

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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DETAILED ENFORCEMENT REGULATIONS ON CUSTOMS ASSESSMENT UNDER GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT)

Ministry of Finance

Republic of Korea

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*English only. The original text in Korean has been submitted to the secretariat (Non-Tariff Measures Division) where it can be consulted.

Chapter 1. General Provisions

Article 1. (Purpose)

The purpose of these Detailed Regulations is to lay down detailed matters necessary to implement the provisions of the Customs Law, the Presidential Decree thereof, and Enforcement Regulations thereof (hereinafter referred to as "the Law" "the Decree," or "the Enforcement Regulations") as well as the Agreement on implementation of the provisions of Article 7 of the General Agreement on Tariffs and Trade, (hereinafter referred to as "the Agreement") with respect to determining a customs value.

Article 2. (Applicable principles in interpretation of Detailed Regulations)

1. A customs value shall be determined in such manner as prescribed in these Detailed Regulations on the basis of facts related to the transactions in goods to be valuated; and in the event of any difference of views with respect to the confirmation of facts and the interpretation of these Detailed

Regulations, customs officers shall give a chance to the importer thereof to state his opinion.

2. For data on determining a customs value, such data prepared in a manner consistent with the generally accepted accounting principles in a country (or in a region) related to the applicable clause shall be used.
3. If there are no formulas prescribed in these Detailed Regulations with respect to those for addition or reduction in determining a customs value, some reasonable, proportional allotment formulas for determining it in a way most closely to the fact shall be individually and severally adopted for enforcement.
4. In the interpretation and application of these Detailed Regulations, a decision shall be made in reference to information and advice provided by the Technical Committee on Customs Valuation established under the auspices the Customs Cooperation Council.

Article 3. (Basic Currency in Determining Customs Value)

A customs value shall be determined on the basis of a currency stated in the invoice. However, in case the currency stated in the invoice is apparently different from the currency to be used for actual settlement pursuant to relevant data, etc., it shall be determined on the basis of the currency being used for actual settlement.

Article 4. (Foreign Exchange Rate for customs duty)

1. In the event of converting a price expressed in a foreign currency into the domestic currency, in determining a customs value, the Commissioner of the Office of Customs Administration shall determine an exchange rate on the basis of the foreign exchange selling rate which prevailed in the week preceding to that in which the date prescribed in Article 5 of the Act (with respect to goods introduced into a bonded construction site the date of import declaration thereof) falls.

2. A customs exchange rate prescribed in Paragraph 1 shall be publisized on each Saturday (if the Saturday come on a holiday, the day preceding thereto) so that an average of the telegraphic transfer (T/T) selling rates to customers announced by the Korea Exchange Bank from Monday to Saturday each week (fractions of Won shall be rounded off to Won; with respect to Japanese currency, fractions of Yen shall be rounded off to Yen) may be applied in the following week.
3. In the case of any price expressed in a foreign currency for which customs exchange rate is not determined and publisized, it shall be converted into the domestic currency at the IMF rate to the U.S. Dollar (however, if the said rate is unavailable, an evaluation rate determined by the Korea Exchange Bank) prevailed in the preceding week in which the date prescribed in Article 5 of the Act (with respect to goods introduced into a bonded construction site, the date of import declaration thereof) falls.

Article 5. (Applicable Classification of Valuation
Regulations, and Priority Orders in
Determining Customs Value)

For determining a customs value of imported goods, the methods under the following items shall be applied in that order; and a valuation method of the latter order shall be applied, provided that the valuation method of the former order is not applicable.

However, in cases where the importer so wants, the priority orders may be applied by changing the order of Item 4 and Item 5.

- 1) The method of determining a customs value on the basis of the transaction value of the respective goods (hereinafter referred to as First Method).
- 2) The method of determining a customs value on the basis of the transaction value of identical goods (hereinafter referred to as Second Method).
- 3) The method of determining a customs value on the basis of the transaction value of similar goods (hereinafter referred to as Third Method).

- 4) The method of determining a customs value on the basis of a domestic sales price (hereinafter referred to as Fourth Method).
- 5) The method of determining a customs value on the basis of a computed value (hereinafter referred to as Fifth Method).
- 6) The method of determining a customs value on a reasonable basis (hereinafter referred to as Sixth Method).

Chapter 2. Valuation Procedures and Methods of Imported Goods

Section 1. Declaration and Confirmation of Facts about Business Relations

Article 6. (Details of Value Declaration)

1. A liable duty payer (if the actual buyer of imported goods is not a liable duty payer, the actual buyer) shall submit to the customs collector a customs value declaration (hereinafter referred to as "the value declaration") on the respective goods, stating the facts about details prescribed in Article 11 through 28 with respect

to transactions in the imported goods and the customs value calculated as a result of interpretation and application of the valuation standards thereon, when he submits the import declaration. However, eligibles for comprehensive declaration prescribed in Article 7, Paragraph 2, may submit a declaration of facts about business relations to the customs collector of the jurisdictional area prior to submitting the import declaration.

2. A value declaration shall be classified into a declaration of facts about business relations (Form 1) and dutiable accounts adjusting statement (Form 2; however, it shall be Form 3 in the event of applying Fourth Method).

Article 7. (Classification of Eligibles for Value Declaration)

1. Persons eligible for value declaration shall be classified into eligibles for comprehensive declaration and eligibles for individual declaration.

2. Anyone conforming to one of the following items shall be a person eligible for comprehensive declaration.
 - 1) Anyone designated as a person eligible for comprehensive declaration under the provisions of Article 8.
 - 2) Anyone designated by the Commissioner of the Office of Customs Administration as a person eligible for comprehensive declaration for efficiency in the valuation work.
3. Persons other than prescribed in Paragraph 2 shall be eligible for individual declaration.

Article 8. (Designation of Eligibles for Comprehensive Declaration)

1. Anyone applying for designation as eligible for comprehensive declaration may apply to the Commissioner for designation as one eligible for comprehensive declaration, by completing the documents under the following items.

However, in cases when any firm registered the designated customs house applies therefor, the

submission of papers under Item 2 through 4 may be omitted.

- 1) Application form (Form 4)
- 2) Business outline.
- 3) Articles of Incorporation, and transcript of court registration (limited to the case of a legal persons).
- 4) Copies of a balance sheet of the latest fiscal year submitted to the competent tax office.
- 5) Explanatory note on items of imported goods, customers, and method of determining customs value.
- 6) Explanatory note on whether or not there are special relationship, prescribed in Article 17, between the persons concerning the transaction between persons in special relationship prescribed in Article 17.
- 7) A personal résumé of one responsible for filing value declaration.
- 8) Other documents deemed necessary by the Commissioner for confirmation of facts.

