

GENERAL AGREEMENT ON TARIFFS AND TRADE
ACCORD GENERAL SUR LES TARIFS DOUANIERES ET LE COMMERCE
ACUERDO GENERAL SOBRE ARANCELES ADUANEROS Y COMERCIO

RESTRICTED

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INFORMATION ON IMPLEMENTATION AND
ADMINISTRATION OF THE AGREEMENT

Addendum

Legislation of Japan*

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

Comité de l'évaluation en douane

RENSEIGNEMENTS RELATIFS A LA MISE EN OEUVRE ET
A L'ADMINISTRATION DE L'ACCORD

Addendum

Législation du Japon*

*Anglais seulement. Le texte original en japonais a été communiqué au secrétariat (Division des mesures non tarifaires) où il peut être examiné.

Comité de Valoración en Aduana

INFORMACIÓN SOBRE LA APLICACIÓN Y ADMINISTRACIÓN
DEL ACUERDO

Addendum

Legislación del Japón*

*Únicamente en inglés. El texto original, en lengua japonesa, obra en poder de la Secretaría (División de Medidas no Arancelarias) donde puede examinarse.

JAPAN

I. Customs Tariff Law

(Provisional Translation)

(Principle for Determining the Customs Value)

Article 4

1. The value for customs purposes of imported goods (hereinafter referred to as "customs value") shall, except where the first sentence of paragraph 2 applies, be the price actually paid or payable by the buyer to or for the benefit of the seller for the imported goods in the import transaction relating to the goods (excluding the amounts of customs duty or any other charges reduced or refunded in the country of exportation at the time of their exportation), plus the cost of transport, etc., as enumerated below, to the extent that they are not included in the price actually paid or payable for the goods (hereinafter referred to as the "transaction value"):

(1) cost of transport, cost of insurance and other expenses incurred for transport of the goods to the port of importation (referred to as "cost of transport, etc., to the port of importation" in the next Article and in paragraph 2 of Article 4-3);

(2) the following commissions or expenses, to the extent that they are incurred by the buyer in the

import

import transaction relating to the goods:

- (a) brokerage and commissions, except buying commissions;
- (b) the cost of containers which are treated as being one for customs purposes with the goods in question, provided that they shall be of the same kind and value as the containers usually used for such imported goods;
- (c) the cost of packing the imported goods;
- (3) the value of the following goods or services where supplied directly or indirectly by the buyer free of charge or at reduced cost for use in connection with the production of the imported goods and the import transaction:

- (a) materials, parts or similar items incorporated in the imported goods;
- (b) tools, moulds or similar items used in the production of the imported goods;
- (c) materials consumed in the production of the imported goods;
- (d) engineering, plans and sketches and such other services necessary for the production of the imported goods as may be prescribed by a Cabinet Order;

(4) the value of the use of patent, design or trademark right and such similar rights as may be prescribed by a Cabinet Order (excluding the right to reproduce the imported goods in Japan), related to the imported goods, that the buyer must pay, directly or indirectly, as a condition of the import transaction relating to the imported goods; and

(5) the value of any part of the proceeds of any subsequent disposition or use of the imported goods by the buyer that accrues directly or indirectly to the seller.

2. Where there exists any of the circumstances prescribed in the following sub-paragraphs in connection with the import transaction relating to the imported goods, the customs value of the imported goods shall be determined in accordance with the provisions of Article 4-2 through Article 4-4:

(1) when there are restrictions as to the disposition or use of the imported goods by the buyer (excluding restrictions as to the geographical area in which the imported goods may be resold by the buyer and such other restrictions as may be prescribed by a Cabinet Order);

(2) when the import transaction relating to the imported goods is subject to a condition that

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the transaction value of the imported goods is established on the basis of the quantity or price of goods other than the imported goods, sold in transaction between the seller and buyer of the imported goods or to any other condition which makes it difficult to determine the customs value of the imported goods;

(3) when the value of any part of the proceeds of any subsequent disposition or use of the imported goods by the buyer that accrues directly or indirectly to the seller is unknown;

(4) when the buyer and seller are related (i.e. when they are officers or directors of one another's businesses or when there is such relationship between the buyer and seller as may be prescribed by a Cabinet Order; the same to apply hereinafter in this subparagraph and in paragraph 1 of Article 4-3) and the relationship is considered to have influenced the transaction value of the imported goods.

