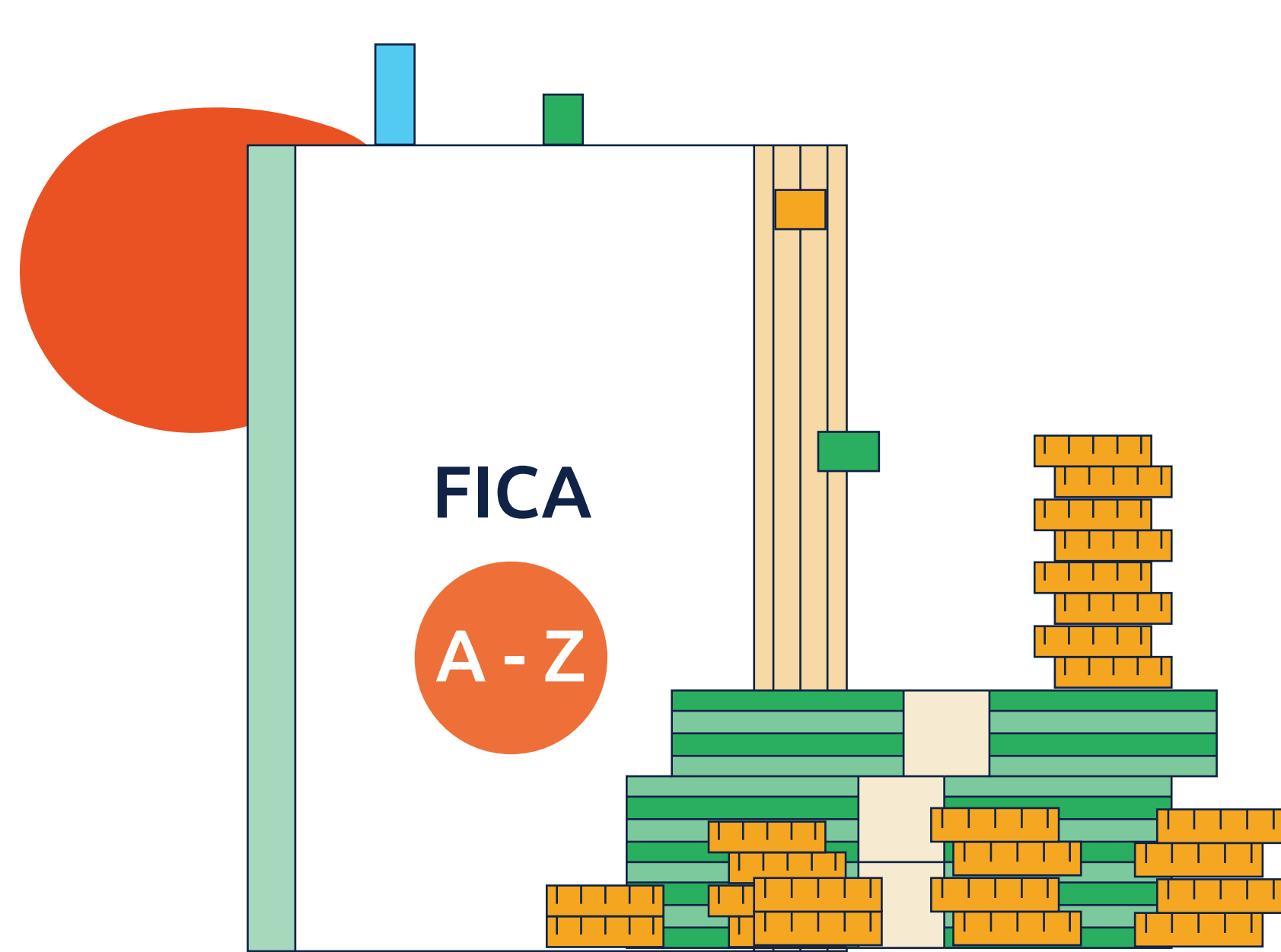




9 Important FICA Facts about High Value Goods Dealers



