



“FRUIT JUICE MATTERS”



SAFJA NEWSLETTER: JANUARY 2018

Sugar Tax: The Health Promotions Levy or Sugary Beverages Levy will be implemented from 1st April 2018. The Rates and Monetary Amounts and Revenue Laws Amendment Bill 2017 has been published in December 2017.

100% Fruit Juice remains exempted. Some changes however are that fruit juice & drink concentrates are no longer taxed at 50%, but in full on a RTD basis; powders have been included; and the deemed level of sugar content increased in absence of labelling. There is also a 4gm/100ml threshold in respect of all “sugary beverages” which is tax free.

Please see link below for a Q&A regarding implementation of this levy.

<http://www.sars.gov.za/ClientSegments/Customs-Excise/Excise/Pages/Sugary-Beverages-Levy.aspx>

Manufacturers will need to register. Internal systems will also have to be amended to calculate the sugar taxes payable. SARS have indicated that they will be holding workshops in respect of implementation during February.

Please consult this website regularly for information in respect of these workshops as well as any other communication. It would also be appreciated if you could alert me to any similar events.

Inspection Services: Unfortunately the consultation process in respect of inspection services and fees broke down in December. As a result we were forced on 9/1 to serve an Urgent Interdict on the Assignee (Impumelelo Agribusiness Solutions) and DAFF (CEO and Minister) to stop the process and hopefully bring the parties back to meaningful consultation. This is a joint action between the Canners Association (SAFVCA) and the Fruit Juice Association (SAFJA) which both broadens our scope and also enables sharing of the costs. We await reaction.

As reported at the November Members Meeting, we foresaw and agreed this course of action as well as the resultant legal costs. We also approved a special levy of R15 000 to cover these costs. We have already paid the initial attorney costs in respect of consultation and preparation of documentation. As a result we will be issuing invoices to members for the levy of R15 000 during the course of January.

Conference 9/5/18: We are busy with the organization of the Conference on 9th May 2018 as agreed at the November Meeting. This will be held the day prior to the AGM and will be held at a venue in the Western Cape. This is being organized in conjunction with the IFU & SGF.

I will be requesting inputs per separate email to ensure that we cater for the interests of members.

Please diarize the dates of the SAFJA/IFU/SGF Conference on Wednesday 9th May 2018 and the Annual General Meeting of Members on Thursday 10th May 2018 in the Western Cape.

Rudi Richards
January 2018 (1/2018)
(www.safja.co.za)