Provided, however, that the first sentence of this paragraph shall not apply to cases which come under subparagraph (4) above but in which the importer of the imported goods demonstrates, in accordance with the provisions of a Cabinet Order, that the transaction value of the imported goods is the same as, or closely approximates

to,

to, the customs value of identical or similar goods (exported to Japan on or about the same date as the imported goods and produced in the country of production of the imported goods; the same to apply hereinafter in this paragraph), calculated in accordance with the provisions of the preceding paragraph or Article 4-3 (with appropriate adjustment made, in accordance with the provisions of a Cabinet Order, to take account of price difference between the imported goods and the identical or similar goods arising from differences in commercial level, quantity or cost of transport, etc., as enumerated in any of the sub-paragraphs of the said paragraph, and such other costs and charges as may be prescribed by a Cabinet Order). Where the customs value is calculated under the provisions of the said paragraph, there shall be used the customs value of goods identical or similar to the imported goods in an import transaction between a buyer and seller who are not related in terms of the provision of sub-paragraph (4).

(Determination of Customs Value on the Basis of
Transaction Value of Identical or Similar Goods)

Article 4-2

1. When the customs value of the imported goods cannot be calculated under the provisions of paragraph 1 of the

preceding

preceding Article or when the first sentence of paragraph 2 of the said Article applies and if there is available the transaction value (i.e. the customs value which has already been accepted under the provisions of paragraph 1 of the preceding Article; the same to apply hereinafter in this Article) of goods identical or similar to the imported goods (exported to Japan on or about the same date as the imported goods and produced in the country of production of the imported goods; hereinafter in this Article referred to as "identical or similar goods"), the customs value of the imported goods shall be the transaction value of these identical or similar goods (if the transaction values of both identical and similar goods are available, the customs value of the imported goods shall be the transaction value of the former). In applying the provisions of this Article, the transaction value of identical or similar goods shall be the transaction value of identical or similar goods in an import transaction at the same commercial level and in substantially the same quantity as in the case of the imported goods (hereinafter in this Article referred to as "identical or similar goods in a sale at the same commercial level and in the same quantity"). Where there is a significant difference in cost of transport, etc., to the port of importation between the imported goods and the identical or similar goods in a sale at the same commercial level and in

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the same quantity in question arising from differences in distances and modes of transport, the transaction value of the identical or similar goods shall be the transaction value after necessary adjustment is made, as may be prescribed by a Cabinet Order, to take account of any price difference attributable to such significant differences.

2. Where there is available no transaction value of identical or similar goods in a sale at the same commercial level and in the same quantity as provided for in the preceding paragraph, the transaction value of the identical or similar goods as provided for in the said paragraph shall be the transaction value of identical or similar goods after necessary adjustment is made, as may be prescribed by a Cabinet Order, to take account of any price difference attributable to differences in commercial level or quantity and differences in cost of transport, etc., to the port of importation.

(Determination

(Determination of Customs Value on the Basis of Domestic
Selling Price or Cost of Production)

Article 4-3

1. When the customs value of the imported goods cannot be calculated under the provisions of the preceding two Articles and if there is available a domestic selling price of the imported goods (including the domestic selling price of the imported goods where they have been delivered from the Customs with the approval of the Director-General of Customs under the provisions of paragraph 1 of Article 73 (Delivery of goods prior to import permit) of the Customs Law; the same to apply hereinafter in this paragraph) or a domestic selling price of goods identical or similar to the imported goods (produced in the country of production of the imported goods; the same to apply hereinafter in this paragraph), the customs value of the imported goods shall be the price as prescribed in any of the following sub-paragraphs. (Provided, however, that sub-paragraph (2) shall apply only when sub-paragraph (1) cannot be applied and the importer of the imported goods requests application of the provision of sub-paragraph (2)):