1

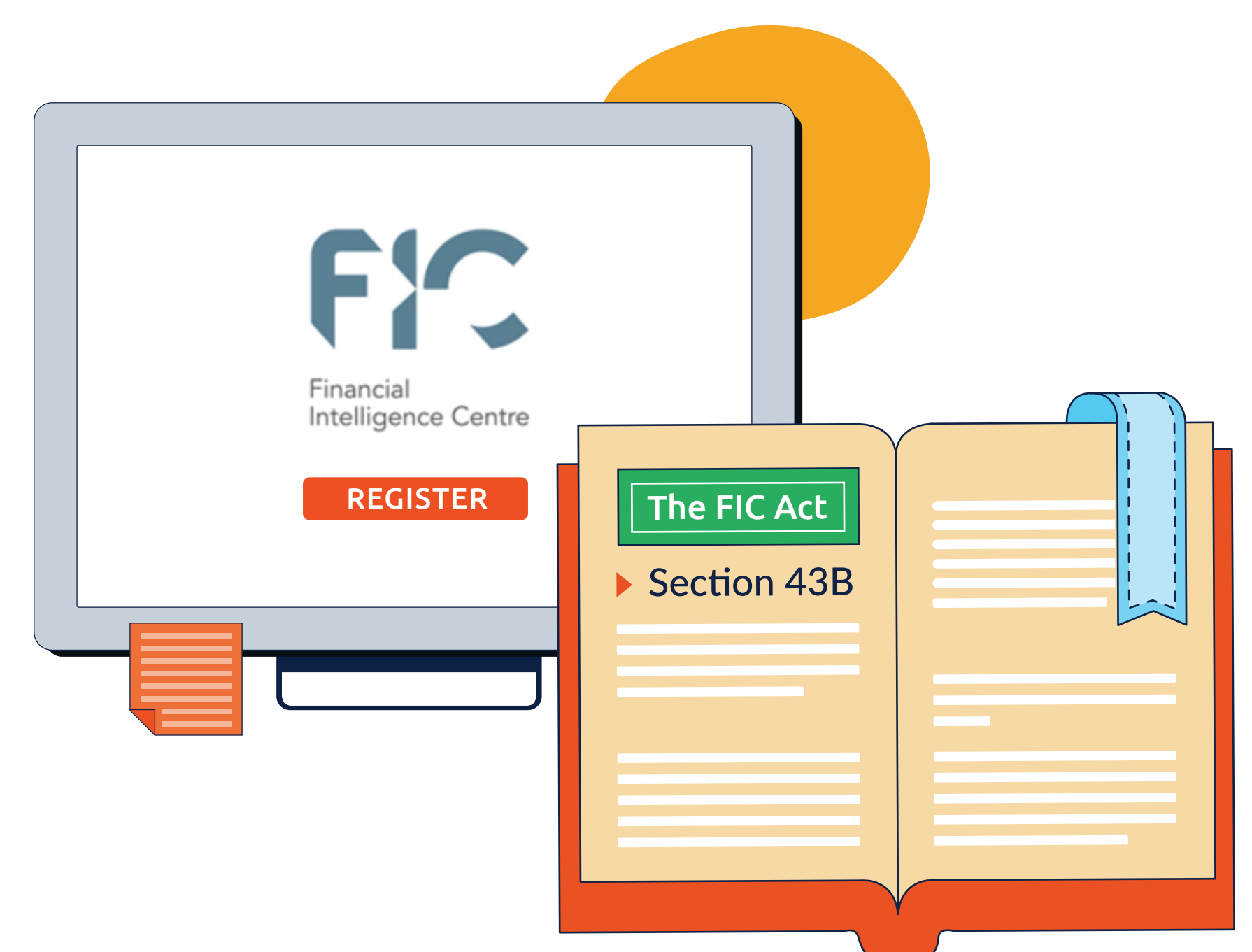
What is a High Value Goods Dealer (HVGD)?

