

DATE

STUDENT NO

EXAMINATION CENTRE

**THE SHIPPING AND FORWARDING AGENTS' ASSOCIATION OF
ZIMBABWE (SFAAZ)**



CUSTOMS LEGISLATION & PROCEDURES DIPLOMA COURSE

FINAL EXAMINATION

PAPER ONE

MULTIPLE CHOICE/SHORT ANSWER/TRUE OR FALSE

30 MAY 2019

TIME ALLOCATION: (1 HOUR)

- Answer all questions from PART A to Part D.
- Remember to complete the information required in the space provided on this page.
- Your student number must also appear on all answer sheets.
- This examination script is the property of SFAAZ and must not be removed from the examination room.
- This paper carries 20% of the final examination marks.

PART A: Short answer questions: Answer all questions in this part. Write your answers in the space provided. Each question carries 1 mark.

1. State one major reason why goods are controlled and monitored on export.
.....
.....

2. Name any one critical figure that is extracted from an air waybill for use in calculation of customs value.

3. Bills of Lading are associated with goods that are transported by which mode of transport?
.....

4. What form of security is required by ZIMRA from a person removing goods in bond from one port of entry to another within Zimbabwe?.....

5. Containerised goods for various importers imported by rail are consigned to a place called.
.....while they await customs clearance.

6. A family of three comprising of father 45 years, mother 40 years and son 15 years import a case of whisky (12 x 750ml). How much alcohol may be cleared under traveller’s rebate?
.....

7. Name any bilateral trade agreement which Zimbabwe has concluded with other countries which has the effect of reducing the duty payable on goods imported from that country.
.....
.....

8. ZIMRA informs the public about an impending public auction of uncleared and forfeited goods in in compliance with the Customs act in which publication?
.....

9. Name any group of travelers who are not entitled to traveler's rebate.

.....

10. Which method of valuation is used by ZIMRA to value second hand vehicles imported from Japan using the internet?

.....

11. The hours of operation of the commercial office at Kazungula can be found in legislation called?

.....

12. Is VAT payable on imported fresh potatoes? YES /NO

.....

13. Multimodal transport code 62 on a bill of entry means the goods were transported by sea andbefore importation.

14. Goods destined to Bulawayo which first land at Harare international Airport from London will be cleared at.....

15. The rate of surtax on imported 25 seater buses over the age of 5 years from date of manufacture falling under heading 87.02 is

.....

16. Identify one way an importer of goods may pay for goods from Zimbabwe besides using cash or cheques

17. What is the purpose of a CD1 form on export of goods?

.....

.....

18. Goods are imported on disposable wooden pallets. How are the pallets treated in terms of tariff classification when imported with goods strapped on them?

.....

19. Give an example of when is 5% of FOB is used for calculating freight for imported goods.

.....

20. An example of fine animal hair under the textiles section of the Tariff is

.....

[Total Part A - 20 marks]

Part B: Multiple Choice: Indicate the correct answer by putting the answer in the brackets provided. For example if your answer is “A” then put your correct answer as “ Answer (A)”. Answer all questions from this part. Each question carries 1 mark

21. An importer fails to pay duty on an importation of a 20 litre container of petrol. What action should be taken?

- a. Zimra should allow the person to take his petrol as they do not have the proper storage facilities for fuel.
- b. Zimra should immediately sell the fuel as it can not be safely stored in a state warehouse.
- c. The importer should be allowed to take his petrol and pay the duty on his next trip.
- d. The importer should be given an option to donate the fuel to any motorist in the vicinity.
- e. The importer should throw away the fuel.

Answer ()

22. When goods are they are said to be under customs control.

- a. In a transit shed.
- b. In a bonded warehouse.
- c. In a state warehouse.
- d. In transit under transit bond.
- e. All of the above.

Answer ()

23. Refund of duty overpaid on a Bill of Entry must be made on a form

- a. F31.
- b. F46.
- c. F21.
- d. F44.
- e. F170.

Answer ()

24. A returning resident who has been out of the country for six years and is coming home after terminating his contract of employment has a sedan BMW, a single cab one tonner pick up truck and a 1500cc motor cycle. Which of these can the single returning resident clear under immigrants rebate?

- a. The BMW only.
- b. The BMW and the pick up truck.
- c. The BMW and the motor cycle.
- d. The BMW, pickup truck and the motor cycle.
- e. He has a choice of choosing any one of the three.

Answer ()

25. Mr Smith is a tourist who imports a vehicle which he intends to leave in Zimbabwe as a gift. Under which rebate/s should this be cleared?

- a. Tourist rebate
- b. Gift rebate and duty collected on excess
- c. Tourist rebate and gift rebate
- d. Traveler's rebate
- e. None of the above

Answer ()

26. A consignment of 5,000 cigars is imported. The weight of the consignment is 15 kgs gross and 13 kgs net. The tariff for cigars 2402.9010 has the following under the "Quantity data" column.....

- 1. Kg
- 2. 1000u

What figure should be put in box 41 B "Supplementary units" of a bill of entry form 21?

- a. 15 being the gross weight.
- b. 13 being the Net weight.
- c. 5,000 being the number of cigars.
- d. 5.
- e. Leave blank.

