs-

Tobacco in any form..... 25gms

Portable spirits in any form..... 100ml

Wine.....	1 litre
beer or stout.....	1 litres
Other members of the crew-	
tobacco in any form.....	15grms
portable spirits.....	Nil
wine.....	1litres
beer or stout.....	Nil

(9) The pilot of an aircraft shall not permit any customs and excise seal on any goods in terms of section 9 of the Act, to be broken until the aircraft is en route to a place outside Lesotho without intending to land again at any place in Lesotho.

**Landing of goods from aircraft; deposit of goods**

11. (1) (a) The pilot, agent or the representative of such pilot or agent or any other person landing goods before entry thereof, shall remove such goods only into duly appointed transit shed (or other place previously approved by the Director) and stack such goods in such a manner as will readily enable a complete check of packages to be made.

(b) Goods shall not be removed from one transit shed to another without the specific permission of the Director.

(2) Goods in transit, or goods marked for another place, shall, on being landed, be kept entirely separate from other goods and packages which are damaged or from which the whole or part of the contents is missing, shall not be placed on vehicle for removal to another place until they have been examined in the presence of the officer and their contents ascertained. The packages shall then be repaired to the satisfaction of the officer and sealed by him.

(3) Goods shall, being on landed, not be stacked in the open except with the special permission of the officer.

(4) In all cases where landed goods are deposited in the open, the conditions of relating to stacking as stipulated in sub-regulation (1) and (2) shall apply.

(5) goods which have been duly entered before landing may be landed direct from the aircraft into vehicles for immediate conveyance to their destination on condition that the goods are stored in the vehicles in such a manner that they can readily be checked, but goods may be so landed direct from an aircraft into vehicles only with the permission of the officer.

(6) The Director may permit goods of any class or kind which have been entered before landing to be landed direct from an aircraft into vehicles on such conditions as he may impose in each case.

(7) (a) If any package landed from an aircraft is leaking or if the whole or part of its contents is missing or if the package is in a damaged situation or the mass of any package differs from the invoiced or manifested mass, thereof, the contents of such package (hereinafter referred to as "a discrepant Package"), ascertained by examination as stated below, shall, subject to section 45(1) of the Act, be accepted as being all the goods imported in such package;

Provided that:

(i) Such package is landed as soon as possible after landing but not later than expiry of the time referred to in section 39(1) of the Act, or removal of such package from transit shed where it was deposited on landing, whichever is the earlier, or, if not so deposited, before removal from the place where it was landed;

(ii) Such package is examined, in the case of examination of the package after due entry thereof, by the importer and the case of examination of package before due entry thereof, by the pilot of an aircraft from which it was landed, in the presence of and in conjunction with the officer;

(iii) An account of the contents of the package (or missing goods) issued by the carrier is furnished to the Director by the importer or pilot, as the case may be;

(iv) The account is legible and identifies the missing goods to the satisfaction of the Director and is signed and dated by the officer, importer, or pilot as the case may be, who conducted the examination;

(v) the account of such discrepant package specifies the identification marks, numbers and other particulars of each package examined and specifies the actual contents (or missing goods) of each package separately; and

(vi) there is no evidence that the missing goods (or any portion thereof) entered into home consumptions in Lesotho.

(b) paragraph (a) shall **mutatis mutandis** apply in respect of any discrepant package landed from a railway train in which package was imported and for that purpose any reference to the pilot of an aircraft shall be deemed to be a reference to the carrier of the package.

(c) paragraph (a) shall **mutatis mutandis** apply in respect of any discrepant package imported by road for that purpose any reference in the said paragraph to the officer, the pilot of the aircraft, to the time of examination and to any account shall be deemed to be a reference to the officer at the place where the conveying vehicle entered Lesotho, to the carrier of the package, to the time while such vehicle is under the control of the officer at such a place and to the accounts taken by the officer of the contents of such package, respectively.

(d) paragraph (a) shall **mutatis mutandis** apply in respect of any discrepant packages imported by post and for that purpose any reference in the said paragraph to the pilot of the aircraft, to the examination and to account shall be deemed to be a reference to any postal official in whose custody the package is prior to delivery, to the time while such package is in the custody of such official and to an account of the relative postal manifest respectively;

Provided that the contents of such discrepant package shall be accepted as being all the goods imported in that package even where the duty on the goods missing therefrom does not exceed M25.

(e) paragraphs (a) to (c) shall **mutatis mutandis** apply in respect of any examination conducted in terms in sub-regulation (2) and for that purpose any reference to the pilot of the aircraft and to the account shall be deemed to be a reference to the officer and to the account taken by him of the contents of such package, respectively.

(f) paragraph (a) shall only apply to a discrepant package at the first place of landing thereof in the Common Customs Area and shall not apply to any discrepant package after removal thereof in bond.

(8) Examination, mass-measuring, repair or removal of any package in terms of this regulation shall, at the discretion of the officer, be subject to the supervision by him and he may at any time demand re-examination of the package concerned.

### **Delivery of goods from airports and transit shed**

12. (1) No person shall deliver goods landed from an aircraft or railway train from any transit shed or other approved place until he has submitted to the authority in control of such shed or other place, a copy of a bill of entry or relative customs and excise delivery order approved by the Director, relating to such goods and authorising delivery to the importer of such goods.

(2) If any goods have been delivered to before release has been made granted by officer in respect of such goods for the delivery of or forwarding thereof to the importer, such goods shall, if the officer so requires, be returned at the expense of the railway or airline operator, to the place from which such goods were so delivered, or be brought to such other place as the officer may decide.

(3) The Director may enter into such other arrangements with the railway, airline operators and container depot or container terminal operators as he may deem necessary in respect of the handling of goods in terms of this chapter.

(4) The delivery of goods from any airport, transit shed or other approved place before discharge of aircraft or train has been completed, may be permitted, provided a release copy of the bill of entry or other approved document, as the case may be, providing that the goods have been duly entered has been received by the authority in control of such transit shed or other approved place and the goods are not required to be detained for the purpose of department.

(5) Release of any duly entered goods may be authorised by the officer endorsing any copy of the relevant bill of entry to that effect. such endorsement shall be signed and date-stamped by the officer..

(6) No other approved release document shall be valid and shall be acted upon unless such document is signed and date-stamped by the officer and bears the number and date of bill of entry on which the goods to which such a document relates were entered in terms of the Act.

(7) The officer may, by endorsement on any release copy of the bill of entry or any other approved release document or in any other manner, order the detention or delivery to the place indicated by him of the whole or any part of the goods to which such document relates and such goods shall not be delivered or removed except as ordered by the said officer.

(8) Every agent, railway official or other person landing and delivering goods at any place shall, within a period of 14 days from the date on which such a landing commences, or within such further period as the officer may allow, furnish to the officer a statement with particulars of the packages reported for landing at that place in terms of section 7 of the Act but not landed at that place but not so reported, and shall before the expiration of the said period of 14 days or such further period as has been allowed by the officer, deliver all goods landed but not reported (unless the said statement reflects particulars of due entry and delivery of such goods), as well as all goods in respect of which due entry has been made, to the state warehouse or such other place as may be approved by the director.

### **Exportation of goods**

13. (1) Any person entering goods for exportation shall, if required to do so by the officer, produce all documents relating to the goods together with the airway bill or consignment note.

(2) Subject to sub-regulation (5), no person shall cause any goods for export to be loaded into an aircraft or any other vehicle unless such a person has received a copy of airway bill or consignment note relating to such goods, signed and date-stamped by the officer, authorising the export of such goods in that aircraft or other vehicle;

Provided that in respect of air freight cleared at the office of any officer such clearance shall be valid for export of the goods through any customs and excise airport.

(3) The pilot of any aircraft into which any goods referred to in regulation 8(3) or (4) have been loaded for export shall, before departure from the last place of call in Lesotho, on demand by the officer indicate to him all such goods for the purpose of checking or giving account to him for such goods.

(4) No goods shall be landed at any place in Lesotho without the express permission of the officer and if landed, such goods shall be treated as imported goods landed without reporting in terms of section 7 of the act.

(5) In the case of goods being exported from a place in Lesotho where there is no customs and excise office, the Director may, in respect of such goods as he considers necessary under such conditions as he may impose, permit the exporter to present a bill of entry for export of -

(a) goods not ex-warehoused - (on a form approved by the Director) together with the relative documents to the railway or air transport official at that place; and

(b) sales duty goods manufactured in Lesotho and exported ex-warehouse on a form approved by the Director by rail by the licenced manufacturer, together with the relative invoice to the railway official at that place.

(6) Such official shall ensure that the requirements of the Act are complied with before authorising the exportation of goods in question and shall forward the original of the bill of entry concerned to the Director.

### **Importation or exportation of goods to and from African territories**

14. The importation of any goods from or the exportation of goods to any African territory with the government of which any agreement has been concluded under any provision of the Act shall be subject to such agreement.

### **Persons entering or leaving Lesotho and their baggage**

15. (1) A person entering Lesotho shall not remove his baggage, nor any other goods accompanying him, from customs and excise control, or cause such baggage or goods to be removed until they have been released by the officer and no person (not even the pilot, his agents or railway officials); shall deliver any such baggage or goods left with or handed to him for delivery until such release has been granted.

(2) Every person entering or leaving Lesotho shall declare unreservedly to the officer all goods he has in his possession taking particular care in the case of entry to mention articles such as the following -

tobacco, cigars, spirits (including perfumed or toilet spirits commonly called perfumery) on which duty is not rebated in terms of 470.02(1); firearms; dangerous weapons; watches; jewellery; fur clothing; live animals; vegetable matter; dependence-producing substances and presents for or parcels carried on behalf of other persons.

(3) Every person entering or leaving Lesotho shall also produce and deliver to the officer any goods the importation and exportation of which is prohibited or restricted.

(4) The officer may in his direction demand a written declaration in lieu of a verbal declaration made to him.

(5) Any goods brought into Lesotho and intended for sale shall specially declared as cargo and shall be entered as such for customs and excise purposes the prescribed forms.

(6) Any goods not being cargo reported in terms of section 7 of the Act which have been imported or exported or removed from customs and excise control or in respect of which an attempt at importing, exporting or removal has been made without a valid declaration shall be treated as goods imported, exported or removed without due entry thereof.

### **Removal of goods in bond**

16. (1) All goods removed in bond under section 17(1) of the Act shall be entered for removal on a bill of entry approved by the Director for removal in bond, but the director may, in respect of such class or kind of goods as he may decide, accept such other form of entry as he may approve on such condition as he may impose.

(2) Subject to sub-regulation (6) and (7) no goods shall be removed in bond until the remover has been authorised by the officer on a release copy of a bill of entry or other approved document to remove such goods.

(3) Goods removed may be removed in bond within Lesotho only to a place only appointed as the place of entry or, in circumstances which the Director considers to be exceptional to any railway station or siding, or any premises or warehouse within the area of control of the officer at that place or, in the case of excisable goods, to a licensed customs and excise warehouse if such goods are intended for warehousing in such customs and excise warehouse;

Provided that sales duty goods manufactured in Lesotho may be removed in bond only to a place appointed as a place of entry and only for re-warehousing at that place.

(4) (a) except where otherwise provided in this regulations, the consignee of goods removed in bond to a place in Lesotho shall not take delivery of such goods or cause them to be warehoused or exported to a place of destination until he has duly entered at the customs and excise, for consumption, warehousing or export, and has obtained a written authority of the officer for such delivery, warehousing or export.

(b) the said consignee shall also submit to the officer, all such invoices and documents relating to the goods as he may require as well as a numbered and date-stamped copy of relative bill of entry for removal in bond.

(c) if entry of goods at that destination is not made within 7 days of the arrival of the goods at that place, or within such further period as the officer may allow, the remover or the carrier or other person having custody of the goods shall forthwith deliver them to the state warehouse or other place approved by the Director.

(5) (a) any person removing goods in bond to a place in Lesotho shall consign the goods to the care of the officer in charge at that place and shall continuously mark the **consignment note** with the words "**IN BOND**".

(b) the carrier shall advise its officials or agents that the goods are in bond and shall not deliver the goods without the written authority of the officer.

(6) (a) subject to sub-regulation (7), the Director may, in the case of goods in transit through Lesotho from any other territory in Africa by air or rail to any destination outside Lesotho, allow the goods in question to be entered for removal, in the case of goods removed by air, at the place where the goods are first landed in Lesotho, or in the case of goods removed by rail, at the place where goods are exported from the Common Customs Area provided the duty on any deficiency is paid forthwith.

(b) no person shall allow such goods to be carried forward or exported from such airport or place until such goods have been duly entered for removal in bond and the officer at the place in question has granted written authority for such carriage or export.

(7) Goods in transit overland through Lesotho from any territory in Africa other than by air or rail shall be entered for removal in bond at the place where they enter Lesotho.

(8) Except with the permission of the director, goods in transit through Lesotho to a destination outside Lesotho shall be exported immediately and if export cannot take place immediately, such goods shall be warehoused in a licensed warehouse after entry for warehousing.

(9) (a) beef or other meat and such other goods as the Director may decide, in transit by rail through Lesotho to a destination outside Lesotho shall be carried in sealed trucks direct from the sending station to a place of export in Lesotho and such seals shall not be broken except with the permission of the officer at that place.

(b) such goods carried by any means shall be subject to conditions as the Director may impose

(10) (a) goods removed in bond to a customs and excise warehouse for manufacturing purposes or for storage in such warehouse shall be entered on a bill of entry for warehousing or re-warehousing approved by the Director but goods removed in bond to a place of entry for any other purpose may be duly entered for excise warehouse in terms of section 19(4)(c) of the Act.

(11) The following particulars shall be reflected on a bill of entry for direct removal in bond -

(a) in the case of goods removed in bond to a place outside Lesotho, full particulars as required in accordance with the bill of entry form;

(b) in the case of goods which have been landed from an aircraft or other vehicle at a place to which they were not consigned and are removed in bond by the pilot or other carrier to the place to which they were consigned in the first place, full particulars are required in accordance with manifest requirements in the form approved by the Director and such additional particulars are available to such pilot or other carrier in respect of such goods; and

(c) in other cases, full particulars as required in accordance with the bill of entry form, but the particulars relating to tariff heading or item need not be furnished unless required to be furnished by the Director.

(12) Supplier's invoices in respect of goods entered for removal in bond in the circumstances stated in sub-regulation 11(a) shall be produced to the officer at the time of entry for removal, and supplier's invoice, documents as may be required by the officer shall be produced to the officer at the time of entry at the place of destination in respect of goods removed in the circumstances referred to in sub-regulation 11(b) or (c).

(13) If goods which have been entered for warehousing at the place of importation are required for immediate removal in bond from that place before they have been deposited in the warehouse, they may be treated and entered for removal as if they had been so deposited.

(14) if the final destination of any goods is a place other than the place of entry to which such goods have been removed in bond, no person shall remove such goods or cause such goods to be removed from such place of entry until such goods have been duly entered and the officer has granted written authority for delivery thereof and if forwarded to the final destination without such a written authority, such goods shall, if the officer requires, be returned at the

expense of the carrier or other person who brought the goods into Lesotho, or who removed the goods without such a written authority, to such place of entry or to such other place as the officer may decide.

## **Chapter IV**

### **Customs and Excise warehouse: Storage and Manufacturing of Goods in Customs and Excise Warehouses**

#### **Approval of Customs and Excise Warehouse**

17. (1) Customs and excise warehouses (excluding special customs and excise manufacturing warehouses) shall be licensed only at places appointed by the Minister in terms of section 6 of the Act and on application on a form approved by the Director.

(2) The application form shall be completed in all details and shall be accompanied by such plans, description of the warehouse or other other particulars as the Director may require.

(3) A license for a customs and excise warehouse may be issued in respect of any premises, store, fixed vessel, tanks, yards or other places which complies with such conditions as the Director may impose in each case in regard to construction, situation, access, security or any other condition he considers necessary.

(4) Different premises, stores, vessels, tanks yards or other places on a single site, or on more than one site approved by the Director, may be licensed as a single customs storage warehouse, a single customs and excise manufacturing warehouse, or a single special customs and excise manufacturing warehouse for the purpose of sales duty in the name of of one licensee.

(5) Separate customs and excise warehouses on the same site may be licensed in the names of different persons subject to the conditions referred to in sub-regulation 3.

(6) The director may license a customs and excise warehouse for the storage or manufacture of any particular commodity or article or any class or kind of commodity or article and such warehouse shall not be used for any other purpose, except with the written permission from the Director.

(7) If the security for the duty is at any time in the opinion of the officer not sufficient in regard to any customs and excise warehouse in which goods are deposited, he may at the risk and expense of the licensee of such warehouse and the owner of such goods cause them to be immediately removed and deposited in another customs and excise warehouse or other place approved by him. alternatively, the said licensee or owner may forthwith pay the duty on the goods.

(8) The licensee of the customs and excise warehouse shall keep at the warehouse, in place accessible to the officer, a record in a form approved by the Director of all receipts into and deliveries or removals from the warehouse of goods not exempted from entry in terms of section 19(3) of the Act, with such particulars as will make it possible for all such receipts and deliveries

or removals to be readily identified with the goods warehoused and with clear references to the relative bills of entry passed in connection therewith.

(9) The license of customs and excise warehouse shall display in a prominent position in the warehouse an extract of the relative regulations in Chapter IV hereof.

(10) No goods entered for storage or manufacture in a customs and excise warehouse (except spirits and wine in the process of maturation or maceration in a customs and excise manufacturing warehouse) shall be retained in customs and excise warehouse for a period of more than 5 years from when the goods were first entered for warehousing but the Director may, in exceptional circumstances and on such conditions as he may impose in each case, allow such goods intended for trade purposes to be so retained for a further period not exceeding one year and such other goods as he may decide to be retained for such further period as he may specify.

(11) Any fixed vessel, tank, receiver, vat or other container licensed as a customs and excise warehouse or used in customs and excise warehouse for the storage or manufacture of any goods in terms of Chapter IV of the Act shall be gauged in a manner approved by the Director and any fitting, meter, gauge or indicator for ascertaining the quantity of any goods contained in such vessel, tank, receiver, vat or other container shall be supplied and fitted by the licensee at his expense.

(12) The licensee of customs and excise warehouse shall notify the officer immediately of, or prior to, any change, or contemplated change, no matter of what nature, in his legal identity, name or address of his business or goods manufactured by him.

### **Goods deposited or to be deposited in a customs and excise warehouse**

18. (1) (a) subject to sub-regulation (2), goods which have been entered for warehousing in a customs and excise warehouse shall be conveyed to the warehouse immediately after such entry and there deposited.

(b) all goods entered for warehousing shall be conveyed to the warehouse only by railway operators or by a person who has given such security as the Director may require in terms of section 100 of the Act.

(2) (a) imported packages which have been entered for warehousing in a customs and excise warehouse but which are leaking, or of which the whole or part of the contents is missing, or which are in otherwise damaged condition, shall not be removed to the warehouse unless examined in terms of section 11(7).

(b) if such package is however removed to the warehouse without such examination the full invoiced contents of such package shall be deemed to have been imported and shall be accounted for under the Act. officer

(3) The licensee of any customs and excise warehouse shall notify the owner of any imported goods entered for warehousing in such warehouse of the non-recipient of any such goods, or any part thereof, and the owner shall take immediate steps to account to the officer for such goods or to pay the duty thereon.

(4) The licensee of any customs and excise warehouse into which goods are received shall ensure that such goods have been duly entered for warehousing in such warehouse and, unless proof that such goods have been so entered is in his possession at the time of receipt of such goods, he shall keep such goods separated from other goods in such warehouse and make a report to the officer forthwith.

(5) The licensee of a customs and excise warehouse shall not allow any goods of a dangerous or inconvenient nature to be stored in such warehouse unless it has been approved for the storage of such goods, and the licensee of a customs and excise warehouse which has been approved for a particular class of goods shall not allow any other goods in such warehouse to be deposited therein.

(6) All goods in a customs and excise warehouse shall be so arranged and marked that they will be easily identifiable and accessible for inspection and that each consignment and the particulars thereof can readily be ascertained and checked.

(7) Goods deposited in a customs and excise warehouse may any time be examined by the officer and the licensee of such warehouse, or his representative, shall be present during such examination and assist the officer in the execution of such examination.

(8) Goods deposited in a customs and excise warehouse in closed trade containers shall not be examined, nor the packages opened or altered in anyway, except with the permission of the officer and in the presence of an officer if he so requires, unless immediate action for the safety of goods is necessary, in which case the licensee shall immediately notify the nearest available officer and the Director.

(9) No unpacked goods in liquid form shall be stored in ungauged containers in a customs and excise warehouse without the written permission of the officer.

### **General regulations regarding manufacture of goods in customs and excise warehouse**

19. (1) The Director may, on such conditions as he may impose, in each case, allow the manufacture by the licensee in a customs and excise manufacturing warehouse of goods which shall not be subjected to Chapter IV of the Act.

(2) Subject to regulation 17(2) any application for the licensing of a customs and excise manufacturing warehouse shall state the nature of materials and processes to be used in the manufacture of every excisable or other product, the expected annual quantities of such material to be so used and expected annual production of every excisable product:

Provided that the nature and quantity of materials to be used in the manufacture of sales duty goods need not to be stated.

(3) The plans referred to in section 26 (5) of the Act shall be submitted to the Director with as many copies as the Director may require.

(4) Distinguishing marks or numbers to the satisfaction of the Director shall be indicated on every room, vessel, still, utensil or other plant and such mark or number shall be shown on schedules submitted with such plans.

(5) Vessels, stills and other plant in customs and excise manufacturing warehouse shall be placed, fixed and connected to the satisfaction of the Director and the licensee shall not alter the shape, position or capacity of any plant or install any additional or new plant or remove any plant without the permission of the Director after submission to him of an application for alteration of such plant.

(6) No manufacturing shall commence in customs in a customs and excise manufacturing warehouse without the permission of the Director.

(7) All rooms, places, distilling apparatus, spirits receivers and other fixed vessels or containers and such other plant as the Director may specify, in a customs and excise manufacturing warehouse shall be locked or otherwise secured in accordance with the instructions and the discretion of the Director, and the licensee shall at his own expenses and to the satisfaction of the Director, provide, apply, repair, and renew whatever is required to enable an officer to affix locks to such rooms, places, distilling apparatus, spirits receivers and other fixed vessels or containers and other plant specified by the Director, or to secure them in any other manner.

(8) (a) every pipe in the customs and excise manufacturing warehouse shall, except with the permission of the Director or unless used exclusively for the discharge of water and spent wash, be so fixed and placed as to be capable of being examined for the whole of its length;

(b) pipes for the conveyance of different materials or products shall if required by the Director, be painted in such a colour for every material or product as he may require;

(c) the licensee shall paint such pipes at his own expense and shall repaint such pipes whenever required by the Director;

(d) every cork and valve used in such warehouse shall be of a type approved by the Director

(e) the licensee shall keep such corks and valves in proper repair at all times

(9) (a) no person other than the licensee of a customs and excise manufacturing warehouse licensed for manufacture of excisable goods shall own, use or control a machine for cutting tobacco or a machine, appliance or apparatus which is in the opinion of the Director of a type specially designed for any process in the manufacture of an excisable product except with the permission of the Director and no person to whom permission to own, use or control such machine, appliance or apparatus been so granted, shall sell or dispose of such machine, appliance and apparatus or allow any other person to use it without the permission of the Director.

(b) the Director may require that any class or kind of such machine, appliance or apparatus shall be registered with him and shall bear such registration numbers in such a manner as he may decide;

(10) (a) when a manufacturing operation has been completed in a customs and excise manufacturing warehouse, the licensee shall give the officer all the necessary assistance in ascertaining the quantity and strength or other particulars of the goods manufactured and record such particulars and render such returns as the Director may require;

(b) a licensee shall stop any operation or the working of any still when required to do so by the Director for the purpose of testing the output;

(11) (a) Every licensee who is required to do so by the Director shall furnish a diagram to scale of any still, utensil or other plant in his customs and excise manufacturing warehouse together with explanatory notes relating to the working of such still, utensil or other plant.

