



NAMIBIA

CHAPTER 9

GENERAL REBATES, REFUNDS AND DRAWBACKS OF DUTY

1. Introduction

Goods which are imported and qualify for rebate of duty may be entered for home consumption under Schedule No. 3 and Schedule No. 4. of the Act. Schedule No.3. comprising of Industrial Rebates and Schedule No. 4, comprising of General Rebates.

2. Rebate Coordinator

The Control Customs and Excise Officer, Subdivision: Technical Control is responsible for overall management of the rebate program and will serve as, or will designate a staff member to serve as the Rebate Program Manager and is responsible for with the trade and other Directorates all matters related to general rebates, refunds and drawbacks.

3. General rebates of customs duties and fuel levy

Schedule No.4 provides specific rebates of Customs Duties for temporary rebates of customs duties, for goods to be temporarily imported under rebate, for rebates of the fuel levy and for a variety of other purposes.

4. General drawbacks of customs duties

Schedule No.5 provides for specific drawbacks designed as incentives to manufacturing and drawbacks of a more general nature, which do not require DRI Trader status. These drawbacks are covered in this chapter. Drawbacks and refunds are processed using the form NA 66: Application for Refund or Drawback rather than the SAD 500/501: Goods Declaration form.

5. Rebates and refunds of excise duties, fuel levy, road accident fund levy and environmental levy

Schedule No.6 allows for rebates and refunds of the above mentioned duties and levies..). Note: The corresponding rebate items in terms of Schedules should be loaded in the ASYCUDA system.

6. Duty free importations by the Government

6.1 Regular Government importations: Schedule No.1 Part 8 Note 4 of the Act allows for the duty free importations of goods solely use by the Government of Namibia.

- a. A permit must be presented in the form of a letter on the specific Ministry's letterhead and signed by the Minister or Permanent Secretary of the relevant Ministry to which the goods are consigned.
- b. The form: Certificate of Exemption of State Stores must also be completed and signed by the Permanent Secretary.
- c. The purchase order or a copy of the contract must be submitted.
Such importations are entered using Model (Type) IM 4 and customs procedure code 4000. The rebate procedure or national procedure code: **GRN** must be entered in block 37, after the CPC 4000 on the SAD form. Without the required permit signed by the appropriate minister/permanent secretary, duty and tax-free importation is not allowed and customs procedure code 4000 GRN is not used. Value Added Tax is also exempted in terms of the provisions of Value Added Tax Amendment Act, (No. 34 of 2002).

6.2 Duty and tax-free importations Rebate item 412.11 and their requirements;

- a. for relief of distress of persons in cases of famine or other national disaster
 - i. A completed form 412.11
 - ii. A letter from the Office of the Prime Minister/relevant Ministry
- b. Under any technical assistance agreement or multilateral international agreements:

- i. A completed form 412.11
- ii. Letters from line Ministry and National Planning Commission
- iii. A copy of the technical agreement

CPC's 4000, 4052, 4071 and 4081 are used followed by the national or rebate codes e.g. 403 or 418.

7. Duty free importations for approved organizations or purposes

The following full duty rebate items are cleared under customs procedure code 4000, 4071 or 4081 followed by national or rebate code e.g. 403, 405, 406, etc.

- 403.01 Building material used by international organizations
- 405.01 Goods for advancement of journalism
- 405.02
- 405.04 Goods for disabled persons
- 405.05 Goods for religious organizations/purposes
- 405.09 Goods for approved lifesaving societies
- 412.05 Lifesaving apparatus
- 412.06 Food containing soya concentrate for infants
- 412.11 Goods imported for relief or under technical assistance agreement
- 412.12 Goods imported for any purpose agreed to by the Governments of SACU members
- 412.13 Colostomy appliances, etc.
- 412.14 Printed matter imported by airline for own use
- 412.16 Goods imported by African refuge
- 460.02 Potatoes, Dried leguminous vegetables, cereals and oil seeds verified by the Minister of Agriculture that it can only be used of planting or sowing

Where the importer is an organization (such as a religious or welfare organization, international organization, life-saving organization, TV/Radio/Newspaper company/organization, etc. as mentioned in the rebate item), a written statement on the organization's letterhead signed by the manager or director attesting that the goods are to be used in accordance with the provisions of the item must be presented as part of the entry.

Where the rebate item calls for a government permit, technical assistance agreement, or other approval, an appropriate permit or letter from the proper agency must be provided as part of the entry. In other cases, a written statement from the importer attesting to the intended use of the goods must be presented as part of the entry.

