

**THE CUSTOMS AND EXCISE (AMENDMENT)  
BILL, 2017**

**MEMORANDUM**

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

- (a) revise the rates of customs and excise duty payable on certain goods;
- (b) revise the list of goods to be subjected to surtax at importation;
- (c) revise the rates of customs and excise duty payable on used motor vehicles;
- (d) to provide for matters connected with, or incidental, to the foregoing.

L. KALALUKA,  
*Attorney-General*

**N.A.B. 14, 2017**  
8th November, 2017

# 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, 2017, 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  
Cap. 322

5 (2) This Act shall come into operation on 1st January, 2018.

2. Section 2 of the principal Act is amended by the insertion of the following definition in the appropriate place:

Amendment  
of section 2

10 “used motor vehicle” means a motor vehicle that is at least two years old and which has been previously registered before importation.

3. Section 3 of the principal Act is amended by the deletion of sub section (4).

Amendment  
of section 3

4. The principal Act is amended by the deletion of section 72 and the substitution therefor of the following:

Amendment  
of section 72

15 72. Subject to section 79, there shall be charged, levied, collected, and paid in respect of goods imported into Zambia, customs duties at the rates specified in the customs tariff set out in the First Schedule, in this Act referred to as the customs tariff, except that the rates for  
20 used motor vehicles shall be as specified in the Third Schedule.

**N.A.B. 14, 2017**

Amendment of section 76A	<b>5.</b>	The principal Act is amended by the deletion of section 76A and the substitution therefor of the following:	
		76A. There shall, in addition to such other duties imposed by this Act or any other law, be charged, levied collected and paid excise duties at the rates specified in the excise tariff, in respect of any imported goods that are of a kind or class subject to excise duties in terms of section 76, except that the rates for used motor-vehicles shall be as specified in the Third Schedule.	5
Amendment of section 85	<b>6.</b>	Section 85 of the principal Act is amended by—	10
		(a) the deletion of subsection (3) and the substitution therefor of the following:	
		(3) Despite subsection (1), the customs value for a used motor vehicle shall be determined based on the valuation method specified in Clause 8 of the Fifth Schedule.; and	15
		(b) the insertion of the following subsection immediately after subsection 4:	
		(5) The Commissioner-General may apply valuation reference materials to test declared customs values.	20
Amendment of section 188	<b>7.</b>	Section 188 of the principal Act is amended by the —	
		(a) deletion of subsection (5) and the substitution therefor of the following:	
		(5) A person commits an offence if that person—	25
		(a) avails incomplete records or fails to avail the records for inspection as required under this section; or	
		(b) fails to provide information requested by an authorised officer within the time stipulated by that officer.; and	30
		(b) insertion of the following sub-sections immediately after subsection (5):	
		(5A) A person convicted of an offence under subsection (5) is liable, to a penalty of twenty thousand penalty units or to imprisonment for a period not exceeding three months or to both.	35

(5B) Without prejudice to subsection (5A), a person who fails to avail the requested records under this section is liable to pay a fee of two thousand fee units for each day that the records are not provided.

- 5   **8.** The First Schedule to the principal Act is amended as set out in Appendix I. Amendment of First Schedule
- 9.** The Second Schedule to the principal Act is amended by the — Amendment of Second Schedule
- 10       (a) deletion of headings 3 and 4 and the substitution thereof of the headings set out in Appendix II;
- (b) insertion of heading 5 set out in Appendix II immediately after heading 4; and
- (c) re numbering of headings 5 to 9 as headings 6 to 10 respectively.
- 15   **10.** The principal Act is amended by the insertion of the Third Schedule set out in the Appendix III. Insertion of new Third Schedule
- 11.** Part III of the Fourth Schedule to the principal Act is amended by the — Amendment of Fourth Schedule
- 20       (a) deletion of the headings set out in Part I of Appendix IV; and
- (b) insertion in the appropriate places of the headings set out in Part II of Appendix IV.

## APPENDIX I

(Section 8)

## FIRST SCHEDULE

(Section 72)

1. Chapter 23 is amended by the subdivision of subheading 2301.10.00 as follows:

<i>Hs Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Customs Duty Rate</i>
	-Flours, meals and pellets, of meat or meat offal; greaves		
2301.10.10	---blood meal	Kg	Free
2301.10.90	--- other	Kg	Free

2. Chapter 24 is amended —

(a) by the deletion of the figure 15% opposite the subheadings under heading 24.01 and substitution therefor of the words 25% or K15 per kg whichever is greater; and  
(b) by the subdivision of the subheading 2403.19.00 into the following subheadings:

<i>Hs Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Customs Duty Rate</i>
	- - Other		
2403.19.10	--- Cutrag	Kg	25%
2403.19.90	--- Other	Kg	25%

3. Chapter 39 is amended by the subdivision of subheading 3923.50.00 and 3923.90.00 into the following subheadings:

<i>Hs Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Customs Duty Rate</i>
	-Stoppers, lids, caps and other closures:		
3923.50.10	- - - Bottle closures	Kg	15%
3923.50.90	- - - Other	Kg	15%
	- Other		
3923.90.10	- - - Sleeves for Packing Flowers	Kg	25%
3923.90.90	- - - Other	Kg	25%

4. Chapter 69 is amended in customs duty rate column opposite subheading 6902.10.00, 6902.20.00 and 6902.90.00, by the deletion of the figure 15% and the substitution therefor of the figure 0%.