(12) Except with the permission of the Director no excisable goods in a customs and excise manufacturing warehouse shall be removed from a receiver, vessel or other container in which they were collected until account thereof has been taken by the Director.

(13) (a) the Director may allow the quantity of excisable goods manufactured in customs and excise manufacturing warehouse to be ascertained by means of massmeter, meter, guage or other instrument or appliance of a type approved by him;

(b) the licensee shall supply and fit such massmeter, meter, guage or other instrument or appliance to the satisfaction of the Director and keep it in a proper repair at his expense and shall have it assized regularly and at any time required by the Director.

(14) (a) every licensee of the customs and excise manufacturing warehouse shall, unless exempted by the Director, keep a stock record, in form approved by the Director, in which licensee shall record daily such particulars of receipts of material, nature and quantities of excisable goods manufactured, nature and quantities of by-products or other goods manufactured and such other particulars as the Director may require in each case.

(b) stock record shall, when not in use, be kept in a fire-proof safe.

(15) Every licensee of a customs and excise manufacturing warehouse shall furnish to the Director such returns showing such particulars and at such times and under such conditions as the Director may decide.

(16) Sub-regulation (3) to (8), (10) and (14) shall not apply in respect of special customs and excise warehouse for the purpose of sales duty.

### **General provisions regarding clearance of goods from customs and excise warehouse and payment of duty**

20. (1) the licensee of the customs and excise warehouse shall not cause or permit any goods to be delivered or removed from such warehouse until he is in possession of a relative ex-warehouse bill of entry, in the prescribed form, numbered and date stamped by the officer, and any person entering any goods for delivery or removal from a customs and excise warehouse shall do so on the forms prescribed by the Director.

(2) Notwithstanding sub-regulation (1) and subject to schedule 6 the Director may permit the licensee of any customs and excise warehouse to remove from such warehouse goods which are liable to excise duty or sales duty only or such other goods as the Director may specify from time to time.

Provided that:

- a. A certificate for removal of excisable or specified goods ex-warehouse, duly completed by the licensee of such warehouse, is deposited by such licensee in the entry box referred to in sub-regulation (3);
- b. In the case of sales duty goods manufactured in Lesotho, an invoice prescribed in terms of sub-regulation (11) is completed or complies with regulation 13(5) (b) and regulation 31(7); and
- c. He complies with sub-regulations (4), (5), (7) and (9).

(3) (a) except with the permission of the Director and subject to such conditions as he may impose, every licensee of customs and excise warehouse who has been granted permission in terms of sub-regulation (2) shall provide and fix to any convenient and permanent structure in an accessible place in such warehouse a box (to be known as entry box) of a construction and design approved by the Director, for safe depositing of documents;

(b) the box in question shall be provided with fittings and shall be designed to enable the officer to lock it with a state padlock so that documents deposited therein cannot be withdrawn and also so that any time considered necessary by the Director documents can neither deposited or withdrawn.

(4) (a) in the case of any excisable goods to be removed from any customs and excise warehouse for home consumption under schedule 6 or for home consumption as state stores, the licensee of such warehouse shall, notwithstanding sub-regulation (2), not remove or permit such goods to be removed from such warehouse unless a declaration regarding restricted removal of excisable or specified goods ex-warehouse has been completed and signed by the manufacturer under schedule 6 of the Act or an official of the state body in question, as the case may be, and a copy of such declaration has been attached to each copy of the certificate for removal of excisable or specified goods ex-warehouse;

(b) in the case of goods to be so removed for consumption under schedule 6 the Director may require that the said declaration shall be approved by the officer in the area where he manufacturer's premises are situated before such goods are removed.

(5) (a) a joint excise and sales duty account together with bills of entry as referred to in sub-regulation (1) shall be presented to the officer by the licensee of each customs and excise warehouse in respect of all motor vehicles which are subject to excise and sales duty and removed from such warehouse during the previous period of three months for the purpose mentioned in section 19(4) of the Act, on or before the 14<sup>th</sup> day of the month following the period of three months to which the account relates;

(b) all other bills of entry as referred to in sub-regulation (1) shall be presented to the officer by the licensee of each customs and excise warehouse in respect of all excisable or specified goods removed from such warehouse during the previous calendar month for the purposes mentioned in section 19(4) within 14days after stock taking or closing of accounts for duty purposes;

(c) copies of all certificates (including certificates and invoices in respect of motor vehicles) deposited in the entry box for each such purpose or for each class or kind of bill of entry prescribed in this regulations, as the director may require, shall be attached to the original of respective bills of entry or shall be specified on a schedule attached to such

bill of entry, such certificates being submitted to the officer separately in accordance with the conditions which the Director may impose;

(d) any duty due in respect of goods to which such bills of entry relate shall be paid by such licensee.

(6) Notwithstanding sub-regulation (1) the Director may permit the licensee of a customs and excise warehouse, subject to compliance with the requirements of sub-regulation (3), to remove from such warehouse-

(a) imported oil classified under tariff heading 27.07.50, 60, .70, or .80 and 27.10.20, .30, .40 or .50; and

(b) such other imported goods as the Director may permit from time to time, for consumption in terms of item 401.00 under sub-regulations (2) to (5) and in that event the said sub-regulations (2) to (5) shall mutatis mutandis apply and for the purpose such application and reference in such regulations to excisable goods and excise duty shall be deemed to be a reference to the above mentioned goods and to customs duty or customs or customs duty as well as excise duty, respectively.

(7) (a) certificates may be deposited in the entry box in his customs and excise warehouse by a licensee at any time during the hours when goods are permitted to be delivered or removed from such warehouse, but the Director may require in writing that certificates relating to deliveries or removals from such warehouse for any date or any period stated by the Director shall be deposited in the entry box before a time indicated by him on that date or on each day during that period;

(b) the licensee shall number the certificates consecutively in the space provided in respect of removals from each customs and excise warehouse.

(8) (a) when the officer has authorized the delivery or removal of any goods from a customs and excise warehouse or the licensee has deposited a certificate in terms of sub-regulation (2) in the entry box for delivery or removal of any goods, the licensee of the warehouse shall cause such goods to be delivered or removed immediately, unless the special permission of the officer has been obtained for their retention, but for any retention exceeding a period of 7 days the permission of the Director shall be obtained.

(b) the Director may grant general permission for retention in respect of such class or kind of goods and for such periods as he considers necessary.

(9) (a) the duty on any goods removed from customs and excise warehouse shall be payable before such goods are so removed, but in respect of goods removed under sub-regulation by any licensee, the Director may, subject to such security as he may require and to such condition as he may impose in each case, permit the removal of such goods without prior payment of any duty due, under cover of a certificate for removal of excisable or specified goods ex-warehouse and permit the payment of duty due in respect of such removals to be effected by such licensee monthly or three monthly, as determined by the Director at the office of the officer, provided stock-taking or the closing of duty accounts shall take place, by arrangement with officer, between 25<sup>th</sup> and the last day of the month, or period of three months following the month or period of

three months during which these regulations are published or the month or period of three months when goods are first removed in terms of sub-regulation (2) by any licensee;

(b) the date so decided shall apply permanently in every month or period of three months except when such date falls on a Saturday, Sunday or public holiday in which case, the officer shall determine the said date, but the date of payment of duty as provided for hereinafter shall not be affected thereby;

(c) the duty on goods without prior payment of duty in terms of this regulation between the date of stock-taking or closing of duty accounts in one month or period of three months and the said date in the next month or period of three months shall be paid within 30 days of the date of such stock-taking or closing of duty accounts but not later than the penultimate official working day of the month following the month or period of three months during which the date determined for stock taking or closing of duty accounts occurs;

(d) the Director may, however, in circumstances which he deems exceptional and subject to such conditions as he may impose, determine any date for stock taking or the closing of duty accounts;

(e) the director may further also, in respect of any imported or excisable products, subject to such security as he may require and to such conditions as he may impose, permit the removal of such products with payment of duty due thereon at such interval as he may decide provided at least 12 payments are made per annum;

(10) (a) notwithstanding sub-regulation (9) every manufacturer of sales duty goods or excisable goods of section B of part 2 of schedule 1 of the Act, every owner of sales duty goods, or such excisable goods, manufactured for him partly or wholly from materials owned by such owner and every manufacturer of and dealer in pearls, precious and semi-precious stones, precious metals shall present quarterly an account in accordance with the directions of the Director, in respect of any goods removed from their premises which have been licensed as special customs and excise warehouse for the purpose of sales duty or such excise duty;

(b) the said account shall be presented to the officer and the duty due paid to him on or before the 25<sup>th</sup> day of the month following the quarter to which the account relates;

Provided that, in the case of motor vehicles, accounts are presented and the duty is paid at the times prescribed in sub-regulations (5) and (9), respectively.

(11) Regulation 31(7) shall **mutatis mutandis** apply in respect of any removal of sales duty goods ex-warehouse and for that purpose any reference to beer shall be deemed to be a reference to any sales duty goods.

(12) On any duty paid after the dates mentioned in sub-regulations (9) and (10) interest shall be paid at the rate of 10% per annum for every full month the amount is in arrears and a portion of a month is calculated as full month:

Provided that the Director may in his discretion remit such interest if he is of the opinion that circumstances exist on account of which such arrear payment was unavoidable.

### **Clearance and removal of goods from customs and excise warehouse for home consumption**

21. (1) Excisable goods shall not be removed from any customs and excise warehouse for payment of duty in terms of regulation 21(1) or (2) except in such minimum quantities as the Director may determine in respect of each excisable product or spirituous beverage.

(2) Subject to regulation 20(6) imported goods liable to customs duty or sales duty shall not be removed from a customs and excise warehouse for home consumption until such goods have been entered in terms of section 19(4) of the Act with payment of any duty due and the licensee of such warehouse is in possession of a copy of such entry numbered and date-stamped by the officer.

### **Clearance and removal of goods from customs and excise warehouse for export including supply as stores to foreign going aircraft**

22. (1) The clearance and removal of goods from any customs and excise warehouse for export or supply as stores to any foreign going aircraft shall be subject to regulations 20(1) to (9).

(2) The officer may require any goods entered for export or supply as stores from any customs and excise warehouse to be delivered to any examination shed or other indicated by him or may require such goods to be retained in such warehouse for the purpose of examination prior to such export or supply and such goods shall not be removed, exported or supplied without the permission of the officer.

(3) (a) the goods in question shall be kept separate from other goods conveyed on the same vehicle and shall be accompanied by a copy of the relative bill of entry, certificate or invoice mentioned in regulation 20(2);

(b) unless the stores are conveyed by the actual remover or owner or licensee of the customs and excise warehouse in question or his employee, such stores shall, except with the permission of the Director be carried only by a person who has given security in terms of section 100 of the Act.

(c) such goods for export or supply as stores shall be taken to the baggage warehouse or such other place as the officer may decide, for verification and immediately thereafter conveyed by the shortest route direct to the aircraft or rail by means of which they will be exported;

(d) no carrier or other person shall divert such goods to any other destination or substitute any goods for such goods intended for export or supply as stores or with such goods in any manner.

(4) The licensee of a customs and excise warehouse from which goods for supply to a foreign going aircraft as stores are removed, shall obtain on a copy of bill of entry, certificate on

invoice relating to such goods a receipt signed by an officer of the aircraft to the effect that the stores have been received on board, and such receipted copy shall be handed to the officer before departure of the aircraft.

(5) The licensee shall produce proof of satisfaction of the Director that goods entered for export or supply as stores to a foreign going aircraft have been exported and such period as the Director may require.

(6) If any goods removed from a customs and excise warehouse for export or supply as aircraft stores or any portion of such goods, are not shipped or dispatched, the licensee of the said warehouse shall immediately report the facts to the officer, and shall forthwith pay the duty on such goods or cause such other action as the officer may decide.

(7) The pilot of an aircraft shall-

(a) produce stores on board of his aircraft (irrespective of where such stores were taken on board) whenever and wherever he is required to do so by an officer, and shall provide facilities for such stores to be placed seal; and

(b) forthwith pay the duty on any stores which were shipped outside Lesotho or which were shipped at any place in Lesotho ex a customs and excise warehouse and which have been consumed, sold or disposed of on such aircraft at any place in Lesotho when aircraft is not airborne or on such aircraft on a flight between any place in Lesotho (except such stores which have been consumed for the operation of the aircraft itself or so consumed by the pilot or any member of the crew or any or passenger as member of the service included in the service contract of such pilot or crew member or fare of such passenger without extra payment therefor).

(8) for the purpose of sub-regulation (1) goods which may be supplied to the aircraft as stores shall include all consumable goods normally used on such aircraft for propulsion, catering or maintenance but shall not include normal durable equipment or replacements of normal durable equipment of such aircraft.

(9) Normal durable equipment or replacements thereof shipped at any place in Lesotho on any foreign going aircraft shall, except if elsewhere provided for, be treated as an export of such goods and shall be subject to the provisions of the Act and these regulations in so far as they relate to the exportation of goods.

### **Clearance of goods from customs and excise warehouse**

23. (1) Regulation 16(1) to (14) shall **mutatis mutandis** apply to goods removed in bond from any customs and excise warehouse.

(2) The removal in bond of goods from customs and excise warehouse shall also be subject to regulations 20(1) to (9).

(3) In the case of goods liable to excise duty only, and removed in bond from one customs and excise warehouse to another any copy of certificate for removal of excisable or specific goods ex-warehouse relating to the removal of such goods shall being on deposited in

the entry box in such warehouse to which such goods were removed be deemed to be a bill of entry for re-warehousing in respect of such goods in that warehouse.

(4) (a) in the case of sales duty goods manufactured in Lesotho, the owner may only remove goods under cover of a form approved by the Director for removal in bond and re-warehousing only;

(b) particulars of such removals shall be indicated on an approved form for warehousing of sales duty goods.

(5) The consignee of any goods removed in bond shall notify the remover immediately of the non-receipt of such goods, or any part thereof, and such remover shall take immediate steps to account to the Director for such missing goods or to pay the duty thereon.

### **Ascertaining the strength and quantity of spirits for duty purposes**

24. (1) The strength of any spirit or spirituous preparations imported into or manufactured in Lesotho shall be taken to be that shown on test by Sikes' hydrometer in accordance with the appropriate tables prescribed by the Director.

(2) In any entry, certificate, return, invoice, statement or other document submitted to the department in accordance with the Act in respect of imported spirits or spirituous preparations or spirits or spirituous preparations manufactured in Lesotho, the strength of such spirits or spirituous preparations shall be declared as percentage alcohol by volume at 20<sup>0</sup> Celsius.

(3) The quantity of spirits in any container shall, if calculated by mass measuring be ascertained in a manner specified by the Director and in accordance with the tables prescribed by him.

### **Control of the use of spirits for certain purposes**

25. (1) (a) samples for submission to the Director in terms of section 21 of the Act, shall whenever possible, be taken by, or under the supervision of the officer and shall be dispatched in a manner determined by the Director;

(b) the licensee concerned shall furnish such declaration and in such form as the Director may require.

(c) the Director shall set forth in a certificate his decision concerning the certification or approval of any sample submitted.

(2) No person shall without authority of the officer temper with, substitute or alter any sample or label thereon after such sample has been taken for certification.

(3) (a) a licensee who intends using for blending brandy in terms of section 29(2) of the Act any spirits in respect of which a rebate of duty for maturation is provided for, shall notify the officer at least twenty four hours before the commencement of such blending operation and comply with such conditions regarding supervision of the blending operation and comply with such conditions regarding supervision of the blending operation as he deems necessary.

(b) where the Director directs that an officer should be present at the blending operation, the blending shall take place under the supervision of the officer.

### **Requirements in respects of stills**

26. (1) Subject to sub-regulation (2) no person, other than the agricultural distiller, shall use pot still with a capacity of less than 680 liters continuous still which is not capable of distilling 910 liters or more of wine or wash per hour.

(2) Sub-regulation (1) shall not apply to any still lawfully in use at the time of the commencement of the Act, or to any still which the Director may, in his discretion, authorize to be used for the distilling or manufacture of essence or such other preparations as he may determine, or for experimental purposes.

(3) No agricultural distiller shall use a still with a capacity of less than 90 liters for distilling spirit:

Provided that this requirement shall not apply in respect of a still which is lawful in the possession of an agricultural distiller immediately prior to commencement of the Act.

(4) (a) no person shall use a still for distilling spirits, and no license to distill spirits therein shall be issued, unless such still is made wholly of copper, tin, stainless still or aluminum;

(b) the said still shall only be repaired with one or more of the aforementioned metals (not coatings thereof) unless otherwise approved by the Director.

(5) When an agricultural distiller ceases to operate as an agricultural distiller or cease to be an agricultural distiller in in terms of the Act, he shall, in addition to any notification under any spirits manufactured by him, forthwith notify the Director of the disposal or intended disposal of any still in his possession.

### **Additional provisions regarding spirits manufactured by agricultural distillers**

27. (1) An agricultural distiller shall not use a still which is not erected on a foundation of brick, built-in to the satisfaction of the Director and in any position approved by him on the firm in question.

(2) Every agricultural distiller shall submit on forms approved by the Director-

(a) to the Director within 14 days after the first day of January in each year, a return of spirits in his possession on the first day of January;

(b) to the Director within 14 days after the completion of each new distillation or re-distillation of spirits by him, a return of the quantity and strength of the spirits so distilled or re-distilled; and

(c) on demand by an officer, a return, declared by him to be correct, of the strength and quantity of the spirits in his possession on the date of such demand.

(3) The return required in terms of sub-regulation (2)(a) shall also be rendered by a person who has ceased to be an agricultural distiller but who was an agricultural during the preceding calendar year.

(4) When an agricultural distiller ceases to operate as an agricultural distiller or ceases to be an agricultural distiller in terms of the Act he shall-

(a) notify the Director forthwith and furnish at the same time a return of the nature referred to in sub-regulation (2)(c) on the date on which he ceases to be an agricultural distiller; and

(b) pay the duty forthwith on any spirits stated in such a return to be in his possession on such date unless such spirits are consumed on such farm in accordance with the Act and shall surrender to the Director the counterfoils of any certificates issued in respect of any spirits, as well as any unused certificates in his possession.

(5) Regulations 19(1) to (14), 20(1) to (9) and 28(1) to (2) shall **mutatis mutandis** apply to any agricultural distiller and to any spirits manufactured by him, and for the purpose of such application any reference to a customs and excise manufacturing warehouse shall be deemed to be a reference to the farm owned or occupied by such agricultural distiller or on which such spirits are manufactured, but the Director may exempt any class of agricultural distillers from the application of the provisions of all such regulation or any such regulations or any such regulations on such conditions as he may impose in each case.

### **Additional regulations regarding the manufacture of spirits in customs and excise manufacturing warehouse**

28. (1) All wash shall be fermented in the entered fermenting vessels and all wash and wine shall, before being conducted to a still for distillation, be placed in the entered chargers and conducted thence through the pump and head yank by means of closed metal pipes or other pipes of a kind approved by the Director direct to the still

(2) (a) no person shall feed any wine, spirits or spirits mixed with wine or wash into any still from a charger unless the officer has taken account of the quantity and strength thereof;

(b) thereupon the officer shall lock or seal the charger which shall be kept so locked or sealed throughout the distilling operation, but the Director may in respect of such class or kind of charge and on such condition as he may decide, dispense with the requirement of locking or sealing any charger or taking account of any charge.

(3) Every licensee shall keep, to the satisfaction of the Director, proper warehouse registers of all spirits in customs and excise manufacturing warehouse and he shall keep a true record in transfers of such spirits and wines from one vessel or container to another.

(4) Such transfers shall not be effected without the permission of the officer and shall be recorded in the transfer book immediately on such completion of each such transfer.

In every case where any person is required to show in any entry, certificate, return, invoice, declaration or other document the, invoice, declaration or other document the strength of spirits

manufactured in Lesotho, he shall state the true alcoholic strength, namely, the strength as would be indicated by Sikes' hydrometer after the removal of any obscuration in such spirits.

(6) All casks containing spirits for maturation shall be plainly marked to the satisfaction of the Director on one of the outside ends, with a distinguishing number, the year of removal to the customs and excise manufacturing warehouse for maturation and such other information as the Director may require from time to time.

(7) The stacking of casks containing spirits for maturation in customs and excise manufacturing warehouse shall be in a manner approved by the officer.

(8) No spirits shall be removed from any cask during the period of maturation, except under the supervision of the officer.

(9) The stacking of packages or vessels containing spirits in a customs and excise manufacturing warehouse shall be in a manner approved by the officer.

(10) (a) such particulars as the Director may require shall be marked to the satisfaction of the officer on one of the outside ends of all packages or vessels (except fixed vessels) containing spirits in a customs and excise manufacturing warehouse;

(b) all such particulars shall be legibly painted and kept so painted thereon in letters or figures of such size as the Director may require.

### **Additional Regulations regarding manufacturing of spirituous beverages in any customs and excise storage warehouse and clearance of such beverages**

29. (1) Any bill of entry for removal in bond or re-warehousing or certificate for removal of excisable or specified goods ex warehouse, for transfer of any spirits from any customs and excise manufacturing warehouse to any customs and excise storage warehouse shall be for the actual quantity so removed and shall be reduced by the licensee of the said customs and excise storage warehouse by the percentage relating to spirits specified in section 76(19) of the Act and such reduced quantity shall be deemed to have been received in such storage warehouse:

Provided that, for the purpose of the allowance of the said percentage, the Director may regard any customs and excise storage warehouse as customs and excise manufacturing warehouse provided the said percentage is thereby not allowed more than once in respect of the same spirit.

(2) When any spirits so re-warehoused in a customs and excise storage warehouse are required for the blending of brandy or manufacture of any spirituous beverage, such spirits shall first be entered on a provisional bill of entry for payment of duty ex warehouse or a relative certificate for removal of excisable or specified goods ex warehouse but payment of duty in respect of such spirits shall be subject to sub-regulation (5).

(3) Any spirits or any spirits contained in spirituous beverages removed from any customs and excise storage warehouse for removal in bond, re-warehousing or supply under schedule 6 shall be subject to regulation 20(1) to (9) and the actual quantity so removed shall in each case be entered on the relative bill of entry or certificate.

(4) Stock shall be taken not later than on the last working day of every month or at such other times as the Director may decide, by the officer and the licensee of every customs and excise storage warehouse, of all spirits and spirits contained in spirituous beverages in such warehouse.

(5) (a) the amount of duty payable in respect of any spirits removed from any customs and excise warehouse shall in addition to any duty payable under sub-regulation (3), be calculated at the appropriate rates of duty on the difference between the total quantities deemed to have been received into such warehouse in terms of sub-regulation (1) during the month in question and the total quantities of spirits and spirits contained in spirituous beverages found to be in stock in accordance with sub-regulation (4) and payment of such duty shall be subject to regulation 20(5) and (9);

(b) any quantity mentioned in this regulation shall be such quantity expressed in liters alcohol by volume.

(6) If spirits matured under item 609.30 are used in the blending or branding of brandy or the manufacture of brandy or the manufacture of any spirituous beverage under section 29(2) of the Act, such blended brandy or beverage shall contain not less than one percent or any multiple of one percent (calculated at the strength of alcohol content) of any class of matured spirits specified in paragraphs (1), (2) or (3) of the said item taken separately, and such blended brandy or beverage shall not be used in any other blended under the said section without the permission of the Director.

(7) The Director may require that the blending or other formula in respect of the manufacture of any spirituous beverages in terms of section 29 of the Act shall be registered with him and such formula shall not be altered without the knowledge and permission of the Director.

(8) The Director may, in respect of any blended brandy or other spirituous beverage manufactured under section 29 of the Act, require that any code mark approved by him in respect of any formula mentioned in sub-regulation (7) and registered with him be indicated on any retail or wholesale container or any fixed vessel, tank or other container in customs and excise storage warehouse containing any such brandy or beverage.

(9) Any bill of entry or certificate for re-warehousing or removal in bond of any spirituous beverage in a customs and excise storage warehouse shall reflect sufficient particulars so that the duty payable in respect of the goods so entered can readily be calculated.

