

DATE STUDENT NO.....

EXAMINATION CENTRE.....

**THE SHIPPING AND FORWARDING AGENTS'
ASSOCIATION OF ZIMBABWE**



CUSTOMS LEGISLATION & PROCEDURES

DIPLOMA COURSE

FINAL EXAMINATION

28 NOVEMBER 2019

PAPER ONE

MULTIPLE CHOICE/SHORT ANSWER

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. An import licence issued in terms of SI 766 of 1974 is issued bythe Ministry of **Industry & Commerce**.....
2. A vehicle imported in complete knock down form or kit form is classified as a complete unit according HS General Interpretative rule **2A**
3. Who runs the state warehouse in Zimbabwe ? ..**ZIMRA**.....
4. Powers of officers are in which part of the Customs and Excise Act [CAP23:02]**II**.....
5. Road freight on a freight statement given by the transporter for a load from South Africa ight statement is more than 5% of FCA which freight do we use? **ONE ON FREIGHT STATEMENT**
6. Can an importer bring his containerized cargo to his private siding for clearance? **NO**.....
7. Identify the note that defines man made fibres in the Customs tariff**Note 1 to Chapter 54**.....
8. Which insurance cover has the minimum cover? **INSTITUTE CARGO CLAUSE C**.....
9. Marine Insurance covers insurance on **ALL** mode/s of transport.
10. A consignment in transit through Zimbabwe is involved in an accident and is destroyed. ZIMRA is happy that this was a genuine accident. Duty on the goods is waived by(rebate/refund/remission).
11. Travelers rebate is claimed once in a **CALENDAR MONTH**.....
12. There are two types of EPZs namely industrial park and **STAND** alone.
13. CVG acronym for **COMMERCIAL** vehicle guarantee.
14. Importation by the government are exempt from paying **DUTY**
15. A form 45A is raised by the **DECLARANT**.....
16. The prevailing rate of VAT is **15** %
17. VVP is equal to VDP when there is no **PRIME DUTY** payable
18. Our principal legislation is the **C&E Act CAP23:02**.....
19. Give an example of vehicles found in heading 8701 of HS nomenclature ..**ANY TRACTORS**.....
20. Supervisors report to the **STATION MANAGERS** on the Zimra organogram.

[Total Part A - 20 marks]

Part B: Multiple Choice: Indicate the correct answer by putting the correct answer in the box 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. How does Zimra authorize a carrier to accept goods for exportation from Zimbabwe?

- (a) By a double stamp on all the original export documents.
- (b) A gate pass issued at the border
- (c) A stamped release order
- (d) By a stamp from the clearing office and another stamp from the border.
- (e) **By a double stamp over the signature of the officer on the original consignment note.**

Answer (e)

22. What is the legal basis for the collection of duty using flat rates of assessment on private importations?

- (a) Section 105 of the Customs act.
- (b) Section 114 of the Customs and Excise (General) regulations
- (c) Section 4 of the Customs and excise tariff.
- (d) Section 206 of the Customs and Excise act
- (e) None of the above

23. Goods were moved in bond from Beitbridge to Harare. They are to be entered for manufacture under IPR. What is the correct CPC to be used.

- (a) 8152.000
- (b) **5280.000**
- (c) 4052.800
- (d) 8052.000
- (e) None of the above

Answer (b)

24. A new leather jacket worth USD350.00 is imported by a tourist who declares that he will use the jacket in Zimbabwe and take it back with him. How should it be treated on importation?

- (a) Devalued by 5% and balance of the amount considered under traveller's rebate.
- (b) Should have the whole amount considered as part of traveller's rebate as it does not qualify under tourist rebate
- (c) Should be dutiable as it new and it will be used in Zimbabwe.
- (d) It qualifies under tourist rebate.
- (e) None of the above.

25. Which of the 6 valuation methods is not an alternative method.....

- (a) TV 6
- (b) **TV 1**

- (c) TV 4 and 5
- (d) TV 2
- (e) None of the above

Answer (**b**)

26. There is a result in change of tariff. Which drawback type is this?

- (a) Same state
- (b) Industrial**
- (c) Both industrial and same state
- (d) Domestic
- (e) none of the above

Answer (**b**)

27. The maximum period allowed on temporary importations is... months.

- (a) 3
- (b) 6
- (c) 9
- (d) 12**
- (e) 24

Answer (**d**)

28. Statutory Instrument 122 of 2017 gazetted by Ministry of Industry and Commerce replaced the famous SI 64. What was the effect of the new gazetted SI?

- (a) It increased the number of goods that needed an import licence on import**
- (b) It suspended duty on the listed goods
- (c) It suspended all controls on the listed goods
- (d) All goods other than listed goods require an import licence
- (e) None of the above

Answer (**a**)

29. Two alpha country code for Malawi is:

- (a) MA
- (b) ML
- (c) MW**
- (d) MI
- (e) AA

Answer (**c**)

30. Company X bought 500 units from company B in January. Company B made a second purchase of 1000 units in February. He got a 5% discount because he had reached 1500 minimum to qualify for discount. He was assured of a 10% discount if his accumulated purchase reached 3 000 units. How will the 10% discount be treated when the goods are imported into Zimbabwe?

- (a) Only 5% discount will be allowed in both calculation of FOB and VDP**
- (b) The 10% discount will be allowed as it is a specified discount
- (c) This is an unspecified discount, you allow it in the calculation of FOB and disallow it in the calculation of VDP
- (d) Allow the 10% discount in calculation of FOB and 5% discount in calculation of VDP
- (e) None of the above

Answer (**a**)

31. Statutory instruments always refer to their :

(a) **Principal legislation.**

(b) Subsidiary legislation.

(c) Only exports

(d) Court.

(e) Only imports

Answer (**a**)

32. ZIMRA does collect :

(a) Import duty

(b) VAT

(c) Surtax

(d) CGT

(e) **All of the above**

Answer (**e**)

[Total Part B – 12 marks]

Part C: True or False Answer: Indicate the correct answer by putting a (T) or (F) in the brackets provided. Answer all questions from this part. Each question carries 1 mark

33. Beira is a port in Mozambique. True/ False (**T**)

34. Walvis Bay is in Tanzania True/ False (**F**).

35. President may enter into agreements. True/ False (**T**).

36. Zimra collects special excise duty on sale of second hand cars True/ False (**T**).

37. VDP is also known as defined value.

True/ False (**T**).

38. FCA is an incoterm in the F group on ICC 2010 edition. True/ False (**T**)

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39. Free means the same as 0% in the tariff book

True/ False (**T**).

40. Form 44 is used to claim drawback of duty

True/ False (**T**).

41. Zimra seizes goods only to meet their set revenue targets True/ False (**F**).

42. Excise duty is only payable on imported beer.

True/ False (**F**).

43. It is not an offence to break a seal placed by a Zimra officer on your warehouse True/ False (**F**)

44. 15% of FCA cannot be used on postal importations to cover freight&insurance

True/False (**F**)

45. Zimra is in Ministry of Industry and Commerce True/ False (**F**).
46. All dashes in the HS nomenclature are at the same level.
True/ False (**F**).
47. Extended procedures have 4 digits. True/ False (**T**).
48. Import VAT used to be called import tax True/ False (**T**)
49. This course is being conducted by customs.
True/ False (**F**)
50. To import is to bring or cause goods to be brought into Zimbabwe
True/ False (**T**)

[Total Part C – 18 marks]