

THE CUSTOMS AND EXCISE (AMENDMENT) BILL, 2014

MEMORANDUM

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

- (a) increase excise duty on un-denatured spirits of alcoholic content of eighty percent or higher;
- (b) increase customs duty on explosives;
- (c) increase customs duty on flat iron sheets and non alloy steel;
- (d) increase the customs duty rate on edible oils;
- (e) remove the customs duty on aviation fuel; and
- (f) provide for matters connected with, or incidental to, the foregoing.

M. MWENYE,
Attorney-General

N.A.B. 5, 2014

26th November, 2014

A BILL

ENTITLED

An Act to amend the Customs and Excise Act.

ENACTED by the Parliament of Zambia.

Enactment

1. This Act may be cited as the Customs and Excise (Amendment) Act, 2014, 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, 2015.

2. The First Schedule to the principal Act is amended as set out in Appendix I.

Amendment of First Schedule

3. The Second Schedule to the principal Act is amended by the deletion of heading 3 and the substitution therefor of the heading set out in Appendix II.

Amendment of Second Schedule

10 4. The principal Act is amended by the repeal of the Eighth Schedule and the substitution therefor of the Eighth Schedule set out in Appendix III.

Repeal and replacement of Eighth Schedule

APPENDIX I
(Section 2)

1. Chapter 15 is amended by the deletion in the explanatory note to the customs duty column of the figure "K0.85**" and the substitution therefor of the figure " K2.20 ".

[**Figure redenominated in accordance with section 9(3) of the Redenomination of Currency Act No. 8 of 2012]

2. Chapter 27 is amended—

- (a) in the duty rate column, opposite subheading 2710.12.20, by the deletion of the figure "5%" and the substitution therefor of the word "free";
- (b) in the duty rate column, opposite subheading 2710.12.30, by the deletion of the figure "5%" and the substitution therefor of the word "free"; and
- (c) by the deletion of subheading 2710.12.50 and the substitution therefor of the following subheadings:

<i>HS Code</i>	<i>Description of goods</i>	<i>Statistical Unit of Quantity</i>	<i>Customs Duty Rate</i>	<i>Remarks</i>
2710.12.51	-----Kerosene including kerosene type jet fuel: -----Kerosene type Jet fuel	dk/litre	Free	
2710.12.52	-----Industrial Kerosene	dk/litre	5%	
2710.12.53	-----Domestic Kerosene	dk/litre	5%	
2710.12.59	-----Other	dk/litre	5%	

3. Chapter 36 is amended in the duty rate column—

- (a) opposite subheading 3602.00.10, by the deletion of the figure "15%" and the substitution therefor of the figure "25%";
- (b) opposite subheading 3602.00.20, by the deletion of the figure "15%" and the substitution therefor of the figure "25%";
- (c) opposite subheading 3602.00.30 by the deletion of the figure "15%" and the substitution therefor of the figure "25%"; and
- (d) opposite subheading 3602.00.90 by the deletion of the figure "15%" and the substitution therefor of the figure "25%".

4. Chapter 72 is amended in the duty rate column—

- (a) opposite subheading 7210.11.00, by the deletion of the word "free" and the substitution therefor of the figure "30%";
- (b) opposite subheading 7210.12.00, by the deletion of the word "free" and the substitution therefor of the figure "30%";
- (c) opposite subheading 7210.20.00, by the deletion of the word "free" and the substitution therefor of the figure "30%";

- (d) opposite subheading 7210.30.00, by the deletion of the figure "25%" and the substitution therefor of the figure "30%";
- (e) opposite subheading 7210.41.00, by the deletion of the figure "15%" and the substitution therefor of the figure "30%";
- (f) opposite subheading 7210.49.00, by the deletion of the figure "15%" and the substitution therefor of the figure "30%";
- (g) opposite subheading 7210.50.00, by the deletion of the word "free" and the substitution therefor of the figure "30%";
- (h) opposite subheading 7210.61.00, by the deletion of the figure "25%" and the substitution therefor of the figure "30%";
- (i) opposite subheading 7210.69.00, by the deletion of the figure "25%" and the substitution therefor of the figure "30%";
- (j) opposite subheading 7210.70.00, by the deletion of the figure "25%" and the substitution therefor of the figure "30%"; and
- (k) opposite subheading 7210.90.00, by the deletion of the figure "25%" and the substitution therefor of the figure "30%".

APPENDIX II
(Section 3)

Heading No.	Description of Goods	Harmonised Commodity Description and Coding System Heading	Statistical Unit	Duty Rate
3	(1) Undenatured ethyl alcohol of an alcoholic strength by volume of 80% or higher	2207.10.00	Litre	125%
	(2) Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80%; Spirits, Liqueurs and other spirituous beverages	22.08	Litre	60%

APPENDIX III
(Section 4)EIGHTH SCHEDULE
(Section 76B)

SERVICES EXCISE TARIFF

<i>Heading No.</i>	<i>Description of Goods</i>	<i>Commodity Description and Coding Heading No.</i>	<i>Statistical Unit of Quantity</i>	<i>Duty rate</i>	<i>Remarks</i>
1	AIRTIME				
	(1) Voice Call	0000.11.00	seconds	15%	
	(2) SMS and MMS	0000.12.00	Count	15%	
	(3) Data	0000.13.00	Megabytes	15%	
	(4) Other	0000.19.00	Count	15%	