

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

VAL/1/Add.12/Suppl.1\*  
24 April 1986

Special Distribution

---

Committee on Customs Valuation

## INFORMATION ON IMPLEMENTATION AND ADMINISTRATION OF THE AGREEMENT

### Supplement

#### Legislation of New Zealand

The following communication, dated 25 March 1986, has been received from the Permanent Mission of New Zealand.

---

In terms of the decision on the treatment of interest charges taken by the GATT Committee on Customs Valuation and recorded in document VAL/6, each Party must notify the Committee of the date the decision was implemented.

As far as New Zealand is concerned, the change, which was applied by administrative means effective 1 July 1984 (reference: VAL/9), was incorporated in the Customs Acts Amendment Act 1985, effective from 7 December 1985.

The Decision was added as sub-clause (5) to Clause I of the Ninth Schedule of the Customs Act, as follows:

"(5) For the purposes of this Schedule charges for interest under a financing arrangement entered into by the buyer and relating to purchase of imported goods shall not be regarded as part of the Customs value in any case where -

- (a) The charges are distinguished from the price actually paid or payable for the goods; and
- (b) Such goods are actually sold at the price declared as the price actually paid or payable; and
- (c) The buyer, if required can demonstrate that -
  - (i) The financing arrangement was made in writing
  - (ii) The claimed rate of interest does not exceed the level for such transactions prevailing in the country where, and at the time when, the finance was provided."

---

\* English only/Anglais seulement/Inglés solamente