



 **TRADE LOGISTICS**
YOUR KEY TO INTERNATIONAL TRADE

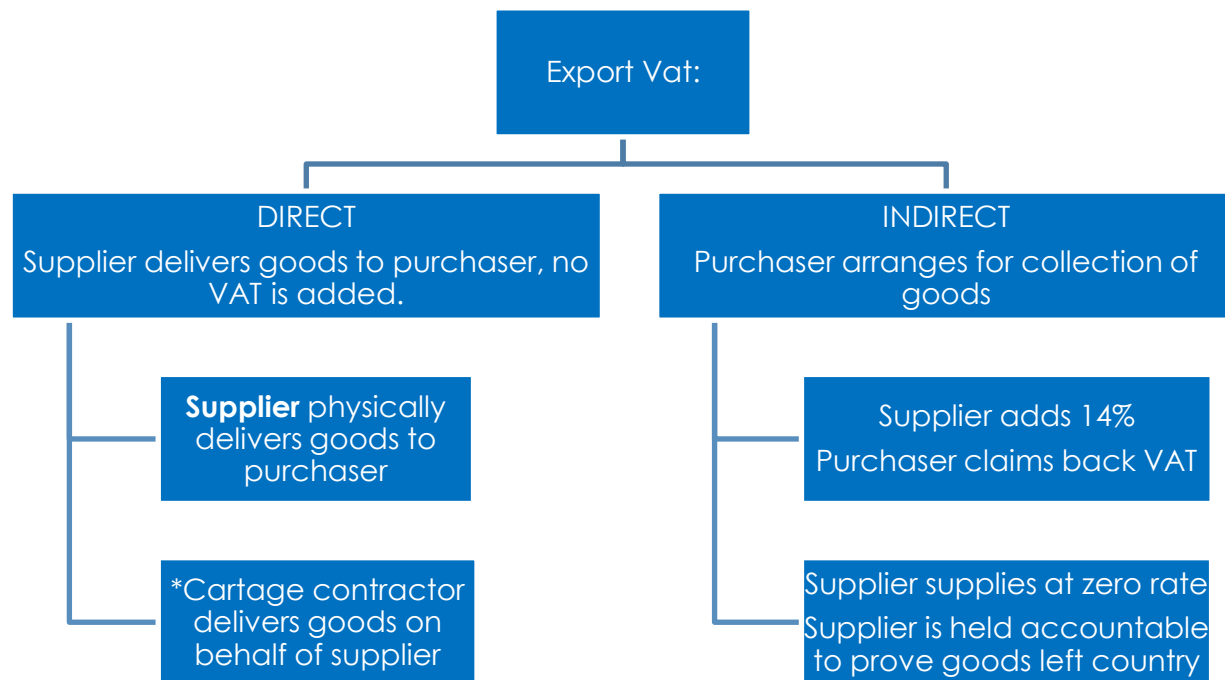
GUIDE TO
VAT and Exports



Export VAT implications:

We will be referring to two parties in this guide, namely the “supplier” and the “purchaser”. The supplier is the party offering the goods for sale to be exported, whereas the purchaser is the party buying the goods from the supplier.

VAT on goods exported is normally charged at a rate of 14% (standard rate), or 0% (zero rated). When exporting goods from the RSA to any export country, you have to distinguish between two types of exports, called direct and indirect export.



**Note that for the Cartage contractor to qualify, transport must be his main activity, and he must be registered as a VAT vendor*

Direct Export:

This is when the supplier delivers the goods to a client at an address in an export country. The supplier will be in total control of the export and is responsible for all aspects of the exportation.

In order for the vendor to apply the zero rate to the goods, the vendor must-

- Export the goods via a designated commercial port (see list below) within the prescribed time period
- Acquire and keep the required documentation

Indirect Export:

An indirect export is where the recipient (from the export country) removes or arranges for the removal and transportation of the goods purchased in the RSA to an address in an export country. In this case the supplier must add the 14% VAT and the recipient may then claim a refund from the VAT Refund Administrator (the VRA).

The supplier may otherwise choose to supply the goods to the purchaser at the zero rate. This can be done when the supplier is able to ensure that the goods are delivered to a harbour or airport which is a “designated commercial port” (from the list below), from where the goods will be exported by the purchaser.

As the supplier will be held accountable if the conditions are not met, it is up to the supplier to decide whether to apply the zero rate, or to apply the standard rate.

Designated commercial ports:

Land Border Posts		International Airports	Harbours	Railway Stations
Country	Commercial port			
Zimbabwe	• Beit Bridge	Bloemfontein	Cape Town	Germiston
Mozambique	• Lebombo	Cape Town	Durban	Golela
Namibia	• Vioolsdrift	King Shaka (Durban)	East London	Johannesburg
	• Nakop/Narogas	OR Tambo (Johannesburg)	Mossel Bay	Maseru Bridge
Botswana	• Ramatlabama	Gateway (Polokwane)	Port Elizabeth	Mafikeng
	• Skilpadshek	Lanseria	Port Ngqura	Upington
	• Groblers Bridge	Kruger Mpumalanga	Richards Bay	
	• Kopfontein	Pilansberg	Saldanha	
Lesotho	• Caledonspoort	Port Elizabeth		
	• Ficksburg Bridge	Upington		
	• Maseru Bridge			
	• Van Rooyenshek			
	• Qacha’s Nek			
Swaziland	• Jeppes Reef			
	• Mananga			
	• Mahamba			
	• Nerston			
	• Golela			
	• Oshoek			



Need further assistance or advice?

Contact Us

Email: info@tradelogistics.co.za
Phone: 0861 0 TRADE (87233)
Int'l Calls: +27 (0)21 850 0967
Fax: 086 679 3216
Office: Unit 4, First Floor, Trident Park II,
Niblick Way, Somerset West

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