(1) if there is available the domestic selling price of the imported goods or of identical or similar goods, sold domestically to persons who are not related to the persons from whom they buy such goods,

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the same in nature and condition as those goods at the time of the import declaration (or at the time as prescribed in any of the sub-paragraphs of Article 4 (Exceptional date of determination of object for duty assessment) of the Customs Law, in the case of the goods as enumerated in any of those sub-paragraphs; hereinafter in this sub-paragraph and in the next sub-paragraph referred to as "the date of determination of object for duty assessment") on or about the date of determination of object for duty assessment with regard to the imported goods, the customs value shall be such domestic selling price, subject to deductions for the following commissions, etc.:

(a) the commissions usually paid or agreed to be paid or the additions usually made for profit and general expenses (excluding the expenses as enumerated in (b) below) in connection with the domestic sale of imported goods of the same class or kind (i.e. goods which fall within a group or range of goods produced by the same industry or industry sector and which belong to the same class or kind as the imported goods; the same to apply in the next paragraph);

(b) the usual costs of transport and insurance and associated costs incurred for the transport

of

of the imported goods or of the identical or similar goods sold in the domestic market from the time of their arrival at the port of importation to that of the domestic sale;

(c) the customs duties and other charges paid in Japan on the imported goods or the identical or similar goods sold in the domestic market;

(2) if there is available the domestic selling price of the imported goods, sold domestically to persons who are not related to the persons from whom they buy such goods, after further processing after the date of determination of object for duty assessment, the customs value shall be such domestic selling price, subject to deductions for the value added by such processing and the amounts of commissions, etc., as enumerated in (a), (b) and (c) of the preceding subparagraph.

2. When the customs value of the imported goods cannot be calculated under the provisions of the preceding paragraph and if the cost of production of the imported goods can be confirmed, the customs value of the imported goods shall consist of the cost of production of the imported goods, usual profit and general expenses in connection with sales for export to Japan of imported goods of the same class or kind produced in the country of production of the imported goods, and cost of transport, etc., of the imported goods to the port of importation.

3. When the cost of production of the imported goods can be confirmed and if the importer of the imported goods so requests, the customs value of the imported goods shall be calculated under the provisions of the preceding paragraph, prior to the application of paragraph 1 above.

(Determination of Customs Value of Special Imported Goods)

Article 4-4

When the customs value of the imported goods cannot be calculated under the provisions of the preceding three Articles, the customs value shall be the value calculated under the provisions of a Cabinet Order as corresponding to the customs value calculated under the provisions of those Articles.

(Determination of Customs Value of Imported Goods
Deteriorated or Damaged)

Article 4-5

When the customs value is to be calculated under the provisions of Articles 4 to 4-4 and if it is found that the imported goods have deteriorated or are damaged, in the light of the terms and conditions of the import transaction, by the time of import declaration (or, by the time as prescribed in sub-paragraphs (2) to (8) of Article 4 (Exceptional date of determination of object for duty assessment) of the Customs Law, in the case of the goods as enumerated in any of those sub-paragraphs; hereinafter in the proviso to paragraph 1 of Article 10

referred

referred to as "the time of import declaration, etc."), the customs value of the imported goods shall be the customs value calculated as if such deterioration or damage had not occurred, subject to deductions for an amount equivalent to the depreciation caused by such deterioration or damage.

(Special Rule for Determination of Customs Value of Air Cargo)

Article 4-6

1. If, when calculating the customs value under the provisions of any of Articles 4 to 4-4, inclusive, the imported goods are goods transported by air, the cost of transport and cost of insurance incurred for transport to the port of importation of free samples (provided the customs value of the samples does not exceed such an amount as may be prescribed by a Cabinet Order as a small value, if the customs value is calculated on the basis of airfreight and insurance) or of goods the importation of which is deemed to be urgently necessary for disaster relief, the protection of public hygiene or any other similar purposes and of such other similar goods as may be prescribed by a Cabinet Order shall be calculated on the basis of cost of transport and cost of insurance for the usual mode of transport other than by air.
2. If, when calculating the customs value under the provisions of any of Articles 4 to 4-4, inclusive, the imported

goods

goods are goods brought into Japan as accompanied luggage by a person entering Japan or any other goods the import transaction of which is considered to be at the level of retail transaction, and they are deemed to be for the personal use of the importer of the imported goods, the customs value of the imported goods shall be the value at which they would have been imported at the level of usual wholesale transaction. The first sentence of this paragraph shall apply mutatis mutandis to the case where the imported goods are a gift to a person resident in Japan and are deemed to be for the personal use of the recipient of the gift.