8. Importations for governmental representatives

With the exception of goods for use by the President, a Certificate A is required for the rebate items listed below.

Part I should be signed by the Head of Mission or by an authorized Charge de'affaires ad interim if the Head of Mission is absent from Namibia. Part II must be signed by the actual privileged importer/final consignee. When the goods are for the mission, the undertaking should state "The Mission undertakes" and should be signed by the Head of Mission, Senior Consular Representative or Senior Trade Commissioner as the case may be. These rebate items are entered under customs procedure code 4000, 4071 or 4081 followed by the rebate or national code:

- 406.01 Goods for the president
- 406.02 Goods for diplomatic mission
- 406.03 Goods for personal use of diplomatic officers
- 406.05 Goods for consular mission
- 406.06 Goods for honorary consul
- 406.07 Goods for admin/technical representatives

408.03 Food & drink imported by foreign government for official use. Similarly, excisable goods may be entered for the same purpose with full rebate of duty using customs procedure code 9000 followed by the national or rebate code. The rebate items are listed under Schedule 6 part 1 to 4;

9. Exported excisable goods/fuel levy goods including ship and aircraft stores

Excisable goods specified in the following rebate items may be cleared and released with full rebate of duty using customs procedure code 9100 or 9171 (ex-warehouse).

- 670.08 Distillate fuels and biodiesel supplied as stores for any fishing vessel

10. Fuel levy (other than ship and aircraft stores)

Goods subject to fuel levy under item 195.10.15 are entitled to a partial rebate under rebate item 670.00 if used as fuel for vehicles in underground mines, as fuel for fuel in works trucks, or if used by the State President, diplomats, and foreign representatives mentioned in item 670.01. Customs procedure code 9000 should be used. A Certificate A is required for entries filed under rebate item 670.01 (except for the State President). A statement of use by the importer is required for rebate items 670.01. Fuel levy goods lost, destroyed or damaged and entered under rebate item 670.10 are not processed through ASYCUDA++ and must be handled through a written request to the Controller.

11. Personal/household importations

The following importation is **not** entered using an SAD 500/501 entry 407.01 and 407.02

For instructions on how to enter these goods, refer to the Passenger Processing Handbook.

- 407.01 Personal effects
- 407.02 Alcohol/tobacco/perfume/other goods
- 407.06 Household goods
- 408.01 Awards presented to person abroad
- 412.03 Bequeathed personal/household effects to persons residing in Namibia.
- 412.04 Bequeathed personal/household effects of a person who died while temporary outside Namibia.

12. Bona-fide gifts via post

Gifts covered by rebate item 412.10 are entered using postal forms and **not on an SAD 500/501.**

13. Refund of duty on postal importation (ITEM 522.04)

Non-commercial goods imported through the post and returned by the addressee to the sender in the same condition as imported may be exported within 12 months of the date of importation. Applications for refund must be lodged by the exporter with the Post Master concerned.

14. Re-imported goods

The following re-importations are covered under Model (Type) IM 6 and customs procedure codes (CPC's) 6021, 6022 or 6023

- 409.01 Imported goods re-exported and brought back in same condition/state (6022)
- 409.02 Goods produced in the Namibia which have been exported and are being returned in same condition/state (6022)
- 409.04 Goods sent abroad for processing or repair and returned (6021)
- 409.05 Used rock drill bits (6022)
- 409.06 Excisable goods returned in same condition/state (6022)

409.07 Compensating Products (6021)

Note: A copy of the export entry and/or registration completed upon exportation shall be provided as part of the entry.

15. Goods abandoned to the State

15.1 Rebate item 412.07: Goods offered for abandonment under 412.07 must be examined by the Controller to determine whether the goods and containers have a commercial value. Item 412.07 does not exclude goods, which become unusable or damaged. If the importer claims that the goods are of no commercial value and this can be readily confirmed by inspection, abandonment may be accepted and destruction authorized at the expense of the importer.

Where the goods have value, unconditional abandonment may be accepted and the goods removed to the State Warehouse at the importer's risk and expense to be offered for sale on the condition that if destruction is subsequently necessary the cost thereof will be borne by the person/owner/agent who abandons the goods. If goods to be abandoned have not already been entered for home consumption and import duties and taxes have not been paid, they may be entered using Model (Type) IM 9 and customs procedure code (CPC) 9000 on an SAD 500/501. If they import duties and taxes have already been paid, an **NA 66** must be filed for refund.

