

# Business Law & Tax Review

## SOMETHING TO DECLARE

# Know your way around the customs maze



Virusha Subban

Amounts incurred under the customs act are considered a debt due to the state

**I**NTEREST must be paid for customs purposes from the date and for the period as the commissioner of the South African Revenue Service may determine on any outstanding amounts that are payable under the Customs and Excise Act, 1964 (the customs act).

Any amount of any duty, interest, penalty or forfeiture amount incurred under the customs act and which is payable under the legislation shall be considered a debt due to the state by the person concerned.

Interest shall be recovered and paid into the National Revenue Fund, and will be payable at the official rate of 12,5% a year.

Where the amounts outstanding

consist of any penalty or forfeiture amounts, they will not attract interest.

The commissioner may be approached to remit any interest payable on such conditions that he may prescribe. The commissioner may also be approached to permit the payment of interest in instalments, including the number of instalments.

When an amount is paid to the commissioner, it will be used to discharge any penalty, interest, forfeiture, and customs duty or expenses incurred by or charges due to the commissioner, in that order of preference.

All interest due will be calculated monthly in advance and a portion of a month will be regarded as

one full month.

If any person fails to pay any amount, any duty, interest, fine, penalty or forfeiture when it becomes due or payable, the commissioner may file a certified statement setting out the amounts due or payable with the clerk or a registrar of any competent court. This statement will then have all the effects of a civil judgment in favour of the commissioner for the recovery of a liquid debt of whatever amount is set out in the statement. The statement may be withdrawn by the commissioner, in which case, it will then cease to have any effect.

■ *Virusha Subban is a senior associate at Edward Nathan Sonnenbergs.*