

Report No. 73

Reduction in the rate of duty on line facsimile transmission and reception apparatus



The International Trade Administration Commission herewith presents its Report No. 73: REDUCTION IN THE RATE OF DUTY ON LINE FACSIMILE TRANSMISSION AND RECEPTION APPARATUS, with recommendations.

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PRETORIA

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REPUBLIC OF SOUTH AFRICA

INTERNATIONAL TRADE ADMINISTRATION COMMISSION

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REDUCTION IN THE RATE OF DUTY ON LINE FACSIMILE TRANSMISSION AND RECEPTION APPARATUS

<u>Synopsis</u>

The International Trade Administration Commission (ITAC) considered an application for a reduction in the rate of duty on line facsimile transmission and reception apparatus classifiable under tariff subheading 8517.21.

The motivation for the application was that the current duty had no protective and developmental purpose.

The Commission considered the items classifiable under tariff subheading 8517.21 and found sufficient justification for recommending the reduction in the rate of duty on line facsimile transmission and reception apparatus.

The applicant

- 1. The Commission received an application for the reduction in the rate of duty from 5% <u>ad valorem</u> to free of duty on line facsimile transmission and reception apparatus classifiable under tariff subheadings 8517.21.
- 2. The applicant stated that the product under consideration is not manufactured in the Southern African Customs Union (SACU) and the current duty is thus a cost burden to the consumer and does not serve as encouragement for development and domestic manufacture of the concerned products.

The Tariff position

3. The current tariff position on line facsimile transmission and reception apparatus is as follows:

Tariff heading	Description	General	EU	SADC
85.17	Electrical Apparatus for Line Telephony or line Telegraphy, including Line Telephone Sets with Cordless Handsets and telecommunication Apparatus for Carrier– current Line Systems or for Digital Line Systems; Videophones:			
8517.2	- Facsimile machines and teleprinters:			
8517.21	= facsimile machines	5%	Free	Free

Consideration

- 4. The applicant stated that the product under consideration, is not manufactured in SACU.
- 5. The Commission considered the duty to be unnecessary and cost-raising. It was also found that the current duty does not serve as encouragement for development and domestic manufacture of the concerned product.
- 6. No objections were received from interested parties to a reduction in the rate of duty on products classifiable under tariff subheading 8517.21.

Recommendation

7. The Commission recommended that the rate of duty on line facsimile transmission and reception apparatus classifiable under tariff subheading 8517.21 be reduced from 5% ad valorem to free of duty.

[T5/2/18/1 (02)]