

Value Added Tax (Unbeneficiated Hides Export) Regulations, 2018

It is hereby notified that the Minister of Finance and Economic Development has, in terms of section 78 as read with section 12C of the Value Added Tax Act [*Chapter 23:12*], made the following regulations:—

*Title*

1. (1) These regulations may be cited as the Value Added Tax (Unbeneficiated Hides Export) Regulations, 2018.

(2) These regulations shall be with effect from 1st January, 2019.

*Interpretation*

2. In these regulations—

“registered merchant” means an unbeneficiated hides merchant making an application for registration as an exporter in terms of these regulations;

“stockpile” means quantities of unbeneficiated hides in excess of domestic demand as evidenced by proof of supply to the local industry.

*Grant of export tax relief*

3. (1) Subject to section 12C of the Value Added Tax Act [*Chapter 23:12*], export tax relief shall be granted on unbeneficiated hides exported by a registered merchant listed in the Schedule.

(2) The registered merchant referred to in subsection (1) shall be issued with an export permit by the Minister responsible for Agriculture as approved by the Minister responsible for Industry and Commerce.

(3) These regulations shall only apply to excess stockpile for a period of twelve months with effect from 1st January, 2019, on a bi-annual basis.

(4) The relief granted shall not exceed the maximum quantities prescribed for each registered merchant in the Schedule.

*Registration of exporters of unbeneficiated hides*

4. (1) The registered merchant who wishes to export unbeneficiated hides in terms of these regulations shall, upon confirmation of the evidence of a stockpile of unbeneficiated hides by the Minister responsible for agriculture, apply for a permit in terms of these regulations.

(2) In order to be eligible for registration hereunder the registered merchant must be registered with the Zimbabwe Revenue Authority and have a valid tax clearance certificate.

*Export of unbeneficiated hides*

5. (1) Unbeneficiated hides that benefit under the relief of export tax provided for in these regulations shall be exported through the port of entry nearest to the premises of the registered merchant where the unbeneficiated hides stockpile is held.

(2) Any registered merchant who exports unbeneficiated hides in terms of these regulations shall be required to ensure that payment for the unbeneficiated hides has been made—

- (a) to a resident of Zimbabwe in such manner as may be prescribed by the Exchange Control Regulations, 1996, as amended from time to time; or
- (b) within such period after date of export as may be prescribed;

and provided a copy of the proof of export and proceeds therefrom to the Ministry of Finance and Economic Development within seven days of the conclusion of the export acquittal process.

*Cancellation of registration*

6. (1) The Minister responsible for Agriculture may cancel or suspend the validity of the permit issued to the registered merchant if such registered merchant—

- (a) ceases to hold a stockpile of unbeneficiated hides; or
- (b) fails to comply with or contravenes any of the provisions of these regulations; or
- (c) so requests.

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(2) If any registration is cancelled in terms of subsection (1), any relief granted in terms of these regulations shall immediately become due and payable.

SCHEDULE

REGISTERED MERCHANTS

Name of company	Number of Hides	Weight of export quota (kgs)
Meggertop Enterprises	40,000	920,000
Global Tanners (Private) Limited	20,000	460,000
Bellevue Abattoir (Private) Limited	22,021	506,483
Bulawayo Abattoir	31,000	713,000
Surrey Abattoirs (Private) Limited	4,040	92,920
MC Meats (Private) Limited	37,320	858,360
Koala Park Abattoir	57,608	1,324,984
ER York (Private) Limited	14,300	328,900
Outback Safaris	10,122	232,806

