



UNTAET/REG/2000/12
8 March 2000

REGULATION NO. 2000/12

ON A PROVISIONAL TAX AND CUSTOMS REGIME FOR EAST TIMOR

The Special Representative of the Secretary-General (hereinafter: Transitional Administrator),

Pursuant to the authority given to him under United Nations Security Council resolution 1272 (1999) of 25 October 1999,

Taking into account United Nations Transitional Administration in East Timor (UNTAET) Regulation 1999/1 of 27 November 1999 on the Authority of the Transitional Administration in East Timor,

After consultation in the National Consultative Council,

For the purpose of establishing a provisional tax and customs regime, to be followed by a more comprehensive tax and customs regime,

Promulgates the following:

Section 1
Scope of the Regulation

- 1.1 The present Regulation applies to imports into East Timor, exports from East Timor and the domestic production of goods in East Timor.
- 1.2 No taxes or duties other than those imposed under the present Regulation shall be imposed on these imports, exports and domestic production of goods.
- 1.3 The present Regulation shall not apply to goods that embarked for the destination of East Timor prior to the date of its entry into force.

Section 2
Import duty

- 2.1 Every importer of goods into East Timor shall pay an import duty equivalent to five (5) per cent of the customs value of the goods.
- 2.2 The customs value shall be the transaction value of the goods, which includes cost, insurance and freight.

2.3 Goods that are destroyed, naturally damaged or decreased in quality, volume or weight between the time of transportation to the designated port of entry or border station and the time of release for domestic consumption shall be valued in accordance with an UNTAET directive.

- 2.4 The following imported goods shall be exempt from import duty:
- (a) humanitarian relief goods financed by international grants;
 - (b) goods of a non-commercial nature imported in a personal capacity by travelers, up to US\$ 300 per person, and the personal effects of travelers;
 - (c) two hundred (200) cigarettes and two and one half (2.5) liters of excisable beverages per person;
 - (d) imports of the type exempted under the Vienna Conventions on Diplomatic Relations of 1961 and Consular Relations of 1963 and imports exempted under the Convention on the Privileges and Immunities of the United Nations;
 - (e) goods re-imported in the same condition in which they were exported;
 - (f) goods imported by the United Nations, other international organizations, not-for-profit organizations, or foreign governments to be used or distributed for the public benefit as defined in an UNTAET directive, excluding goods imported for sale or private benefit, tobacco and alcohol products and the personal effects of employees;
 - (g) goods for temporary admission;
 - (h) baby formulas that provide the benefits of mothers' milk; and
 - (i) tampons and sanitary napkins.

2.5 Using the harmonized classification system, the owner, importer or licensed customs broker shall present all relevant documentation on all imported goods, whether exempt or not, to an officer of the Border Service for East Timor (hereinafter: Border Service), as provided in UNTAET Regulation No. 2000/9.

Section 3
Excise and excise equivalent duty

3.1 Any person who produces for domestic usage in East Timor any of the goods listed in the table below shall pay excise duty at the rates listed in the table below. Exports of goods produced in East Timor shall be exempt from excise duty.

3.2 Any person who imports any of the goods listed in the table below into East Timor shall pay excise equivalent duty at the rates listed in the table below.

Table		
Harmonized Classification System Item	General Description of Goods	Rate
2202	Soft drinks and other flavored waters	US\$ 0.50 per liter
2203	Beer	US\$ 1.50 per liter
2204-2206,	Wine, vermouth and other fermented beverages (for example, cider, perry)	US\$ 1.50 per liter
2207, 2208	Ethyl alcohol (other than denatured) and other alcoholic beverages	US\$ 1.50 per liter

2401-2403	Tobacco and tobacco products	US\$ 15.00 per kg
2710	Gasoline, diesel fuel and other petroleum products	US\$ 0.05 per liter
3303	Perfumes	15 per cent of the customs value
8519-8524	Audio electronic goods	10 per cent of the customs value
8525 20 100	Mobile phones	10 per cent of the customs value
8528	Televisions and video monitors	10 per cent of the customs value
8529 10 31	Satellite dishes	10 per cent of the customs value
8703	Motor cars principally designed for the transport of persons	15 per cent of the customs value with a minimum of US\$ 200 per vehicle
8711	Motorcycles	10 per cent of the customs value

3.3 Excise duty and excise equivalent duty shall not apply to imported goods exempt from import duty under Section 2.4 of the present Regulation.

Section 4 Sales Tax

4.1 Every importer of goods shall pay sales tax equivalent to five (5) per cent of the sum of the customs value of the goods, the import duty payable, and any excise equivalent duty payable.

4.2 Sales tax shall not apply to imported goods exempt from import duty under Section 2.4 of the present Regulation.

Section 5 Presumptive Income Tax on Coffee Exports

5.1 Every exporter of coffee beans, whether processed or unprocessed, shall pay at the time of export a presumptive income tax equivalent to five (5) per cent of the value of those coffee beans.

5.2 The value of the coffee beans shall be assessed on a free on board basis and in accordance with an UNTAET directive.

5.3 Using the harmonized classification system, the owner, exporter or licensed customs broker shall present all relevant documentation on all exported coffee beans to an officer of the Border Service.

Section 6
Collection of taxes and duties

6.1 The taxes and duties payable pursuant to the present Regulation shall be collected by the Border Service, in accordance with UNTAET Regulation No. 2000/9, or by any other agency that is established by an UNTAET regulation.

6.2 In accordance with Sections 3(c) and (d) and Section 5.3 of UNTAET Regulation No. 2000/1, the Head of the Central Fiscal Agency may issue administrative instructions and guidelines, as appropriate, for the collection of the taxes and duties payable pursuant to the present Regulation.

Section 7
Timor Gap

The present Regulation is not applicable to matters covered by the Memorandum of Understanding dated 10 February 2000 between UNTAET, acting on behalf of East Timor, and the Government of Australia on arrangements relating to the Timor Gap.

Section 8
Mining sector

The tax and customs regime applicable to mineral extraction activities may be the subject of a separate UNTAET Regulation.

Section 9
Definitions

In the present Regulation,

- (a) “goods” means any substance, organism, article or thing, whether manufactured or natural, which is not a human body, cadaver or human remains;
- (b) “harmonized classification system” means the commodity classification system established by the World Customs Organization; and
- (c) “officer of the Border Service” means the Border Service Controller or any person employed by the Border Service and acting under the authority of the Controller.

Section 10
Entry into Force

The present regulation shall enter into force on 8 March 2000.

Sergio Vieira de Mello
Transitional Administrator