

**THE CUSTOMS AND EXCISE (AMENDMENT)  
BILL, 2015**

**MEMORANDUM**

The object of this Bill is to amend the Customs and Excise Act so as to—

- (a) remove customs duty on green houses and rose seedlings;
- (b) revise the customs duty rates applicable to the importation of motor vehicles and impose a surtax on the importation of vehicles older than five years;
- (c) increase specific Excise duty rates on tobacco products;
- (d) provide for the keeping of transactional records for a minimum period of six years; and
- (e) provide for matters connected with, or incidental to, the foregoing.

A. MWANSA,  
*Solicitor-General*

# A BILL

ENTITLED

**An Act to amend the Customs and Excise Act.**

ENACTED by the Parliament of Zambia

Enactment

1. (1) This Act may be cited as the Customs and Excise (Amendment) Act, 2015 and shall be read as one with the Customs and Excise Act, in this Act referred to as the principal Act.

Short title and commencement

5 (2) This Act shall come into operation on 1st January, 2016.

2. Section *thirty-two* of the principal Act is amended—

Repeal and replacement of section 32

(a) by the insertion immediately after subsection (4) of the following:

10 (5) There shall be charged, levied, collected and paid a penalty of three thousand fee units per day or part thereof for the contravention of subregulation (4).

15 (6) Any goods entered under subsection (4) that are stored for a period that exceeds the authorised period by more than ten days are liable to seizure; and

(b) by the renumbering of subsections (5), (6), and (7) as subsections (7), (8) and (9) respectively.

20 3. The principal Act is amended by the insertion immediately after section *seventy-two A*, of the following:

Insertion of new section 72B

Adjustment  
of specific  
tariff rates

**72B.** Subject to the provisions of section *seventy-two, seventy-two A, seventy-six and seventy-seven*, the specific rates specified as set out in the Schedules may be adjusted by the Commissioner-General by indexation in accordance with the parameters prescribed by the Minister by statutory instrument. 5

Amendment  
of section 77

**4.** The principal Act is amended by the repeal of section *Seventy-Seven* and the substitution thereof of the following:

**77.** (1) There shall be charged, levied, collected, and paid a surtax at the rates specified in the surtax tariff set out in the Fourth Schedule in respect of— 10

(a) goods which are imported into, manufactured or produced in Zambia; and

(b) carbon emissions from motor vehicles, excluding ambulances, prison vans and vehicles propelled by non pollutant energy. 15

(2) Subject to paragraph (a) of subsection (1), a surtax is payable on every motor vehicle older than five years.

(3) A carbon emission surtax is payable in respect of a motor vehicle— 20

(a) on importation;

(b) in transit through Zambia;

(c) on temporary importation; and

(d) annually.

(4) The Commissioner-General shall issue a carbon emission tax certificate upon payment of surtax. 25

(5) The Commissioner-General may appoint in writing an agent for purposes of exercising the powers under subsection (4).

(6) A carbon emission tax certificate issued under this section shall expire on 31st December in the year in which it is issued. 30

(7) Where a carbon emission certificate is issued in respect of a motor vehicle in transit or imported on a temporary basis, the certificate shall be valid for ninety days from the date it is issued.

5. Section *eighty-five* of the principal Act is amended by the insertion immediately after subsection (2), of the following:

Amendment  
of section 85

(3) Despite subsection (1), the customs value for a used motor vehicle shall be determined by the method of valuation prescribed by the Minister by statutory instrument.

(4) The Commissioner-General may make such rules as the Commissioner-General considers necessary for the effective administration of regulations made pursuant to subsection (3).

6. The principal Act is amended by the insertion immediately after section *eighty-eight C* of the following:

Insertion of  
new section  
88 D

**88D.** (1) The Commissioner-General may authorise an importer, exporter or manufacturer of excisable goods to make a self assessment under this Act, wherever the Commissioner-General is empowered to make an assessment.

(2) The Commissioner-General may make rules for the conduct of self assessment by authorised importers, exporters or manufacturers.

7. The principal Act is amended by the insertion immediately after section *one hundred and fifty-five* of the following:

Insertion of  
new section  
155 A

**155A.** Where any offence under this Act has been committed by a body corporate or an unincorporate body, every director or manager of the body corporate or unincorporated body shall be liable, upon conviction, as if the director or manager had personally committed the offence, unless the director or manager proves to the satisfaction of the court that the act constituting the offence was done without the knowledge, consent or connivance of the director or manager or that the director or manager took reasonable steps to prevent the commission of the offence.

Offences by  
body  
corporate or  
unincorporated  
body

8. The principal Act is amended by the deletion of section *one hundred and eighty-two A* and the substitution therefor of the following:

Repeal and  
replacement  
of section  
182 A

**182A.** (1) The Minister may, by regulations, provide for—

(a) the licensing of persons carrying on or desirous of carrying on, the business of customs clearing and forwarding agents;

Licensing  
and  
accreditation  
of clearing  
and  
forwarding  
agents



- (b) the accreditation of any employee of a holder of a current clearing and forwarding agent's licence issued in accordance with this Act;
- (c) the prohibition of the carrying on of customs clearing and forwarding without a licence issued under such 5 regulations;
- (d) the conditions subject to which a licence or an accreditation certificate may be granted or renewed;
- (e) the circumstances under which a licence or accreditation certificate may be suspended or revoked; 10
- (f) the qualifications required by an applicant for a licence or accreditation certificate; and
- (g) the fee payable for the grant or renewal of a licence or accreditation certificate.

Repeal and  
replacement  
of section  
188

9. Section *one hundred and eighty-eight* of the principal Act 15 is amended—

- (a) by the deletion of subsection (1) and the substitution thereof of the following:

(1) A person carrying on a business in Zambia which involves handling or dealing in goods which 20 are imported or exported or which are subject to excise duty or surtax shall keep or cause to be kept in Zambia, in the English language, reasonable and complete records of all of that person's transactions for a period of six years. 25

- (b) by the insertion immediately after subsection (1) of the following:

(2) A person required to keep a record under subsection (1) shall, if required at any time within a period of six years after the date of the importation, 30 exportation, manufacture or purchase of any goods, produce the bills of lading, rail notes, invoices, and all other documents including electronic documents containing all particulars regarding those goods, and shall allow such books, accounts, and documents 35 including any electronic documents and electronic record systems at all times within such period to be open for inspection by any officer.