(Foreign Exchange Rate Used for Conversion of Currency)

Article 4-7.

1. When the customs value is to be calculated under the provisions of any of Articles 4 to 4-6, inclusive, the conversion of a value expressed in foreign currency into Japanese currency shall be made on the basis of the foreign exchange rate on the date of import declaration of the imported goods (or, on the relevant date as prescribed in sub-paragraph (1) of Article 5 (Exceptions to applicable laws and regulations) of the Customs Law, if the customs value is to be calculated for the goods as enumerated in the said sub-paragraph).
2. The foreign exchange rate as prescribed in paragraph 1 above shall be established by a Ministry of Finance Ordinance.

(Mandate

(Mandate to Cabinet Order)

Article 4-8

Matters other than those prescribed in Articles 4 to 4-7 which are necessary for calculation of the customs value of the imported goods shall be prescribed by a Cabinet Order.

II. Cabinet Order for Enforcement
of the Customs Tariff Law

(Provisional Translation)

(Price Actually Paid or Payable for the Imported Goods)

Article 1-3

The "price actually paid or payable by the buyer to or for the benefit of the seller for the imported goods", as provided for in paragraph 1 of Article 4 (Principle for determining the customs value) of the Law, shall be the total payment made or to be made by the buyer to or for the benefit of the seller for the imported goods (including any amount of indirect payment, such as settlement made or to be made by the buyer for the benefit of the seller, whether in whole or in part, of a debt owed by the seller; the same to apply hereinafter in this Article), excluding such expenses, etc., as enumerated in any of the sub-paragraphs below. (Provided, however, that in cases where such total payment less the expenses, etc., as enumerated in any of the following sub-paragraphs cannot be ascertained for the imported goods, owing to the fact that such expenses, etc., cannot be distinguished, the price actually paid or payable for the imported goods shall be the total payment, including those expenses, etc., that cannot be distinguished);

(1)

- (1) charges for services for construction, erection, assembly, maintenance or technical assistance, undertaken on the imported goods after the date of the import declaration for the imported goods (or, in the case of the goods as enumerated in any of the sub-paragraphs of Article 4 (Exceptional date of determination of object for duty assessment) of the Customs Law, such time as provided for in any of those sub-paragraphs; in paragraph 1 of Article 1-9 referred to as "the date of determination of object for duty assessment");
- (2) the cost of transport of the imported goods after their arrival at the port of importation, cost of insurance and any other expenses associated with such transport;
- (3) customs duties and any other charges levied on the imported goods in Japan;
- (4) interest for deferred payment for the imported goods, where the import transaction is subject to deferred payment.

(Cost of Transport, etc., to be Included in the Customs Value)

Article 1-4

1. The "cost of transport, etc., to the port of importation" as provided for in sub-paragraph (1) of paragraph 1 (Cost of transport,

transport, etc., to the port of importation) of Article 4 of the Law, shall, when actual cost of transport, etc., for the imported goods to the port of importation considerably exceeds the cost of transport, etc., for the imported goods to the port of importation usually required to be paid, owing to the fact that the imported goods (excluding goods coming under the goods as provided for in paragraph 1 of Article 4-6 (Special rule for determination of customs value of air cargo) of the Law) are transported under unusual circumstances, be the cost of transport, etc., to the port of importation usually required to be paid.

2. "The services necessary for the production of the imported goods as may be prescribed by a Cabinet Order" under the provision of (d) of sub-paragraph (3) of paragraph 1 of Article 4 (Value of services to be included in the customs value) of the Law shall be engineering, plans and sketches, development, artwork and design work, undertaken elsewhere than in Japan.