### **Additional regulations regarding the manufacture of wine**

30. (1) Regulation 17(1) to (11) shall **mutatis mutandis** apply to the approval and conduct of any special customs and excise warehouse for the manufacture of wine.

(2) Regulations 19(1) to (14) and regulation 20(1) to (9) shall **mutatis mutandis** apply to the manufacture of wine in any special customs and excise warehouse, but the Director may exempt any class of manufacture of wine from the application of such regulations or any such regulation on such conditions as he may impose in each case.

(3) (a) invoices in such form and reflection of such particulars as the Director may require shall, prior to removal of any wine, be completed in respect of all wine removed from a special customs and excise warehouse, or a customs and excise manufacturing warehouse subject to such conditions or exemptions as the Director may impose or grant.

(b) the duplicates of such invoices shall at all times be available to the officer for inspection.

(c) consignment notes, shipping documents and any other documents relating to such wine shall also be made available to the officer on demand.

(4) (a) in the case of any removal of wine ex warehouse for payment of duty, the relative invoice referred to in sub-regulation (3) shall be deemed to be a certificate for removal of excisable or specified goods but copies of such invoices shall not be deposited in the entry box unless required in writing by the Director on the date or for the period mentioned in regulation 20(7);

(b) the quantities of wine removed for payment of duty under this regulation may, at the time of declaration on the bill of entry in terms of regulation 20(5) be reduced by the percentage specified in section 76(19) of the Act in respect of wine and duty shall be calculated on such reduced quantities.

(5) In the case of any removal of wine ex warehouse for a purpose other than payment of duty, the relative invoice referred to in sub-regulation (3) shall not be accepted as a certificate for removal of excisable or specified goods and such removal shall be subject in all respect to regulation 20(1) to (9).

(6) When a wine-grower discontinues his operations as a wine-grower, he shall surrender to the Director all the counterfoils of certificates which have been issued in respect of any wine and also all unused certificate forms in his possession.

### **Additional provisions regarding manufacture of beer**

31. (1) (a) at least 24 hours before any brew is begun, the manufacturer shall record the day and hour of brewing, together with the date of making the entry, and at least 2 hours before commencing to mash he shall record the quantity and kind of materials to be used;

(b) The manufacturer shall also record the quantity of worts collected and the relative density of the worts before fermentation, the numbers and description of the vessels in which the worts were collected, and the time when entry is made;

(c) such entry shall be made not later than one hour after the collecting has been completed;

(d) the manufacturer shall record the afore-mentioned particulars in a brewing book, in a form approved by the Director, within 48 hours after the brew has been collected.

(2) If worts of different brews are mixed at any stage of manufacture, the manufacture, the manufacture shall record in the brewing book (within one hour of such a mixing), the relative quantities, relative density before fermentation and such other particulars as the

Director may require in respect of the different quantities so mixed and also the quantity and relative density before fermentation of the mixed worts.

(3) (a) the manufacturer shall keep the said brewing book in his customs and excise manufacturing warehouse where it shall at all times be accessible to the officer and ready for his inspection;

(b) the manufacturer shall not, except with the permission of the officer, obliterate or alter any entry in such book.

(4) (a) sugar solution shall not exceed 1150 degrees relative density;

(b) pure caramel used for colorings purposes and sugar solutions shall be prepared, recorded and used in a manner approved by the Director.

(5) In the manufacture or preparation of beer for sale, a manufacturer shall not use or add any saccharin, sucramine or sugarol or any of the compounds of saccharin, sucramine or sugarol respectively, or any other substance (except sugar) that shows positive reaction to the chemical test for saccharin.

(6) If at any time after fermentation has commenced in any worts so that the original relative density cannot be ascertained by the prescribed saccharometer, the original relative density thereof is required to be ascertained, cannot be ascertained by the prescribed saccharometer, the original relative density thereof is required to be ascertained, cannot be ascertained by the prescribed saccharometer, the original relative density thereof is required to be ascertained, such relative density shall be ascertained in the following manner-

(a) from a sample taken from any part of such worts, a definite quantity at 15.6° celcius shall be distilled;

(b) the distillate and residue shall each be made up with distilled water to the quantity before distillation and the relative density of each shall be ascertained;

(c) the number of degree by which the relative density of distillate is less than the relative density of distilled water shall be deemed to be the spirit indication of the distillate; and

(d) the degree of the original relative density standing opposite to such indication in the table for use with Sikes' hydrometer added to the relative density of the residue shall be deemed to be the relative density of such worts.

(7) (a) invoices in a form approved by the Director and reflecting such particulars as he may require, shall be completed by every manufacturer to cover beer removed from any customs and excise manufacturing warehouse, and copies of such invoices shall at all times be accessible for inspection by the officer;

(b) consignment notes, shipping documents and such other documents and returns as the officer may require, shall also be made available to him on demand:

(8) (a) in the case of any removal of beer ex warehouse for payment of duty, the relative invoice referred to in sub-regulation (7) shall, for the purpose of regulation 20(2) be

deemed to be certificate for removal of excisable goods, but copies of such invoices shall not be deposited in the entry box unless required in writing by the Director on the date or the period mentioned in regulation 20(7);

(b) the quantities of beer so removed shall, however, be declared on a bill of entry monthly in terms of regulation 20(5).

(9) In the case of any removal of beer ex warehouse for any purpose other than payment of duty, the relative invoice referred to in sub-regulation (7) shall not be accepted as a certificate for removal of excisable or specified goods and such removal shall be subject in all respect to regulation 20(1) to (9).

### **Additional regulations regarding manufacture of vinegar substitutes an acetic acid (including pyroligneous acids)**

32. Regulation 31(7) to (9) shall **mutatis mutandis** apply in respect of any removal of vinegar substitute or acetic acid ex warehouse and for that purpose any reference to vinegar substitute or acetic acid.

### **Additional regulations regarding manufacture of tobacco**

33. (1) The net mass per 1000 cigarettes of each class of each brand of cigarette manufactured in a customs and excise manufacturing warehouse shall be ascertained in such manner and at times as the Director may require.

(2) The Director may permit an average mass, ascertained from time to time in the manner determined by him, of each class of each brand of cigarettes or cigars manufactured in any customs and excise manufacturing warehouse to be used in that warehouse for the purpose of calculating the duty on such class of cigarettes or cigars for such time as he may permit.

(3) Subject to the proviso to section 35(2) of the Act no manufacturer shall remove any cigarettes or cigarette tobacco to be removed from his licensed customs and excise manufacturing warehouse for consumption in Lesotho Unless-

(a) in the case of cigarettes they are properly packed in an unbroken and unopened container which contains ten, twenty or thirty cigarettes and a stamp impression as determined by the Director has been made thereon; and

(b) in the case of cigarette tobacco it is properly packed in an unbroken and unopened container containing a net mass of fifty grammes or multiples thereof with a maximum of two hundred grammes.

(4) (a) the dies for making the strong impressions referred to in sub-regulation (3), shall be made available by the Director to manufacturers on payment of an amount to be decided upon from time to time by him;

(b) manufacturers shall keep proper record of all such dies under their control and damaged and worn out dies shall be returned to the Director within seven days from the date of replacement of such of such dies.

(5) The name and address of the licensee of the customs and excise manufacturing warehouse in which any cigarettes or cigarette tobacco are manufactured or any identification mark or number, in lieu of such name and address, approved by the Director, shall be permanently applied to the immediate container of such cigarettes or cigarette tobacco in a manner approved by the Director.

(6) Notwithstanding sub-regulation (3) unpacked tobacco may be removed in bond from one customs and excise manufacturing warehouse to another such warehouse subject to this regulations and subject to such conditions as the Director may impose in each case.

(7) Regulation 31(7) to (9) shall **mutatis mutandis** apply in respect of any removal of manufactured tobacco ex warehouse and for that purpose any reference to beer shall be deemed to be a reference to manufactured tobacco.

### **Additional regulations regarding manufacturing of mineral oils**

34. Regulation 31(7) to (9) shall **mutatis mutandis** apply in respect of any removal of manufactured tobacco ex warehouse that purpose any reference to beer shall be deemed to be a reference to mineral oils.

### **Additional requirements regarding the manufacture of motor vehicles**

35. (1) Manufacturing of any motor vehicle liable to excise duty under tariff item 117.05, 117.10 and 117.15 shall be subject to regulations 53(1) to 59(4) but the Director may exempt any person who manufactures a vehicle for his personal use from any such regulations or all such regulations.

(2) A manufacturer who intends manufacturing any excisable vehicle shall before he commences such manufacture, notify the Director of the type and model of such vehicle and shall furnish the Director with such particulars as he may require.

(3) A manufacturer of any excisable vehicle shall notify the Director in advance of the intended manufacture of any new model of such vehicle or of any additions or alterations affecting the mass of any such vehicle.

(4) Except with the permission from the Director, no manufacturer shall remove any excisable vehicle manufactured by him from his customs and excise manufacturing warehouse until the mass of such vehicle has been determined in terms of note 1(f) to item 117.00 of part 2 of schedule No.1 of the Act.

(5) For the purpose of item 609.17 the Director, may in his respect of rubber pneumatic tyres and tubes determine an average mass for each size.

(6) Invoices reflecting particulars as the Director may require, shall be completed by any manufacturer to cover all excisable vehicles removed from any customs manufacturing warehouse and copies of such invoices shall at all times be available for inspection by the Director, consignment notes, shipping documents and any other documents and returns as the Director may require shall be made available on demand.

(7) In the case of any removal of an excisable vehicle ex warehouse for payment of duty the invoice referred to in regulation 35(6) shall, for the purpose of regulation 36 be deemed to be a certificate for removal of excisable or specified goods (form CE/32) but copies of such invoices shall not be deposited in the entry box unless required in writing by the Director on the date or for the period mentioned in regulation 20(7). The number of vehicles so removed shall, however be declared quarterly in terms of regulation 20(5).

(8) In the case of removal of an excisable vehicle ex warehouse for a purpose other than payment of duty, the invoice referred to in regulation 35(6) shall not be accepted as a certificate for removal of excisable or specified goods and such removal shall be subject in all respect to regulation 20(1) to 20(9).

**Additional regulations regarding the manufacture of sale duty goods**

36. the Director may exempt manufacturer of sales duty goods from licensing and payment of sales duty if the value for sales duty purposes of such goods during the preceding calendar year-

- (a) did not exceed M250.00 in the case of motor vehicles number plates; and
- (b) did not exceed M2000.00 in the case of all other goods

**Transfer of ownership of dutiable goods in customs and excise warehouse**

37. The transfer of ownership of dutiable goods in customs and excise warehouse shall only be acknowledged if a duly completed bill of entry for re-warehousing is presented to the Director, on a form approved by him, and is supported by or includes a declaration as indicated hereunder:-

(a) I.....  
transferor, hereby declare that the ownership of the above mentioned goods, which are my property is given to ..... Address  
.....  
.....  
.....

For transferor.....

Date .....

(b) I .....  
transferee, hereby accept the responsibility in terms of the provisions of Customs and Excise Act 1982 and regulations in respect of the above mentioned goods.

For transferee .....

Date.....

## **Rent to be paid on goods in a state warehouse**

38. The charge for rent of goods (except state stores) in any state warehouse in Lesotho shall be calculated at the rate of M5.00 per 100kg or portion thereof for every week or portion of a week.

## **CHAPTER V**

### **Clearance and origin of goods: liability for and payment of duties**

#### **Entry of goods and time of entry**

39. (1) Only the forms approved by the Director shall be used for the entry of goods in terms of the Act.

(2) Except as otherwise provided, full particulars as indicated on such approved forms shall be furnished by the person entering such goods and he shall produce to the Director such evidence as the Director may require in each case to substantiate any particulars shown on such entry.

(3) All bills of entry and duplicate thereof shall be completed in a clearly legible manner and the Director may refuse to accept any bill of entry if he considers that any part of it is illegible or that it has not been properly completed.

(4) Any person entering goods for any purpose in terms of the Act shall also furnish in addition to such particulars as are necessary for the calculation of the duty on such goods the following-

(a) such particulars of such goods as the director may require from time to time for the compilation of trade returns in terms of section 119 of the Act.

(b) in addition to the customs value as defined in section 67 of the Act the actual price charged in respect of such goods by the exporter plus all the costs and charges incidental to the sale of in question and to placing such goods on board aircraft or any vehicle ready for exportation and any agent's commission (calculated on such price, costs and charges) in respect of such goods; and

(c) the C.I.F and C (cost, insurance, freight and commission) price. Such price shall be calculated by the addition of insurance, freight (from the port of exportation to the port of importation in Lesotho) and commission where applicable to the price as calculated in terms of sub-paragraph (b).

(5) In the case of goods not ex warehouse exported from Lesotho, such statistical code number relating to such goods as the director may from time to time notify in the **Gazette**, shall be furnished in the column relating to statistical code on the relative entry in addition to any particulars required in terms of regulation 39(4).

(6) Any duty payable or not rebated in terms of any tariff heading, tariff items of any schedule to the Act shall be entered in the appropriate duty column on the same line on the relative bill of entry as the said heading or item to which and the nature of any other payment in

respect of any goods declared on any bill of entry shall be stated in the column relating to tariff heading or item on the same line as the amount of such payment.

(7) Any person who has entered any goods under the provision of the Act or any subsequent owner of such goods or any licensee of any customs and excise warehouse in which such goods are warehoused or any person acquiring such goods under schedule 3,4,5,6, or 7 or any other person dealing with or consuming such goods shall if he becomes aware at any time that such goods were incorrectly entered advise to the Director any documents or any other evidence in his possession.

(8) If any goods are entered before such goods have actually been loaded on an aircraft or vehicle for dispatch to Lesotho, such entry shall, notwithstanding any proof of such loading submitted to or accepted by the Director in terms of section 39(1)(b) not be treated as due entry of such goods for the purposes of the Act.

### **Requirements regarding invoices**

40. (1) Any person entering any goods imported or to be imported shall produce to the Director at the time of presenting the bill of entry in question an invoice from the supplier of goods showing all particulars required in terms of these regulations

(2) (a) invoices issued, in respect of the sale, disposal, supply or transfer of excisable goods shall be in such a form for each class or kind of such goods as the Director may require from time to time;

(b) it is a requirement that all invoices, in respect of sales duty goods intended for export or for incorporation in an unused condition in other sale duty goods, show the sales duty paid to the department separately;

(c) if invoices in respect of the sale, disposal or supply of sales duty goods show the sales duty separately the said sales duty shall represent the exact amount paid to the department.

(3) Any person entering any goods for exportation shall, on demand by the director, produce to the Director at the time of presentation of the bill of entry in question, an invoice in such forms as the Director may require.

(4) Sub-regulations (1) and (3) shall **mutatis mutandis** apply in respect of goods imported or exported by post but the Director may, in respect of any class or kind of goods or any class or kind of postal package which he may specify and provided entry at customs and excise office under section 13 is not a requirement, dispense with production of an invoice on such conditions as he may impose in each case.

(5) An invoice required in terms of sub-regulation (1) shall not be accepted as satisfying the requirements of that sub-regulation if it does not contain, in addition to any proprietary or trade name of such goods together with such particulars thereof as are required to assess the duty due and to compile trade statistics.

(6) In addition to the information required in terms of sub-regulation (5) invoices in respect of any imported goods of any class or kind enumerated in paragraph 1 of schedule 1 shall contain the particulars specified in such paragraph in respect of such goods.

### **Origin of goods**

41. (1) In the calculation, for the purpose of section 47 of the Act, of the cost of materials produced and labour performed in respect of the manufacture of any goods in any territory only the following items may be included-

(a) the cost to manufacture of materials wholly produced or manufactured in the territory in question and used directly in the manufacture of such goods; and

(b) the cost of labour directly employed in the manufacture of such goods.

(2) In the calculation, for the purpose of section 47, of the production cost of any goods in any territory only the following items expended in the manufacture of such goods may be included-

(a) the cost of manufacture of all materials;

(b) manufacturing wages and salaries;

(c) direct manufacturing expenses;

(d) overhead factory expenses;

(e) cost of inside containers; and

(f) other expenses incidental to the manufacturing operation, at the discretion of the Director

(3) The following charges, which are charges incurred subsequent to the completion of the manufactured goods, may not be included in the production cost-

(a) outside package (including zinc linings, tarred paper, etc., in which the goods are ordinarily exported from the territory) and expenses in connection with the packaging of goods therein;

(b) manufacturers or exporter's profit or the profit or remuneration of any trader, broker or other person dealing with the article in its finished condition;

(c) Royalties;

(d) carriage, insurance, etc., from the place of production or manufacture in the territory to the port of shipment or other place of final dispatch; and

(e) any other charges incurred subsequent to the completion

(4) Any person entering any goods imported or to be imported shall produce to the Director at the time of presenting the bill of entry in question in the following circumstances a declaration of origin in the prescribed form from the supplier of such goods, completed in all respects as indicated in the said form and in accordance with requirements indicated therein-

(a) where the rated of duty is determined by the country of origin and such rate of duty in respect of such goods is lower than the general rate; and

(b) in such circumstances as the Director may deem expedient.

### **Regulations in respect of the importation of cigarette**

42. (1) Subject to proviso to section 53(2) of the Act, no importer shall import any cigarette into Lesotho unless they are properly packed in an unbroken and unopened container which contains ten, twenty or thirty cigarettes and bears a stamp impression as determined by the Minister.

(2) The dies for making the stamp impression referred to in sub-regulation (1) shall be made available by Lesotho Diplomatic Representatives in foreign countries to suppliers of cigarette in such countries on payment of an amount to be decided on from time to time by the Minister. Damaged and worn out dies shall be returned to the Diplomatic Representative within seven days from the date of replacement of such dies.

## **CHAPTER VI**

### **Anti-dumping Duties**

#### **Onus of proof**

43. Any person who claims that the importation of any goods causes or threatens material injury to an established industry or retards the establishment of an industry in Lesotho or causes or threatens material injury in another territory of origin of any identical or comparable goods imported into Lesotho, shall furnish the Ministry Of Trade, Industry and Tourism with such information as it may require in an investigation.

#### **Application of regulation 51**

44. Regulation 51(1) to 51(3) shall **mutatis mutandis** apply in respect of the conversion of foreign currency for the purpose of section 54,55, 56 and 57 of the Act.

## **CHAPTER VII**

### **Amendment of Duties**

#### **Amendment of Duties**

45. (1) For the purpose of section 58(2) of the Act, reference to importer in the said section shall not include retail dealer who imports for sale or disposal solely in retail quantities through his retail business.

(2) for the purpose of section 58(3) of the Act, goods which are in transit to an Importer, manufacturer or dealer but which have been entered for consumption at the time of the taxation proposal referred to in the said section shall not be referred as forming part of the stock of such importer, manufacturer or dealer.

(3) Any manufacturer, importer or dealer referred to in section 58(4) of the Act, shall after he has rendered a sworn statement in terms of subsection 4(b) of the said section, immediately advise the Director of the particulars of inaccuracy in or omission from such statement of which he becomes aware

## **CHAPTER VIII**

### **Licensing**

#### **Issuing and renewing of licenses**

46. (1) No license prescribed in section 8 shall be issued except on application to the Director on a form approved by him with as many copies as the Director may require.

(2) The application form shall be completed in all respect and if false or incomplete information is furnished on such form, the Director may treat any license issued in terms of such form containing false or incomplete information as invalid.

(3) The Director may, subject to such conditions as he may in each case impose, exempt certain applicants or groups of applicants from sub-regulation (1) and (2) or any part thereof.

(4) Licenses issued under the Act shall expire on the 31<sup>st</sup> day of December of every year and applications for new licenses shall be submitted to the Director before expiry of the period of validity.

#### **Licensing of special customs and excise warehouses**

47. A license for a special customs and excise warehouse shall be issued either for the storage of dutiable goods or for the manufacture of dutiable goods and such warehouse shall subject to the Act and regulations relating to customs and excise storage warehouses respectively in all other respects except in such respects as the Director considers reasonable in exceptional circumstances.

#### **Allocation of numbers to customs and excise warehouses**

48. (1) No license issued to any customs and excise warehouse under the Act shall be valid unless the number allocated to such warehouse is reflected on such license.

(2) The number allocated to any customs and excise warehouse shall comprise-

(a) the name of the warehousing place appointed under section 6 of the Act;

(b) the letter "MW" for any such manufacturing warehouse, "SMW" for any such special warehouse licensed as a manufacturing warehouse, "SWS" for any such special licensed

warehouse licensed as a storage warehouse, and “SD” for such special warehouse licensed as a manufacturing warehouse for sales duty goods and “SW1” for such special customs and excise warehouse licensed for manufacturing of storage of the following sales duty goods: pearls, precious and semi-precious stones worked out but loose and unmounted; and other articles of precious metal (excluding rolled precious metal) specified in item 144.00 whether or not mounted with pearls, precious or semi-precious stones and articles consisting entirely of natural or cultured pearls; and

(c) a number allocated consecutively in respect of each of the six types of warehouses mentioned in paragraph (b) at each appointed warehousing place; and such number shall be reflected on all bills of entry, certificates or invoices which require entry of that number.

### **Issuing and renewing of licenses to agricultural distillers**

49. Application by agricultural distiller for a license to keep a still or to distill, shall be made to the Director on forms approved by him.

### **Special provisions regarding stills and still makers**

50. (1) Every still maker shall immediately on importation or manufacture by him of any still obtain from the Director a registration number which he shall imprint or emboss legibly, together with his name and address and the capacity of the still, on the column of every such still if it is a patent continuous still and on both the shoulder and the helm in the case of a pot still.

(2) The director may, subject to such conditions and safe-guard as he may deem necessary, authorize the keeping of any still without a license if it is proved to his satisfaction that such still will be used solely for distilling water or any other purpose for which, in his opinion, a license not necessary.

(3) No person may sell, remove otherwise dispose of a still unless the approval of the Director has been obtained.

(4) Whenever any still which has not been marked in accordance with sub-regulation (1) is received by a still maker for the purpose of repair or otherwise, he shall immediately advice the Director.

(5) No person shall obliterate or alter the prescribed markings on any still without the authority of the Director or have in his possession or under his control any still without such markings.

(6) Regulations 19(14) and 19(15) shall **mutatis mutandis** apply to stills manufactured by a still maker and for the purpose of any reference to a licensee of a customs and excise warehouse and excisable goods shall be deemed to be reference to a still maker and stills respectively.

## **CHAPTER IX**

### **Value**

#### **Currency conversion**

51. (1) When the value of or the price paid or payable for any imported goods is expressed in a foreign currency, it shall for the purpose of calculating the customs value thereof, be converted into the currency of Lesotho (M1.00 = R1.00) at the **selling rate quoted** by an authorized dealer in exchange in Lesotho and acceptable to the Director for this purpose, at the date of shipment of the goods or if no such rate is quoted for the date of shipment, the latest rate quoted before that shall be used.

(2) If no selling rate for a particular currency is quoted in Lesotho, the Director may, after consultation with the Central Bank of Lesotho determine such rate.

(3) For the purpose of sub-regulations (1) and (2) the date of shipment of-

(a) non-containerised goods shall be the date of bill of lading, airway bill, consignment note or such other document as the Director may require; and

(b) containerized goods shall be the date or which the container is taken on board ship as endorsed on the bill of lading or arrival notification or, if imported otherwise than by sea, the date of the airway bill, consignment note or such other document as the Director may require.

### **Declaration**

52. (1) the following classes or kinds of goods are exempted from the requirements of section 68(2)(c) of the Act:

(a) goods not exceeding M1000 in value

(b) goods which are not liable to an ad valorem duty, or to an ad valorem duty in addition to, or as an alternative to any other duty;

(c) goods cleared under sub-paragraph (i) to (iv) of the proviso to section 39(1)(a) of the Act;

(d) goods entered under rebate of duty provided for the items

401.01 to 402.02, 404.03/30.02, 405.01,405.02,4.5.03/37.05 to 405.03/90.10,405.04,405.05/92.00,405.05/92.12, 405.05(II),405.06 to 405.10,405.20 to 408.01, 408.02/94 to 408.03,410.01 to 410.01/12.01,410.03/03.01 to 411.00/85.01(3),411.00/89.01,411.00/89.02 to 412.04,412.06,412.08 to 412.16,412.20 to 460.06/29 02(2),460.06/29.04 to 460.06/29.31,460.06/29.35,460.06/30.03(2) to 460.16/85.21,460.17/87.01(2),460.24and all other items of part 3 of schedule No.4; and

(e) goods which the Director may from time to time exempt from the obligation to make the prescribed declaration.