2. Upon receipt of an application prescribed in Paragraph 1, the Commissioner shall examine the following matters within one (1) month and approve the designation; and if it is inadequate to approve designation, the applicant shall be informed in writing of the reason.
 - 1) Whether or not a accounting system used by the applicant poses any difficulty in handling the assessment work on customs duty.
 - 2) Whether or not, in view of the customary practice of transaction, contract details are unclear or likely to render it difficult to handle the assessment work.
3. In granting an approval prescribed in Paragraph 2, the Commissioner shall designate an agency to take charge of assessment work on the respective applicant's imported goods (hereinafter referred to as the customs house of the jurisdictional area) from among the Office of Customs Administration or customs houses, by comprehensively taking into consideration the customs house through which the applicant chiefly clears the customs, kinds and

characteristics of imported goods, the location of an office where import-related papers and books are prepared and kept and the location of factory of imported goods, and work load of each agency concerned, and issue a letter of designation of the one eligible for global declaration (Form 5).

4. The duration of designation prescribed in Paragraph 2 shall be two(2) years, in principle: however, it may be renewable.
5. In conducting import transactions by one designated under Paragraph 2, if any change takes place which is different from details of the documents submitted at the time of designation, such as a change in business and a change in a price determining method, he shall immediately declare the details thereof additionally with the customs collector of the jurisdictional area.
6. In cases where anyone approved of designation pursuant to Paragraph 2 fails to perform value declaration in good faith, the customs collector of the jurisdictional area may recommend the Commissioner on the withdrawal of the designation.

Article 9. (Examination of Details of Value Declaration)

1. Details of a value declaration shall be confirmed by the customs collector who has received it.

However, if the customs collector of the jurisdictional area has received a value declaration of the one eligible for comprehensive declaration, he shall grant an import license after examining only the formal requirements alone, and send a copy thereof to the customs collector of the jurisdictional area; and the customs collector of the jurisdictional area shall examine details thereof and either additionally collect or pay a refund if any shortfall or excess in the amount of duty paid is discovered.

2. The customs collector of the jurisdictional area may comprehensively examine details of value declaration by a certain period within the limit of not exceeding one (1) year, in order to efficiently carry out the work on determining customs values of goods imported by a person eligible for comprehensive declaration.

3. If it takes time for confirmation of details of value declaration of anyone eligible for individual declaration, the removal before import permission will be available for the importer to carry out the imported goods.
4. When it is deemed necessary for examination prescribed in Paragraph 1, customs officers may either investigate account book and other relevant data of importers, domestic sellers of imported goods, and any other related businessmen or request them to present or submit such records pursuant to the provisions of Article 175 of the Customs Law; and if they refuse to respond to the request, customs officers may take action pursuant to the provisions of Article 191 of the Customs Law.

Article 10. (Omission of Value Declaration)

1. A liable duty payer on goods falling under one of the following items may omit his value declaration. However, in cases where First Method is not applicable and where there exist factors for adjusting values actually paid or payable

(excluding freights, insurance premiums and other transportation related expenses up to a port of entry), he shall submit a value declaration.

- 1) Goods imported directly by the government or by a local autonomous body.
- 2) Goods procured by the government.
- 3) Goods imported by government-run enterprises (government-invested corporations prescribed in the Law on Control of Government-Invested Corporations).
- 4) Goods on which customs duty is exempt under the Customs Law, other laws and decrees as well as treaties.
- 5) Goods on which the executing tariff rate is duty-free under the Tariff Schedules (however, with the exception of goods which are prescribed by the Commissioner).
- 6) Machinery and parts thereof and goods imported for raw materials used in defense industry (limited to those confirmed or recommended by the competent Minister).

7) Raw Materials for production of export goods.

8) Other goods specified by the Commissioner.

2. On goods on which a value declaration is omitted pursuant to the provisions of paragraph 1, the dutiable value shall be determined according to First Method, in principle.

However, the required confirmation of facts for application of First Method shall be omitted.

Section 2. Determination of Customs Value on
the Basis of transaction value of the
imported goods.

Title 1. General Rules

Article 11. (Determination of Customs Value under
First Method)

1. A customs value of imported goods shall be the transaction value.
2. The transaction value mentioned in Paragraph 1 shall be the price actually paid or payable by the buyer for the goods when sold for export to

Korea (hereinafter referred to as an "actually paid amount") which is adjusted pursuant to the provisions of Article 18 through 23 and which meets the requirement prescribed in Articles 14 through 17.

Article 12. (Actually Paid Amount)

1. "A price actually paid or payable" as mentioned in Article 11, Paragraph 2, shall be the total payment made or to be made by the buyer to or for the benefit of the seller directly or indirectly, for imported goods, and it shall be an aggregate of account of the following items;
 - 1) Amount settled in foreign exchange under a letter of credit, etc;
 - 2) In cases where the buyer's credit held against the seller is offset, the amount thereof;
 - 3) In cases where the buyer repays the seller's debt owed to a third person in behalf of him, the amount thereof;

- 4) In cases where the buyer, at the request of the seller, pays part of the price for the imported goods to a third person, the amount thereto;
 - 5) Any other amount paid separately as part of the price for imported goods.
2. The term "payable" mentioned in Article 11 shall be the cases where an amount can be decided upon at the time of clearing the customs, but the payment thereof is pending yet.
 3. In cases where an actually paid amount is to be in conformity with details of a contract on imported goods and it is impossible to decide upon the amount at the time of declaring the imports (that is, in cases where prices are determined later according to ingredients and contents of the imported goods), the actually paid amount shall be determined later according to details of the contract.
 4. In cases where an actually paid amount is finalized according to details of the original contract and the customs value determined and, after that, the

actually paid amount is retroactively increased or brought downward due to change in details of the contract, the retroactive application shall not have its effect on the already finalized actually paid amount.

Article 13. (Sales)

The term "goods sold" in Article 11, Paragraph 2, shall be those which do not fall under the following items; if imported goods come under any of the following items, there shall exist no actually paid amount:

- 1) Goods imported free of cost.
- 2) Goods imported under consignment sales in which sales price is determined through auction, etc., after importation.
- 3) Goods imported for sale in Korea under the responsibility of the seller.
- 4) Goods imported by branches, etc., which are not any separate businessmen.
- 5) Goods imported under a lease contract.
- 6) Goods imported for renting free of charge.

- 7) Goods imported for scrapping in Korea at the consignor's expense. (e.g. : Industrial rubbish)

Title 2. Conditions forming the transaction value

Article 14. (Restrictions)

1. In cases where there are restrictions as illustrated in one of the following items in the buyer's disposition or his use of the goods, no customs value thereof shall be determined under First Method;
 - 1) If the goods are used only for display and/or for advertising purpose;
 - 2) If the goods are to be sold or leased only to specific persons (particularly, such persons in a relationship with the seller);
 - 3) Any other restrictions which substantially affect value of the goods.
2. Restrictions prescribed in one of the following items shall not be deemed to fall under the restrictions prescribed in Paragraph 1, notwithstanding the provisions of Paragraph 1:

- 1) Restrictions imposed or required according to a disposition under the laws and decrees of Korea, such as the Pharmaceutical Act, etc.
- 2) Restrictions designed to limit the resale areas of the goods to a specific area of Korea and/or excluding areas other than Korea.
- 3) Other restrictions which are deemed by the customs collector to have no substantial effect on the import prices of the goods (for instance, some restrictions imposed on new-model automobiles so that they may not be exhibited or sold before the year of model begins).

