

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## UNITED KINGDOM IMPORT DEPOSITS

### Addendum

### Customs (Import Deposits) Act 1968

The delegation of the United Kingdom has submitted the Customs (Import Deposits) Act 1968 (Chapter 74) of 5 December 1968. The arrangement of sections is as follows:

Section 1. Charge of import deposits

Section 2. Exemptions and reliefs

Section 3. Short title, interpretation, extent and duration

Schedules: 1 - Exempted goods

2 - Reliefs

After the preamble, the Act reads as follows.

1. (1) Subject to the provisions of this Act, there shall be charged on all goods imported into the United Kingdom a duty of customs, to be known as an import deposit, which, subject to sub-section (11) of this section, shall be 50 per cent of the value of the goods.

(2) An import deposit shall become repayable to the person by whom it was paid at the end of a period of 180 days beginning with the day on which it was paid; and where the entry of any goods names a person as having paid the import deposit in respect thereof, payment by the Commissioners to that person shall be a complete discharge of their liability under this sub-section in respect of the import deposit paid on those goods.

(3) The import deposit chargeable on any goods shall be payable in addition to any other duty of customs for the time being chargeable thereon and, notwithstanding the provisions of section 3(1) of the Import Duties Act 1958 or of any other provision contained in an Act other than this Act, the charge of import deposit shall not affect liability to customs duty chargeable under any other enactment or the amount of any such duty.

(4) Without prejudice to sub-section (3) above, the definition of "revenue duty" in Article 2(5) of the Import Duties (General) (No.4) Order 1968 (under which duty under the Import Duties Act 1958 is, in certain cases, only chargeable so far as the relevant rate of duty exceeds the revenue duty) shall not include any import deposit.

(5) Notwithstanding paragraph 2(b) of Schedule 2 to the Purchase Tax Act 1963, wholesale value for the purposes of purchase tax shall be arrived at without taking account of import deposit, and the charge of import deposit shall not affect liability to purchase tax under Group 35 in Part I of Schedule 1 to the Purchase Tax Act 1963 (which charges manufactured beverages but excludes those chargeable with any duty of customs specifically charged on spirits, beer, or wine and preparations thereof).

(6) Section 259 of the Customs and Excise Act 1952 (duties in respect of dutiable parts or ingredients) shall not have effect in relation to any import deposit.

(7) Section 273(3) of the said Act of 1952 (disregard of fractions of a penny) shall apply for the purpose of calculating the amount of any import deposit as if fractions of a pound were substituted for fractions of a penny.

(8) Import deposit in respect of goods entered for warehousing shall become chargeable at the time when, under section 28(2) of the Customs and Excise Act 1952, the goods are so entered for warehousing; and, so far as relates to import deposit:

- (a) section 34(2)(a) of that Act (incidence of duty) shall apply to goods so entered for warehousing as if they were goods entered for home use, and to the exclusion of section 88 and section 34(2)(b) of that Act (under which the incidence of duty is in general determined as at the time of removal from warehouse), and
- (b) section 196 of that Act (time of payment of duty on hydrocarbon oils removed to a refinery), and section 6(1)(2) of the Finance Act 1964 (delivery of hydrocarbon oils for home use without payment of duty) shall not apply.

(9) Section 9 of the Finance Act 1961 (power to introduce surcharges or rebates in respect of customs and excise duties) shall not apply to any import deposit.

(10) Section 10 of the Finance Act 1901 (under which the burden of a new duty imposed on a seller under a contract made before the new duty takes effect may, in the absence of agreement to the contrary, be transferred to the buyer) shall not apply to any import deposit.

(11) The Treasury may by order made by statutory instrument, subject to annulment in pursuance of a resolution of the Commons House of Parliament, provide either as respects import deposits generally or as respects import deposits payable in respect of any specified description of goods, that the amount thereof shall be reduced from the percentage of the value of the goods specified in sub-section (1) of this section, or obtaining by virtue of a previous order made under this sub-section, to such lesser percentage as may be specified in the order.

(12) This section shall have effect as from 27 November 1968.

2. (1) No import deposit shall be payable in respect of any goods which are entered for home use or for warehousing if their value, together with that of any other goods comprised in the same entry (excluding goods exempt apart from this sub-section from the payment of import deposit), does not exceed £50.

(2) No import deposit shall be payable, in the case of a person entering the United Kingdom, in respect of any of his personal effects, whether or not carried with him or contained in his accompanied baggage.