(2) In the case of related persons, the tests provided for in section 68(3)(b) of the Act shall be used on request by the importer and for comparative purposes only.

(3) For the purpose of section 68(2)(c) of the Act, any importer who is-

(a) related to the supplier of the goods shall so indicate, in the field “Valuation Code” on the bill of entry, by inserting the letter “R”; and

(b) not related to the supplier of the goods shall so indicate in the field “Valuation Code” on the bill of entry, by inserting the letter “N”

(4) Every importer of goods exempted in terms of sub-regulation (1) shall indicate such exemption by inserting letter “E” in the “Valuation Code” on the bill of entry.

(5) The valuation methods prescribed in section 68(1),(4),(5),(7),(8) and (9) of the Act, shall be known as “Valuation Methods 1 to 6”; respectively, and every importer shall indicate which method is applicable to his goods by inserting in the field “Valuation Code” on the bill of entry after the letter “R” or “N”, as required by sub-regulation (3), the appropriate method number:

Provided that the importers of the classes or kinds of goods enumerated in sub-regulation (1) are exempted from this requirements.

(6) The Director may whenever he deems it expedient for purposes of determining a customs value, request the importer to furnish such information as he may require on an approved form or in any other manner, and the importer shall furnish the Director with such information not later than thirty days from the date of such request.

(7) (a) the Director shall allocate a number to any determination in respect of a customs value issued by him and shall notify the importer in writing of such determination and its number. The importer shall, in respect of future consignments from the same supplier, insert such value determination number in the field “Additional Information” on the bill of entry;

(b) the Director shall, on request, advice the importer in writing of the method used in determining the customs value of his goods, provided such request is received within thirty days from the date of such determination.

(8) The Director shall, in determining the value for duty purpose of any imported goods, make additions, except those additions specified in section 69A(1) of the Act, to the price actually paid or payable.

## **CHAPTER X**

### **Rebate, Refunds and Drawbacks of duty**

#### **General provisions**

53. (1) Any person desirous of obtaining any goods under any item of schedule 3 or such items of schedule 4,6 or 7 as may be indicated in the regulations in Schedules 4,6 or 7 shall apply to the director, on a form approved by him, for registration to obtain such goods and for registration of the premises where goods will be used or stored.

(2) The Director may refuse to register any person in terms of sub-regulation (1) if in his opinion, such person should not be permitted to use materials obtained under section 76 of the Act or the premises on which such materials are to be used in such circumstances that such

arrangements as the Director considers necessary to provide for official supervision or for adequate control are not practicable or if the number of operatives employed or the number of machines used or the quantity of such materials used or the quantity of goods produced from such materials by such persons is less than such minimum number or quantity of operatives, machines, materials or goods as the Director may, subject to section 76(2)(c) of the Act in each case decide.

(3) An applicant shall only be registered to obtain goods specified in such stated items of Schedule 3,4,6 or 7 as the Director may approve and upon registration the registrant in question shall be permitted to obtain and use such goods, subject to the Act and these regulations, for the purposes specified in the said items of schedule 3,4,6 or 7 in which such goods are specified.

(4) Any registrant shall on entry of any goods referred to in sub-regulation (1) declare on the relative bill of entry that he is registered to obtain such goods under the items stated in such entry and that such goods will be used by him solely in accordance with the provisions of such items. If such goods are not acquired as a result of unconditional and are not the property of such registrant, the owner shall declare on the relative bill of entry that the said goods are for transfer to the said registrant who shall also furnish the declaration referred to in this regulation. Any goods declared in the bill of entry in respect of which any registrant is required to declare that such goods will be used by him under rebate of duty shall, for the purpose of the Act and these regulations, be deemed to have been entered by such registrant, and acceptance of such bill of entry is subject to the conditions determined by the Director in each case.

(5) Goods which have been entered under any item referred to in sub-regulation (1) or which have been transferred in terms of regulation 58(1) shall, except with the permission of the Director in circumstances which he considers exceptional and on such conditions as he may impose in each case, be conveyed directly to the appropriate approved store, vessel, tank, yard or other place for the storage of such goods on the registered premises of the registrant in question and shall be stored only in such store, vessel, tank, yard or other place which shall be kept locked or secured in a manner approved by the Director at all times when not actually in use for depositing or removing any goods.

(6) The books, documents, stock and premises of every registrant shall at all reasonable times be open for inspection by a duly authorized officer.

(7) Any registrant shall, when required to do so by the Director, carry out under the supervision of an officer, at such times as the Director may deem necessary, any manufacturing operation in which materials specified in and entered under any items referred to in sub-regulation (1) are being used, and charges at the prescribed rates for the special or extra attendance of such officer shall be paid by such registrant.

(8) A registrant shall notify the Director immediately, or in advance, of any change, or contemplated change, no matter of what nature, in his legal identity, the name under which he trade, the address of his registered premises, the nature of materials obtained by him under schedules 3,4,6 and 7, the of the goods manufactured from such materials and position, size of other particulars of his rebate store mentioned in regulation 55(1).

(1) An extract of all relative regulations shall be prominently displayed in the approved rebate store on the registered premises of every registrant.

(10) In additions to the provisions of this chapter excluding regulation 60 the regulations in schedule 3,4,6 or 7 relating to goods specified in the said schedules shall be applicable to such goods.

### **Registered premises**

54. (1) The Director may, in his discretion, refuse to register any premises or may cancel the registration of any premises if-

(a) any business other than manufacturing is or will be conducted on such premises;

(b) more than one of the industries referred to in schedules 3,4,6 or 7 are or will be conducted on such premises;

(c) the premises are occupied by more than one person or business; or

(d) registration of the premises has been made subject to compliance with special conditions and such special conditions have not been complied with; or any premises which considers unsuitable on any other grounds for the manufacture of goods with material obtained under rebate of duty or for the storage of such material.

(2) No registrant shall, without the written permission of the Director and subject to such conditions as the Director may impose in each case, perform or permit or arrange to be performed any process or operation or any portion of the manufacture of any goods in which goods referred to in regulation 53(3) are used on any premises other than his registered premises.

(3) The Director may require any registrant to provide separate stores, vessels, tanks, yards or other places for in different items of schedules 3,4,6 or 7 or to perform the manufacturing operations in which goods are used in separate sections of his registered premises and he may impose such conditions and requirements in regard to such separation or section as he considers necessary.

### **Rebate Stores**

55. (1) Every applicant for registration shall provide, **on the same premises** to be registered in terms of these regulations, a store, vessel, tank, yard or other place (to be known as rebate store) which, in the opinion of the Director, is secure and adequate and complies with such requirements as the Director may impose in each case, for storage of materials obtained under section 76 of the Act and such applicant shall provide at his own expense such separate fastening as will permit of such rebate store being locked by an officer but the Director exempt any applicant from the requirements of this regulation on such conditions as he may impose in each case.

(2) All goods in a rebate store shall be arranged and marked so that they will be easily identifiable and accessible for inspection and that each consignment and the particulars thereof can readily be ascertained and checked.

(3) Except with the permission of the Director, only goods which have been entered under rebate of duty under the provisions of schedule 3,4,6 or 7 may be stored in a rebate store.

### **Security**

56. An applicant, before being registered, shall furnish a bond in a form approved by the Director and in an amount required by the Director. The surety to such bond shall be a recognized banking or insurance institution and the Director may at any time that the form, the nature or amount of such bond shall be altered or renewed in such manner as he may determine.

### **Liability for duty**

57. In addition to any liability for duty incurred by an importer or manufacturer in terms of the provisions of section 45, any registrant who has entered any goods or has completed a declaration in terms of the provisions of regulation 53(4) on any bill of entry in respect of any goods referred to in regulation 53(1) under rebate of duty shall continue until the registrant in question has proved to the satisfaction of the Director that all such goods have been used in accordance with the provisions of the said section 76 and of the item under which they were so entered, but the Director may regard normal manufacturing losses and waste to be goods used in accordance with the said provisions.

### **Transfer of goods**

58. (1) A registrant may transfer any goods entered under any item referred to in regulation 53(1) to any other registrant who is registered under the same item or to the same or any other registrant who is registered under any other item in which the same goods are specified if the extent of the rebate under such items at the time of such transfer is the same, provided such goods were acquired as a result of unconditional sale and are owned by the first mentioned registrant at the time of such transfer is submitted to and except with the permission of the Director, approved by the officer prior to such transfer. If the extent of the rebate under such items is not the same the Director may require the application on a form approved by him to be accompanied by a statement of the circumstances which the transferor desires to transfer the goods in question. If such application is granted any difference in duty payable as a result of such transfer but no person shall be entitled to a refund of duty arising out of any such transfer.

(2) If the extent of the rebate under such items is not the same the Director may require the application on a form approved by him to be accompanied by a statement of the circumstances which the transferor desires to transfer the goods in question. If such application is granted any difference in duty payable as a result of such transfer shall be paid to the Director by the transferor before such transfer but no person shall be entitled to a refund of duty arising out of any such transfer.

(3) Notwithstanding sub-regulation (1), and (2) the Director may, in circumstances which he considers exceptional (for example, insolvency of manufacturer ceasing of operations), permit a registrant to transfer goods which are owned by him under the said sub-regulations.

(4) The transferor of any goods transferred in terms of sub-regulations (1) and (2) shall remain liable for the duty on such goods until they have been delivered to the transferee

where upon regulation 57 shall **mutatis mutandis** apply to such transferee as if he had entered such goods.

### **Stock recording and working cards**

59. (1) Every registrant shall keep a stock record which shall be in a form of approved by the Director and which shall show full particulars of all goods entered by him or in respect of which he has completed a declaration in terms of regulation 53(4) or which he has received from other registrant in terms of regulation 58(1) and (2) as well as of the use or disposal of such goods. The stock record shall be kept in such a manner that the said goods can readily be accounted for to the satisfaction of the Director. The said stock record (which shall be known as a rebate stock record) shall contain at least the following particulars which shall be entered in such record.

#### **Receipts**

Registrant's shipment or reference number;

Number and date of bill of entry or transfer form;

Name of aircraft or name and address of transferor or manufacturer;

Date received;

Tariff heading and rebate item;

Description, quantity and value of goods

#### **Issues**

Date issued to the factory;

Quantity issued;

Nature and quantity of goods produced

Reference; and

Stock balance

(2) any registrant shall, if required to do so by the Director also keep a "working" book or "working" cards and shall sow therein or thereon the receipts of factory ex rebate store, as well as the nature and quantities of the of the materials used and of the finished articles manufactured therefrom, in such manner as the Director may decide. A registrant shall also keep such samples of materials obtained under rebate of duty as the Director may require and in such a manner as he may decide.

(3) The Director may, in respect of any goods referred to in regulation 53(1) or in respect of any industry or any class of registrant using such goods, require that a special stock

record or special working cards in a form he may decide, be kept in respect of such goods or for such industry or by such registrant in addition to or in lieu of the stock record or working cards referred to in sub-regulation (1) or (2).

(4) A registrant shall retain in his record a copy of any bill of entry or transfer form in respect of goods obtained by him under rebate of duty, together with any clearance documents in his possession in respect of such goods, until all stock of the goods to which such bill of entry, transfer form or clearance documents shall be made available to the Director on demand.

(5) A registrant who obtains goods for use under the rebate of duty shall, unless he is in possession of a valid bill of entry or transfer form, store such goods separately from other goods in his rebate store and shall not use such goods until the permission of the Director has been obtained.

(6) A registrant shall keep safe his rebate stock record, when not in use, in a fire-proof safe.

### **General refunds in respect of imported excisable or sales duty goods**

60. any application for a refund or payment from any applicant who contends that he has paid any duty or other charge for which he was not liable or that he is entitled to any payment under the Act, shall be submitted to the Director in the approved form together with all the documents relating to such application and there shall be no obligation on the Director to consider any application which has not been completed in all relative details indicated in the form.

## **CHAPTER XI**

### **Penal Provisions**

#### **Offenses and penalties**

61. (1) Any person who contravenes any of these regulations or who fails to comply with any such regulations with which it is his duty to comply, shall, even where such contravention or failure is not elsewhere declared an offense, be guilty of an offense.

(2) Any person guilty of an offense under these regulations shall, where no punishment is expressly provided for such offense, be liable to a fine not exceeding four hundred Maloti or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.

## **CHAPTER XII**

### **General**

#### **Examination of goods**

62. (2) Every importer, exporter, manufacturer or owner of any goods shall, whenever required to do so by the Director, convey without delay any package selected for examination to

any place approved or indicated by the Director for such examination and shall ensure that such package is opened and unpacked at any time indicated by the Director.

(2) Section 43 of the Act shall **mutatis mutandis** apply in respect of any goods examined under this regulation.

### **Wreck**

63. (1) In the case of vehicles or aircraft which are wrecked, stranded or in distress at any place in Lesotho or within the territorial boundaries of Lesotho the Director may station such officers as he considers necessary at the wreck in question.

(2) If no importation of the aircraft or its cargo is landed, removed, sold or disposed within 7 days, the state shall bear all its costs and expenses (including subsistence allowances) in connection with the stationing of such officers at such wreck.

(3) On expiration of the period mentioned in sub-regulation (2) or if the conditions mentioned in the said sub-regulation do not apply, the pilot, underwriter, purchaser or other owner for the time being of such wreck shall be liable for all cost and expenses (including subsistence allowances) in connection the stationing of such officers at such wreck while he is the owner or in possession or control of such wreck.

(4) The number of officers and period during which they are stationed at any wreck shall be at the discretion of the Director.

### **Goods landed from wrecked or distressed aircraft**

64. (1) The person in control of goods recovered from wrecked or distressed aircraft shall compile a list in duplicate of such goods. The list shall contain such particulars thereof as the Director may require, and the said person shall, in writing that the contents of such list are true and correct. If the goods are not immediately cleared entry and payment of the duties after examination, the person shall remove them to a state warehouse, shed or other place approved by the Director. The said person shall also furnish a bond in a form approved by the Director for a sum to the satisfaction of the Director or such other security as he may require, to cover duty on such goods and to ensure compliance with the customs and excise requirements in respect of the goods. If the importation of any such goods is prohibited, they shall be liable to forfeiture unless they are immediately warehoused for exportation or have been dealt with in some other manner as the directed by the Director.

(2) The list compiled in terms of sub-regulation (1) shall be handed by the person who compiles them to the nearest officer who shall retain one copy and transmit the other to the Director together with the statement regarding the manner of disposal of the goods concerned and such other particulars a the Director may decide.

### **Hours of general attendance**

65. The hours of general attendance of officers for the service of the public shall, except on Sundays and public holidays, be as follows-

(a) 08.00 to 16.30 from Monday to Friday;

(b) at other times prescribed by the Director on any day.

### **Charges for extra and special attendance**

66. (1) Where the attendance of an officer is required on Sunday or public holidays; or at any time not covered by the hours mentioned in regulation 65 within those hours for any special purpose determined by the Director, the person requiring such attendance shall apply to the Director on a form approved by him and he shall guarantee the payment of the charges approved in the regulations hereunder and shall pay the said charges immediately on demand. The Director may, at his discretion, prior to allowing such attendance, demand payment of an amount sufficient to cover the charges that will be incurred.

(2) Any person requiring any extra or special attendance shall provide the necessary transport for the officer rendering such attendance or such person may be required to pay to the Director such travelling and other expenses incurred by such officer in connection with such attendance as the Director considers reasonable.

(3) For extra attendance in connection with examination of post office parcels, the sealing of aircraft stores and rummaging of aircraft, no attendance charge will be made. Such attendance charge is also not to be made in respect of extra attendance in connection with the reporting of the arrival or departure of aircraft at places specified by the Director.

(4) No charge in connection with the supervision of the receipt of wine or the fortification of wine with spirits entered under rebate of duty shall be payable by the manufacturer of such wine or the supplier of such spirits and manufacturer or supplier shall not be liable for any transport or other expenses.

(5) where the special attendance of an officer is required for the purpose of making a copy of a document or making and certifying a copy of a document or certifying only a copy of a document, the fee for such attendance shall be fifty Lisente per copy.

(6) The charges for special or extra attendance, except when such attendance is given in respect of any service mentioned in sub-regulation (5) shall be four Maloti per officer per hour or part thereof and in addition thereto an amount of five maloti if the prescribed notice of time and date of arrival or departure of aircraft is not given by the pilots. These charges shall be payable by means of revenue stamps.

### **Business in customs and excise offices**

67. (1) The representative of any importer, exporter, manufacturer or any other principal who attends at any customs and excise office in connection with the clearance of goods or any other official business shall be conversant with the requirements of the department in respect of such business and shall be able to reply to such questions or furnish such information as the Director may put to him or require of him, but the Director may demand the personal attendance of any person or any principal in connection with any official matter.

(2) The conduct of any business in any customs and excise office shall be in accordance with such instructions as the Director may issue and any person attending such at such customs and excise office shall be subject to such instructions.

## **Surety bonds**

68. (1) No surety bond shall be accepted by the Director for any purpose unless such bond is given by a banking or insurance institution acceptable to the Director.

(2) Any person who has given a surety bond which has been accepted by the Director may give the Director thirty days-notice of withdrawal of such bond and after expiry of this period his obligation under the bond will terminate in respect of transactions entered into thereafter. The surety, however, remains responsible in respect of transactions entered into prior to the expiry of the period of notice until the Director satisfies himself that all obligations under such bond have been fulfilled and he cancels it.

## **License to search or search for a wreck**

69. (1) Any license to search or to search for wreck shall be granted by the Director subject to such security as the Director may require and such conditions as he may impose.

(2) Any license issued shall not be transferable and shall expire on the 31<sup>st</sup> day of December of every year unless it is renewed on or before the said date.

## **Agents and carriers subject to the provisions of section 100**

70. Any carrier who for his own account brings into or takes out goods from Lesotho by road or transports goods overland through Lesotho by road is subject to section 100 of the Act.

## **Removal of goods to territories in Africa**

71. Any person who removes goods from Lesotho to a territory in Africa with whom Lesotho has concluded an agreement in terms of section 51 of the Act, shall declare the description, quantity and value of such goods-

(a) in the case of such removal by post, by air, by rail, on the relative form; or

(b) in the case of such removal by other official or private road transport, including transport contractors, on a form determined by the Director from time to time.

## **Forms**

72. Any person who conducts any business with the department shall at his own expense provide all the relative forms.

## **Accounts, etc.**

73. Any person carrying on any business in Lesotho shall keep within Lesotho, in English or Sesotho, reasonable and proper books, accounts and documents relating to his transaction comprising at least the following-

(a) in the case of the imported goods: a copy of the relative bill of entry and documents produced therewith in terms of section 40 of the Act;

(b) in the case of sales duty goods manufactured in Lesotho; an order book, journal or ledger and invoices (also in respect of cash sales) on which a serial number, the manufacturers warehouse number and a description of the goods are reflected; and

- a. In the case of excisable goods; books; accounts and documents to the satisfaction of the Director.

(2) Such person shall in all instances keep available for inspection by an officer such books, accounts and documents for a period of at least two years for from the date of importation, exportation, manufacturing, purchase or sale of any goods:

Provided that in the case of goods stored in customs and excise warehouse the period shall be extended until all the relevant goods have been duly cleared in terms of section 19(4) of the Act and have in accordance with such entry been delivered to or exported and in the case of goods stored in a rebate store, as prescribed in regulation 59(4).

### **Code number**

74. Any person who conducts any business with the department shall, if required by the Director, apply for a code number and such code number shall be reflected on all prescribed forms or any other document specified by the director.

### **Repeal of L.N 26 of 1976**

75. The Customs and Excise Regulations 1976, are repealed.

K. T. J. Rakheta,

*Minister of Finance.*

## **Schedules**

### **Schedule 1 (regulation 40(6))**

#### **Goods which require special invoicing:**

customs cooperation council Nomenclature and Description of goods	Particulars required
22.03 beer made from malt	the relative density before fermentation
22.08 Ethyl alcohol or neutral spirits, undenatured, of a strength of 80 percent alcohol by volume or higher; denatured spirits of any strength.	Alcohol content by volume at a undenatured, of a strength of temperature of 15 <sup>0</sup> C.
22.09 Spirits (excluding those of	Alcohol content by volume at a

heading alcohol content by volume at a No.22.08); liquers and other temperature of 15 <sup>0</sup> C spirituous beverages; compound alcoholic preparations (known as “concentrated extracts”) for the manufacture of beverages	undenatured, of a strength of temperature of 15 <sup>0</sup> C.
section VI Products of the chemical and allied industries	Such products should in addition to any proprietary name, be described by their common commercial designation.
Chapter 28 (inorganic chemicals) Chapter 29 (Organic chemicals)	such chemicals should be described by their common chemical names
30.03 Medicaments (including Veterinary medicaments)	In addition to the proprietary names of medicaments the active ingredients should be indicated.
31.02 to Fertilizers 31.05	chemical to composition should be disclosed
33.04 Alcoholic solutions of one or more odoriferous substances	Alcohol content by volume at temperature of 15 <sup>0</sup> C
33.06 Perfumery, cosmetics and toilet preparations	Alcohol content by volume at temperature of 15 <sup>0</sup> C
Chapter 39 Artificial resins and plastic materials	In addition to proprietary names of the products, invoices must disclose the names of the artificial plastic material or resin
Chapter 48 paper and paper board	(i) The type of pulp from which the paperboard is made  (ii) The basis mass per m <sup>2</sup>  (iii) In respect of transformed papers and paperboard the nature of the treatment (such coating, impregnation, printing).
Section XI textiles:  1. Fibres  2. Yarns, not put up for retail sale  3. Yarns, put up for retail sale	The composition (by mass), and finishing processes should be stated  The composition (by mass), linear density and finishing process should be stated.  The mass per ball, card reel, hank, etc. (inclusive of any support) should be

4. Fabrics	stated.
5. Textile Articles	<p>(i) Composition (by mass), measurement in linear meters and square meters, finishing processes, name and address of indent agent or conforming house and the suppliers sample number (identification number) or the fabric should be stated.</p> <p>(ii) A sample of at least 15cm by 8cm stamped in indelible ink with the name of the supplier and the sample number, of the fabric represented by a sample number, stated on the invoice shall be securely fastened to such invoice and every copy thereof forwarded to Lesotho.</p> <p>Composiition (by mass) and number should be stated.</p>
Section XII Footwear	Sizes of footwear, the nature of the outer Soles and uppers and whether they are Men's, women's, boys' or girls' footwear should be stated.
Section XV Base metals	Measurements, masses, sizes and the nature of the base metal should be stated.
Chapter 84 (Machinery and mechanical appliances) Chapter 85 (electrical machinery and appliances)	Blue prints, Illustrations, drawings, plans, photographs or catalogues should furnished in support of standardized invoices.