A HVGD is a person (both natural and juristic) that conducts business by dealing with high value goods and receives payment(s) of R100 000.00 or more. In order to fall within this category, the good(s) should be any single item valued at R100 000.00 or more.

2

What is required of a HVGD?

As per the FIC Act, a HVGD is an Accountable Institution and so they are required to comply with all the FICA requirements. The first step in the requirements is to register on the FIC website, in terms of section 43B of the FIC Act.



3

What are some examples of items that fall within the HVGD category?

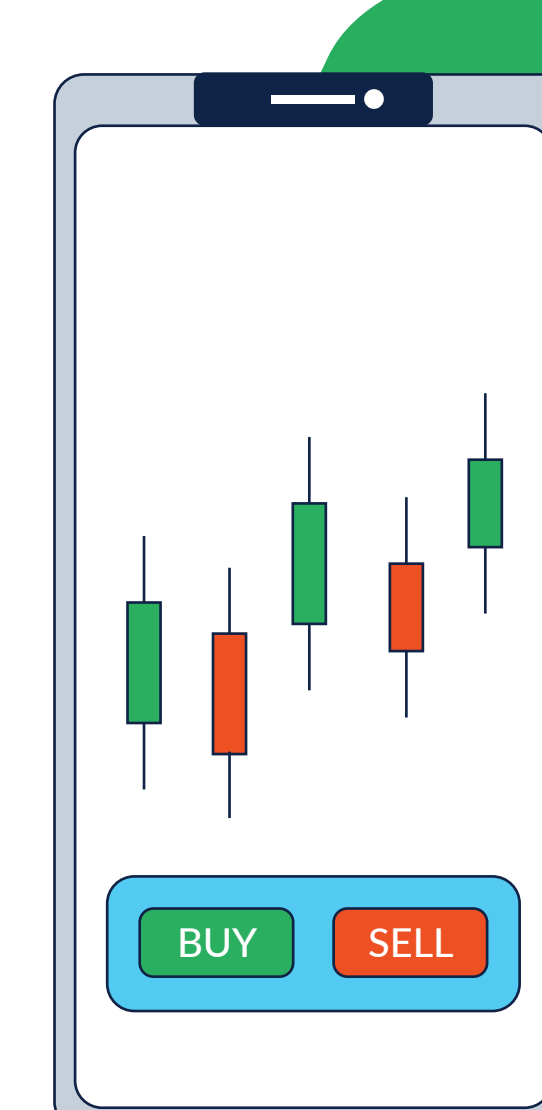
Kruger Rand dealers (the coin can be either gold, platinum or silver) vehicles, yachts, vehicle parts, and any precious metals / stones and art over the value of R100,000.00 are all examples of HVG items.



4

What items are excluded from High Value Goods Dealers?

Excluded from definition of high-value goods are non-tangible items e.g. shares and trading stock. In other words, the high-value good must be an actual physical item.



5

Is a good still classified as a HVG if it is not purchased "new"?

New and second hand goods of the value of R100 000.00 or more qualify as High Value Goods.



6

What if I only stock just a few items worth R100 000.00 but most of my inventory are much lower price points?

