

DATE

STUDENT NO.....

EXAMINATION CENTRE

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



CUSTOMS LEGISLATION AND PROCEDURES DIPLOMA COURSE

PROGRESS TEST ONE

PAPER ONE

MULTIPLE CHOICE / TRUE OR FALSE/SHORT ANSWERS

25 FEBRUARY 2022

TIME ALLOCATION: (1 HOUR)

INSTRUCTIONS

- Answer all questions.
- Remember to complete the information required in the space provided on this page.
- Your student number must appear on all answer sheets.
- You may **ONLY** refer to **relevant statutory legislation**. Course modules, or any other notes and reference material other than legislation **are not allowed**.
- This examination script is the property of SFAAZ and must not be removed from the examination room.
- This paper constitutes 40% of the progress test 1 mark.

Part A: Multiple Choice: Indicate the correct answer by putting the correct 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 2 marks.

1. Which of the following is not a transport document?

- a. Airway bill
- b. Rail Advice Note
- c. Postal Detention Notice
- d. Road Consignment Note
- e. Road Freight Manifest

Answer ()

2. Persons arriving in Zimbabwe from other countries may use the Green route when available or declare their goods on the following form:

- a. General Registration certificate
- b. CD1
- c. Service declaration form No 49
- d. Baggage declaration form No 47
- e. None of the above

Answer ()

3. Goods were pre-cleared on 13 February 2022 and the rate of duty was 10%. On 16 February 2022, the goods crossed into Zimbabwe and the rate had been increased to 15%. What would be the correct rate of duty to be applied to this shipment?

- a. 10%
- b. 15%
- c. 25%
- d. 50%
- e. None of the above

Answer ()

4. Deemed freight of 5% of FOB may be used in the calculation of VDP when goods are transported by road from

- a. Tanzania
- b. DRC
- c. Burundi
- d. Malawi
- e. None of the above

Answer ()

5. General rates of Customs duty are found in the following legislation:

- a. Ports of Entry and Routes Order
- b. Customs and Excise Tariff Handbook
- c. Surtax Tariff
- d. Excise Tariff
- e. None of the above

Answer ()

6. Mphoengs is a border post between which two countries?

- a. Zimbabwe and Zambia
- b. Zimbabwe and Botswana
- c. Botswana and Zambia
- d. Zimbabwe and South Africa
- e. Zimbabwe and Mozambique

Answer ()

7. VAT on imported goods is calculated based on

- a. Value for duty Purposes
- b. Value for Tax purposes
- c. Free on Board Value
- d. CIF Value
- e. Duties payable

Answer ()

8. For how long may imported goods be kept in a State Warehouse?

- a. 12 months
- b. 6 months
- c. 60 days
- d. 30 days
- e. 10 days

Answer ()

9. Good may be moved into a State Warehouse against the following documents.

- a. Bill of Entry or Receipt for Items Held
- b. Receipt for Items Held or Notice of Seizure
- c. Bill of Entry or Notice of Seizure
- d. Receipt for Items Held Only
- e. Notice of Seizure only

Answer ()

10. In which document do we find mode of transport codes for completion of bill of entry in Asycuda?

- a. Asycuda Trader’s Manual.
- b. Customs and Excise General Regulations.
- c. Customs and Excise Suspension Regulations.
- d. Customs and Excise Tariff Notice.
- e. None of the above.

Answer ()

11. Which of the following goods pay duty in foreign currency on importation:

- a. Vehicles of heading 87.03.
- b. Vehicles of heading 87.04
- c. Motor vehicle tyres of rubber tariff heading 40.11
- d. None of the above.
- e. All of the above.

Answer ()

12. Which of the following statements is true for goods imported by Air transportation?

- a. All charges appearing on the AWB are FOB charges.
- b. Prepaid charges must always be excluded in the calculation of VDP.
- c. Only other charges apart from the actual freight are included in the calculation of FOB value.
- d. Freight on the AWB is always higher than deemed freight.
- e. None of the above.

Answer ()

13. The following may be found in trade agreements except.....

- a. Rules of origin.
- b. List of goods that may not qualify for preferential treatment.
- c. A provision suspending VAT.
- d. A provision suspending surtax.
- e. All of the above.