## **SCHEDULE 2 (regulation 6(1))**

### **Appointment of Customs places of entry, warehousing places, Aerodromes, Authorised roads and routes etc.**

#### **I PLACES OF ENTRY FOR ROAD TRAFFIC**

1. Maseru Bridge
2. Dilli-Dilli
3. Tsupane's Gate
4. Sephapho's Gate

5. Van Rooyen's Gate
6. Trollip's Gate
7. Makhaleng Bridge
8. Tele Bridge
9. Sixondo
10. Ongeluk's Gate
11. Nene
12. Qacha's nek
13. Ramatseliso' Gate
14. Boesman's Nek
15. Sani Pass
16. Monontsa
17. Mabine
18. Caledonspoort
19. Ficksburg Bridge
20. Peka Bridge
21. Hanger's Drift

## **II PLACES FOR ENTRY OF RAIL TRAFFIC**

Maseru Rail Way Station

## **III WAREHOUSING PLACES**

1. MASERU RESERVE and such places in the vicinity of Maseru Reserve as may be allowed by application.
2. MAPUTSOE (within the Industrial Area)

## **IV CUSTOMS AND EXCISE AIRPORTS**

1. Leabua Jonathan Airport
2. Mokhotlong Airport
3. Leribe Airport

4. Qacha's Nek Airport

## **V TRANSIT SHEDS**

1. Butha-Buthe Goods Shed
2. Mohale's Hoek Goods Shed
3. Quthing Goods Shed

## **SCHEDULE 3**

### **Industrial Rebates of Customs Duties**

#### **(Schedule No.3 to the Act)**

#### **General regulations regarding Schedule No.3 of the Act**

1. The Director may, on such conditions as he may impose in each case, in respect of any goods specified in such items of Schedule No.3 to the Act as he may decide, register a licensee of a customs and excise storage warehouse as a stockist of such goods under the said item and retain them unpacked in such warehouse in such a manner as the Director requires, for supply in small quantities to persons registered to obtain such goods under such item.
2. Regulation 56 and 58(1) to (4) shall **mutatis mutandis** apply in respect of any goods referred to in paragraph 1 and supplied by a stockist to any other registrant, but the Director may, on such conditions as he may impose, exempt stockists from the requirement of prior approval of transfer applications.
3. Any customs and excise storage warehouse approved for the purpose stated in paragraph 1 shall be approved and used only for the purpose stated in the said paragraph and such warehouse and the license thereof shall otherwise be subject to the provisions of chapter IV of the regulations.
4. The Director may, on such conditions as he may impose in each case, permit a registered stockist to supply any goods referred to in paragraph 1 to a person other than a registered manufacturer provided that the duty on such goods is paid by such stockist at such times and in such manner as the director may determine.
5. If any person registered in terms of these regulations to use any goods specified in schedule No.3 to the Act is reported to the Director by the Ministry of Trade, Industry and Tourism as not maintaining satisfactory labour conditions, and if in not less than six weeks and not more than six months after such person has been notified of such report he is again reported to the Director by the said Ministry as not having taken adequate steps to substantially improve the labour conditions, the Director may cancel his registration, and in the event of such cancellation he shall thereafter not be permitted to import or receive under rebate of duty any of the goods specified in the said Schedule.
6. In addition to any other relative regulation, the undermentioned regulation shall apply in respect of goods specified in the items of Schedule 3 mentioned in such regulations.
7. ITEM 301.02 – No person shall use common salt entered in terms of this item except on premises approved by the Director.
8. ITEM 304.06 – a manufacturer of jams from pulp entered in terms of this item shall, on demand by the officer, either produce such jams for inspection by the officer or furnish proof to his satisfaction that the said jams have been duly exported for consumption outside Lesotho

9. ITEM 305.02 – Item 606.04.20(1) in Schedule 6 shall **mutatis mutandis** apply in respect of petrol entered in terms of this item for mixing with locally manufactured ethyl alcohol.
10. ITEM 311.19 – Manufacturers registered in terms of this item shall maintain the following –
  1. (a) records giving details of process conversion of the raw material into manufactured articles (clothing, shirts, etc) in such a manner that the use to which each consignment has been put can readily be established; and

(b) cutting orders, sales invoices and sample books which shall be available at all reasonable times for inspection by duly authorized officers, the said cutting orders, (which shall have a sample snippet of the material affixed thereto) to reflect **inter alia** the number and date of bill of entry, the total numbers of meters entered, the rating (namely the number of meters required in the manufacture of each garment or unit) and the number of garments intended to be manufactured and the number actually manufactured.

(2) Subparagraph (1) shall also apply to registrants under items 311.20, 311.21, 311.22 and 311.25 respectively.

#### SCHEDULE 4 (Regulation 39(7) )

### **General Rebates of Custom Duties**

#### **(Schedule No. 4 to the Act)**

#### **PART I**

1. In addition to any other relative regulation, the under-mentioned paragraphs shall apply in respect of the goods specified in the following items;

#### **2. ITEM 401.00**

(1) Goods entered under this item shall not be returned by the State body concerned to the supplier of such goods in Lesotho without the permission of the Director or payment of duty thereon to the Director and the supplier of such goods shall not accept any goods so returned to him until such permission has been obtained or such duty paid or otherwise until he obtains such permission or pays such duty.

(2) Goods entered under this item may not be sold or disposed of in a new or unused condition by the State body concerned so as to come into the possession of or use by any person not legally entitled to obtain the same under rebate of duty without collection of the duty on such goods from the purchaser. Such duty may be retained by the Government.

(3) Goods entered under this item may be sold or disposed of in a used condition by the State body concerned and the selling price shall be regarded as including the duty on such goods and

such duty shall be retained by such body or paid to the Director as prescribed in sub-paragraph (2).

(4) For the purposes of sub-paragraph (3) the duty included in the selling price shall be deemed to be as follows-

(a) goods which are free of duty-no duty included in selling price;

(b) goods (not being motor cars) liable to an ad valorem rate of duty-duty at the appropriate rate:

(c) goods (not being motor cars) liable to a specific rate of duty- one -tenth of the selling price;

(d) goods (not being motor cars) liable to an ad valorem and specific rate of duty, or to an ad valorem or a specific rate of duty at the appropriate rate or one-tenth of the selling price, whichever amount of duty is greater; and

(e) motor cars classified under Tariff Heading No.87.02.10 one tenth of the selling price or the full duty rebated on first entry less 10 per cent of such duty for each completed period of use of 6 months, whichever amount of duty is the greater, with a maximum, in the case of any such motor car which is sold or disposed of in terms of a subsidised scheme, of an amount calculated according to the formula

$$\frac{A \times (B - C)}{B} \text{ where -}$$

"A" represents the full duty rebated on first entry;

"B" represents the official life kilometres determined by the state body concerned in respect of such motor car;

"C" represents the kilometres covered up to and including the date of sale or disposal.

(5) Sub-paragraph (2) shall not apply in respect of medicaments and drugs entered under this item and supplied by the State body concerned to patients directly or indirectly through any body not being commercial concern.

(6) Item 401.00 shall not be construed to debar from entry thereunder any goods which are to be supplied to any other person by the State body concerned, for further processing or incorporation into any article manufactured for such State body by such person in terms of a contract which provides that such goods so entered shall be supplied at its own expense by such State body, provided that the goods so entered remain the property of such State body at all times.

(7) The Director may permit entry under this item of any machine or other equipment which is intended for supply to or installation in the premises of any State body mentioned in this item

for use by such body on a rental basis, but on return of such machine or equipment to the supplier or on removal thereof from the premises of the body, duty thereon shall be calculated on a basis decided by the Director and shall be paid forthwith to him.

(8) Entry of any goods under item 401.00 shall be subject to such declaration in writing being furnished by the State body concerned on or attached to the bill of entry as is required by the Director and prescribed in these regulations.

### **3. ITEM 402.00**

(1) In respect of goods entered in terms of item 402.00 the relative bill of entry shall be accompanied by or contain a declaration, signed by the secretary of the local authority in question and countersigned by the chairman thereof, to the effect that such goods are to be used solely for the purposes specified in the said item, and a written undertaking shall be furnished by such secretary that, if any such goods are used for any other purpose or are sold or otherwise disposed of by such local authority so as to come into the possession of or to be used by any person not legally entitled to obtain the same under rebate of duty, the Director will be advised in writing of such use, sale or disposal, and that duty due will immediately be paid to the Director by the local body concerned.

(2) The secretary or accounting officer of any local authority to which the foregoing subparagraph apply, shall keep a stock book showing separately the quantities of all goods received under rebate of duty, the place at which such goods were entered under rebate and the quantities issued for road construction or maintenance or for any other purpose, together with the separate dates of receipt and issue. Such book shall at all reasonable times be open to inspection by the officer.

(3) The said secretary or accounting officer shall at the end of each financial year render to the Director at each place where the goods were entered under rebate of duty by or on behalf of the local authority concerned a certificate in a form approved by him.

(4) If goods entered under this item are sold or disposed of in a new or unused condition by the local authority which so entered them, the full duty thereon shall be paid to the Director and if such goods are sold in a used condition duty thereon calculated on the basis of paragraph 2 (4) of this Schedule shall be paid to the Director.

### **4. ITEM 404.00**

(1) For the purposes of this item any reference to approved public hospital shall be deemed to be a reference to any hospital with bed facilities for the general public and any reference to any approved educational institution shall be deemed to be a reference to any institution the main purpose of which is education and which is approved by the Director.

(2) The provisions of paragraph 2(1), (2), (6) and (7) in so far as they relate to the supply, return, sale or disposal of goods in a new or unused condition, shall mutatis mutandis apply to any goods entered under this item but any duty payable or to be collected in respect of such goods in terms of the said paragraph shall in each case be paid to the Director.

### **5. ITEM 405.00**

(1) In respect of goods entered in terms of item 405.01 the relative bill of entry shall be accompanied by or contain a declaration, signed by the secretary or the officer in charge of the specified association to the effect that the fabrics are intended solely for the manufacture of uniforms for use by members of such association, or that the appointments and insignia are intended solely for the use of members and a written undertaking shall be furnished by such secretary or officer in charge that, if any of the said fabrics, appointments or insignia are sold or otherwise used or disposed of the duty due thereon shall forthwith be paid to the Director.

(2) The secretary or the officer referred to in sub-paragraph (1) shall keep a register, in a form approved by the Director, showing receipts and disposals of fabrics, appointments and insignia on which duty has been rebated. Such register shall be open to inspection by the officer at all reasonable times.

(3) In the case of fabrics the register shall also show the quantities received, the number of uniforms made therefrom and the manner of disposal of such uniforms.

(4) If fabrics entered under this item are sold or disposed of, before being made up into uniforms by the association which so entered them the duty thereon shall be paid to the Director.

(5) Paragraph 2(1) and (2) of this Schedule in so far as they relate to the return, sale or disposal of goods in a new or unused condition, shall mutatis mutandis apply to goods entered under item 405.02 but any duty payable or to be collected in respect of such goods in terms of the said paragraph 2 of this Schedule shall in each case be paid to the Director.

(6) Any body or person entering any goods under the said item shall produce to the Director, at the time of entry, such evidence of the licence mentioned in the said item as the Director may require and the relative bill of entry shall contain or be accompanied by a declaration that the goods in question will be used solely for such public radio or television service and an undertaking that the duty due will be paid to the Director on return, sale or disposal of such goods in a new or unused condition in terms of this paragraph.

(7) The Director may permit slides (including film slides) entered for educational purposes and slides (including film slides) approved by him for instruction in industry to be entered under item 405.03 on such conditions as he may impose.

(8) The Director may permit slides, including film slides, photographs, loudspeakers and amplifiers for use with projectors, cinematographic projectors, image projectors, portable screens for projectors and magnetic tape sound recorders and reproducers to be entered under item 405.03 by or on behalf of any person, approved by the Director, whose main purpose is educational (including adult or religious education) provided that any person entering such goods on behalf of any such member, body or person, shall, at the time of entry, be in possession of a firm order by such member, body or person and that such conditions as the Director may impose shall be complied with.

(9) Paragraph 2(1) to (4) of this Schedule shall mutatis mutandis apply in respect of any goods entered under item 405.03 which are returned to the supplier thereof in Lesotho or within two years of the date on which such entry was made are sold or disposed of by the member, body or other person entitled to the rebate in question and any duty payable under the said paragraph 2 of this Schedule shall be paid to the Director.

(10) Admission under rebate of duty of any goods specified in item 405.04 shall be subject to-

(a) a certificate by the secretary or other person in charge of the body concerned on or attached to the bill of entry in question, that such goods are intended solely for use by the blind for the manufacture of goods for sale;

(b) a written undertaking by the said secretary or other person, on or attached to the relative bill of entry, that if such goods are used for any purpose than that specified in paragraph (a) above, or are sold or otherwise disposed of, the rebated duty will forthwith be paid to the Director;

(c) the keeping of a stock book by the said secretary or other person showing receipts and disposals of all goods entered, under rebate of duty. The stock book and all machines, implements and unused materials entered under rebate of duty shall at all reasonable times be available for inspection by the officer.

(11) Goods entered under item 405.05 shall not be returned to the supplier thereof in Lesotho or transferred to any person or sold or disposed of without the permission of the Director. Paragraph 3(4) shall mutatis mutandis apply in respect of any goods returned to the supplier in Lesotho or transferred to any other person or sold or disposed of with the permission of the Director.

## 6. **ITEM 406**

(1) Admission of any goods under this item shall be subject to such written declarations as the Director may require to be furnished by the representative who claims the rebate or by the Head of the Mission to which he is attached and to other conditions as the Director may impose.

(2) Return to the supplier in Lesotho or sale or disposal of any goods (excluding motor cars) obtained under rebate of duty by any person under this item shall be subject to payment to the Director in each case of duty on such goods calculated on the basis of paragraph 2(1) to (4) if such goods are so returned, sold or disposed of within two years of the date of entry under this item.

(3) Duty calculated as follows shall be payable to the Director, after his permission has been obtained, in respect of any motor vehicle which has been obtained under rebate of duty under item 406.00 and is sold or disposed of within two years of the date of entry under rebate of duty, by the person who obtained such motor vehicle under rebate of duty.

(a) In use for less than 1 month-----

----- The full duty rebated;

(b) In use for 1 month or more, but less than 12 months-----

-----

871 per cent of the full duty rebated;

(c) In use for 6 months or more, but less than 12-----

-----

75 per cent of the full duty rebated;

(d) In use for 12 months or more, but not more than 24

months-----

70 per cent of the full duty rebated;

(e) In use for more than 24 months-----

----- No duty payable.

**7. ITEM 407**

(1) In order to qualify for the rebate of duty in terms of item 407.01 the goods shall -

(a) be in quantities which the Director deems reasonable; and

(b) at the time of importation, be the personal property of the passenger and be intended for his own use and not for sale, gift or exchange,

(2) In respect of any motor vehicle entered under item 407.04 the importer shall at the time of entry furnish the Director with the following -

(a) such documentary evidence as the Director may require to prove that the importer has permanently changed his residence to Lesotho; and

(b) a declaration in a form approved by the Director setting forth the circumstances and particulars in connection with the importation of such vehicle and incorporating an undertaking in respect of the disposal of the vehicle as required by the item.

(3) Paragraph 6(3) shall mutatis mutandis apply in respect of any motor vehicle entered under item 407.04

(4) Paragraph 6(3) shall mutatis mutandis apply in respect of any motor vehicle entered under item 407.05

(5) In respect of any goods entered under item 407.06 the rebate of duty shall be subject to the following conditions -

(a) a declaration in a form approved by the Director, signed by the head of the family, together with an inventory of all the goods being imported shall be furnished to the officer at the time of entry;

(b) In the case of used household furniture, other household effects and other removable articles, such goods shall have been owned and used by the importer or members of his family prior to despatch;

(c) In the case of new household furniture, other household effects and other removable articles, such goods shall have been owned by the importer or members of his family prior to despatch; and

(d) the household furniture, other household effects and other removable articles will continue to be owned and used by the importer or the members of his family for a period of at least 6 months as from the date of entry thereof.

**8. ITEM 408.00**

The granting of a rebate under item 408.00 shall be subject to the discretion of the Director and on such conditions as he may in each case impose.

**9. ITEM 409.00**

(1) In respect of goods entered in terms of item 409.01 the importer shall at the time of entry of goods upon re-importation attach to the relative bill of entry a statement indicating -

(a) the reasons why the goods are being returned;

(b) whether any change in the ownership of goods has taken place;

(c) whether the goods have been subjected to any process of manufacture or manipulation since their exportation from Lesotho and if so, to what extent;

(d) whether the goods were manufactured in a customs and excise warehouse and exported in bond ex such warehouse;

(e) whether at the time of export, or at any other time, any refund, rebate, drawback or remission of customs or excise duty was granted in respect of such goods or any materials from which such goods were manufactured;

(f) the number and date of the bill of entry relating to the export of such goods and the place where such entry was made; and

(g) the place where duty was paid on the goods upon their first importation into Lesotho, and of the number and date of bill of entry on which such duty was brought to account, but in the case of goods which are personal and private property and not merchandise, or which have been exported and returned by post, the Director may accept any other evidence to his satisfaction that the goods were previously imported and that duty was paid thereon.

(2) The importer or the person claiming the rebate shall, if required to do so by the Director, submit to him all documents and correspondence relating to the export and subsequent return of the goods.

(3) Director may exempt any class or kind of goods not being merchandise for trade purposes from the requirement of entry upon re-importation provided the officer is satisfied that such goods satisfy the requirements of entry under item 409.01 and he may permit the registration of any goods, with the officer, prior to export of such goods for the purpose of subsequent re-importation thereof under item 409.01

(4) The Director may refuse to accept entry under item 409.01 if, in his opinion, such re-importation will constitute an attempt at evasion of duty or he may accept such entry on such condition as he may impose and payment of the difference in duty on such goods at the time of exportation and at the time of re-importation.

(5) Paragraph 9(1) to (4) shall mutatis mutandis apply to any goods entered under item 409.02

(6) A statement of the particulars of original importation into or manufacture in Lesotho and payment of duty due at the time of the export of any goods entered under item 409.03 shall be attached to any entry under the said item.

(7) Paragraph 9(1) to (4) shall mutatis mutandis apply to any goods entered under item 409.04

#### 10. **ITEM 410.00**

(1) The admission of seed potatoes under item 410.02 shall be subject to a certificate, issued by the permanent secretary of the Ministry responsible for Agriculture, that such seed potatoes satisfy the conditions and purpose of the permit mentioned in item 410.02 in relation to seed potatoes.

(2) The admission under rebate of duty of any goods specified against any tariff heading under item 410.02 shall be subject to a declaration by the importer or owner on or attached to any bill of entry in respect of such goods that it will not be used or disposed of for any purpose not specified in the said item in relation to such goods without the permission of the Director.

(3) Item 410.03 (Tariff heading 22.03) shall not apply unless the beer entered under such item is mixed with beer manufactured in Lesotho in a licensed customs and excise manufacturing warehouse in terms of Chapter IV of the Act.

(4) Admission under rebate of duty of any goods specified against tariff headings 34.02 and 38.06 under item 410.03 shall be subject to a declaration by the importer or owner on or attached to the bill of entry in question that such goods will not be used or disposed of for any purpose not specified against the said tariff headings without the permission of the Director.

(5) Admission under rebate of duty of any goods specified against tariff heading 44.21 under item 410.03 shall be subject to a declaration by the importer or owner on or attached to the bill of entry in question that such goods will not be used or disposed of for any purpose not specified against the said tariff heading without the permission of the Director.

(6) Admission under rebate of duty of any goods specified in item 410.03 shall be subject to the relative regulations of Chapter X of these regulations.

(7) Illuminating and heating kerosene and power kerosene shall be admitted under rebate of duty to the extent stated in sub-paragraph (1) and (2) respectively of tariff heading 27.10 relating to kerosene in item 410.04 subject to the following conditions -

(a) the importer shall make on or attach to the relative bill of entry a declaration that the illuminating or heating kerosene is to be used solely as fuel in lamps or stoves for illuminating or heating or that the power kerosene is to be used solely as fuel in spark ignition piston engines in tractors used for agricultural (including forestry) purposes and in stationary spark ignition engines;

(b) the importer shall likewise furnish a written undertaking that if any such kerosene is used, sold or disposed of as fuel for purposes of road transport (not being public passenger bus transport services or road transport for agricultural, including forestry purposes) or for mixing with other mineral oil products or other goods the full duty provided for in tariff heading 27.10.30 and in tariff item 105.20 will be paid to the Director in respect of such kerosene, and if any such kerosene is used, sold or disposed of for any purposes other than such road transport or such mixing or those specified in sub-paragraphs (1) and (2) of tariff heading 27.10 relating to kerosene in item 410.04 the unrebated portion of the duty as specified in sub-paragraphs (4) (5) and (6) of Tariff Heading 27.10 relating to kerosene in item 410.04 will be paid to the Director in respect of such kerosene;

(c) every case, drum, tin or other container in which power kerosene is sold or disposed of for consumption in Lesotho shall be conspicuously and indelibly marked "POWER KEROSENE - not to be used in lamps or stoves- DANGEROUS", and the flash point in degrees Celsius (closed test at sea level) shall in addition also be indicated thereon in figures;

(d) power kerosene shall contain a dye that gives it a clear, bright and distinctive green colour that is permanent;

(e) when imported into Lesotho in cases, drums, tins or other containers, power kerosene shall be properly coloured before release is obtained from the department, and when imported unpacked, it shall be properly coloured before or during discharge from a vehicle bringing it to Lesotho.

(8) (a) Admission under rebate of duty of aviation kerosene specified in sub-paragraph (3) of tariff heading 27.10 relating to kerosene mentioned in item 410.04 shall be subject to regulations 53 (1) to 59(4)

(b) Clearance of kerosene under sub-paragraphs (4), (5) and (6) of tariff heading 27.10 relating to kerosene mentioned in item 410.04 shall be subject to sub-paragraph (10A) and for that purpose any reference to distillate fuel oils shall be deemed to include a reference to kerosene.

(9) (a) Any distillate fuels and residual fuel oils shall be entered under sub-paragraph (1) of tariff heading 27.10 relating to such oils mentioned in item 410.04 on a bill of entry for home consumption under Schedule 4 or 6 (ex-warehouse) if supplied direct ex warehouse but regulations 53

(1) to 59 (4) shall mutatis mutandis apply if such oils are so entered by any person as the Director may approve.

(b) no person shall, without the written permission of the Director and subject to such conditions as he may impose, enter at any place in Lesotho any oil transported under the said regulations;

(c) the registered supplier of any oil under this sub-paragraph shall obtain from the carrier or owner of the vehicle on which such oil is transported an acknowledgement of receipt and undertaking in a form approved by the Director.

(10) (a) Except as may be permitted by the Director no person shall be entitled to be supplied with distillate fuels (for example, gas oil and diesel oil) or residual fuel oils (furnace oils) under rebate of duty under sub-paragraphs (2), (3) and (4) of tariff heading 27.10 relating to such oils in item 410.04, unless, at the time of purchase or delivery of such oil, he furnishes the supplier thereof with a declaration in a form approved by the Director and no supplier or reseller shall supply or sell oil admissible under rebate of duty in terms of the said sub-paragraphs unless the person to whom such oils is supplied or sold, has complied with the provisions of this paragraph.

(10A) (1) (a) For the purpose of this paragraph -

"supplier" means any of the following companies.

BP Lesotho (Pty) Limited;

Caltex Lesotho (Pty) Limited;

Mobil Lesotho (Pty) Limited;

Shell Lesotho (Pty) Limited;

Toyota Lesotho (Pty)Limited;

(b) "reseller" means any person who deals in rebated fuel as defined in sub-paragraph (c) in the course of or as part of the activities of a business carried on by him, but excluding any person who supplies such fuel to any other person in terms of a contract of letting or hiring of work or services;

(c) "rebated fuel" means distillate fuels or residual fuel oils entered under rebate of duty in terms of section 76(5) of the Act for the purposes or uses mentioned in sub-paragraphs (2) to (6) of tariff heading No. 27.10 of item 410.04;

(d) "user" means any person who obtains rebated fuel for the purposes mentioned in sub-paragraph (2) to (6) of tariff heading No.27.10 of item 410.04 and includes any person who supplies such fuel to any other person in terms of a contract of letting or hiring of work or services.

(2) No person shall be entitled to be supplied with rebated fuel, unless at the time of purchase or delivery thereof he furnishes the supplier or reseller with a declaration on

approved form and no supplier or seller shall apply or sell rebated fuel unless the person to whom it is supplied or sold, has complied with this sub-paragraph:

Provided that the Director may allow in lieu of a separate declaration, the furnishing of a blanket declaration form, approved by the Director for purchases or deliveries in bulk quantities of not less than 200 litres per container other than pump deliveries into vehicle fuel tanks:

Provided further that a supplier or a reseller may deliver rebated fuel purchased in terms of sub-paragraph (4) and (5) of tariff heading No.27.10 of item 410.04 in any quantities and in any manner except as provided a blanket declaration has been furnished to such supplier or reseller.