3. The rights similar to patent, design and trade mark right as may be prescribed by a Cabinet Order under sub-paragraph (4) of paragraph 1 of Article 4 (The value of the use of patent right, etc., to be included in the customs value) of the Law shall be the right of utility model, copyright and neighboring rights and a production method based on special techniques, etc., for which royalties or license fees must be paid.

(Adjustment)

(Adjustment to Take Account of Price Difference when it is to be Demonstrated that the Transaction Value of the Imported Goods was not Influenced by Relationship and Procedure for Such Demonstration)

Article 1-5

1. "Such other costs and charges as may be prescribed by a Cabinet Order" under the proviso to paragraph 2 of Article 4 (Demonstration that the transaction value of the imported goods was not influenced by relationship) of the Law shall be costs and charges, other than cost of transport, etc., as enumerated in any of the sub-paragraphs of paragraph 1 of the said Article (Cost of transport, etc., to be included in the customs value), that are incurred by a seller in an import transaction in which he and the buyer are not related (in terms of sub-paragraph (4) of paragraph 2 of the said Article (Relationship); the same to apply hereinafter), but that are not incurred, wholly or partially, by the seller who is related to the buyer.
2. Adjustment to be made under the provisions of the proviso to paragraph 2 of Article 4 of the Law in order to take account of price difference between the imported goods and identical or similar goods arising from differences in commercial level, quantity, or cost of transport, etc., as enumerated in any of the sub-paragraphs of paragraph 1 of the said Article, or the costs and charges as provided for in the preceding paragraph shall

be

be made by adding to, or deducting from, the customs value of identical or similar goods, calculated under the provisions of paragraph 1 of the said Article (Principle for determining the customs value) or paragraph 1 or 2 of Article 4-3 of the Law (Determination of customs value on the basis of domestic selling price or cost of production), price difference arising from those differences which may become available when calculation is made on the basis of a price-list showing a series of prices for identical or similar goods for different commercial levels or quantities and any other data on the basis of which it may be found that such adjustment can appropriately be made.

3. Any person who is to demonstrate under the provisions of the proviso to paragraph 2 of Article 4 of the Law that the transaction value of the imported goods is the same as, or closely approximates to, the customs value as provided for in the proviso to the said paragraph, shall, at the time of import declaration, submit to the Director-General of Customs a document stating the transaction value of the imported goods covered by the import declaration, the customs value of identical or similar goods as provided for in the proviso to the said paragraph, details of adjustment made under the provisions of the preceding paragraph and any other relevant facts.

(Restrictions

(Restrictions as to the Disposition, etc., of the
Imported Goods by the Buyer)

Article 1-6

"Such other restrictions as may be prescribed by a Cabinet Order" under sub-paragraph (1) of paragraph 2 of Article 4 (Restrictions as to the disposition, etc., of the imported goods by the buyer) shall be as follows:

- (1) restrictions which limit the geographical area in which the imported goods may be sold by the buyer (excluding those restrictions coming under the next sub-paragraph);
- (2) restrictions as to the disposition or use of the imported goods by the buyer which are imposed or required by law or by the Government or a local Government;
- (3) other restrictions as to the disposition or use of the imported goods by the buyer which do not substantially affect the transaction value of the imported goods.

(Scope

(Scope of Relationship)

Article 1-7

"Such relationship between the buyer and seller as may be prescribed by a Cabinet Order" under sub-paragraph (4) of paragraph 2 of Article 4 (Relationship between the buyer and seller) of the Law shall be a relationship between the buyer and seller which comes under any of the following sub-paragraphs:

- (1) when the buyer and seller are legally recognized partners in business;
- (2) when either the buyer or the seller is the employer of the other;
- (3) when either the buyer or the seller directly or indirectly owns, controls or holds 5 percent or more of the outstanding voting stock or shares of the other;
- (4) when either the buyer or the seller directly or indirectly controls the other (excluding a case coming under the preceding sub-paragraph);
- (5) when any third party directly or indirectly owns, controls or holds 5 percent or more of the outstanding voting stock or shares of both the buyer and seller;
- (6) when the buyer and seller are directly or indirectly controlled by a third person (excluding a case coming under the preceding sub-paragraph);

(7)

- (7) when together the buyer and seller directly or indirectly control a third person;
- (8) when the buyer and seller are members of the same family.

