**FOR IMMEDIATE RELEASE**

Press Release

**Financial Act of 2014/15 revises excise tax rates, business profits tax rates, and Advance Income Tax Rates**

JUBA, 21 March 2016 – The Financial Act 2014/2015 (Financial Act) was signed into law on 10 December 2015. The Financial Act includes provisions for revisions to Business Profits Tax rates, revisions to the Advance Income Tax Rates imposed on imported goods, and revisions to the excise tax schedules.

Business Profits Tax rates and thresholds are revised as follows:

|  |  |
| --- | --- |
| Gross annual turnover from SSP 0 to SSP 1,000,000 | 10% of taxable income |
| Gross annual turnover from SSP 1,000,001 to 30,000,000 | 20% of taxable income |
| Gross annual turnover from SSP 30,000,001 and up | 25% of taxable income |

These revisions apply to Business Profits Tax returns for the tax year 2015 which are due to be filed with the Directorate of Taxation on or before 1 April 2016.

Advance Income Tax payable at international borders on imported goods has been revised as follows:

|  |  |
| --- | --- |
| Item subject to tax | Tax rate applied to customs value |
| All imported food items | 2% |
| All other imported goods | 4% |

Excise tax schedules have been revised to increase excise rates on alcohol and tobacco products and charter services. In addition, the maximum excise due on air transportation services has been removed. Excise taxes on alcoholic beverages now range from 50% to 100% of the Customs value. Excise tax on tobacco products is now 100%. The excise tax on charter services is now 20%. These revisions are applicable to excise tax returns for the month of April 2016 which are due to be filed on or before 15 May 2016 and all subsequent monthly excise tax returns.

Excise Tax Schedule per Financial Act 2014/2015

|  |  |  |
| --- | --- | --- |
| **Harmonized System Code** | **Article/Service** | **Rate (expressed as a percentage of the value of the good or service)** |
| 2209 | Fruit Juices | 5% |
| 2201 | Waters, including natural or artificial mineral waters | 5% |
| 2202 | Soft drinks and other flavoured waters | 5% |
| 2203 | Beer made from malt | 50% |
| 2204 | Wine of fresh grapes, including fortified wines; grape (other than unfermented grape) | 50% |
| 2205 | Vermouth and other wines of fresh grapes flavoured with plants or aromatic substances | 50% |
| 2206 | Other fermented beverages (including cider, prune wine, rice wine, sake, sherry, and mead) | 50% |
| 2207.10.30 | Indentured ethyl alcohol of an alcoholic strength by volume of 80 percent volume or higher for beverage purposes | 100% |
| 2208 | Indentured ethyl alcohol of an alcoholic strength by volume of less than 80% volume; spirits, liqueurs and other spirituous beverages; compound alcoholic preparations of a kind used in the manufacture of beverage | 100% |
| 2402 | Cigars, cheroots, cigarillos and cigarettes, of tobacco or tobacco substitutes | 100% |
| 2403 | Other manufactured tobacco and manufactured tobacco substitutes; “homogenized” or “reconstituted” tobacco; tobacco extracts and essences | 100% |
| 2710.00.10, 2710.00.15, or 2710.00.18 | Gasoline, diesel fuel and other petroleum products | 5% |
| 8702 | Buses | 10% |
| 8703 | Motor cars principally designed for the transport of persons | 20% |
| 8704 | Motor vehicles for the transport of goods | 10% |
| 8707 | Bodies of cars | 5% |
| 8711 | Motorcycles | 15% |
|  | Air transport services | 10% |
|  | Charter Services | 20% |
|  | Telecommunication Service | 10% |
|  | Insurance Premiums | 5% |

About the Ministry of Finance & Economic Planning

The Republic of South Sudan Ministry of Finance & Economic Planning develops and executes economic, fiscal and investment policies for South Sudan. The ministry manages the RSS Consolidated Fund, develops and executes revenue policy for taxes and other sources of revenue within the purview of RSS, and collects tax and customs revenues within the purview of RSS.

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