(3) The blanket declaration provided for in sub-paragraph (2) or benefits it confers shall not be transferable.

(4) No supplier or reseller shall dispense rebated fuel into a vehicle fuel tank from tanker lorry or trailer or other portable or mobile container.

(5) Any reseller of rebated fuel may -

(a) purchase it at the price which includes any of the effective rates of duty;

(b) sell it at the price which includes any duty equal to or in excess of the 365 Lisente per 1000 litres;

(c) use it in the ordinary course of his business or dispose thereof in circumstances which render it liable to duty equal to or in excess of 365 Lisente per 1000 litres; or

(d) mix it in his fixed vessel with distillate fuel or residual fuel oil on which the fully duty has been paid;

Provided he alternates his purchases on each occasion at prices which include the different effective rates of duty to the extent that such purchases are duly reconciled with sales, disposals or uses of such fuel in circumstances which render it liable to different effective rates of duty.

(6) No supplier or reseller shall supply, sell, otherwise dispose of or use rebated fuel unless a numbered and dated invoice is issued indicating the quantity, price buyer's name and business address and the registration letters and numbers of the vehicle when it is supplied as fuel into the tank of such vehicle.

(7) A supplier or reseller shall keep declarations (excluding blanket declarations) with the copies of the relative invoices issued by him.

(8) The supply or sale of rebated fuel under cover of invoices or declarations which are not completed in all respects shall be regarded as being in conflict with the manner and conditions mentioned in this paragraph and such supplier or reseller shall be liable for the duty thereon as provided for in section 76(5) of the Act:

Provided that a supplier or seller shall be allowed a period of 60 days from the date of receipt of a blanket declaration which is not complete in all respects to have such declaration completed.

(9) Any supplier of rebated fuel shall keep a monthly reconciliation of opening stock, receipts, total supplied, sold or used and closing stock of such fuel and shall render to the officer in addition to the return specified in sub-paragraph (13) such returns in the form and at the times as the Director may determine.

(10) (a) any seller of rebated fuel shall be registered with the Director to obtain such fuel;

(b) any reseller of rebated fuel shall keep a bound register in which at least the following particulars shall be entered on a daily basis -

(i) total purchases and total quantity supplied, sold or used in respect of each of the rebated fuels subject to the different extents of rebate of duty;

(ii) total quantity of rebated fuel supplied or sold at a price which includes the full duty or used or disposed of in any circumstances which render it liable to such full duty; and

(iii) purchases and sales of distillate fuels or residual fuel oils at a price which includes the full duty;

(c) the register shall be balanced on a three monthly basis and opening and closing stocks as well as any deficiency or surplus must be reflected therein;

(d) the register shall contain a declaration certifying to the correctness of all entries made therein, such declaration shall be entered in the register at the end of each three monthly period and shall, in the case of a sole proprietorship, be given by the owner, in the case of partnership by a partner and in the case of a company by a Director, manager, secretary or accountant;

(e) the books, documents and stocks of a registrant shall at all reasonable times be open for inspection by the officer;

(f) a registrant shall notify the officer immediately, or in advance, of any change, no matter of what nature, in his legal identity, the name under which he trades and the address of his premises;

(g) the Director may, at any time, call upon the registrant to submit a statement of account in a form approved by him;

(h) any seller who supplies, sells, disposes of or uses rebated fuel without the declaration mentioned in sub-paragraph (2) having been obtained or in any manner whatsoever in circumstances where the full duty is due in terms of section 76(5) of the Act and this schedule, shall purchase distillate fuel or residual fuel oil from the supplier at a price inclusive of the full duty in substitution of rebated fuel for the purpose of the reconciliation referred to in sub-paragraph (5).

(11) (a) any supplier who uses or who supplies or sells rebated fuel to resellers, users or any other person -

(i) at the price which includes any duty in excess of the 365 Lisente per 1000 litres duty paid on entering such fuel for home consumption;

(ii) for a purpose which renders it liable to duty in excess of 365 Lisente per 1000 litres;

(iii) without the declaration mentioned in sub-paragraph (2) having been furnished or obtained; or

(iv) in any manner whatsoever in circumstances where duty is due in terms of section 76(5) of the Act and this schedule, shall pay the duty due, in excess of the excess of the 365 Lisente per 1000 litres paid on entering such fuel for home consumption, within 30 days after the date of closing of his accounts for the month in which such supply, sale, disposal or use took place;

(b) the payment of duty mentioned in sub-paragraph (a) shall be made in a single amount to the officer in whose area of control such supplier is situated or to such other officer as the Director may determine.

(2) (a) any user of rebated fuel subject to different extents of rebate of duty may receive and mix it with distillate fuel or residual fuel oil on which full duty has been paid in his fixed vessel provided such user, other than a supplier who uses such rebated fuel in the ordinary course of his business, alternates his purchases on each occasion at prices which include the different effective rates to the extent that, such purchases are duly reconciled with uses of rebated fuel in circumstances which render it liable to a different effective rate of duty;

(b) failure to balance purchases with uses as provided for in sub-paragraph (a) shall be deemed to be application of rebated fuel contrary to the provisions of the rebate item under which it was acquired and shall render such act and such fuel subject to Section 76(6) (b) of the Act;

(13) (a) a supplier or rebated fuel shall furnish to the officer in the form approved by the Director and at the times required by him, a return for any period of three months as indicated by him, which shall include -

(i) depot number;

(ii) name, address and account number of purchaser;

(iii) invoice number and date;

(iv) quantity supplied at each effective rate of duty;

(v) names and addresses of resellers purchasing rebated fuel at a price which includes any of the effective rates of duty;

(vi) a progressive total of rebated fuel supplied to each purchaser at each effective rate of duty during any accounting year of the supplier.

(b) a supplier shall maintain a record at his head office reflecting separate quantities of rebated fuel supplied or sold at prices which include in each case a rate of duty in excess of 365 Lisente per 1000 litres.

(14) (a) any supplier or reseller shall keep safely copies of the required invoices of purchases, supply or sales, disposals or uses, declarations (including blanket, declarations which shall be kept in alphabetical order), the returns and such other books and documents relating to such purchases, supply or sale, disposals or uses, as the Director may require, for a period of two years from the date of such purchase, supply or sales, disposals or uses and have them available at all reasonable times for inspection by the officer;

(b) any user who -

(i) obtains rebated fuel; or

(ii) obtains rebated fuel as well distillate fuel or residual fuel oil on which the full duty has been paid -

shall keep safely all invoices and receipts, a record of use in the form approved by the Director and such other books and documents as the Director may require, for a period of two years from the date of use and have them available at all reasonable times for inspection by the officer.

(15) Copies of section 76(5) and (6) of the Act, the relevant rebate items and this Schedule shall be displayed prominently in the office of the supplier or reseller or rebated fuel.

#### 11. **ITEM 411.00**

(1) Admission under rebate of duty of any goods provided for in item 411.00 shall, where applicable, be subject to a written declaration being furnished by the importer on or attached to the bill of entry in respect of such goods that it will be used only for the purposes specified and will not be used or disposed of for any other purpose without the permission of the Director.

(2) Admission of any goods as aforesaid shall further be subject to such conditions as the Director may impose including compliance with any regulation in Chapter IV hereof.

#### 12. **ITEM 412.00**

(1) In respect of any goods entered in terms of item 412.01 the relative bill of entry shall contain a declaration or be accompanied by a declaration, signed by the head of a ministry or department that -

(a) the goods in question are imported solely for experimental purposes;

(b) the importer has been authorised to conduct such experiments, which shall be specified;

(c) such experiments are in the public interest and will be carried out under the control and supervisions of the aforesaid department; and

(d) the relative bill of entry shall also contain a declaration , or be accompanied by a declaration by the importer that the goods so admitted under rebate will be used solely for experimental purposes, as well as an undertaking in writing by him that, if the goods or any portion thereof are sold, used or disposed of for any other purpose, the duty thereon will be paid forthwith to the Director.

(2) Admission of any goods under the provisions of item 412.03 shall be subject to a written statement furnished by the importer, on or attached to the relative bill of entry, of the circumstances and particulars of the bequest and that the goods are for importer's own use and not for sale being furnished by the importer on or attached to the relative bill of entry and to the production to the office of such evidence to such bequests as the officer may require.

(3) Sub-paragraph (2) shall mutatis mutandis apply in respect of any goods entered under the provisions of item 412.04

(4) Any offer to abandon any goods to the department or application to destroy any goods under the provisions of item 412.07 shall be subject to the following conditions -

(a) it shall be made in writing by or on behalf of the owner of the goods and shall indemnify the department against any claim by any other person;

(b) it shall be unconditional;

(c) it shall state the full identifying particulars and description of the goods in question;

(d) it shall state the reason for abandonment or the reason why destruction and not abandonment is requested

(e) it shall furnish full particulars of the place of entry and the number and date of the warehousing or other bill of entry in respect of the goods in question;

(f) it shall be accompanied by the invoices and other documents relating to the importation of such goods;

(g) the owner shall be responsible for the cost of storage in and removal to the State warehouse or any place of security indicated by the Director as well as for any other expenses including the cost of destruction, if any:

Provided that removal need not be insisted upon; and

(h) it shall be destroyed under the supervision of an officer if destruction is authorised by the Director.

(5) For the purposes of item 412.07 goods in respect of which security of the duty due has been furnished to the department are to taken to be still under the control of the department.

(6) Any loss in respect of which a rebate of duty is claimed under the provisions of item 412.08 shall be proved to the satisfaction of the Director.

(7) Any application for a rebate of duty under the provisions of item 412.08 shall be submitted to the Director on a form approved by him and shall be accompanied by such documents as the Director may specify.

(8) Paragraph 6(3) of item 406.00 shall mutatis mutandis apply in respect of any motor vehicle entered under the provisions of item 412.11

(9) Paragraph 6(3) of item 406.00 shall mutatis mutandis apply in respect of any motor vehicle entered under the provisions of item 412.12

## **PART II**

### **Temporary Rebates of Customs Duties**

#### **13. ITEM 460.00**

(1) Goods cleared in terms of the provisions of this item may not without the permission of the Director and payment of the full duty thereon to the Director be returned to the supplier of such goods in Lesotho and the supplier of such goods in Lesotho shall not accept any such goods so returned to him before such permission has been obtained and such duty has been paid or otherwise before such permission is obtained and such duty is paid by him.

(2) Goods cleared in terms of the provisions of this item shall not be used or retained for use by the person for whom they were so cleared, in a new or unused condition for any purpose other than as provided for in the item and shall not be transferred, sold or disposed of by him to any other person without the permission of the Director and before the full duty due thereon has been paid to the Director.

(3) Goods cleared in terms of the provisions of the item which, with the permission of the Director, are used or retained for use by the person for whom they were so cleared for any purpose other than as provided for in the item or transferred or sold or disposed of by him to any other person after a period of use in terms of the provisions of the item by the person for whom they were so cleared, are subject to payment of duty to the Director by the person for whom they were so cleared on the under-mentioned basis and such duty shall, for purposes of calculation thereof, be deemed to be included in any selling price-

(a) goods which are free of duty- no duty included in selling price;

(b) goods (not being motor cars) liable to an ad valorem

rate of duty-duty at the appropriate rate;

(c) goods (not being motor cars) liable to a specific rate of duty- one - tenth of the selling price;

(d) goods (not being motor cars) liable to an ad valorem and a specific rate of duty or to an ad valorem or a specific rate of duty- duty at the appropriate rate or one-tenth of the selling price, whichever amount of duty is greater; and

(e) motor cars classified under tariff head 87.02.10 - one- tenth of the selling price or the full duty rebated on the first entry under rebate less 10 percent of such duty for each completed period of six months, whichever amount of duty is greater.

### **PART III**

#### **Temporary Admission of Goods under Rebate of Customs Duty**

##### **14. ITEM 470.00**

(1) The temporary admission of any goods under the provisions of item 470.00 shall be subject in each case to -

(a) such procedure;

(b) examination at the time of importation and exportation;

(c) marking for the purpose of subsequent identification;

(d) method of entry on importation and exportation;

(e) provision of security in the form of cash deposit or bond furnished by a recognized bank or by an insurance institution in an amount not exceeding the duty involved:

Provided that in respect of persons who regularly use temporary admission procedure general security may be accepted or where payment of any duty due can be secured by other means, the requirement may be waived; and

(f) such other conditions as the Director may impose.

(2) Temporary admission of any goods under item 470.00 shall be subject to the provisions of regulations 53(1) to 59 (4), to the extent that the Director may require.

(3) Goods admitted under the provisions of item 470.00 shall on importation and exportation be entered on the form approved by the Director. Such entries shall be coded separately for statistical purposes.

(4) The importer shall, if required by the Director, produce a copy of the contract entered into with the owner in terms of which the imported goods are to be processed, repaired, cleaned or reconditioned for export.

(5) The Director shall require the importer to register with him a rate of yield of the processed goods that will be obtained per unit of the imported goods. The rate of yield may be verified by the Director by reference to the manufacturing process.

(6) Goods admitted under the provisions of item 470.00 shall be exported within six months from the date of entry thereof or within such further period as the Director may, in exceptional circumstances, allow.

(7) Liability for the duty on any goods admitted under item 470.00 shall ease on production of proof of export of such goods.

(8) Goods admitted in terms of the provisions of item 470.03 must be cleared on a form approved by the Director and the processed or manufactured goods on such form as the Director may approve at the time of export. Such entries shall be coded separately for statistical purposes.

(9) Goods admitted in terms of the provisions of item 470.03 must be used in the processing or manufacture of goods for export and such processed or manufactured goods must be exported within 12 months from the date of entry of the imported goods or within such further period as the Director, in exceptional circumstances, allows. Application for such extension must be in writing and must reach the Director prior to expiry of the 12 months period.

(10) Goods entered in terms of the provisions of item 470.03 or goods processed or manufactured from such goods may not be diverted for consumption in Lesotho unless the prior permission of the Director is obtained.

(11) Where permission in terms of sub-paragraph (10) above is obtained to divert such entered goods or such processed or manufactured goods for consumption in Lesotho, such imported goods or the imported content of such processed or manufactured goods shall be subject to duty based on the value for customs duty purposes at the time of importation and calculated at the rates applicable at the time of payment of such duty.

(12) Liability for the duty on any goods admitted in terms of item 470.03 shall cease on presentation of a certificate that such goods have been processed or used in the manufacture of goods intended for export only together with documentary proof that such processed or manufactured goods have been exported, or that due entry thereof has been made in terms of sub-paragraph (11) above.

#### 15 ITEM 480.00

(1) Paragraph 14(1) shall mutatis mutandis apply in respect of any goods specified in and entered under item 480.00

(2) Notwithstanding any other provision under item 480.00 carnets for the temporary admission of goods issued under section 39 of the Act shall be accepted in lieu of import and export documents and as the security for any duty in respect of the following

### **GOODS**

ITEM 480.10 Goods for display or use at exhibition, fairs, meetings or similar events.

480.15 Professional equipment (including ancillary apparatus and accessories) owned by persons resident abroad, for use solely by or under supervision of a visiting person.

480.35 Commercial samples owned abroad and imported for the purposes of being shown or demonstrated in Lesotho for the soliciting of orders for goods to be supplied from abroad

(3) Goods temporarily admitted under item 480.00 shall on importation and exportation be entered on the forms approved by the Director. Such entries shall be coded separately for statistical purposes.

(4) Where articles cannot satisfactorily be identified by foreign seals, by marks, by numbers, or other identification permanently affixed to them, by description, by photographs or by sampling, customs and excise marks or seals shall be affixed to them.

(5) The maximum time limit for the re-exportation of goods admitted under item 480.00 shall, in the case of goods admitted under a carnet not exceed the period of validity of that carnet and in respect of other goods it shall be six months from the date of entry thereof or within such further period as the Director may, in exceptional circumstances, allow.

(6) Goods temporarily admitted may be exported through any competent customs and excise office and may be made in more than one consignment.

(7) On the exportation of goods temporarily admitted under item 480.00 the documents produced at the time of entry shall be produced to the Director, if so required.

(8) The liability of the importer for duty in respect of goods temporarily admitted shall cease on exportation of the goods provided exportation takes place under official supervision if so required by the Director, or on production of proof of export of the goods.

(9) On the request by the importer, and subject to the permission of the Director, temporarily admission under item 480.00 may be terminated by entering the goods for home consumption by storing the goods in a customs and excise storage warehouse with a view to their exportation, by abandonment of goods to the department or on their destruction under official supervision without expense to the state.

(10) Goods temporarily admitted which are entered for home consumption shall be dutiable at the value at the time of importation and at the rate of duty current at the time of such entry.

(11) The following importers are eligible to import commercial samples under item 480.35:

(a) commercial travelers and other representatives of firms abroad who visit Lesotho temporarily with their samples for the purpose of securing orders;

(b) persons or firms established in Lesotho, including agents for foreign firms, to whom samples may be sent by firms abroad, free of charge, for the same purpose; or

(c) a prospective customer in Lesotho to whom a sample is sent on free loan for inspection and demonstration with a view to obtaining an order for similar goods provided the sample is returned abroad whether or not an order is obtained.

(12) Except in exceptional circumstances only one sample of each description, range, type or colour of an article will be allowed temporary admission. Identical articles imported by the same importer in such quantities that, taken as a whole, they do not constitute samples as understood in ordinary commercial usage will not be granted temporary admission.

(13) Each sample must be an article representative of a particular category of goods already produced or to be produced abroad, imported solely for the purpose of being shown or demonstrated free of charge to prospective customers.

#### **16. ITEM 490.00**

(1) Paragraph 14 (1) shall **mutis mutandis** apply in respect of any goods specified in and entered under item 490.00.

(2) Temporary admission of any goods under item 490.00 shall, except as may be provided for any other regulation under item 490.00, be subject to paragraph 15 (3) to (10).

(3) Pallets temporarily imported by a pallet operator either laden or for loading with cargo for export, shall on application by the operator, be admitted without production of Customs and Excise documents either at importation or at re-exportation and without the furnishing of security.

(4) The pallet operator shall keep records of pallets temporarily admitted and shall supply, on request, detailed information regarding the movement of each pallet granted temporarily admission, including dates and places of entry into and exit from Lesotho.

(5) Non-returnable pallets of insubstantial value shall be regarded as packaging for the imported goods in terms of General Note VI to Schedule No.1 to the Act.

### **SCHEDULE 5 (REGULATION 39 (7) ) Specific Drawbacks and Refund of Customs Duties (Schedule No.5 to the Act )**

#### **PART I**

#### **Specific Drawbacks of Customs Duties**

##### **1. ITEM 500.00**

(1) Any person desirous of claiming a drawback of duty under the provisions of any item of Part I of the Schedule No.5 to the Act in respect of any goods specified in such item, shall make an application to the Director, on a form approved by him, for registration to entitle him to such drawback and for registration of the premises where such goods will be used.

(2) Regulation 53 (2), (3), (6) and (7) and 54 (1), (2) and; shall **mutatis mutandis** apply in respect of any drawback claimed under the provisions of any item in Part I of Schedule No.5 to the Act and for that purpose any reference to Schedule 3,4 or 6 shall be deemed to include a reference to a rebate of duty shall be deemed to be a reference to a drawback of duty.

(3) The Director may require any applicant for registration under sub-paragraph (1) to provide for a separate store, vessel, tank, yard or other place, in respect of which regulation 55 (1) and (2) shall **mutatis mutandis** apply, for the storage of goods specified in any item of Part I of Schedule 5 to the Act in respect of which registration is sought under sub-paragraph (1).

- (4) Every registration shall keep record which shall be in a form approved by the Director and shall show such particulars as the Director may require in each case, such particulars shall be entered daily.
- (5) The Director may require any registration to keep such working records as he may decide in the case of the conversion of the goods specified in any of the Part I Schedule 5 to the Act into the goods which are to be exported and such other particulars as he may decide or to keep or to keep such samples, invoice or other documents as he may decide.
- (6) Every applicant shall submit to the Director with his application for registration in terms of sub-paragraph (1), a statement indicating the methods he proposes to follow for the purposes of proving that any imported materials specified in any item of Part I of Schedule 5 to the Act in respect of which registration is sought have been used in the manufacture of the products specified in such item and that he is entitled to a drawback in respect of the duty on such material.
- (7) Every registrant shall notify the Director immediately, in advance of any change or contemplated change in the registered name under which he trades, the address of his registered premises, the nature of the materials obtained by him under Part of Schedule 5 to the Act and the nature of the goods manufactured therefrom or the method by which it is his intention to prove his claim to a drawback in respect of such materials.
- (8) The Director may require that the formula to be used by any registrant under such items of Part I of Schedule 5 to the Act as he may decide shall be registered with him and no registrant under such item shall depart from such formula except with the permission of the Director.
- (9) Any application for a drawback of duty under the provisions of any item of Part I of Schedule 5 to the Act shall be submitted to the Director on the prescribed form together with an application for drawback on an approved form and such supporting evidence of the Director may require.
- (10) Every registrant shall establish and prove to the Director the quantity of each class or kind of imported goods specified in the item of Part I of Schedule 5 to the Act actually incorporated or used in any exported product specified in the said item and also the quantity of waste of such imported goods incurred in the manufacture of such exported product. If in the opinion of the Director such waste is normal for the product in question, may accept a claim for a drawback of the duty on such imported goods actually incorporated or used in such exported product and the normal waste incurred in the manufacture of such exported product.
- (11) No drawback of duty in excess of the duty actually paid on importation of any goods specified in any item of Part I of Schedule 5 to the Act shall be paid in terms of the said Part and the onus of proving the amount of duty so paid on importation of such goods to the satisfaction of the Director shall rest upon the registrant claiming a drawback in respect of such goods. If such goods were imported or cleared for payment of duty by a person other than the claimant in question, such claimant shall obtain and submit an authenticated copy of the relative bill of entry such person or arrange for such copy to be submitted to the Director by such person.

- (12) Any claim for a drawback of duty in terms of Part I of Schedule 5 to the Act shall be based on the consignment of the imported goods in question which have been in the possession of the claimant for the longest period.
- (13) The Director may accept a claim for a drawback of duty on any goods specified in Part I of Schedule 5 to the Act from a person other than the manufacturer of the exported product and he may authorize a drawback of duty to an exporter who is not the importer or a person who paid the duty on entry for home consumption provided the rights of the last-mentioned are not prejudiced. No claim for drawback in terms of this paragraph shall be accepted by the Director unless the said manufacturer is registered in terms of and has complied with sub-paragraphs (1) to (8) above and the Director may require that any product manufactured from any such imported goods shall be given such identifying mark or number as he may decide and that any declaration by such manufacturer as mentioned in this paragraph shall refer to such mark or number.
- (14) In respect of any goods referred to in proviso to section 76 (8) of the Act the following conditions shall apply –
- (a) The quality, type and description of any locally manufactured goods of the same class or kind as the specified imported goods used in the manufacture of any exported product specified in the item relating to such imported goods, shall be approximately the same as the quality, type and description of such imported goods to which any claim for drawback of duty relates;
  - (b) Such specified imported goods shall be used only in accordance with the item of Part I of Schedule 5 to the Act in which they are specified and shall not be used, sold or disposed of for any other purpose;
  - (c) Any claim for drawback of duty shall be based on the duty paid on the consignment of the specified imported goods in the order in which they were acquired by the registrant or if the Director is satisfied that this method is not practicable and different values or different rates of duty applied in respect of different consignment of such imported goods he may determine an amount of duty and such amount shall be deemed to be amount of duty paid in respect of such imported goods;
  - (d) For the purposes of this paragraph the Director may determine the quantity of exported goods which shall be deemed to have been manufactured from any given quantity of specified imported goods or quantity of specified imported goods or quantity of specified imported goods which shall be deemed to have been used in the manufacture of any given quantity of exported products manufactured therefrom.

(15) The Director may accept, a claim for a drawback of duty on any goods specified in any item of **Part I** of Schedule 5 to the Act and incorporated or used in any goods exported on or after the date on which the claimant in question was registered in terms of sub-paragraph (1) provided the Director is satisfied that provisions of the said item and the relative regulations have been materially complied with in respect of such goods.