Article 15. (Special Conditions or Consideration)

1. In cases where the sale or price is subject to some condition or consideration for which a value cannot be determined with respect of the goods being valued, no customs value shall be determined under the First Method.
2. In the cases illustrated in one of the following items, they shall be deemed to have affected "the sale or price" prescribed in Paragraph 1:

- 1) In cases where the price of the goods is determined on condition that buyer buy a specific quantity of other goods from the seller.
- 2) In cases where the price of the goods is determined according to the price of other goods sold by the buyer to the seller.
- 3) In cases where the price is determined in conjunction with the other form of price payment, such as where there are conditions set forth that the seller supply semi-finished goods to the buyer and receive a certain quantity of the finished goods made therefrom.

Article 16. (Reverted Proceeds after Importation)

1. In cases any part of the proceeds of any subsequent resale, disposal and use, etc., of the goods by the buyer accrue directly or indirectly to the seller, no transaction value shall be deemed to be formed; however, this provision shall not apply in cases where at the time of clearing the customs for importation an amount equivalent thereto is confirmable.

2. "Proceeds of any subsequent resale, disposal and use, etc." in Paragraph 1 shall refer to proceeds from sales or lease charges, processing wages, etc., accrued from the resale or other disposition, use, etc., of the imported goods, such as stock dividend, shall not fall thereunder.
3. Sales promotion activity expenses, such as for advertising etc., conducted by the buyer at his own account shall not be deemed to fall under Paragraph 1, in cases where the payment of the respective expenses is not part of the terms and conditions for sale of the goods.

Article 17. Related buyer and seller

1. In cases where the buyer and the seller are in a relationship falling under one of the following items, the customs value shall not be determined under First Method. However, this shall not apply in cases where the customs collector finds that the relationship did not influence the price of the goods;

- 1) Where the buyer and the seller are officers or directors of one another's business;
- 2) Where the buyer and the seller are legally recognized partners in business (in the event of a non-corporate company, including the cases where there is some individual or general agreement concerning the appropriation of profit and loss);
- 3) Where the buyer and the seller are employer and employee;
- 4) Where either the buyer or the seller, directly or indirectly, controls the other (including the cases where one side is in a position to direct or take a certain action on the other side, legally or virtually);
- 5) Where any person directly or indirectly owns, controls or holds 5% or more of the outstanding voting stock or shares of both of them;
- 6) Where the buyer and the seller are controlled, directly or indirectly by a third person;
- 7) Where the buyer together with the seller, control a third person directly or indirectly;

8) In case the buyer and the seller are in the kinship of a third cousin or closer on the father's side and of a cousin or closer on the mother's side.

2. Persons who are associated in business with one another in that one in the sole agent, sole distributor, or technical tie-ups, etc., shall be deemed to be related for the purposes of paragraph 1 by reviewing their practical details.

3. In cases where a liable duty payer certifies that the price for imported goods closely approximates to one of the test values under the following items for transactions occurring at simultaneously or almost at the same time, the customs collector may recognize that the relationship did not influence the price.

1) The transaction value of identical goods or of similar goods in sales for export to unrelated buyers in Korea;

2) The customs value of identical or similar goods, which is determined on the basis of computed value.

- 3) The customs value of identical or similar goods, which is determined on the basis of computed value.
4. "Test values" in Paragraph 3 shall be used only for the purpose of comparison alone; and if there are differences depending on goods to be valued, commercial levels, quantity level, and expenses payable separately, and so forth, they shall be adjusted.
5. "Closely approximates" in Paragraph 3 shall refer to those whose value is 10 percent or less lower than compared with import prices. However, this shall not apply in cases where the customs collector deems it reasonable in view of the characteristics and transacting practices of the goods.
6. If it is impossible to determine whether or not the relationship influence the price under Paragraph 3, the customs collector shall ask the liable duty payer to present or to submit further detailed information as may be necessary to enable customs to examine the circumstances of the sale.

7. In cases where the price of imported goods falls under one of the following items in view of the circumstances of the sale, the customs collector may deem that the relationship did not influence the price.

- 1) If the price has been settled in a manner consistent with the normal pricing practices of the industry in question;
- 2) If the price has been settled in a manner consistent with the way the seller settles prices for sales to buyers who are not related to him;
- 3) If the price reasonably includes all costs plus a profit occurring in the related industries of the same class or kind of goods.

Title 3. Adjustment of Actually Paid Amount

Article 18. (Commission, etc.)

1. Expenses not included in an actually paid amount, which fall under one of the following items and are paid by the buyer, shall be added thereto:

- 1) Selling commissions and brokerage, except buying commissions;
 - 2) The costs of containers which are treated as being one for customs purposes with the goods in question.
 - 3) The cost of packing whether for labour or materials.
2. "Selling commissions" in Paragraph 1 means any expenses paid to an agent who belongs either to the manufacturer or seller of the imported goods, or represents him or conducts activities under his direction or in relation with him; and "brokerage" means any expenses paid by the seller or the buyer for assistance in transactions and intermediary role played in behalf of the seller or the buyer.
3. "Buying commission" means any expenses paid by the buyer to his agent for the service of representing him abroad in the purchase of the goods being valued.

Article 19. (Assists)

1. Such expenses not included in an actually paid amount as are paid by the buyer for assists shall be added thereto.
2. Assists in Paragraph 1 means any of the following materials or service if supplied directly or indirectly, and free of charge or at reduced cost by the buyer:
 - 1) Materials, components, parts, and similar items incorporated in the imported goods.
 - 2) Tools, dies, moulds, and similar items used in the production of the imported goods;
 - 3) Materials consumed in the production of the imported goods;
 - 4) Engineering, development, artwork, design work, and plans and sketches undertaken elsewhere in Korea and necessary for the production of the imported goods.
3. The following apply in determining the value of assists in Paragraph 1;

- 1) The value of the assists and the transport cost to the place of production, if the assists is available in the general public domain and is supplied by the buyer;
 - 2) If the assists was manufactured by the buyer or was purchased or leased by the buyer from a related person, the value of assists is the manufacturing cost or the cost of the purchase or of the lease from an unrelated person, however the transport cost to the place of production shall be added.
4. The value of assists shall be added to the actually paid amount under the one of the following provisions;
- 1) In case the liable duty payer intends to pay customs duty on the whole value of the assists in a lump sum, the full amount shall be added to the declared value of the first shipment of the imported goods.
 - 2) In case the liable duty payer intends to pay only an amount corresponding to the imported goods, out of the whole value of the assists

it shall be added to the declared value of the imported goods in proportion to the estimated quantity to be imported with the respective assists and the quantity of the imported goods.