15.2 Refund Item 532.00: An importer must file a written request to unconditionally abandon goods to the State, indicating that he accepts the risk and responsibility for the cost of destruction thereof. All offers of abandonment must be referred to the Head Office for approval. A claim for a refund of duty in terms of item 532.00 arises on the date of the Directorate's letter accepting abandonment and such claims may only be entertained after the goods in question have been delivered into the custody of the Directorate or destroyed. Such claims must be lodged within six months of the date of the letter accepting abandonment.

15.3 Miscellaneous rebated importations: The following importations must be entered and cleared under Model IM 4 or IM 6 and customs procedure code 4000, 4053, 4071,4081, 4092 or 6021, followed by the national or rebate code:

- 411.00 Miscellaneous rebates
- 412.26 Warranty replacement goods
- 412.27 Warranty upgrade goods
- 412.17 Motor vehicles imported by African refugees

Documentation must be provided to substantiate that the goods are entitled to the provisions of the rebate item. The importer must provide a signed agreement to export or destroy the replaced defective or upgraded parts.

16. Temporary importations

The term '**temporary importation**' means the Customs procedure under which certain goods can be brought into Namibia conditionally relieved from payment of import duties and taxes. There are three categories of temporary importations:

- 16.1** goods temporarily admitted for processing, repair, cleaning, or reconditioning,
- 16.2** goods temporarily admitted for specific purposes i.e. trade shows or exhibitions, and
- 16.3** goods temporarily imported for exportation in the same state.

The time limit for goods admitted under temporary importation is 12 months, however extension may be granted upon request.

17. Goods temporarily admitted for processing, repair, cleaning or reconditioning

17.1 Goods temporarily imported for processing which will not become property of the importer. (Use Model IM 5 with Customs procedure code 5200, 5194, 5271) Goods that will not become the property of the importer may be entered under rebate item 470.01 for processing. A written statement on company letterhead from the person in Namibia to whom the goods will be processed setting forth the full circumstances must be attached to the entry. This provision is not limited to goods directly imported but may also be used for goods ex warehouse, ex transit, or ex Export Processing Zone. Temporary admission for inward processing is not dependent on country of origin, country from where consigned or country of destination. The right to import goods temporarily for importation is not limited to the owner of the goods; however, ownership of the goods or materials must not be vested in the Namibian importer. If ownership is vested in the consignee then duties and taxes at the applicable rates is to be paid.

17.2 Goods for repair, cleaning or reconditioning. (Customs procedure code 5200, 5271) Goods may be entered under rebate item 470.02 for repair, cleaning or reconditioning. Supporting documents from the consignor should provide sufficient particulars, number identifying marks and value of the goods so that they may be identified on re-exportation.

17.3 Goods for use in the manufacture, processing, equipping or packing of goods exclusively for export. Goods may be entered under rebate item 470.03 for use in the manufacture, processing, equipping or packing of goods exclusively for export. This rebate is handled under the duty remission schemes. See the preceding chapter for full instructions.

18. Goods temporarily imported for specific purposes.

Goods to be cleared under rebate items 480.05-480.35 should be entered using customs procedure code 5200, 5271.

19. Goods temporarily imported subject to exportation in the same state.

Goods entered under rebate items 490.03-490.90 use CPC 5300. For detailed information on rebate items 490.03, 490.50 and 490.60 that deal with temporary importations of motor vehicles, please refer to chapter 8 of the Passenger Processing Manual.

Rebate item 490.90 which covers goods not specified elsewhere in Part 3 of Schedule 4 may not be used without approval from the Director. Importers wishing to make use of this rebate item must make a written application to the Director prior to importation and a copy of confirmation must be attached to the entry.

20. Examination and identification of temporarily imported goods.

At the written request of the importer, Controllers may allow goods for temporary admission to be examined on private premises. Expenses entailed by such examination should be charged to the importer. Where goods to be temporarily imported do not carry identifying marks or numbers, Customs may permit the importer to affix identifying marks, numbers, seals or other indications or to provide a sample of the goods to be used in identifying the goods upon re-exportation.

21. Re-exportation after temporary importation.

Re-exportation entries must provide entry particulars regarding the temporary importation entry or procedure in block 40 of the SAD 500/501 entry and a copy of the temporary importation entry must be attached. Provisional payments should only be refunded if acceptable proof of export is furnished and if the identification particulars on both entries agree. Temporarily imported goods may, upon request, be re-exported in more than one consignment. Goods may be re-exported at a customs office other than that at which they were temporarily imported; however, it is the responsibility of the importer to ensure that sufficient information is available to customs at the port of export to identify the goods.