## PART II

### **Refunds of Customs Duties on Goods exported in the same Conditions as imported.**

#### **2. ITEM 522.00**

(1) The granting of a refund of duty on any goods specified in and exported in terms of the provisions of item 522.00 shall be subject to the following conditions –

(a) a copy of the bill of entry relating to the importation of such goods or such or such other or additional evidence of the payment of duty on and the identity of such goods shall be submitted by the person claiming the refund;

(b) the identity of such goods shall be established to the satisfaction of the officer before exportation takes place and for that purpose any documents produced to the officer at the time of importation of such goods shall again be produced together with an application for examination of such goods which may in the discretion of the Director be examined

(c) such evidence of exportation as the Director may require shall be produced; and

(d) item 522.00 shall not apply to goods which have already gone into use in Lesotho, except where there has been limited use in cases where such use is indispensable to reveal any inherent defect or to establish that the goods do not conform to the conditions of the contract. The period of limited use may be determined by the Director.

(2) Any application for a refund of duty in terms of the provisions of item 522.00 shall be submitted on the prescribed form which shall be completed in detail and shall be supported by evidence of compliance with the conditions stated in sub-paragraph (1) above and by the evidence required in terms of the said sub-paragraph.

(3) Where the officer considers it necessary that any goods to be exported under the provisions of item 522.00 shall be examined or those goods or their containers shall be sealed by an officer, the exporter shall pay at the prescribed rates for the attendance of such officer.

(4) In addition to sub-paragraph (1) to (3) the under mentioned sub-paragraphs shall apply in respect of the items in respect **PART II** of Schedule 5 to the Act.

(5) Paragraph 12(4) of item 412.00 shall apply **mutatis mutandis apply in respect of any refund of duty claimed under the provisions** of item 522.02 as the result of abandonment of the goods.

A refund of duty as intended in section 76(1) (c) of the Act and item 522.03 of Schedule No. 5 to the Act –

- a. only be granted to a person who, subject to section 76 (15) of the Act, has submitted a general application for refund together with an application for refund on approved forms in respect of the intended refund; or
  - b. may granted to a person –
    - i. who has submitted, on a date prior to the promulgation of this amendment, a bill of entry for the export of the goods in question which was not accompanied by an application for refund but has submitted such application for refund but has submitted has submitted such application within six months from the date of submission of such bill of entry; and
    - ii. who within six months from such promulgation submits the forms mentioned in sub-paragraph (a) above in respect of the intended refund.
- (6) No person shall be granted any refund of duty for which provision has been made in item 522.03 unless the bill of entry for export is at the time of passing thereof accompanied by an application for refund in the prescribed form:

Provided that, in case of goods to be exported by parcel post or from a place where there is no customs and excise office, the exporter shall prior to the export of the goods, deliver the said application for refund to the Director at the customs and excise office nearest the place from where the goods are to be exported, and that the said goods shall not be exported until permission to export has been granted by the Director.

- (7) No person shall be granted the refund of duty for which provision has been made in item 522.04 unless such person has complied with conditions of the said item and –
- (a) return of the goods to the sender has taken place under the supervision of the customs and excise officer or post office official and proof of payment of duty on importation has been furnished to the satisfaction of that officer or official;
  - (b) the application for refund is in a form approved by the Director and is supported by a certificate signed by the customs and excise officer or post office official concerned to the effect that the requirements of sub-paragraph (a) have been met.

### **PART III**

#### **Miscellaneous Refund of Customs Duties**

##### **3. ITEM 530.00**

(1) The payment of any refund of duty or of an amount determined by the Minister in lieu of such refund in terms of the provisions of item 530.00 shall be subject to submission to the Director at such time as he may require of such particulars and documents or other evidence of the purchases in question as he may consider necessary to calculate the amount of such refund or payment.

(2) any refund of duty under the provisions of item 531.00 shall be subject to the following conditions –

(a) the importer shall report the circumstances in which any goods are destroyed to the Director immediately and shall immediately take steps to prevent further loss;

(b) the importer shall arrange with the Director for an examination under official supervision of the consignment involved in such loss to establish the nature and quantity of such goods destroyed and such loss shall be certified by the Director;

(c) an application for refund of duty shall be made in writing to the Director by the importer of goods, on a form approved by the Director, stating the circumstances in which the goods in question were destroyed ; and

(d) such application shall be supported by the record of examination mentioned in subparagraph (b) certified by the officer, and the suppliers invoices and other documents relating to such goods.

(3) Paragraph 12(4) and (5) of Schedule 4 shall **mutatis mutandis** apply in respect of any refund of duty claimed under the provisions of item 532.00.

(4) any person who purchases kerosene (paraffin), distillate fuels (for example, gas, oil or diesel oil) or residual fuel oil (furnace oil) at a price inclusive of the full duty and uses such oil for purposes other than road transport, not being public passenger bus transport services or road transport for agricultural purposes (including forestry), may apply for a refund of the duty to the extent specified in item 533.00, subject to the conditions that such application is made on the prescribed form and is received by the department within one month of the date of purchase of the said oil (provided that the Director may, in such circumstances as he may consider exceptional, consider any such application after expiration of such period) and is supported by the receipted account or cash sale invoice, as the case may be and by a declaration in the following form –

“I .....

Hereby declare that the total quantity of.....

Litres of oil shown on the attached invoice has been used by me

For the purpose of.....

.....

Date ..... Signature .....

(5) any scheduled air service operator licensed to undertake scheduled flights who has purchased fuel (aviation kerosene and aviation spirit) at the price inclusive of full duty and has used such aviation fuel on scheduled flights, may apply for a refund of the duty to the extent specified in item 533.00, subject to the conditions that such application, is made on the prescribed form and is received by the department within one month of the date of purchase of the said aviation fuel (provided that the Director may, in such circumstances as he may consider exceptional, consider any such application after expiration of such period) and is supported by the receipted account or cash sale invoice, as the case may be, as well as the aviation fuel delivery receipt and by a declaration in the following form –

“I..... hereby declare that

The total quantity of.....

Litres (M.....) aviation kerosene or aviation spirit shown on

the attached invoice has been used by .....

for the purpose of undertaking scheduled flights. I further declare that .....

is licensed to undertake scheduled flights.

Date ..... Signature  
.....”

***SCHEDULE 6 (Regulation 20 (2) )***

***Specific rebates and refunds of Excise Duties***

***(Schedule No. 6 to the Act)***

**1. ITEM 600.00**

In addition to any other relative regulations, the provisions of this Schedule shall apply in respect of the goods specified in the items of schedule No. 6 mentioned in such regulations.

**2. ITEM 601.00**

1. Paragraph 2 of Schedule 4 shall mutandis apply in respect of any goods specified in and entered under item 601.00 but for that purpose any reference in paragraph 2 (4) (e) of the said schedule to full duty shall be deemed to be a reference to the full excise duty rebated in terms of the provisions of item 601.00 to the State body concerned (excluding any duty rebated in terms of item 609.17).
2. Paragraph 3 (1) to (4) of Schedule 4 shall mutatis mutandis apply in respect of any goods specified in and entered under item 601.02.
3. The relative provisions of paragraphs 4 (1), (2) and 12 (1) of Schedule 4 shall mutatis mutandis apply in respect of any goods specified in and entered under item 601.03.
4. Any goods entered under item 601.03 shall be kept under lock and key until required for use and the hospital or institution concerned shall exercise adequate control to prevent the use or disposal of any goods for any purpose other than the official purposes of such hospital or institution or the purposes specified in the said item. Entry of such goods shall further be subject to such conditions as the Director may impose in each case and the duty due thereon shall forthwith be paid to the Director on any such goods not used for official or specified purposes, as the case may be.

5. Goods entered under the provisions of item 601.05 shall not be returned to the supplier thereon in Lesotho or transferred to any or sold or disposed of without the permission of the Director. Paragraph 3 (4) of Schedule 4 shall **mutatis mutandis** apply in respect of any such goods returned to the supplier in Lesotho or transferred to any other person or sold or disposed of with the permission of the Director.
6. Paragraph 6 (3) of Schedule 4 shall **mutatis mutandis** apply in respect of any motor vehicle entered under the provisions of item 601.07.

### 3. **ITEM 602.00**

Paragraph 6 (1) to (3) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods specified in and entered under item 602.01 but for that purpose any reference in paragraph 6 (3) of Schedule 4 to full duty shall be deemed to be a reference to the full excise duty rebated in terms of the provisions of item 602.01 to the representative in question (excluding any duty rebated in terms of item 609.07).

### 4. **ITEM 603.00**

1. Regulation 22 shall **mutatis mutandis** apply in respect of any goods specified in and entered under item 603.01 or any such goods in respect of which a refund of duty is claimed under the provisions of item 603.01.
2. Any refund of duty in terms of the provisions of item 603.01 in respect of any goods exported shall be limited to the duty actually paid in respect of such goods.

Any person claiming any refund of duty in terms of the provisions of item 603.01 in respect of any goods exported, shall produce evidence to the satisfaction of the Director of the duty actually paid on such goods and if no

1. evidence can be produced, the Director may determine the amount of duty to be refunded in respect of such goods.
2. The Director may exempt any goods liable to an excise stamp duty under Part 2 of Schedule No. 1 to the Act from the requirement of being stamped if such goods are intended for export (including supply as stores for foreign-going aircraft) subject to such condition without being stamped and permitted to enter home consumption without being stamped and on export of such unstamped goods any reference to any rebate or refund of duty in item 603.01 in respect of such goods shall be construed to exclude any reference to any stamp duty thereon.

### 3. **ITEM 604.00**

1. Any person entitled to a rebate of duty under this item shall furnish to the Director on demand, full particulars of the receipt, nature and use of any goods obtained under the provisions of the said item.
2. Use or supply of any goods specified in item 604.00 by or to any person under rebate of duty shall be subject to such conditions, declarations, undertakings or returns as the Director may decide.
3. The Director may permit any wine-grower's co-operative agricultural society to remove from the customs and excise warehouse (including any special warehouse) of such society, on one bill of entry, such quantities of the goods specified in item 604.03 and 604.04 as he may decide, to any room or place approved by him for supply to persons entitled to rebate of duty under the provisions of the said items on such conditions as he may decide.

4. No wine-grower's co-operative agricultural society or holder of a wine farmers' license or producer of any goods specified in item 604.00 shall supply goods to any person entitled to obtain such goods to under rebate of duty or in excess of the quantity specified in the said item unless the duty thereon has been paid and no person shall accept any such goods to which he is not entitled from any such society holder or producer, unless the duty thereon has been paid with the permission of the Director.
5. No person who is entitled to obtain or use any goods under rebate of duty under the provisions of item 604.00 shall sell or dispose of any such goods to any other person, whether or not the latter person is entitled to a rebate of duty under the said item and no person shall accept any such goods so obtained under rebate of duty if he is not entitled thereto under the Act and these regulations.

**(6) ITEM 605.00**

Schedule 5 shall **mutatis mutandis** apply to any refund of duty under the provisions of item 605.00 and that purpose any reference to Schedule 5 shall be deemed to be a reference to item 605.00.

**(7) ITEM 606.00**

(1) No excisable goods specified in item 606.00 for use in the manufacture of other excisable goods shall be used in such manufacture except under sections 26, 34 and 64 of the Act and the regulations.

(2) Except as specified herein, no excisable goods specified in item 606.00 for use in the manufacture of other excisable goods so specified shall be removed under the provisions of the said item from the customs and excise warehouse where such goods were manufactured or used for the purpose of manufacture of such other excisable goods, without the permission of the Director.

(3) The use of any goods specified in item 606.00 in the manufacture of any other excisable goods so specified shall be subject to such conditions as the Director may impose in each case and to the keeping by the licensee in question of such records of any manufacturing operation as the Director may decide.

(4) In addition to any other relative regulation, this paragraph shall apply in respect of the excisable goods specified under the items mentioned in any of its sub-paragraphs.

(5) Fortified still wine entered for use in the preservation or sweetening of unfortified still wine – item 606.04.10 (2) –

(a) except with the permission of the Director, all preservation or sweetening operations in terms of the provisions of item 606.04.10 (2) shall take place under official supervision and such notice as the officer may require shall be given to him by the licensee of the particulars of an intended operation of preservation or sweetening of unfortified still wine;

(b) fortified still wine entered under rebate of duty under this provision shall not be used in the preservation or sweetening of unfortified still wine if the alcohol strength of such unfortified still wine is thereby increased by more than 0.6 per cent of alcohol by volume

at 15°C per annum and if so such fortified wine shall be dutiable separately at the appropriate rate of duty applicable to such fortified wine and the total quantity of the blended wine shall be dutiable in accordance with the provisions of Note 5 to Chapter 22 of part 1 of Schedule No. 1.

(6) Fortified still wine entered for distillation in the manufacture of spirits may, with the permission of the Director, be diluted with water.

(7) Sparkling wine entered for distillation in the manufacture of spirits may, with the permission of the Director, be diluted with water.

(8) Plain spirits entered for use in the manufacture of petrol by mixing with petrol – Item 606.04.20 (1) –

(a) the officer shall, at the discretion of the Director, take samples of the wood naphtha, benzene, and pyridine bases or other substances intended for use as denaturants in petrol, and he shall submit the samples to any government chemical laboratory. Unless a certificate is received from such laboratory to the effect that the substances are of the standards approved by the Director, they shall not be permitted to be used for the purpose aforesaid. Such denaturants shall be kept in vessels secured to the satisfaction of the Director;

(b) the Director may require any manufacture to pay any reasonable expenses incurred by an officer who is to supervise any operation by direction of the Director, including payment at the prescribed rate for the officer's attendance.

(9) Plain spirits entered for use for in the manufacture of acetic acid by a process other than acetic fermentation – Item 606.04.20 (2) –

Any spirits entered for use for this purpose shall be denatured to the satisfaction of the Director.

(10) Plain spirits entered for use in the manufacture of acetic acid by a process of acetic fermentation – Item 606.04.40 (3) –

Any spirits entered for use for this purpose shall be denatured to the satisfaction of the Director.

(11) Wine spirits entered for use in the manufacture of fortified still wine 606.04.25 (1) –

(a) the strength of wine spirits used for fortification or preservation purposes shall not be lower than 60 per cent alcohol by volume;

(b) the minimum quantity of unfortified wine which may be fortified in any one operation, and in any particular vessel, shall be 1140 litres, but the Director may permit a smaller quantity to be so fortified in circumstances which he considers exceptional;

(c) the Director may, subject to such conditions as he may impose, permit the removal of spirits from any customs and excise warehouse for the purpose of fortification of wine in another such warehouse or the use of spirits in the same warehouse for such purpose without the licensee obtaining the prior permission of the Director provided such removal or use of such spirits is covered by a certificate for the removal of excisable or

specified goods ex warehouse which shall be deposited in the entry box in such warehouse in terms of regulation 19 (2) prior to such removal or use;

(d) no spirits forwarded under a certificate of removal to a wine grower for fortification or preservation purposes may be kept unused in the wine-grower's customs and excise warehouse for a period longer than 30 days without the special permission, in writing, of the Director.

(12) Manufactured tobacco – Item 606.04.30 –

The clearance of cigarette tobacco or pipe tobacco under rebate of duty under the provisions of item 606.04.30 shall be subject to such conditions as the Director may impose in each case.

(13) Petrol and aviation spirit entered for use in the manufacture of petrol and aviation spirit by mixing with spirits manufactured in Lesotho – Item 606.05.10 (1) –

Sub-paragraph (10) shall mutatis mutandis apply in respect of mixing in terms of item 606.15.10 (1).

(14) Petrol and aviation spirit entered for use in the manufacture of petrol and aviation spirit by mixing with spirits manufactured in Lesotho 606.05.20 (1) –

Sub-paragraph (10) shall mutatis mutandis apply in respect of any mixing in terms of item 606.05.20 (1) –

(15) Residual fuel oils entered for use in the manufacture of base oils for prepared lubricating oils – 606.05.30 –

The clearance of residual fuel oils under rebate of duty under this provision shall be subject to such conditions as the Director may impose in each case.

(16) Excisable goods, in a customs and excise warehouse, entered for use in the manufacture, by reprocessing of excisable goods of the same or another class or kind – 606.22.10 –

The clearance of any goods under rebate of duty under this provision shall be subject to such conditions as the Director may impose in each case.

## **8. ITEM 607.00**

(1) (a) the relative regulations of Chapter X of the regulations shall mutatis mutandis apply in respect of any goods specified in and entered under item 607.04.05 (1);

(b) except with the special permission of the Director, a quantity of fortified or unfortified still wine of less than 1140 litres for any single conversion into vinegar by a process of acetic fermentation shall not be entered under rebate of duty under item 607.04.05 (1). Any wine entered under the said item shall except with the special permission of the Director, be denatured under official supervision on the registered premises of the registrant by the addition of vinegar to such extent that the acidity of the mixture shall be equivalent to at least 1 per cent by mass of acetic acid, the registrant shall inform the officer of the date and time when any manufacturing operation involving the wine in question is to take place.

(2) (a) the relative regulations of Chapter X of the regulations shall mutatis mutandis apply in respect of any goods specified and entered under item 607.04.05 (2);

(b) except with the permission of the Director, all preservation or sweetening operations in terms of item 607.04.05 (2) shall take place under official supervision and such notice as the Director may require shall be given to him by the licensee of the particulars of any intended operation of preservation or sweetening of unfortified still wine.

(3) (a) no spirits entered under the provisions of item 607.04.10 (1) shall be methylated except by the licensee of a customs and excise manufacturing warehouse approved for the manufacture of spirits and in accordance with chapter IV of the Act and the relative regulations.;

(b) methylation of spirits shall take place only in a room or place which has been specially set aside in such manufacturing warehouse for that purpose only and which has been approved by the Director for such purpose;

(c) no methylation of spirits under item 607.04.10 (1) shall take place except under official supervision and the licensee who intends to methylate any spirits shall give the officer such notice and particulars of such intended methylation as he may require;

(d) only the following (and no other spirits) may be used for methylation:

Unsweetened and unflavoured spirits of such strength as will ensure that methylated spirits shall be of strength of not less than 91.4 per cent alcohol by volume.

(e) the quantity of spirits entered or used for methylation at any one time shall not, except with the permission of the Director, be less than 1140 litres;

(f) the methylation of spirits shall be restricted to the following –

(i) non-coloured methylated spirits, which shall mean spirits methylated in accordance with sub-paragraph (g) below;

(ii) mineralized methylated spirits which shall mean non-coloured methylated spirits to which has been added not less than 0.15 grams of powdered aniline dye, (methyl violet) and 2 grams benzyldiethyl (2,6 – xylyl carbamoyl) methyl ammonium benzoate for every 100 litres of non-coloured methylated spirits and not less than 0.375 per cent by volume mineral naphtha of a relative density of not less than 0.796 at 20° Celcius.

(g) the Director may authorize methylated spirits to be prepared according to any one of the following formulae:

	<b>Litres</b>
(i) Spirits .....	95.0
Crude methyl alcohol or methanol .....	3.5

Pyridine bases .....	1.5	
		100.0
		<b>Litres</b>
<b>(ii) Spirits</b> .....	97.5	
Simonsen oil .....	1.0	
Pyridine bases .....	1.5	
		100.0
		<b>Litres</b>
<b>(iii) Spirits</b> .....	95.0	
Normal butyl alcohol or		
isobutyl alcohol.....	4.0	
Pyridine bases .....	1.5	
		100.0
		<b>Litres</b>
<b>(iv) Spirits</b> .....	95.0	
Normal butyl alcohol or		
isobutyl alcohol.....	3.5	
Petrol (excluding petrol manufactured in terms of item		
606.00 of Schedule No.6) .....	1.5	
		100.0
		<b>Litres</b>
<b>(v) Spirits</b> .....	95.0	
Normal butyl alcohol or		
isobutyl alcohol.....	3.5	
Benzine ....	1.5	
		100.0

Notwithstanding the above, in the case of non-coloured methylated spirits manufactured in accordance with formula (i) or (iii) and the required for hospital or laboratory purposes, the

pyridine bases may, with the special permission of the Director, be dispensed with. In such cases the quantity of crude methyl alcohol, methanol, normal butyl alcohol or isobutyl alcohol shall be increased to 6.0 per cent.

(h) any crude methyl alcohol or methanol referred to in sub-paragraph (g) above shall be of strength of not less than 91.4 per cent alcohol by volume, and all the other substances referred to in the said sub-paragraph shall conform to such specifications as the Director may determine;

(i) before a licensee carries out any process of methylation, he shall submit samples of such substances prescribed in sub-paragraph (g) above for use in the methylation of spirits as may be specified by the Director to any government chemical laboratory, and, unless a certificate is received from such laboratory to the effect that the substances are of standards approved by the Director they shall not be permitted to be used for the purpose aforesaid. Such denaturants shall be kept in vessels secured to the satisfaction of the Director;

(j) every vessel in which a licensee stores, keeps or supplies non-coloured methylated spirits or mineralized methylated spirits shall be labelled in such a manner as to show that the methylated spirits are non-coloured or mineralized, as the case may be;

(k) a licensee shall keep stock accounts in a form approved by the Director in which he shall enter daily, separately, the particulars of non-coloured and mineralised methylated stock, and such stock accounts shall at all times be accessible to the officer and ready for his inspection;

(l) invoices, consecutively numbered and in duplicate sets, shall be completed by every licensee in respect of all disposals of methylated spirits, and the duplicates of such invoices shall be made available to the officer on demand;

(m) in Lesotho a licensee may supply mineralized methylated spirits only to the holder of a general dealer's or chemist's and druggist's license, or to registered co-operative societies; non-coloured methylated spirits may be supplied only to a person registered with the Director;

(n) the Director may, on application, authorize and register any person to obtain non-coloured methylated spirits from a licensee or from a specially registered person, for use by the State or other bodies mentioned in items 601.03.10 (1) and (2) or in the manufacture of articles not elsewhere prohibited, or for any other purpose approved by the Director, the authority shall not be granted until the applicant has made a declaration on the application form as prescribed by the Director, that he will use such non-coloured methylated spirits solely for the purpose authorized;

(o) no licensee or person registered in terms of sub-paragraph (n) mentioned above shall, apart from propellants approved by the Director, and to or mix with methylated spirits any essential oil, flavouring matter or any other substances;

Provided that the director may allow a licensee to add a quantity of resin, not being less than 85 grammes per 4.5 litres, to non-coloured methylated spirits for supply to

furniture-makers for polishing furniture and such furniture shall be exempted from the requirements of sub-paragraph (n).

(3) (a) the relative regulations of Chapter X of these regulations shall mutatis mutandis apply in respect of any goods specified in and entered under item 607.04.10 (2) .

(b) full particulars regarding any process of manufacture (including the formula, in quadruplicate) of any preparation to be manufactured shall be submitted to the Director, through the officer, for approval before permission to manufacture under rebate of duty can be granted. Should any manufacture so desire, such particulars may be confidentially communicated direct to the Director. Where the applicant proposes to use mixtures of oils and ingredients the composition of which is unknown to him, the formula shall be accompanied by an analytical report signed by a competent analyst;

(c) no approval will be given to manufacture medicinal preparations unless such manufacture takes place under the personal supervision of a registered chemist and druggist, and on the premises of a duly licensed chemist and druggist;

(d) except with the permission of the Director the registrant shall apply to the officer for permission on a form approved by the Director for removal to him of spirits, and such form shall be attached to any bill of entry or certificate referred to in regulation 20 (1) or 20 (2) and any duty not rebated shall, subject to regulation 20 (9), be payable at the time of clearance of such spirits from a customs and excise warehouse;

(e) except with the special approval of the Director no permission mentioned in sub-paragraph (d) above shall be granted for a quantity of spirits less than 110 litres of alcohol by volume at 15°C, and, should the quantity of any particular preparation made be less than 4.5 litres, or should the quantity of spirits used during any one operation be less than 110 litres of alcohol by volume at 15°C, no rebate will be allowed, except with the special permission of the Director;

(f) the registrant shall inform the officer of the date and time when any manufacturing operation involving the spirits in question is to take place, and shall furnish him with the list showing the description and quantity of each preparation to be manufactured, as well as the quantity and strength of the spirits to be used;

(g) no spirits may be kept unused by the registrant for a period longer than 120 days without the special permission, in writing, of the Director;

(h) except with the special permission of the director all manufacturing operations shall take place under official supervision;

(i) (i) immediately upon completion of the manufacturing operation, the registrant shall render to the officer a return on a form approved by the Director showing, addition to the particulars of the spirits used, the quantity and description of each preparation manufactured, the quantity and strength of the spirits used for each preparation, and such other information as the director may require from time to time, and shall declare that such return is correct, and that the preparations were made strictly in accordance with the formulae and methods approved by the Director;

(ii) in the case of medicinal preparations an additional declaration similarly made, shall be furnished on the said form by the supervising chemist and druggist to the effect that the preparations were made under his immediate supervision and strictly in accordance with the formulae approved by the Director; and

(iii) the use of plain spirits denatured according to a formula approved by the Director, in the manufacture of approved preparations under item 607.04.10 (2), shall be subject to such conditions as the Director may impose in each case.