(Priority of the Transaction Value of Goods Produced by the Same Producer, etc.)

Article 1-8

1. If, when calculating the customs value of the imported goods under the provisions of paragraph 1 or 2 of Article 4-2 (Determination of customs value on the basis of transaction value of identical or similar goods) of the Law, there are available both the transaction value of identical goods produced by the producer of the imported goods and the transaction value of identical goods produced by a person other than the said producer, the customs value of the imported goods shall be the transaction value of the identical goods produced by the producer of the imported goods, whereas, if there are available both the transaction value of similar goods produced by the producer of the imported goods and the transaction value of similar goods produced by a person other than the said producer, the customs value of the imported goods shall be the transaction value of the similar goods produced by the producer of the imported goods.
2. If, when calculating the customs value of the imported goods under the provisions of paragraph 1 or 2 of Article 4-2

of

of the Law, more than one transaction value of identical goods produced by the producer of the imported goods, of identical goods produced by a person other than the producer of the imported goods, of similar goods produced by the producer of the imported goods, or of similar goods produced by a person other than the producer of the imported goods is available, the lowest such value shall be used to determine the customs value of the imported goods.

3. The provisions of paragraph 2 of Article 1-5 shall apply mutatis mutandis to necessary adjustment made to the transaction value of identical or similar goods under the provisions of paragraph 1 or 2 of Article 4-2 of the Law.

(Domestic Selling Price of the Imported Goods, etc.)

Article 1-9

1. The "domestic selling price of the imported goods or of identical or similar goods, sold on or about the date of determination of object for duty assessment", as provided for in sub-paragraph (1) of paragraph 1 of Article 4-3 (Determination of customs value on the basis of domestic selling price) of the Law, shall be the domestic selling price of such goods on or about the date of determination of object for duty assessment and shall, if there is available no such domestic selling price, be the domestic selling price of such goods at the earliest date after the date of determination of object

for

for duty assessment but before the expiration of ninety days after such date.

2. The domestic selling price of the imported goods or of identical or similar goods (including such goods mixed with one another for sale; the same to apply hereinafter in this paragraph), as provided for in sub-paragraph (1) of paragraph 1 of Article 4-3 of the Law, and the domestic selling price of the imported goods, as provided for in sub-paragraph (2) of paragraph 1 of the said Article (Determination of customs value on the basis of domestic selling price after further processing), shall be the price obtained by calculation made on the basis of a unit price at which these goods (or, in the case of imported goods or identical or similar goods as provided for in sub-paragraph (1) of the said paragraph, any of such goods) are sold at the first commercial level in Japan (excluding the sale to any person who directly or indirectly supplied those goods or services as enumerated in (a) to (d), inclusive, of sub-paragraph (3) of paragraph 1 of Article 4 of the Law (The value of goods or services to be included in the customs value) free of charge or at reduced cost for use in connection with the production of the imported goods for export and the import transaction) (or, if more than one sale at the first commercial level in Japan is available and the unit prices for such sales are different, on the basis of the unit price at which they are sold in the greatest quantity).

(Determination

(Determination of Customs Value of Special Imported Goods)

Article 1-10

The "value calculated under the provisions of a Cabinet Order", as provided for in Article 4-4 (Determination of customs value of special imported goods) of the Law, shall be the value as prescribed in the following sub-paragraphs:

(1) when there is available the customs value, calculated under the provisions of paragraph 1 of Article 4 (Principle for determining the customs value) of the Law or the customs value calculated under the provisions of sub-paragraph (1) of paragraph 1 of Article 4-3 (Determination of customs value on the basis of domestic selling price) of the Law (or, the customs value calculated under the provisions of paragraph 1 of Article 4 of the Law, if there are available both values referred to above), of goods (produced elsewhere than in Japan) which can demonstrate a price difference between such goods and the imported goods arising from differences in quality, function, time of exportation and any other circumstance, such customs value, with necessary adjustment made to take account of price difference between such goods and the imported goods arising from differences in quality, function, time of exportation and any other circumstance, by, for instance, multiplying the said customs value by a price-ratio corresponding to differences in

quality

quality or function which can be seen from the price-list of such goods or to the difference in time of exportation;

(2) when the preceding sub-paragraph does not apply, the customs value calculated in such a manner as may be prescribed by the Director-General of Customs as a manner consistent with the provisions of Article VII of the General Agreement on Tariffs and Trade and of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade.