Answer ()

27. Which of the following goods would qualify under same state drawback of duty?

- a. New Toyota Hilux vehicles imported on a commercial vehicle carrier, warehoused and being re-exported to Zambia on a different commercial vehicle carrier.
- b. Materials imported, made into dresses and the dresses being exported new.
- c. Bulk beer imported for canning and re-export.
- d. All of the above.
- e. None of the above.

Answer ()

28. Which rate of duty should be used by a Clearing agent when Tariff book shows rate of 40% for the product, suspension regulations reduce the rate to 20% and SADC trade agreement reduces the rate to 5%. A SADC certificate of origin is available. However, a tag on the product and export documents indicate the country of origin as India.

- a. 40%
- b. 20%
- c. 5%
- d. Use average rate of 25%
- e. Use free as all products from SADC are duty free

Answer ()

29. An importer bought goods in South Africa for R10,000.00. He paid 50% of the value. The other 50% was to be paid by someone resident in South Africa related to the importer. The invoice indicates that a discount of 5% is applicable if full payment is received within 60 days from date of invoice. Importer presents the invoice to you and you notice that the invoice was issued 10 days ago. The balance on invoice has not been paid at time of import. What is the dutiable value that should be declared on bill of entry?

- a. R10,000.00 as discount is unspecified
- b. R5,000.00 as this is price paid
- c. R10,500.00 as discounts are dutiable
- d. R9,500.00 after allowing 5% discount
- e. None of the above

Answer ()

30. A resident is taking his camera with him to take photos of his grandchildren. On what document will he clear his camera for export if he intends to bring back the camera with him in a month's time?

- a. F38.
- b. F47.
- c. F50.
- d. Temporary Export Permit.
- e. None of the above

Answer ()

31. A Zimbabwean cross border trader has a carton of Eversharp ball point pens which he intends to sell in Zambia. He consults you for advice. He tells you he has been to Zimra and they have told him pens are on a common list so he does not pay duty into Zambia as a small trader. He is confused about “common list”. What is a “common list”?

- a. It is the list of goods found in the Customs tariff.
- b. It is a list of codes that are used for clearing goods that qualify under COMESA.
- c. It is a common list of goods produced in both COMESA and SADC.
- d. It does not exist.
- e. It is a gazetted list of goods that qualify as originating under COMESA for small traders using the Simplified Trade Regime.

Answer ()

32. An example of goods that need an import licence is

- a. Rubber hoses.
- b. Second hand under garments in bales.
- c. Portland cement.
- d. Powdered milk.
- e. All of the above.

Answer ()

33. Which of the following products does not pay duty in foreign currency?

- a. Prepared caviar of tariff 1604.3100.
- b. Chocolate slabs of tariff 1806.2000.
- c. Jams of tariff 2007.1000.
- d. Extended cab vehicles of tariff 8704.2150.
- e. None of the above.

Answer ()

34. In which legislation do you find gift rebate?

- a. Customs and Excise (Suspension) regulations.
- b. Customs and Excise (Rebates) regulations.
- c. Customs and Excise (General) regulations.
- d. Post and Telecommunications (General) regulations.
- e. None of the above.

Answer ()

35. How many incoterms do we have under incoterms 2010?

- a. 9.
- b. 11.
- c. 10.
- d. 2010.
- e. 13.

Answer ()

[Total Part B – 15 marks]

Part C: True or False Questions:

Indicate the correct answer in the brackets provided by endorsing either a (T) for True or an (F) for False. Each question carries 1 mark

36. Incoterm EXW require seller to do export documentation?
True / False **Answer ()**
37. A Customs procedure code given as 4070.403. requires that a government duty free certificate be attached to the entry.
True / False **Answer ()**
38. Charges that you find in the “Other charges” box on an airwaybill should be included in the FOB value of goods for airfreight shipments.
True / False **Answer ()**
39. For legal classification of goods using rule no. 3 (c) of the Customs Tariff the following statement is correct:
When there are two possible tariffs for compound goods, you use the tariff that comes first in Numerical order.
True / False **Answer ()**
40. A fidelity discount is given to a buyer who consistently purchases goods from the same seller.
True / False **Answer ()**
41. ZIMRA’s only function is to collect revenue on behalf of government.
True / False **Answer ()**
42. A tourist can bring a brand new pair of shoes worth USD \$300 under tourist rebate if he says he will re-export the same shoes when he goes back home. **True / False** **Answer ()**
43. Nyamapanda is the border post between Zimbabwe and Mozambique.
True / False **Answer ()**
44. The amount of VAT payable on an imported consignment with a VDP of ZWL\$ 2000 and attracting the following rates; Customs duty – 10%; VAT – 15%; Surtax - 25% is ZWL \$1080.00.
True / False **Answer ()**

45. The time of importation for goods imported by road is the time a bill of entry is submitted to ZIMRA in Zimbabwe. **True / False** **Answer ()**
46. The Zimbabwe Revenue Authority (Zimra) issues a form 45 when a clearing agent makes a duty calculation error. **True / False** **Answer ()**
47. Private goods imported by a private individual for personal use and worth ZWL \$500,000.00 are duty paid on form 49. **True / False** **Answer ()**
48. All abnormal loads are given a maximum of 3 days to transit Zimbabwe. **True / False** **Answer ()**
49. Export processing zones in Zimbabwe are situated outside the customs territory. **True / False** **Answer ()**
50. In the ZIMRA structure, a region 2 with its head office in Bulawayo is headed by a Station Manager. **True / False** **Answer ()**