Article 20. (Royalties or license fees, etc.)

1. In cases where any payment for patent right, etc. (in disregard of its name, whether it shall be a royalty or license fee, etc.) not included in an actually paid amount, is related to the goods being valued and paid as a condition of sale of the goods being valued, it shall be dutiable.
2. A payment for patent right, etc. in Paragraph 1 means the payment for the use of a right, etc., coming under one of the following items:
 - 1) Industrial property such as patent right, utility model right, design right, and trademark right.
 - 2) Technological creation, original idea, and secret which do not fall under industrial property prescribed in Item 1 but are the standards repeatedly used in production and other business,

and any other things of an economic value (such as technical know-how or unregistered design, etc.).

3) Copyright.

3. However the charges for the right to reproduce the imported goods in Korea shall not be added to the actually paid amount.
4. A charges for the right to reproduce in Paragraph 3 means the price for using the right to reproduce any specific design or creative work embodied in imported goods on other goods by making use of the imported goods.

Article 21. (Proceeds reverted after importation)

1. If the value of any part of the proceeds is not included in an actually paid amount, it shall be added thereto.
2. "Profit reverted after importation" in Paragraph 1 denote an amount of value any subsequent resale, disposal or use of the imported goods that accrues directly or indirectly to the seller.

Article 22. (The cost of transport and insurance)

1. In determining a customs value of imported goods, the cost of transport, insurance and other expenses connected with the transport shall be added up.
2. "Connected with the transport" in Paragraph 1 denote until the time when the imported goods arrive at the port of entry and preparations for unloading from the ship have been completed.
3. "Other expenses connected with the transport" in Paragraph 1 denote expenses falling under one of the following items:
 - 1) In land transportation cost in the exporting country;
 - 2) Pre-shipment storage fees in the exporting country;
 - 3) Customs clearing charges in the exporting country;
 - 4) Loading and unloading charges in the exporting country.

4. Freight under the provisions of Paragraph 1 shall be calculated as prescribed in one of the following items:

- 1) If there is a detailed statement of freight or any paper substitutive thereof issued by the respective businessman, an actually paid amount as confirmed by the document.
- 2) If the imported goods was a ship or a aircraft and was transported by its own navigation, an amount actually needed for the navigation (including the dispatching cost on seamen, etc.), such as fuel cost, meals for crews, wages, allowances, and other expenses until such time as the respective ship or aircraft has arrived at the port of entry straightly from the port of the exporting country.
- 3) In the case of goods transported without freight or by one's own transport means or by the transport means of any transport businessman who is related with the buyer, the freight calculated under the freight table normally applied by the respective businessman.

- 4) In the event of transporting under a charter, all expenses (including the vacant space shipping charges) actually paid under the charter shall be included in the customs value.
- 5) In cases where various cargoes are transported under one charter, including the cases of making several trips both ways, and where the transport of various cargoes is paid in a lump-sum freight under one transport contract, the respective freight shall be allotted proportionately for the goods being imported on a weight basis.
- 6) With respect to goods contracted for transport by general transportation means other than by aircraft, which have been actually transported by aircraft by the exporter by bearing expenses arising from the change of the transport means because of a delay in the manufacture of the respective goods or any other cause not attributable to the importer, the transportation cost shall be calculated on the basis of the freight table normally applied by the shipping businessman pursuant to the provisions of Article 9-12, Paragraph 3, of the Law.

- 7) In cases where shipping material cost and ship renovation cost are paid for the transport of the imported goods, a total amount of the said costs shall be added.
- 8) In cases where the transportation cost includes loading and unloading charges at the port of entry and the amount is separately stated, these charges shall not be included in the customs value.
- 9) In cases where a demurrage and an early departure charge at the port of shipment is paid or deductible by the buyer, it shall be added to or deducted from the customs value (however, an early departure charge shall be limited to the case where the amount is confirmable at the time of clearing the customs).
- 10) Any demurrage and early departure charge at the port of entry shall neither be added to nor deducted from the customs value.
- 11) In the event of transport contract for a door-to-door delivery by container, if the forwarding charges after the arrival at the

port of entry is distinguishable, the said amount shall be deductible.

12) In cases where container rental is paid separately from freight, all expenses required for the respective hire shall be added to the customs value.

5. The cost of insurance prescribed in Paragraph 1 shall be calculated on the basis of a detailed statement of the cost of insurance or any paper substitutive thereof issued by the respective businessman.
6. With respect to goods contracted for transport by general transportation means other than by aircraft, which have been actually transported by aircraft by the exporter by bearing expenses arising from the change of the transport means because of a delay in the manufacture of the respective goods or any other cause not attributable to the importer, the cost of insurance shall be calculated on the basis of the insurance fee table applied normally by the insurer pursuant to the provisions of Article 9-12, Paragraph 3, of the Law.

7. The cost of transport and insurance to be added to a customs value under Paragraph 1 shall not be added in cases where there are normally no freight to be paid (e.g.: traveler's and crew's luggages) or where the goods are not insured.
8. In the event of adding freight, the cost of insurance and other transportation-related expenses to a customs value, the foreign currency value, which is the basis of an actually paid amount, shall be converted at the customs conversion rate prevailing on the date of import declaration.

Article 23. (Deductive Factors)

1. If an amount falling under one of the following items is included in an actually paid amount and the said amount is clearly distinguishable, it shall be deducted therefrom:
 - 1) Labor and service costs needed for construction, erection, assembly, maintenance or technical assistance undertaken after importation on imported goods;
 - 2) Freight, insurance costs and any other expenses

related to transport needed for the transport of the imported goods after arrival at the port of entry.

3) Duties, taxes and other public imposts on the imported goods in Korea.

4) In the case of importation on deferred payment, the interest payment on it.

2. "Arrival at the port of entry" mentioned in Paragraph 1, Item 2, shall refer to the time and place on which the preparations for unloading from the ship the imported goods have been completed.

Section 3. Determination of Customs Value on the Basis of the Transaction Value of Other Goods

Article 24. (Determination of Customs Value under Second Method)

1. With respect to goods of which a customs value cannot be determined under First Method, the customs value shall be determined on the basis of the transaction value of the identical goods

deemed to be of a customs value (referring to the identical goods prescribed in Article 9-4 of the Act, the same shall follow hereinafter).