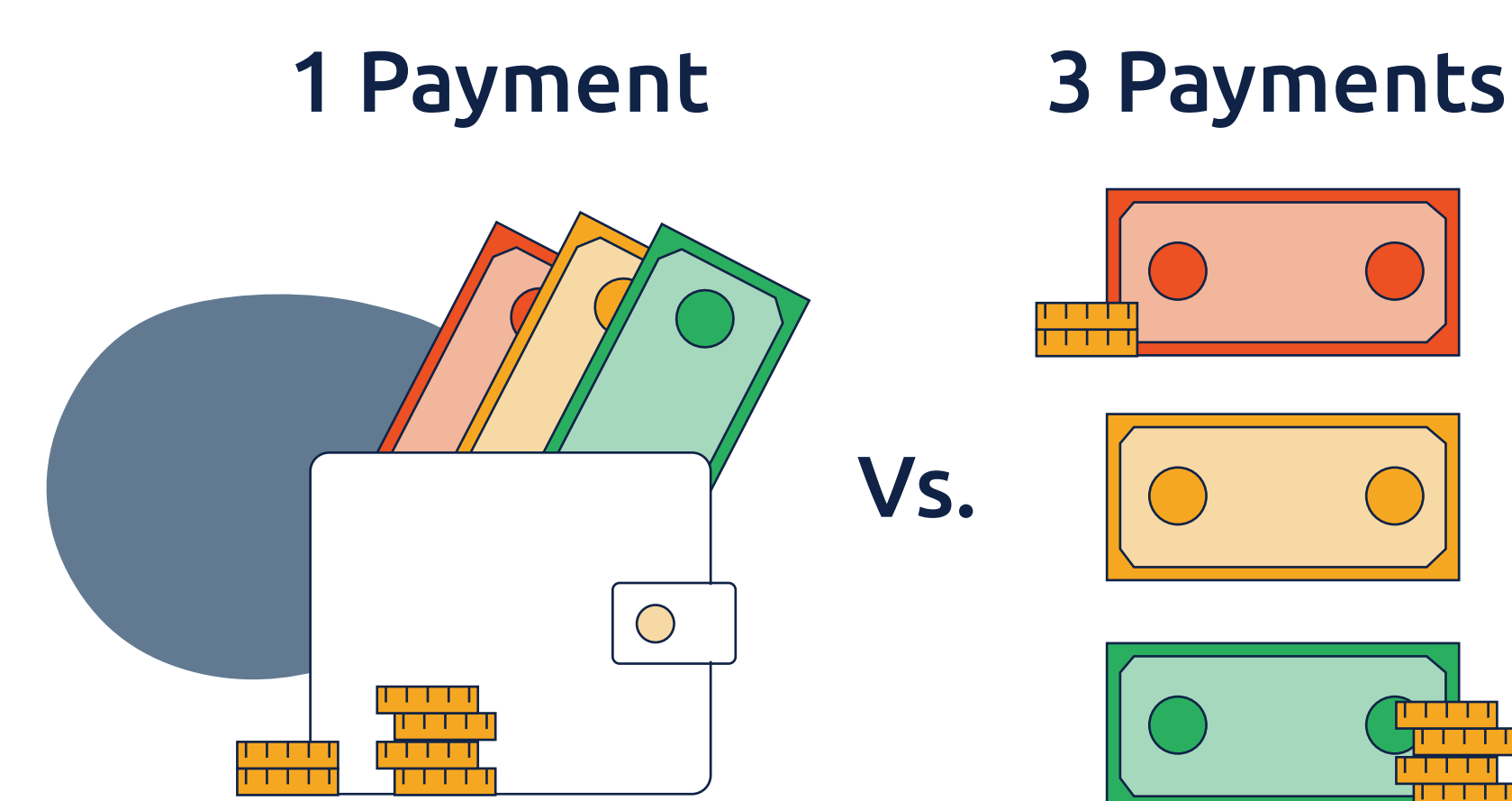
If any single item in the inventory can be sold for R100 000.00 or more then the business is considered as a HVGD.



7

What happens if an item is valued at R100,000.00, but is paid for in smaller transactions?