The goods shall be considered exported if entered into an approved Export Processing Zone, if entered into a Customs warehouse on the condition that they subsequently will be exported the reform, or if they are placed in-transit for exportation. The following Model EX 3 and CPC's should be utilized:

3053 Re-exportation of goods in the same state as temporarily imported

3052 Re-exportation of goods temporarily imported for repair, cleaning, or reconditioning. The costs of repair, cleaning or reconditioning must be shown.

3071 Re-exportation of goods temporarily imported for under the duty remission incentive scheme for processing. Cost of processing must be shown.

22. Carnets in lieu of SAD 500/501 for temporarily imported goods.

A.T.A. Carnets may be accepted in lieu of the SAD 500/501 temporary importation and re-exportation procedures described above. If a carnet is accepted, no other entry will be required for importation or exportation.

All duty paid applications should be done in writing to the Commissioner of Customs and Excise.

23. Duty paid entry of goods temporarily imported.

If goods which have been temporarily imported under any rebate item under 470.00, 480.00, or 490.00 are subsequently entered for home consumption, or if duty is subsequently demanded due to failure to export those goods, the duty and import taxes shall be those which would have been due on the date the goods were temporarily imported and the temporary importation or carnet was passed.

24. Refunds on goods exported in the same condition as imported.

Prior registration is not required in order to claim refunds on goods exported in the same condition as imported. Goods, which have gone into general use, do not qualify for a refund in terms of rebate item 522.02; however limited use necessary to reveal any defect or to establish that the goods do not conform to the conditions of the contract is permissible.

When a refund is requested, relevant documents (shipping documents, a worksheet showing how the duty claimed were calculated, documents showing the reason for return, correspondence between with the supplier, relevant orders and specifications) should be provided. If not, they may be called for prior to certifying the refund. Importers who claim that goods were ordered verbally, or while they were overseas, should provide a written confirmation of order from the supplier. Correspondence between importer and supplier may be called for. Claims for goods incorrectly supplied under these circumstances may not be entertained in the absence of evidence that the goods were not in accordance with the contract.

The phrase "in the same condition as imported" includes goods, which have been repacked.

The phrase "in a condition in which the essential character of the imported goods has been retained" is not specifically defined and each case must be considered on its own merit. Refunds may not be authorized on any goods imported contrary to the provisions of any law.

25. Special requirements regarding diamonds.

Refund claims under item 522.02 on cut/polished diamonds re-exported to the supplier must follow the following procedures:

- 25.1** Consignments must, at the importer's request immediately upon importation, be sealed and delivered to the Diamond Cutting board;
- 25.2** The Board will positively identify the diamonds and state whether the consignment was received by them in a properly customs sealed condition;
- 25.3** Documentary evidence confirming the dispute between the importer and the supplier must be furnished; and
- 25.4** diamonds that are to be returned after agreement has been reached between the importer and supplier will have to be positively identified by the Board as being the same diamonds originally imported and the package, properly sealed by the Board, must be delivered to Customs for re-export under supervision.

Note: No exceptions or deviations will be allowed from these procedures.

26. Surety requirements – temporary importations.

Surety in the form of a bond or provisional payment shall be required to cover the duties and taxes which would otherwise be due on importations covered under rebate items 470.00-490.90. Identification numbers and particulars of the goods must be included on the provisional payments for comparison on re-exportation. Where goods are consigned regularly to a particular consignee for repair and/or reconditioning, a suitable standing provisional payment or bond may be accepted at any time if so requested. The amount of surety shall not exceed the import duties and taxes, which would be due on the goods to be temporarily imported.