2. Identical goods prescribed in Paragraph 1 means to goods which are produced in the country of origin of the respective imported goods and identical thereto in physical characteristics, quality, and in all respects including the consumers' reputation (including goods which only have a slight difference in outward appearance but identical in all other respects).
3. Prices for identical goods which provide the basis for valuation shall meet the following requirements:
 - 1) the goods shall be those exported at or about the same time as the goods being valued.
 - 2) They shall be identical to the goods in terms of commercial level, transaction quantity, transport distance, and form of transportation, etc.; and if there is any difference between the two, the difference attributable to commercial level, quantity, distance and form of transportation, etc, shall be adjustable on

the basis of some objective and quantitative data.

- 3) They shall not be those produced with use of technology, design, idea, industrial art, and industrial design undertaken in Korea.
4. The exporting date in Paragraph 1, Item 1, shall denote the shipping date on the data of preparing shipping documents; and "at or about the same" shall refer to a period before and after the exporting date in which there have been no changes in market conditions, commercial practice, and price.
5. If there are two or more prices for identical goods, the price of the identical goods which is the closest to the goods in terms of manufacturer, time of transaction, commercial level, and transaction quantity, etc., shall be applicable; if there are two or more prices under same conditions, the lowest price shall be adopted as the basis of the customs value.

Article 25. (Determination of Customs Value under
Third Method)

1. With respect to goods of which a customs value cannot be determined under First Method and Second Method, the customs value shall be determined on the basis of the transaction value of similar goods deemed to be of a customs value.
2. The term "similar goods" used in Paragraph 1 shall denote goods which are produced in the country of origin of the imported goods and have identical function, although it may not necessarily be identical in all respects, and has such similar characteristics and similar component parts that they may possibly be used in substitution.
3. In determining a customs value under Paragraph 1, the provisions of Article 24, Paragraph 3 through 5 shall be applied mutatis mutandis.

Section 4. Determination of Customs Value on the
Basis of Domestic Sales Price

Article 26. (Determination of Customs Value under
Fourth Method)

1. In cases where a customs value cannot be determined under First through Third Method, the customs value shall be determined by deducting deductive factors from a total amount calculated by multiplying the unit price at which the imported goods or identical or similar goods are sold in the greatest aggregate quantity in Korea of imports.
2. The unit price at which the goods are sold in the greatest aggregate quantity in Paragraph 1 shall meet the following conditions:
 - 1) It shall be a price for the goods sold in a state identical to that of imported goods. If there is nothing sold in a state identical to that of imported goods, a price for the goods sold in Korea through after-import additional processing may be employed, provided that the importer so wishes.
 - 2) It shall be the price for goods sold at the first commercial level after importation.

3) It shall be the price for goods sold at or about the time of the importation of the goods being valued. If there is no such price, it shall be a price for goods sold before the close of the 90th day after the date of importation of the goods being valued.

4) Buyers in Korea should not be in relationship prescribed in items of Article 17, Paragraph 1, with the seller in Korea or with the exporter in other country; and there should be no fact about any assist given.

3. "The unit price at which the goods are sold in the greatest aggregate quantity" mentioned in Paragraph 1 shall be as illustrated in the following items:

1) Example 1.

In cases where the following sales have been conducted:

Quantity Sold Each Time	Unit Price	Actual Sales	Total Sales in Quantity
1-10 ea	1,000	10 times for 5 each 5 times for 3 each	65 ea
11-25 ea	950	5 times for 11 each	55 ea
over 25 ea	900	1 time for 50 each	50 ea

In this case, the unit price at which goods are sold in the greatest aggregate quantity is 1,000.

2) Example 2.

In case where the following sales have been made:

<u>Date</u>	<u>Quantity Sold</u>	<u>Unit Price</u>	<u>Sales</u>
1st	40 ea	1,000	40,000
3rd	30 ea	900	27,000
7th	15 ea	1,000	15,000
15th	50 ea	950	47,000
20th	25 ea	1,050	26,250
23rd	35 ea	900	31,500
27th	5 ea	1,000	5,000

Since quantities sold are put together by unit price as follows,

<u>Unit Price</u>	<u>Quantity Sold</u>
900	65 ea
950	50 ea
1,000	60 ea
1,050	25 ea

The unit price at which the goods are sold in the greatest aggregate quantity

4. Deductive factors under Paragraph 1 shall be as prescribed in one of the following items:
- 1) Profit and general expenses usually made in importing and selling goods of the same class or kind. However, in the event of goods for consignment sale, the commissions.
 - 2) In the event of further processing, the value added by that processing.
 - 3) Normal cost of transport, insurance and related expenses incurred in Korea after the arrival of the goods at the port of entry.
 - 4) The costs and charges related to the importation and domestic sale in Korea of the goods.
 - 5) The customs duties, taxes and other public imposts payable connection by reason of the importation and domestic sale in Korea of the goods.
5. Profit and general expenses prescribed in Paragraph 4, Item 1, shall be taken as a whole and shall be calculated on the basis of the liable duty payer's accounting report prepared according to generally

accepted accounting principles. However, if the liable duty payer's accounting report exceeds the standard prescribed in Table 1 by 20 percent or more, the amount in excess shall be disclaimed; and if the liable duty payer's accounting report is not confirmable because of his failure to maintain accounting books and vouchers, the standards prescribed in Table 1 shall be applied.

6. In cases where the respective importer asserts that it is very unreasonable to get the application of the standards prescribed in Table 1 for reasons the size of sales and the classification of business type are inadequate, the Commissioner may review the data submitted by the respective enterprise and the data made available by a related business enterprise or organization and separately investigate and apply the normal profit and general expenses of importers who import and sell goods of the same class or kind.

Article 27. (Determination of Customs Value under Fifth Method)

1. In cases where a customs value cannot be determined under First through Fourth Method, a customs value shall be determined on the basis of a computed value of the following amounts:
 - 1) The cost or value of materials and fabrication or other processing employed in producing the imported goods.
 - 2) An amount for charges, profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to Korea.
 - 3) The cost of transport and insurance, and other expenses related to transportation up to the port of entry of the goods.
2. An amount referred to in Paragraph 1, Item 1, shall be determined on the basis of data (accounting books and other records) relating to the production of the goods being valued supplied by the producer.
3. An amount referred to in Paragraph 1, Item 2, shall

be an amount generally authorized in the producers country in accordance with generally accepted accounting principles.

Section 5. Determination of Customs Value on a Reasonable Basis

Article 28. (Determination of Customs Value under Sixth Method)

1. In cases where a customs value cannot possibly be determined under First through Fifth Method, a customs value shall be determined according to some reasonable standards which is in conformity with the principles prescribed in First through Fifth Method.
2. Examples of the reasonable standards under Paragraph 1 shall be as follows:
 - 1) In the event of identical or similar goods, a necessary condition that these kind of goods should be exported at or about the same time with the exporting date of the goods being valued, may be applied flexibly.

Chapter 3. Concrete Valuation Methods on Specific Goods

Article 29. (Customs Value of Traveler's Baggages, etc.)