(j) every registrant shall record in the stock record mentioned in regulation 59 (1) such additional particulars relating to the manufacturing operation as the Director may prescribe;

(k) the presence of an officer during the manufacturing operations does not relieve the manufacturer of responsibility for the proper carrying out of his obligations under the relative regulations, and should complete preparations manufactured with spirits under rebate of duty not conform to the registered formula, the manufacturer shall be liable for the duty due on spirits used herein;

(l) in the event of any preparation being made in a considerable quantity and being deemed by the Director or officer to be capable of being converted into an alcoholic beverage, the manufacturer shall furnish full particulars regarding the disposal of such preparation;

(m) when the operations of the manufacturer who uses spirits in large quantities are continuous, the Director may, notwithstanding anything to the contrary contained in these regulations, make such special arrangements as may be required by the particular nature of the operations;

(n) the Director shall have the right at any time to cancel any formula previously approved by him for manufacture under rebate of duty.

(4) Sub-paragraph (3) shall mutatis mutandis apply in respect of any spirits used under the following items: 607.04.10 (3); 607.04.10 (4); 607.04.10 (6); 607.04.10 ((7) and 607.04.10 (8).

(5) The use of any spirits under rebate of duty under item 607.04.12 shall be subject to such conditions as the Director may impose in each case.

(6) Spirits obtained by the distillation of any apple, pear, and orange product and entered for use in the topping or preservation of unfortified still fermented apple, pear and orange beverages –

The provisions of item 607.04.05 (5) shall mutatis mutandis apply in respect of any spirits used in terms of the provisions of item 607.04.18.

(7)Sub-paragraph (3) shall mutatis mutandis apply of any goods specified in and entered under item 607.05.20.

8. (a) the use of manufactured tobacco under rebate of duty under item 607.04.25 (1) shall be subject to such conditions as the Director may impose in each case; and

(b) such manufactured tobacco shall be thoroughly mixed to the satisfaction of the officer with not less than 2 per cent flowers of sulphur or any other substance approved by the Director.

(9) Sub-paragraph (3) shall mutatis mutandis apply in respect of base oils specified and entered under item 607.05.20.

(10) Sub-paragraph (3) shall mutatis mutandis apply of residual fuel oil specified in and entered under item 607.05.30.

## **9. ITEM 608.00**

(1) the granting of a rebate or refund of duty in terms of item 608.01 shall be subject to submission to the officer on a form approved by the Director and incorporating such declaration as he may require, of an application by the licensee of the customs and excise manufacturing warehouse in question and the granting of such rebate or refund shall be indicated by the officer on such a form.

(2) No licensee shall be entitled to a rebate or refund of duty under item 608.01 unless –

(a) any loss through evaporation and other natural causes to which an application for such rebate or refund relates is proved to the satisfaction of the Director;

(b) any loss through leakage to which an application for rebate or refund relates is proved to the satisfaction of the Director and satisfactory evidence is submitted with such application that such leakage was reported to the officer immediately;

(c) any deficiency resulting from natural drying out or other cause, of tobacco or such other excisable goods as the Director may specify from time to time is established and recorded in the licensee's stock book in a manner indicated by the Director.

(3) The removal of any excisable goods which are in the process of manufacture, from one customs and excise manufacturing warehouse to another such warehouse for the purpose of further manufacturing thereof shall for the purpose of item 608.01, be deemed to be in the customs and excise manufacturing warehouse to which such goods are in transit, provided such goods are removed in a manner and in containers approved by the Director.

(4) The granting of any rebate or refund under item 608.02 shall be subject to the discretion of the Director and to such conditions as he may impose in each case.

(5) any offer to abandon or application to destroy any goods under item 608.02 shall comply with the relative conditions stated in paragraph 12 (4) but the Director may exempt any offer of abandonment in respect of such goods of any class or kind or any goods to which such circumstances apply as he may specify from any of the said conditions.

(6) No application to destroy any goods in a customs and excise warehouse under item 608.02 shall be considered by the Director unless such goods have no commercial value or unless he is satisfied that the disposal of such goods will be detrimental to the applicant or the industry in question.

(7) Paragraph 12 (5) shall mutatis mutandis apply in respect of any offer to abandon or application to destroy any goods under item 608.02.

(8) Paragraph 12 (6) and (7) shall mutatis mutandis apply in respect of any rebate of duty claimed under item 608.03.

(9) No licensee shall be entitled to a rebate of duty under item 608.04 unless such loss to which an application for rebate relates is proved to the satisfaction of the Director and satisfactory evidence is submitted with such application that –

(a) all possible steps were taken to ensure that the containers and equipment including those for the conveyance of goods in bond are in good condition;

(b) any loss in transit by road or rail was immediately reported to the nearest officer and the Lesotho Mounted Police or a traffic officer and that steps to repair the containers in question or to prevent further loss were taken immediately;

(c) any loss in a licensed warehouse was immediately reported to the officer and if the officer is not available such loss was reported without delay to the Lesotho Mounted Police and that steps to prevent further loss were immediately taken.

#### **10. ITEM 609.00**

(1) The granting of any rebate under item 609.04.05 shall be subject to such conditions as the Director may impose in each case.

(2) Any rebate granted under item 609.04.20 shall be subject to such to a declaration by a responsible official of the church in question that the wine supplied will be used solely for religious purposes being attached to the bill of entry or certificate by which clearance of such wine is effected and to acknowledgement of receipt of such wine by such official within one month or within the further period allowed by the Director of the date of such entry or certificate.

(3) (a) for the purposes of any rebate under item 609.04.30 rebate spirits shall mean spirits which are distilled for maturation under item 609.04.05 (5) and of any relative regulations;

(b) a fair average sample of the distilled rebate spirits shall be taken direct from the receiver and submitted to the Director for certification. Only the “middle run” of any distillation or rebate spirits and the former operation may be treated as a mixed distillation;

(c) feints (first runnings and after runnings) of rebate spirit distilling or re-distilling operations may be added to approved wine for distillation or to the low wines for re-distillation of rebate spirits and the former operation may be treated as a mixed distillation;

(d) any customs and excise manufacturing warehouse or any portion thereof for the storage or rebate spirits for maturation shall be specially approved by the Director for

such purpose and such approved warehouse or portion or portion thereof shall not be used for any other purpose without the written consent of the Director;

(e) all casks for the storage of rebate spirits for maturation shall be approved by the Director and shall be sound and clean. They shall not be painted in any manner, except that the heads may be painted with water paint. They shall not have undergone any internal treatment, shall be free from rustiness or greenness; and shall not exceed 340 litres in capacity:

Provided that certified spirit, matured in casks not exceeding 340 litres in capacity for a period of not less than three years may, with the written permission of the Director, thereafter be transferred under official supervision to casks, approved by the Director, not exceeding 545 litres in capacity, for further maturation.

(f) the storage of rebate spirits for maturation shall further be subject to regulation 28 (6) and (7).

(5) Any person who intends manufacturing gin under item 609.04.40 shall furnish the Director with such particulars, documents and declarations as he may require.

(6) Paragraph 3 (5) of Schedule 4 shall *mutatis mutandis* apply in respect of any goods specified in and supplied under item 609.05.10.

(7) 10 (10) (a) of Schedule 4 or paragraph 3 (4) of Schedule 5 as the case may be, shall *mutatis mutandis* apply in respect of any goods specified and supplied under item 609.05.10.

(8) (a) paragraph 10 (7) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods specified in and supplied under item 609.05.20 (1) and (2) and for that purpose any reference to "importer", "imported" in sub-paragraphs (1), (2), (4), (5) and (6) of tariff heading 27.10 relating to kerosene in item 410.04 shall be deemed to be a reference to manufacturer, delivery from manufacturing warehouse, respectively;

(b) paragraph 10 (8) (a) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods specified in and supplied under item 609.05.20 (4), (5) and (6) and for that purpose any reference to sub-paragraphs (4), (5) and (6), of tariff heading 27.10 relating to kerosene in item 410.04 shall be deemed to be a reference to item 609.05.20 (4), (5) and (6) respectively.

(3) (a) regulation 35 (1) and (2) shall **mutatis mutandis** apply in respect of any motor vehicle specified in and entered under 609.17/117.00.

(b) a rebate of duty shall only be allowed under items 609.17/117.05, 609.17/117.10 and 609.17/117.15 if any excisable motor vehicles specified therein were manufactured in a customs and excise manufacturing warehouse under Chapter IV of the act and in terms of the regulations;

(c) a manufacturer of any excisable motor vehicle qualifying for a rebate of duty under items 609.17/117.05, 609.17/117.

10 and 609.17/117.15 shall establish the means of any locally manufactured parts and materials incorporated or used in such motor vehicle, to the satisfaction of the Director;

(d) any part or material shall only qualify as net local content if it is supported by a valid certificate of origin on a form approved by the Director;

(e) in respect of any excisable motor vehicle qualifying for a rebate of excise duty under item 609.17/117.05, 609.17/117.10 and 609.17/117.05 the manufacture shall furnish a record thereof to the Director, on a form approved by him, detailing parts and materials which qualify as net local content in terms of Note 1 (d) to item 117.00 of part 2 of Schedule No. 1 to the Act;

(f) a manufacture shall notify the Director in advance of replacement of any component manufactured in Lesotho by an imported component;

(g) a manufacture of any excisable motor vehicle qualifying for a rebate of excise duty shall keep working records, which shall reflect the date of incorporation of any locally manufactured component, or of an imported component, replacing a locally manufactured component in such motor vehicle and shall keep stock records showing the dates of receipt and issue of parts and materials manufactured in Lesotho for incorporation in such motor vehicle. Likewise the manufacturer shall maintain a record of any component deleted from a motor vehicle as well as the effective date of such deletion;

(h) for the purpose of Note 1 (h) to tariff item 117.00 of Part 2 of schedule No. 1 to the Act the following changes in a motor vehicle shall constitute the manufacture of a new or additional model:

(i) (a) body style (relating to motor cars) for example, two-door, four-door and station wagon;

(b) body style (relating to other motor vehicles) for example minibuses, panel vans, short wheel base, long wheel base, double cab or four wheel drive light goods vehicles, ambulances, hearses, motorized caravans, prison vans and security vans;

(ii) engines for example, compression ignition, spark ignition or rotary, cubic displacement and number of cylinders;

(iii) steering, power assisted or manual;

(iv) transmission, automatic or manual; and

(v) breaking equipment, power assisted or manual;

(i) for the purpose of Note 2 to item 609.17 of Schedule 6 the following components are regarded as –

(i) Variation to standard equipment

Rubber pneumatic tyres and tubes,

Paint,  
Tinted Windshield,  
Steering-Wheel, steering wheel cover,  
Road Wheels,  
Interior body trim (for example, seats, Carpets, door panels),  
Interior rear-view mirror,  
Rear axle, and  
Interior instruments and controls (for example, revolution counter,  
speed control);

i. **Additional to standard equipment**

Cigar lighters,  
Heating or air-conditioning equipment,  
Plastic roof covering,  
Exterior rear-view mirrors,  
Fog lamps,  
Radio and other sound receiving and reproduction apparatus,  
Exterior body trim (for example, additional chrome),  
Wheel trims,  
Roof rack,  
Mud flaps,  
Sunroofs.

(3) (a) no refund of duty shall be paid under item 609.22.10 except to the manufacturer of such goods;

(b) a manufacturer who desires to avail himself of the concession provided for him in item 609.22.10 shall advise the Director in advance of detailed particulars of the class or kind of goods it is intended to withdraw from the market and of the steps he intends taking to keep such goods intact and entirely separate from any other goods or materials

in his customs and excise manufacturing warehouse which steps shall be approved by the Director before such goods are returned;

(c) any goods returned under item 609.22.10 shall be kept intact and entirely separate from any other goods or materials until they have been examined and identified by the Director. Such goods shall then be unpacked and transferred to and mixed with stocks of materials for processing, under official supervision;

(d) if any goods returned under item 609.22.10 bear any stamp labels in terms of any item of Part 2 of Schedule No. 1 to the Act, such manufacturer shall destroy such stamp labels to the satisfaction of the Director under official supervision;

(e) the onus shall be on the manufacturer of any goods returned under item 609.22.10 to produce evidence to the satisfaction of the Director of the duty paid on the goods so returned and if such evidence cannot be produced the Director may determine an amount which shall be deemed to be the duty paid on such goods for the purposes of the said item;

(f) charges at the prescribed rate shall be paid by the manufacture in question for the special attendance of the Director in terms of sub-paragraph (c) (d).

(11) Paragraph 6 (3) and 8 of schedule 4 shall **mutatis mutandis** apply in respect of any goods specified in and entered under item 609.22.20.

(11) **ITEM 610.00**

Paragraph 2 (1) to (2) shall **mutatis mutandis** apply in respect of any video tapes entered under item 610.11 but any duty payable or to be collected in respect of such video tapes in terms of the provisions of the said paragraph shall in each case be paid to the Director

**SCHEDULE 7 (regulation 39 (7) )**

**Rebates and Refunds of Sales Duty**

**(Schedule No.7 to the Act)**

**1. ITEM 700.00**

In addition to any relative provisions this Schedule shall apply in respect of the goods specified in terms of Schedule No. 7 to the Act which are mentioned in such Schedule.

**2. ITEM 701.00**

1. Paragraph 2 (1) to (7) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods specified in and entered under item 701.01 but for that purpose any reference in the said paragraph to duty shall be deemed to include sales duty rebated in terms of item 701.01 to the State body concerned.
2. Paragraph 2 (8) of Schedule 4 shall **mutatis mutandis** apply in respect of imported sales duty goods entered under item 701.01.

3. Clearance of sales duty goods manufactured in Lesotho under item 701.01 is subject to the submission by the State body concerned of the written declarations which the Director desires and any other conditions imposed by him.
4. For the purposes of item 701.02 any reference to any hospital which provides bed facilities for and admits members of the general public.
5. Paragraph 2 (1) and (2) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 701.02 but any duty payable or to be collected in respect of such goods in terms of the said paragraph shall in each case be paid to the Director.
6. Paragraph 2 (1) and (2) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 701.03 but any duty payable or to be collected in respect of such goods in terms of the said paragraph shall in each case be paid to the Director.
7. Paragraph 2 (1) and (2) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods (excluding motor vehicles) entered under item 701.05 but any duty payable or to be collected in respect of such goods in terms of the said paragraph shall in each case be paid to the Director.
8. Motor vehicles entered under item 701.05 shall not be returned to the supplier thereof in Lesotho without the permission of the Director or transferred to another person or sold or disposed of. Paragraph 3 (4) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods returned to the supplier thereof in Lesotho with the Permission of the Director or transferred to another person or sold or disposed of.
9. Paragraph 5 (1) to (2) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 701.01.

### 3. **ITEM 702.00**

Paragraph 6 (1) to (3) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 702.00 but for that purpose any reference to paragraph 6 (3) to full duty shall be deemed to be a reference to the full sales duty rebated in terms of item 702.00 to the person in question.

### 4. **ITEM 704.00**

Paragraph 14 (1) to 16 (2) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 704.00.

### 5. **ITEM 705.00**

1. No sales duty goods for use in the manufacture of other sales duty shall be entered under item 705.02 and used for such manufacture except under sections 26, 37 and 38 (8) and the relative regulations.
2. Regulations 53 (1) to 59 (4) shall **mutatis mutandis** apply in respect of any goods entered under item 705.03:

Provided the Director may in his discretion not insist on security in terms of regulation 56.

### 6. **ITEM 706.00**

1. The clearance and removal of sales duty goods from any customs and excise warehouse for export or supply as stores to any foreign-going aircraft shall be subject to sub-regulations 20 (1), (2), (5), (10) and (11).
2. For that purposes of sub-paragraph (1) goods which may be supplied to an aircraft as stores shall include all consumable goods normally used on such aircraft for propulsion, catering or maintenance but shall not include normal durable equipment or replacements of normal durable equipment on such aircraft.
3. Regulations 22 (2) to (7) and 22 (9) to (10) shall Paragraph 2 (10) shall **mutatis mutandis** apply in respect of any goods entered under item 706.01 or any goods in respect of which a refund of sales duty is claimed under item 706.01.
4. Any refund of duty in terms of item 706.01 in respect of any goods exported, shall be limited to the duty actually paid in respect of such goods.
5. Any person claiming any refund of duty in terms of item 706.01 in respect of any goods exported, shall produce evidence to the satisfaction of the Director of the duty actually paid on such goods and if no evidence can be produced, the Director may determine the amount of duty to be refunded in respect of such goods.

7. **ITEM 707.00**

1. The granting of any rebate or refund under item 707.01 shall be subject to the discretion of the Director and to such conditions as he may impose in each case.
2. Any offer to abandon or application to destroy any goods under item 707.01 shall comply with the relative conditions stated in paragraph 12 (4) of Schedule but the Director may exempt any offer of abandonment in respect of such goods of any class or kind or any goods to which such circumstances apply as he may specify from any of the said conditions.
3. No application to destroy any goods in a customs and excise warehouse under item 707.01 shall be considered by the Director unless such goods have no commercial value or unless he is satisfied that the disposal of such goods will be detrimental to the applicant or the industry concerned.
4. Any loss in respect of which a rebate or refund of sales duty is claimed in terms of item 707.02 shall be proved to the satisfaction of the Director.
5. Paragraph 9 (9) of Schedule 6 shall **mutatis mutandis** apply in respect of any goods entered under item 707.03
6. **ITEM 708.00**

Paragraph 9 (1) to (4) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 708.00.

2. **ITEM 709.00**

1. All holders of licenses with SWI warehouse number in terms of regulation 48 (20) (b) shall keep stock records, which shall be in a form approved by the Director in respect of the goods mentioned in item 709.01, in which shall be indicated particulars of all goods received under rebate of sales duty as well as the disposal of such goods (including cash sales).

The stock record shall be kept in such a manner that the said goods can readily be accounted for to the satisfaction of the Director. The said stock record shall contain at least the following particulars which shall be entered daily in such record:

**Receipts:**

Licensee's customs and excise warehouse number (SWI number).

Number and date of the bill of entry in the case of imported goods and SWI number and serial number as well as the date of the invoice of all other goods.

Sales duty and rebate items.

Description and quantity of goods.

**Sales:**

SWI number and serial number as well as date of the invoice.

Description and quantity of goods in respect of each separate invoice (including cash sales).

2. A licensee shall retain with his records a copy of any bill of entry or invoice in respect of goods obtained by him under rebate of duty together with any clearance documents in his possession in respect of such goods as prescribed in regulation 73.
3. Paragraph 6 (3) of Schedule 4 shall **mutatis mutandis** apply in respect of any motor vehicle entered under item 709.03.
4. Paragraph 12(3) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 709.03.
5. ITEM 708.00

Paragraph 9 (1) to (4) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 708.00.

2. ITEM 709.00

1. All holders of licenses with SWI warehouse number in terms of regulation 48 (20) (b) shall keep stock records, which shall be in a form approved by the Director in respect of the goods mentioned in item 709.01, in which shall be indicated particulars of all goods received under rebate of sales duty as well as the disposal of such goods (including cash sales).

The stock record shall be kept in such a manner that the said goods can readily be accounted for to the satisfaction of the Director. The said stock record shall contain at least the following particulars which shall be entered daily in such record:

**Receipts:**

Licensee's customs and excise warehouse number (SWI number).

Number and date of the bill of entry in the case of imported goods and SWI number and serial number as well as the date of the invoice of all other goods.

Sales duty and rebate items.

Description and quantity of goods.

**Sales:**

SWI number and serial number as well as date of the invoice.

Description and quantity of goods in respect of each separate invoice (including cash sales).

2. A licensee shall retain with his records a copy of any bill of entry or invoice in respect of goods obtained by him under rebate of duty together with any clearance documents in his possession in respect of such goods as prescribed in regulation 73.
3. Paragraph 6 (3) of Schedule 4 shall **mutatis mutandis** apply in respect of any motor vehicle entered under item 709.03.
4. Paragraph 12(3) of Schedule 4 shall **mutatis mutandis** apply in respect of any goods entered under item 709.03.

**SCHEDULE NO.8 (REGULATION 46)**

**Licenses**

I ITEM	II LICENCE	III LICENCE FEE	IV PERIOD OF VALIDITY	ANNOTATIONS
801.0 0	CUSTOMS AND EXCISE STORAGE WAREHOUSE	M100	1st January to 31st December	
805.0 0	CUSTOMS AND EXCISE MANUFACTURING WAREHOUSE			
805.0 5	Approved for the Incidental Manufactu re of excisable Goods as a by-product in the Manufacture of other goods or for the processing, for use by the processor, of excisable goods after	M10	1st January to 31 <sup>st</sup> Dece mber	

	use thereof by him or for such other purpose as the Director regards as incidental Manufacturing.			
805.10	Approved for other purposes	M10	1 <sup>st</sup> January to 31 <sup>st</sup> December	
810.00	SPECIAL CUSTOMS AN EXCISE WAREHOUSE			
810.05	Approved for the manufacture Of wine by wine grower worinegrower's co-operative agricultural society	M10	1 <sup>st</sup> January to 31 <sup>st</sup> December	
810.10	Approved for the manufacture Of wine by a person who holds a license under any law to deal in wine in wholesale quantity	M10	1 <sup>st</sup> January to 31 <sup>st</sup> December	
810.20	Approved for other purposes			
810.20.05	For storage purposes	M100	1 <sup>st</sup> January to 31 <sup>st</sup> December	
810.20.10	For Manufacturing Purposes	M10	1 <sup>st</sup> January to 31 <sup>st</sup> December	
810.20.20	For ad valorem excise duty	M10	1 <sup>st</sup> January to 31 <sup>st</sup> December	
815.00	DISTLLATION OF SPIRITS BY AN AGRICULTURAL DISTILLER	M1	1 <sup>st</sup> January to 31 <sup>st</sup> December	
820.00	STILLS:			
820.05	to own, possess or keep	M1 each with a maximum of M5 per licensee	1 <sup>st</sup> January to 31 <sup>st</sup> December	

820.10	To manufacture or import for sale or repair for reward	M5	1 <sup>st</sup> January to 31 <sup>st</sup> December	
825.00	WRECK:			
825.05	To search or to search for	free	1 <sup>st</sup> January to 31 <sup>st</sup> December	
830.00	CONTAINER DEPOT:			
830.05	For such period as the Director may determine not exceeding one year ending on 31 <sup>st</sup> December	M50	1 <sup>st</sup> January to 31 <sup>st</sup> December	
830.10	For such a period as the Director may determine, exceeding six months but not exceeding one year on 31 <sup>st</sup> December	M100	1 <sup>st</sup> January to 31 <sup>st</sup> December	
835.15	For an indefinite period, as The Director may determine	M2000	1 <sup>st</sup> January to 31 <sup>st</sup> December	
835.00	Clearing agents	M100	1 <sup>st</sup> January to 31 <sup>st</sup> December	







