



International Trade Administration Commission of South Africa

Report No. 39

Reduction in the rate of duty on pneumatic tyres of rubber, for wheels identifiable for wheelchairs

The International Trade Administration Commission of South Africa herewith presents its Report No: 39. Reduction in the rate of duty on pneumatic tyres of rubber, for wheels identifiable for wheelchairs, with a recommendation.


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N P MAIMELA
CHIEF COMMISSIONER

PRETORIA

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REPUBLIC OF SOUTH AFRICA

INTERNATIONAL TRADE ADMINISTRATION COMMISSION

REPORT NO. 39

REDUCTION IN THE RATE OF DUTY ON PNEUMATIC TYRES OF RUBBER, FOR WHEELS IDENTIFIABLE FOR WHEELCHAIRS.

Synopsis

Probike SA (Pty) Ltd applied for a reduction in duty on tyres of rubber, for wheels identifiable for wheelchairs, from 20% *ad valorem* to free of duty. According to the applicant, these tyres are similar to bicycle tyres, which can be imported duty-free, and there is also no manufacturer in the Southern African Customs Union (SACU) of the product concerned.

It was established that tyres for wheelchairs are not manufactured in the (SACU), and that the duty has no protective purpose, but is an additional cost for persons with physical disabilities.

The Commission therefore recommends that a separate, duty-free provision be made for pneumatic tyres of rubber for wheels identifiable for wheelchairs.

Discussion

1. Probike SA (Pty) Ltd applied for a reduction in duty on tyres of rubber, for wheels identifiable for wheelchairs, from 20% *ad valorem* to free of duty. According to the applicant, most of these tyres are similar to bicycle tyres, which can be imported duty-free. There is no manufacturer of these tyres in the SACU.
2. The applicant contended that the duty was an additional cost for persons with physical disabilities.
3. Apart from the traditional wheelchairs with two rear bicycle-size tyres and two front castors, there are a multitude of different wheelchairs, including the electric models available on the market. These latter types of wheelchairs are mostly imported and come with various types of wheels, which require different types of tyres.

4. Previously these tyres were classifiable as follows:

Tyres:

Heading	Subheading	Description	Rate of duty		
			<u>General</u>	<u>EU</u>	<u>SADC</u>
40.11		New pneumatic tyres, of rubber			
	4011.99.90	Other.	20%	15%	13%

During the investigation the above tariff classification was deleted by the customs authorities for administrative reasons and as a result tyres for wheelchair wheels became classifiable under tariff subheading 4011.99.10. The general rate of duty remained unchanged.

The current classification reads as follows:

Tyres:

Heading	Subheading	Description	Rate of duty		
			<u>General</u>	<u>EU</u>	<u>SADC</u>
40.11		New pneumatic tyres, of rubber			
	4011.99.10	Other : Having a rim size of less than 91cm	20%	12%	Free

Wheelchair wheels have an average rim size of 60 cm.

The Commission found that although the application was limited to the rear tyres (similar to bicycle tyres) for wheelchairs, other tyres are also fitted to wheelchairs. These other tyres are of different dimensions to the product for which the application was received. Consequently, the application was extended to include all types of tyres for various types of wheelchairs, and it was proposed that a separate tariff heading be created for tyres of a kind used on wheelchairs.

5. Manufacturers of wheelchairs in SACU import all their wheelchair tyres as the tyres concerned are not manufactured in the SACU.
6. The application, together with the proposed amendment to the tariff subheading was published in the *Gazette* No. 23775 of 30 August 2002 for comments by interested parties.
7. No comments were received on the application.

8. In evaluating the application, the Commission ascertained that pneumatic tyres of rubber for wheelchair wheels are not manufactured in the SACU. The duty is an additional cost to persons with physical disabilities and has no protective purpose. Pneumatic tyres of rubber for bicycles are imported duty-free. Under these circumstances the Commission concluded a reduction in the rate of duty on pneumatic tyres for wheelchairs is justified.

Recommendation

The Commission recommends that a duty-free provision be made for pneumatic tyres of rubber, for wheels identifiable for wheelchairs.

[T5/2/17/3/1(010016)]