1. A customs value of any traveler's and crew's baggages, postal items, consignments, and packages sent by separate post (hereinafter referred to as a "traveler's baggages, etc.") shall be determined as prescribed in Articles 11 through 28 (from First Method to Sixth Method).
2. In the event of determining a customs value under Sixth Method pursuant to the provisions of Paragraph 1, prices under the following items may be referred for information;
 - 1) Prices enumerated in the foreign currency value information data prepared and instructed by the Commissioner under some reasonable standards;
 - 2) Prices calculated by multiplying domestic wholesale prices by a market price inverse operation rate;
 - 3) Prices quoted by the liable duty payer.

Article 30. (Customs Value of rented or leased goods)

1. A customs value of rented or leased goods shall be determined as prescribed in Article 11 through 28 (from First Method to Sixth Method).

2. In determining a customs value under Sixth Method, a customs value may be determined in accordance with the provisions of the following items. However, in cases where it is unreasonable to apply any uniform service life, those provisions shall not be applied.

1) A price converted at cash value for the total estimated amount of rent payable during the service life of the respective goods (if expenses needed to maintain and use the respective goods normally after their importation are included in the rent, the total estimated amount of rents after deducting the actual cost equivalent thereto) shall be the basis for determining a dutiable value.

2) If, in the case of Item 1, there is royalty on patent right, etc. paid by the importer, in any name other than rent, regularly or according to the production volume, it shall be dealt in the

same way as for rent.

- 3) In calculating cash value under Item 1, an interest rate applicable shall be as stipulated in the respective hire contract; however, if there is no clause set forth concerning an interest rate in the contract or if an interest rate stipulated is higher than 11 percent a year, an annual interest rate of 11 percent shall be applied.

Article 31. (Customs Value of Deteriorated or Damaged Goods)

In cases where imported goods have been deteriorated or damaged before import declaration, the customs value of such goods shall be determined as prescribed in one of the following items:

- 1) Since the price actually paid or payable is not payable as the price for damaged goods, First Method cannot be applied. If the majority part of the goods are normal ones and only the other part is deteriorated or damaged, the price for the percentage of the normal goods may be adopted as a transaction value.
- 2) If there is any transaction value for goods

identical to deteriorated or damaged goods, a customs value shall be determined under Second Method.

- 3) If there is any transaction value for goods similar to deteriorated or damaged goods, a customs value shall be determined under Third Method.
- 4) In cases where deteriorated or damaged goods are sold in Korea and the sale price thereof meets the requirements in determining a customs value under Fourth Method, a customs value shall be determined under Fourth Method.
- 5) In cases where a customs value cannot be determined under the preceding four methods, a customs value shall be determined reasonably on the basis of the transaction value of the normal goods. In cases where there is any price determined again, a customs value may be determined on the basis of the said price, a result of an investigation conducted by a certified investigation agency not related either to the buyer or to the seller, repair and renovation cost or/and insurance company's compensation, etc.

Article 32. (Customs Value of Goods Carried into
Korea from Bonded Factory)

1. A customs value of goods carried into Korea from a bonded factory pursuant to the provisions of the main clause of Article 101 (Imposition of Customs Duty on Products) of the Law shall be determined under the provisions prescribed in Article 11 through 28.
2. A customs value of goods produced with approval for the use of both foreign and domestic materials in mixture pursuant to the provisions of the proviso in Article 101 (Imposition of Customs Duty on Products) of the Law shall be determined at a value of that portion falling under Item 1 after apportioning the value determined under Paragraph 1 by the ratio of amounts under the following items:
 - 1) The value of foreign goods used for manufacture shall be determined under a Method prescribed in Articles 11 through 28.
 - 2) The value of domestic goods used for manufacture shall be determined at the price quoted in

making purchases at the respective bonded factory. However, in cases where the buyer and the seller come under Article 26, Paragraph 2, Item 4, the domestic sale prices of the goods either identical or similar to the respective goods (the domestic sale price at a commercial level where the respective bonded factory belongs) shall be the purchasing price.

3) The values under Item 1 and Item 2 shall be confirmed at the time of either declaring the use under Article 98-2, Paragraph 2, of the Act or granting an approval for use in mixture under Article 92 of the Decree; and shall be determined at the Won currency value prevailing at each respective time.

3. A dutiable value of goods subject to the imposition of customs duty under Article 102 (Imposition of Customs Duty on Raw Materials) of the Law shall be as prescribed in the following items:

1) Dutiable objects shall be the properties and quantity, of the raw materials introduced from a foreign country and inspected by the customs house.

- 2) A dutiable value shall be determined according to a method prescribed in Article 11 through 28 on the respective raw materials.
- 3) In cases where the goods produced with the use of the respective raw materials are imported three(3) months after the date of the inspection of the said raw materials, the customs duty corresponding to the respective raw materials shall be collected and, at the same time, an amount equivalent to 5/10,000 per day of the respective customs duty according to the number of days passed from the date elapsed to the date of the import license shall be collected separately.

Article 33. (Customs Value of Goods Carried into Korea from Free Export Zone)

A customs value of goods carried into Korea from a free export zone shall be determined according to the methods prescribed in Articles 11 through 28, by regarding the free export zone as an exporting country.

Article 34. (Customs Value of Disposed Property)

1. In the case of goods disposed pursuant to the guidelines for disposal of U.S. army surplus

property, the respective disposal price shall be the customs value. However, in the case of goods sold in lot and whose disposal price is not itemized, the item-by-item price percentages by domestic wholesale price of the said goods shall be calculated, and the customs value shall be determined by applying the percentages to the disposal price.

2. In cases where the goods disposed on condition for exporting them are declared of importation without performing the exportation, a customs value shall be determined by adding the importer's normal profit, freight and insurance premium to the disposal price. However, with respect to goods sold in lot, the provisions of Paragraph 1 shall be applied mutatis mutandis within the limit of the price which includes the importer's normal profit, freight and insurance premium.

Article 35. (Customs Value of Goods Reimported after
Repair or Processing Abroad)

The aggregate amount of expenses under the following items and the value of the exported goods for repair or

processing shall be a dutiable value of goods reimported after repair of processing abroad pursuant to the provisions of the proviso in Article 34, Item 1, of the Law (except in the cases of goods exported for inspection and display abroad):

- 1) Freight and insurance premium on the respective goods to the country where repair or processing is done.
- 2) Loading and Unloading expenses in the country where repair or processing is done, and various other expenses required in delivering the goods to the repairer and/or processor.
- 3) Expenses needed for the repair or processing.
- 4) Forwarding, loading and unloading expenses following the repair or processing.
- 5) Freight, insurance premium, and other expenses on the respective goods from the exporting port of the country where the repair or processing is done to the port of initial entry.

Article 36. (Customs Value of Repaired Ship, etc.)