Answer ()

14. Barriers to trade come in the form of Tariff (TBs) and Non-Tariff barriers (NTBs). Which of the following is not an NTB?

- a. Sanctions.
- b. The requirement of an import licence.
- c. Quotas.
- d. Infrastructure.
- e. High rates of duty.

Answer ()

15. “On the understanding that subheadings at the same level are comparable” is text found under rule 6 of the Customs Tariff. Application of this rule is as follows:

- a. Highest level is 4 dash level
- b. Highest level is 1 dash then proceed to 2 dash, 3 dash a finally 4 dash
- c. Ignore dashes and work with subheading text only
- d. Dashes are not important
- e. None of the above

Answer ()

Part B: True or False: Indicate the correct answer by putting a “T” of “F” in the brackets provided. T denotes TRUE and F denotes FALSE. Answer all questions from this part. Each question carries 2 marks

- 16. ZIMRA serves no other purpose except collection of state revenue. **True/False ()**

- 17. Customs and Excise Act and Customs and Excise General Regulations are both Principal legislation. **True/False ()**

- 18. A specific rate of duty is represented by a percentage (%). **True/False ()**

- 19. The documentation rule when determining origin of goods refers to a certificate of origin. **True/False ()**

- 20. Both the Revenue Trainee and the Revenue specialist report to the supervisor according to the Zimra structure. **True/False ()**

- 21. Customs Warehouses are commonly known as State warehouses. **True/False ()**

- 22. Zimra has no legal standing to refund duty that would have been overpaid. **True/False ()**

- 23. All commercial goods valued at more than USD1,000 must be cleared on Bill of entry Form No 21. **True/False ()**

- 24. In the classification of goods, all containers are always classified together with their contents. **True/False ()**

- 25. In calculating the value of imported goods, only charges incurred up to point of importation are considered. **True/False ()**

- 26. All imported goods are covered by the Open General Import Licence. **True/False ()**

- 27. Goods deemed wholly produced may only have import content of less than 5%. **True/False ()**

28. Some of the goods that pay excise duty are listed in the excise tariff as a schedule in the customs tariff. **True/False** ()
29. Essential character is always measured by the volume contribution in composite goods. **True/False** ()
30. The Customs and Excise (Suspension) regulations may reduce the rates found in the customs tariff. **True/False** ()
31. The COMESA simplified Trade regime is a facility for small scale cross border traders. **True/False** ()
32. Duty is payable at time of importation and not necessarily at time when clearance documents are lodged with Zimra. **True/False** ()
33. An Act of Parliament is debated in the Senate before it is debated in the house of Assembly. **True/False** ()
34. The Government gazette is the only official publications for all legislation in Zimbabwe. **True/False** ()
35. All goods imported into Zimbabwe must first be inspected in their country of origin. **True/False** ()
36. The rates of exchange used to convert foreign currency to Zimbabwe dollars on calculating VDP are published by the Reserve Bank of Zimbabwe once a week. **True/False** ()
37. A form 45 will always result in 100% penalty from Zimra. **True/False** ()
38. An importer may pay duty in foreign currency in a currency other than United States dollars eg South African rands. **True/False** ()

Part C: Short answer questions: Indicate the correct answer in the dotted space provided.

Answer all questions from this part. Each question carries 2 marks

- 39. Trade Agreements are divided into Multilateral and
.....Trade agreements.
- 40. What is the rate of VAT on imported fresh apples of tariff 0808.1000?
- 41. What is the rate of surtax on sweet biscuits of tariff 1905.3100?
- 42. Legislation that results from an Act of Parliament is known as
legislation
- 43. Goods placed in a Transit shed can be kept there for a maximum period ofdays.
- 44. Importation of fake currency into Zimbabwe is
- 45. Section of the Customs act specifies that an importer should use 5% of
FOB value as deemed freight if own transport is used to ferry goods from South Africa.
- 46. In order to claim preferential treatment on imported goods from Malawi, the goods must have
attained a local content of percent.
- 47. Country of Origin is the country in which theprocess of
manufacture took place.
- 48. In which legislation do we find a list of Report Forms?
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- 49. There are 11 incoterms used in International Trade. How many of these apply to any mode of
transport?
- 50. Section of the customs act authorizes the Minister of Finance
to publish a customs tariff notice in the form of a statutory instrument.