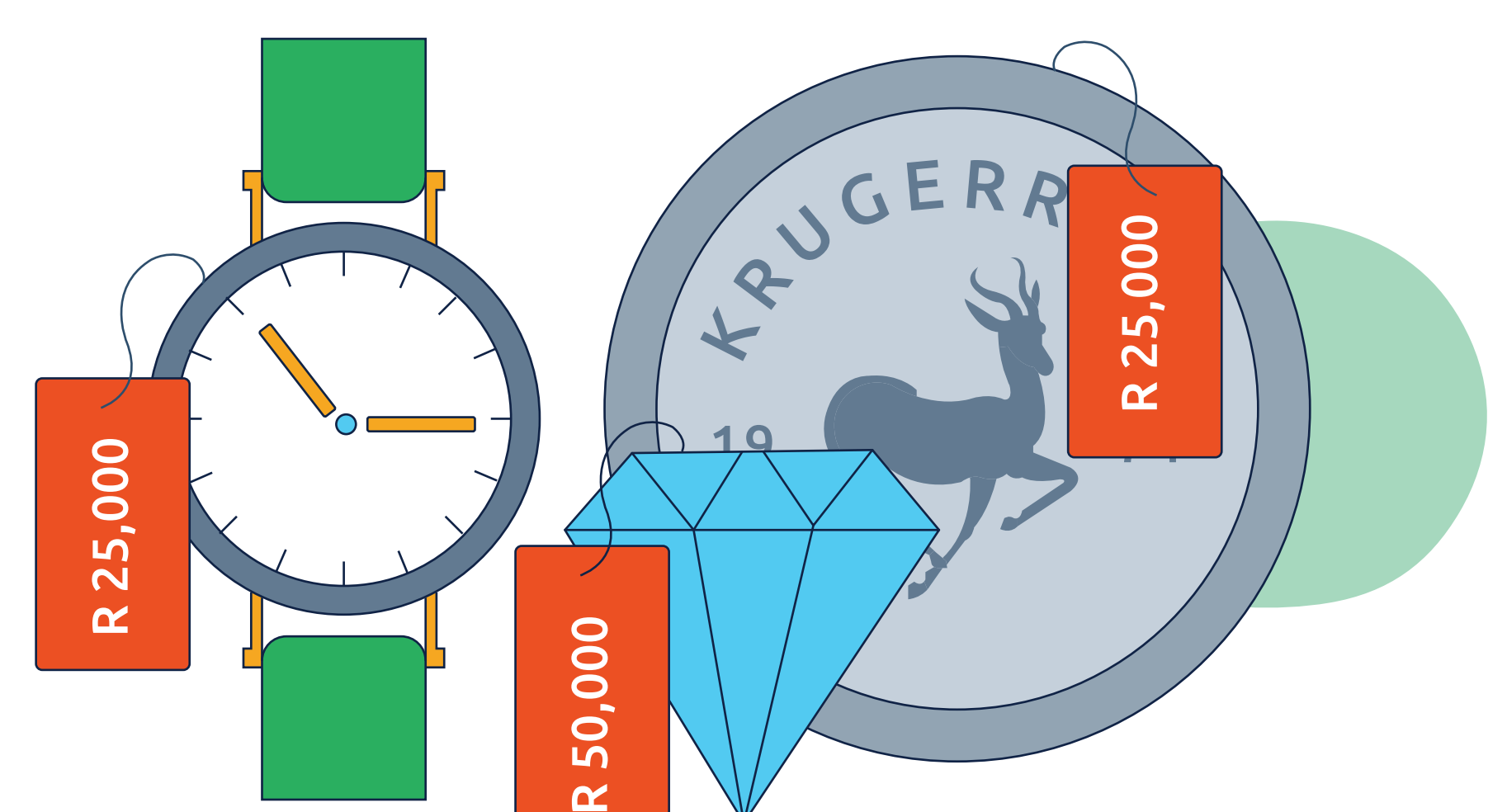
Regardless of the payment structure or schedule, whether in a single payment or a series of smaller structured payments, if the sale value of the item equates to R100 000.00 or more, it qualifies as a high value good.



8

A common misconception about HVGD.

That buying multiple items of a lesser value that amount to R100,000 or more is considered HVGD. This is not true.



9

Why are HVGD listed as Accountable Institutions?

HVGDs are vulnerable to criminals for money laundering and terrorist financing. Research shows that criminals often seek to buy high-value goods and your business could be prone to such abuse.



Want to learn more about how you or your business can become FICA Compliant?

Contact Us