1. A customs value of any ship or aircraft declared

of importation after the repair or substitution of part thereof abroad pursuant to the provisions of the proviso in Article 8, Paragraph 2, of the Law shall be determined at the foreign currency value paid for the said repair or substitution.

2. "The foreign currency value paid" prescribed in Paragraph 1 shall be confirmed under any of the following items:

- 1) Letter of confirmation on payments issued by a foreign exchange bank.
- 2) The competent Minister's permission for repairing and license for use of foreign currency.
- 3) Letter of confirmation issued by the chief of an overseas mission, certifying details of the repair work.

Article 37. (Goods, etc., Imported from Bonded
Exhibition Places)

1. A customs value of goods imported from a bonded exhibition place shall be determined under a method prescribed in Article 11 through 28.

2. A customs value of goods imported after maintenance work at a bonded area pursuant to the provisions of Article 69 of the Law shall be determined under a method prescribed in Articles 11 through 28, and shall include that portion of value increased by the maintenance work (material cost, wages, and machine tool utilization cost, etc., needed for the maintenance work).

Article 38. (Customs Value of Seized Goods)

1. In cases where general imported goods have turned into seized goods, their customs value shall be calculated according to a method prescribed in Articles 11 through 28, In this case, details of a customs value which the liable duty payer ought to have declared in such manner as prescribed in Article 6, Paragraph 2, shall be determined as confirmed during the investigation of the violation of regulations.
2. In cases where the goods whose customs value is to be determined under Article 29 through 37 are seized goods, the customs value thereof shall be determined according to the respective provisions

for each; respectively. However, if the price confirmed during the investigation of violations is higher, the customs value shall be determined at the value confirmed during the investigation.

Chapter 4. Intensified Valuation Goods

Article 39. (Intensified Valuation Goods)

1. With respect to goods falling under the following items, a customs value shall be determined after intensively confirming facts about transactions at the time of clearing customs:
 - 1) Goods for barter or compensatory trade.
 - 2) Such goods likely to hamper or impede development of domestic industries as are designated by the Commissioner.
 - 3) Such goods whose prices markedly differ from depending on each importer as are designated by the Commissioner.
 - 4) Such goods which are difficult to recognize facts about declaration in view of the trading practice as are designated by the Commissioner.

- 5) Goods declared of importation by any person specified by the Commissioner as a dishonest declarant under the provisions of Paragraph 3.
 - 6) Any other goods separately designated by the Commissioner or a customs collector by deeming it necessary to specially confirm matters regarding price declaration.
2. In confirming and examining facts about transaction in imported goods, if any fact about dishonest entry of false entry of matters regarding price declaration is found, the customs collector shall immediately submit a report on the fact to the Commissioner, with related facts attached thereto.
 3. Upon receiving a report from a customs collector under the provisions of Paragraph 2, Commissioner may designate the declarant as a dishonest declarant within the limit of a period not exceeding one (1) year.
 4. With respect to goods falling under the items of Paragraph 1, an approval for pre-license carrying out for reasons of determining a customs value may be restricted.

Addenda

Article 1. (Enforcement Date)

This Public Notice shall go into effect on February 5, 1986. However, the provisions of Article 27 shall go into effect on February 5, 1989.

Article 2. (Interim Measures)

1. Established rules and circulars instructed and issued by the Commissioner before enforcement of this Public Notice shall continue to have their effect unless they run counter to this Public Notice.
2. Goods imported by a liable duty payer coming under Article 42 of the previous notice (Customs Office Public Notice No. 84-373) prior to enforcement of this Public Notice and goods falling under Articles 43 and 44 of the same shall be regarded as goods falling under Article 39 of this Public Notice.

**Table 1. Ratios of Profit and General Expenses to
Gross Sales by Industry**

(Unit: %)		
	<u>Item</u>	<u>Manufac- turing</u> <u>Resale</u>
1.	Foodstuff	
	Dairy and marine products	11 10
	Fruits, vegetables, bread and confectionary	20 15
2.	Drinks	
	Alcoholic beverages	29 8
	Softdrinks	37 13
3.	Textiles	15 13
4.	Garments	13 14
5.	Leather and artificial leather products	10 11
6.	Paper and paper products	13 9
7.	Industrial chemicals	14 13
8.	Pharmaceuticals	44 15
9.	Cosmetics	54 20
10.	Petroleum products (limited to crude oil refined products and asphalt oil)	10 4
11.	Photographic films, chemicals and print papers	20 15

<u>Item</u>	<u>Manufac- turing</u>	<u>Resale</u>
12. Paints	23	20
13. Rubber and rubber products	15	16
14. Glass and glass products	23	7
15. Primary metals	14	10
16. Industrial machinery		
Agricultural machinery & equipment	18	20
Construction & mining machinery and equipment	16	27
Metal machine tools and civil engineering equipment	17	31
Electric power industry machinery and equipment	22	20
Laboratory and scientific instruments and equipment	25	32
Other industrial machinery and equipment ...	15	32
17. Office machines and equipment	22	31
18. Household machinery and tools	17	17
19. Watches and clocks	15	18
20. Sports and athletic equipment	18	28
21. Accessories and related goods	18	26
22. Plastic products	17	17
23. Musical instruments	21	15
24. Toys	14	15
25. Others	15	8
26. General retail business	20	

- (1) This table shows average ratios of profit and general expenses to gross sales by business type. In determining a dutiable value under Fourth Method or Sixth Method, it will be possible to calculate the deductible standard profit and general expenses by multiplying the total amount, which is arrived at by multiplying the imported quantity by the unit price sold in the greatest aggregate quantity, by the respective ratio in this Table.
- (2) In the event of selling imported goods through additional processing after importation, the respective deductible ratio for manufacturing in the respective business type should be applied; and in the event of selling imported goods directly (including classification and repackaging), a deductible ratio for resale shall be applied.
- (3) With respect to goods which are not specifically listed in this Table, the ratio for others (No. 25) shall be applied, and the ratio for general retail business (No. 26) shall be applied for the retailer's profit and general expenses.