(Special Rule for Determination of Customs Value of Air Cargo)

Article 1-11

1. "Such an amount as may be prescribed by a Cabinet Order" under paragraph 1 of Article 4-6 (Special rule for determination of customs value of air cargo) of the Law shall be 200,000 yen.

2. "Such other similar goods as may be prescribed by a Cabinet Order" under paragraph 1 of Article 4-6 of the Law shall be as enumerated below:

(1) articles presented as gifts by any person resident in a foreign country (including any juridical person having its principal or main office in a foreign country) to any person resident in Japan for

his

his personal use the total amount of the customs value of which is not more than 100,000 yen, calculated on the basis of airfreight and insurance;

(2) news photographs, news films or news recording tapes which are for ordinary daily newspapers carrying articles relating to current events, for news films or for radio- or television-broadcasting, or impressed flongs and matrices for newspapers;

(3) articles for aircraft, articles for maintenance of aircraft and articles for office work, imported by any person who is engaged in the air transportation business in Japan for use in his business and transported by an aircraft being used for his business;

(4) articles (excluding automobiles, vessels and aircraft) brought into Japan as accompanied luggage or imported as unaccompanied luggage through the procedures as prescribed in Article 14 by any person entering Japan for a purpose other than removal of his residence to Japan which are intended for his personal or professional use (excluding those articles which can be exempted from customs duty under the provisions of sub-paragraph (7) of Article 14

(Unconditional exemption from customs duty on personal effects) of the Law), the total amount of the customs value of which is not more than 200,000 yen, calculated on the basis of airfreight and insurance;

(5)

- (5) articles (excluding automobiles, vessels and aircraft) brought into Japan as accompanied luggage or imported as unaccompanied luggage through the procedures as prescribed in Article 14 by any person entering Japan for the purpose of removing his residence to Japan which are intended for the personal or professional use of himself or members of his family (excluding those articles which can be exempted from customs duty under the provisions of sub-paragraph (8) of Article 14 (Unconditional exemption from customs duty on household effects to be moved) of the Law), the total amount of the customs value of which is not more than 200,000 yen, calculated on the basis of airfreight and insurance;
- (6) goods which, under the terms and conditions of the contract for the import transaction, should have been transported by a mode of transportation other than air, but which have actually been transported by air, with any expenses incidental to the change in the mode of transport being borne by a person other than the importer of the said goods, for the reason that their arrival in Japan was, or was likely to be, delayed owing to a delay in production of the said goods or any other cause not attributable to the importer of the said goods;
- (7) goods imported free of charge for repair or replacement.

III. Ministerial Ordinance relating to Exceptions to
Article 1 of the Regulation for Enforcement of
the Customs Tariff Law

(Ministry of Finance Ordinance No. 9
of 1973, as amended)

(Provisional Translation)

The foreign exchange rate as established by a Ministry of Finance Ordinance under the provisions of paragraph 2 of Article 4-7 (Foreign exchange rate used for conversion of currency) of the Customs Tariff Law (Law No. 54 of 1910) shall, notwithstanding the provisions of Article 1 of the Regulation for Enforcement of the Customs Tariff Law (Ministry of Finance Ordinance No. 16 of 1969), be, for the time being, the exchange rate publicly announced by the Director-General of Customs as the weekly average of the actual foreign exchange rates prevailing in the week which is two weeks earlier than the week to which belongs the date as provided for in paragraph 1 of Article 4-7 of the said Law (or, where actual foreign exchange rates, on which calculation of such weekly average is to be based, did not exist in that week, the weekly average of the actual foreign exchange rates prevailing in the week which immediately precedes that week and in which actual foreign exchange rates are available for use in calculation).