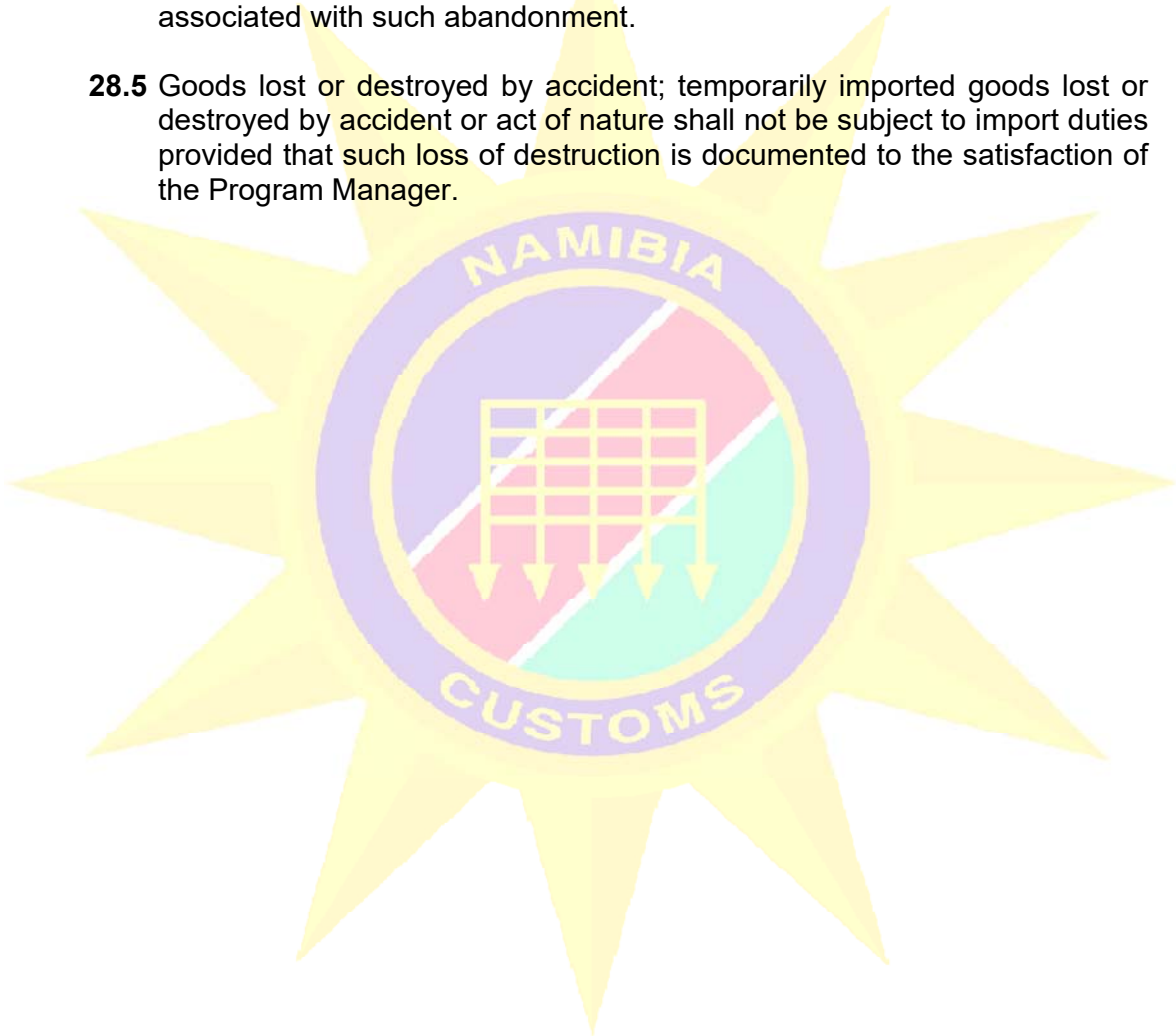
27. Entry and surety waived.

Entry, surety and written declaration of any kind are waived and shall not be required in the case of rebate items 480.05 (Containers), 490.30 (container handling equipment), 490.35 (Pallets) and 490.60 (commercial road vehicles).

28. Exportation/Re-exportation

- 28.1** Actual exportation; Where the rebate, refund or drawback item is dependent on exportation, such exportation must be to a country outside the common customs area.

- 28.2** Deposit into warehouse; Goods will be considered exported for rebate, drawback or refund purposes if deposited into warehouse for subsequent exportation.
- 28.3** Transfer to export processing zone; Goods will be considered exported for rebate, drawback or refund purposes if deposited in an Export Processing Zone.
- 28.4** Abandonment; Rebate goods may, in lieu of being exported, be unconditionally abandoned to the State under item 412.07. The importer must file a request with Program Manger agreeing to bear any costs associated with such abandonment.
- 28.5** Goods lost or destroyed by accident; temporarily imported goods lost or destroyed by accident or act of nature shall not be subject to import duties provided that such loss of destruction is documented to the satisfaction of the Program Manager.



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