

**THE CUSTOMS AND EXCISE (AMENDMENT)
BILL, 2019**

MEMORANDUM

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

- (a) reduce the number of licences for manufacturers of non-alcoholic beverages;
- (b) provide for the designation of an authorised economic operator;
- (c) introduce customs duty on capital equipment and machinery from 0% to 10%;
- (d) increase customs duty on capital equipment and machinery from 5% to 10%;
- (e) remove the customs duty on liquefied petroleum gas;
- (f) introduce surtax on flexible intermediate bulk containers;
- (g) introduce excise duty on specified motor vehicles;
- (h) increase the carbon emission surtax on motor vehicles imported into or transiting through the Republic; and
- (i) provide for matters connected with, or incidental to, the foregoing.

L. KALALUKA,
Attorney-General

N.A.B. 21, 2019

21st November, 2019

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, 2019, and shall be read as one with the Customs and Excise Act, in this Act referred to as the principal Act.

Short title
and
commence-
ment
Cap. 322

5 (2) This Act shall come into operation on 1st January, 2020.

2. Section 13(1) of the principal Act is amended by the insertion of the following new paragraph immediately after paragraph(e):

Amendment
of section 13

10 (f) determine the categories of goods that may be exported through a particular customs port or customs aerodrome within Zambia.

3. Section 17 (1)(b) of the principal Act is amended by the deletion of the proviso.

Amendment
of section 17

4. Section 72A of the principal Act is amended by—

Amendment
of Section
72A

15 (a) the insertion of the figure ‘(1)’ immediately after “72A”;
and

(b) the insertion of the following new subsection:

20 (2) Despite subsection (1), where the goods set out in the Ninth Schedule are imported and bonded in the Republic, and are re-exported in bond, the export duty applicable on those goods shall not be paid.

5. Section 93(2) is amended by the insertion of the words “and a licence to manufacture non alcoholic beverages shall entitle the licensee to manufacture all types of non alcoholic beverages” immediately after the words “by-products of hydro carbon oils”.

Amendment
of section
93(2)

N.A.B. 21, 2019

Amendment
of section 108

6. Section 108 of the principal Act is amended by the deletion of subsection (3) and the substitution therefor of the following:

(3) The return required under this section shall be submitted on or before the fifteenth day of the month following the month to which that return relates and any amount of duty and surtax on the return is due and payable on the fifteenth day of the month following the month to which that return relates.

Amendment
of section
139D

7. Section 139D of the principal Act is amended—

(a) by the deletion of subsection (2) and the substitution thereof of the following:

(2) The return required under this section shall be submitted on or before the fifteenth day of the month following the month to which that return relates and any amount of duty on the return is due and payable on the fifteenth day of the month following the month to which that return relates; and

(b) in subsection (3) (b), by the deletion of the word “hundred” and the substitution therefor of the word “thousand”.

Insertion of
section
184A

8. The principal Act is amended by the insertion of the following new section immediately after section 184:

Authorised
economic
operator

184A. (1) A person who intends to be designated as an authorised economic operator shall apply to the Commissioner-General in the prescribed manner and form.

(2) The Commissioner-General may, within thirty days of receipt of an application under subsection (1) grant or reject the application.

(3) Where the Commissioner-General rejects an application under subsection (2), the Commissioner-General shall give reasons for the rejection. 30

(4) The Commissioner-General may revoke the designation of an authorised economic operator subject to the conditions that the Commissioner-General may specify, and give reasons for the revocation.

(5) The Commissioner-General shall make rules relating to the conditions for—

(a) an application under subsection (1); and

(b) a revocation of the designated authorised economic operator under subsection (4).

- 5 (6) In this section, “authorised economic operator “ means a person involved in the international movement of goods who has been approved by the Commissioner-General as complying with the World Customs Organisation supply chain security standards and the provisions of this Act.
- 9.** The First Schedule to the principal Act is amended as set out in Appendix I. Amendment of First Schedule
- 10.** The Second Schedule to the principal Act is amended as set out in Appendix II. Amendment of Second Schedule
- 10 **11.** The Fourth Schedule to the principal Act is amended as set out in Appendix III. Amendment of Fourth Schedule
- 12.** The Sixth Schedule to the principal Act is amended by the deletion of paragraph 1(2) and the renumbering of subparagraphs (3), (4), (5), and (6) as (2), (3),(4),and (5) respectively. Amendment of Sixth Schedule
- 15 **13.** The Ninth Schedule to the principal Act is amended by the deletion of headings 7106 to 7112 and the substitution therefor of the headings set out in Appendix IV in the appropriate place. Amendment of the Ninth Schedule