Form 1. Declaration of Facts about Business Relations

1. Liable duty payer:

Name:

Name of Company:

Address:

Businessman's
Registration No.:

2. Imported goods:

Duty No. () Code No. ()

Description and Specification

3. Parties to transactions

1) Producer:

2) Exporter:

Code

3) Broker : ()

4) Importer: ()

4. Transaction value formed or not:

Yes

No

1) Are there any restrictions in the
disposition or use of the imported
goods? (Article 14)

2) Is the price for imported goods
affected by any condition/reason
which may not be converted into

Yes No

an amount? (Article 15)

3) Does any part of earnings from the disposition or use of imported goods fall to the seller? (Article 16)

4) Are the parties to transactions in any special relationship with each other? (Article 17)

5. Details of import contract:

1) The goods are imported continuously and repeatedly under an exclusive sales contract. ()

2) The goods are imported in installment under a long-term supply contract. ()

3) The goods are imported in several installments under a package purchase contract. ()

4) The goods are imported continuously and repeatedly under a contract entered as occasion demands. ()

5) This is the first and last transaction. ()

This is the first transaction ever conducted; and we plan to continue such transactions depending on circumstances. ()

6) Others: ()

6. Method of determining the price:

1) Based on the seller's price list. ()

The price list is open to public
() or not published at all. ()

2) The seller who offers the most favorable
term is selected according to offered
prices and telex information made
available. ()

3) Other () (Details:)

7. Determination of valuation method
applicable:

1) First Method is applied since various
conditions for transaction value are
met satisfactorily. ()

2) First Method is applied although the
parties to the transactions are in
relationship, since it can be
evidenced that it has no effect on
price (evidential data enclosed) ()

3) _____ Method is applied since there
are restrictive conditons. ()

4) Other () ()

8. Purpose of importation:

Resale () Manufacture/processing ()

Installation at one's own plant ()

Other () (for leasing and maintenance purposes)

9. This is to certify that this declaration is hereby filed pursuant to the provisions of Article 9-2 of the Customs Act and Article 6 of the Detailed Enforcement Regulations on Customs Assessment, and that the above statement is true and correct in every detail.

Data:

Declarant:

Position:

Name :

Tel. :

Enclosure: 1) Invoice ()
2) Contract ()
3) Other price data ()

Note: We would like to advise you that in case the details of the entries in this declaration are contrary to the fact, punishment may be due under Article 180 (Penalty for evasion of customs duty) of the Customs Act.

Form 2. Dutiable Account Adjusting Statement**1. Comprehensive declaration:**

Relevant () Irrelevant ()

Competent customs house - Branch house:

-

Designation No.:

Data of designation:

Management Code No.:

2. Liable duty payer:

Name:

Name of Company:

Address:

Businessman's Registration No.:

3. Import declaration No.:

Customs house:

Code:

Serial No.:

Data of declaration:

4. L/C opening bank:

5. Date of L/C opened:
6. Country of origin:
7. Date of contract:
8. Date of shipment:
9. Date of payment :
10. Description and specification of imported goods:
Duty No. () Code No. ()
11. Applicable valuation method:
(Article , Paragraph , Item of Detailed
Enforcement Regulations)

(Reason)
12. Computation of customs value:

(In case both Won currency and foreign currency are
used, the amount shall be converted into Won
currency at the customs conversion rate applied at
the time of import declaration)

<u>Item</u>	<u>Amount</u>	<u>Ground</u>
A. Invoiced price (CIF)		
Other prices of goods		

B. Packing Charge

Container expenses

Forwarding cost in exporting country

Storage fee and other handling cost
in other countries

Shipping cost

Demurrage at the port of lading

Ocean-going freight

Settlement of accounts under charterage

Insurance premium

(Sub-total)

C. Commission or brokerage

Production support

Royalty on patent

Profit reverted after importation

(Sub-total)

**D. Transportation-related expenses after
importation**

After-import installation and
assembling charges

Interest on deferred payment

(Sub-total)

Customs Value:

A + B + C + D

13. The Customs value determined is hereby declared pursuant to the provisions of Article 9-2 and Article 17 of the Customs Act as well as Article of the Detailed Enforcement Regulations on Customs Assessment, as stated above.

Declarant:

Position:

Name:

Tel.:

Enclosure:

Papers related to Paragraph 12, _____ pages.

* * *

Note: In case there are any reasons for modifying details of the above declaration, it is possible to file a revised declaration under Article 17, Paragraph 4, of the Customs Act. You are also advised on that in case details of the entries in this declaration are contrary to the fact, punishment may be due under Article 180 (Penalty for evasion of customs duty) of the Customs Act.

Form 3. Dutiable Account Adjusting Statement

1. Comprehensive declaration:

Relevant () Irrelevant ()

Competent customs house - Branch house:

Designation No. :

Date of designation:

*Management Code No.:

2. Liable duty payer:

Name:

Name of company:

Address:

Businessman's Registration No.:

3. *Import declaration No.:

Customs house:

Code:

Serial No.:

Date of declaration:

4. Description and Specification of Imported Goods:

Duty No. () - Code No. ()

5. Grounds for determining unit price sold in the greatest aggregate quantity sold:

-- Sales price of the respective goods	()
-- Sales price of identical goods	()
-- Sales price of similar goods	()

6. Domestic sales price that provides a basis for valuation:

Unit price

Import quantity

Total	(A)
-------	-----

7. Amount deductible

<u>Item</u>	<u>Amount</u>	<u>Ground</u>
L/C opening charge		
L/C opening cable charge		
KTA membership due		
Entrance fee		
Unloading charges		
Storage fee		
Storage insurance premium		
Delivery charge		
Domestic freight		
Transportation insurance premium		

Others

Customs clearing fee

Quarantine fee

Visiting inspection fee

Additional processing raw material cost

Additional processing fee

Profit & general expenses

Customs duty

Defense on customs duty

Special consumption tax (liquor tax)

Defense tax on internal tax

Value Added Tax

Total (B)

8. Customs value: (A) - (B) = ()
Applicable conversion rate ()
CIF ()

9. The customs value determined is hereby declared as stated above pursuant to the provisions of Article 9-2 and Article 17 of the Customs Act and Article 6 of the Detailed Enforcement Regulations on Customs Assessment

Date:

Declarant:

Position:

Name :

Tel. :

Enclosure:

Papers related to Paragraph 5 and 7, _____
pages.

Note: In case there are any reasons for modifying details of the above declaration, it is possible to file a revised declaration under Article 17, Paragraph 4, of the Customs Act. You are also advised on that in case details of the entries in this declaration are contrary.

Form 4. Application for Designation of Person Eligible
for Comprehensive Declaration

Processing Period:
30 days

Applicant:

- (1) Address
- (2) Name of company
- (3) Name
- (4) Businessman's Registration No.

Responsible Person for Value Declaration:

- (5) Office & position
- (6) Name
- (7) Tel.
- (8) Resident registration No.
- (9) Location of branches
- (10) Location of factory
- (11) Major importing countries
- (12) Major customers overseas
- (13) Major imported items
- (14) Major products

This application is hereby submitted for your designation of this applicant as one eligible for global declaration, as stated above, pursuant to the provisions of Article 8 of the Detailed Enforcement Regulations on Customs Assessment.

Date:

Applicant: (seal)

To: Commissioner
Office of Customs

1. Business outline
2. Unabridged copies of Articles of Association and court register of corporation
3. Copy of statement of accounts settled
4. Explanatory note on details of transactions
5. Explanatory note on special relationship
6. Resume of responsible person for value declaration
7. Others

Fee (Free)