(3) No import deposit shall be payable in respect of goods of the descriptions specified in Schedule 1 to this Act (being goods classified in accordance with the Customs Tariff 1959).

(4) The Treasury may by order made by statutory instrument, subject to annulment in pursuance of a resolution of the Commons House of Parliament, add to Schedule 1 to this Act any description of goods specified in the order.

(5) Subject to sub-section (4) of this section, Schedule 1 to this Act shall be construed in accordance with the interpretative provisions at the end of that Schedule.

(6) Schedule 2 to this Act (which authorizes the giving of certain reliefs) shall apply for the purposes of this Act.

3. (1) This Act may be cited as the Customs (Import Deposits) Act 1968.

(2) This Act shall be construed as one with the Customs and Excise Act 1952.

(3) It is hereby declared that this Act extends to Northern Ireland.

(4) Duty under section 1 of this Act shall cease to be in force at the expiration of a period of one year beginning with the date on which this Act is passed, or at such earlier time as the Treasury may appoint by order in a statutory instrument laid before the Commons House of Parliament.

(5) Where, under Schedule 2 to this Act or under any other provision of the Customs Acts, import deposit has been remitted or repaid subject to a liability to pay the import deposit if any conditions or restrictions are not observed, sub-section (4) above shall not affect that liability.

Schedules

SCHEDULE 1

Exempted Goods

Description of goods (employing the Customs Tariff 1959)	Title of tariff chapter, or summary of tariff heading
Chapter 1 (all headings)	Live animals
Chapter 2 (all headings)	Meat and edible meat offals
Chapter 3 (all headings)	Fish, crustaceans and molluscs
Chapter 4 (all headings)	Dairy produce; birds' eggs; natural honey
Chapter 5 (all headings)	Products of animal origin, not elsewhere specified or included
Chapter 7 (all headings)	Edible vegetables and certain roots and tubers
Chapter 8 (all headings)	Edible fruit and nuts; peel of melons or citrus fruit
Chapter 9 (all headings)	Coffee, tea, maté and spices
Chapter 10 (all headings)	Cereals
Chapter 11 (all headings)	Products of the milling industry; malt and starches; gluten; inulin
Chapter 12 (all headings)	Oilseeds and oleaginous fruit; miscellaneous grains, seeds and fruit; industrial and medical plants; straw and fodder
Chapter 13 (all headings)	Raw vegetable materials of a kind suitable for use in dyeing or in tanning; lacs; gums, resins and other vegetable saps and extracts
Chapter 14 (all headings)	Vegetable plaiting and carving materials; vegetable products not elsewhere specified or included
Chapter 15 (all headings)	Animal and vegetable fats and oils and their cleavage products; prepared edible fats; animal and vegetable waxes
Chapter 16 (all headings)	Preparations of meat, of fish, of crustaceans or molluscs
Chapter 17 (all headings)	Sugars and sugar confectionery
Chapter 18 (all headings)	Cocoa and cocoa preparations
Chapter 19 (all headings)	Preparations of cereals, flour or starch; pastrycooks' products
Chapter 20 (all headings)	Preparations of vegetables, fruit or other parts of plants
Chapter 21 (all headings)	Miscellaneous edible preparations
22.10	Vinegar and substitutes for vinegar

Description of goods (employing the Customs Tariff 1959)	Title of tariff chapter, or summary of tariff heading
<p>Chapter 23 (all headings) 24.01 Chapter 25 (all headings) Chapter 26 (all headings) Chapter 27 (all headings)</p> <p>Bromine and iodine within 28.01 Silicon, selenium and tellurium within 28.04 Mercury within 28.05 Arsenic trioxide within 28.11 31.01 Natural sodium nitrate within 31.02 Basic slag within 31.03 All goods within 31.04 except potassium chloride (analytical re-agent quality) Fertilizers within 31.05 con- sisting solely of natural potassium nitrate and natural sodium nitrate 32.01 32.04 33.01 All goods within 35.01 except casein glues 35.02 Edible gelatin within 35.03, 37.04, 37.05, 37.06 and 37.07 Flux calcined diatomite within 38.03 38.05</p>	<p>Residues and waste from the food industries; prepared animal fodder Unmanufactured tobacco Salt; sulphur; earths and stone; plastering materials, lime and cement Metallic ores, slag and ash Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes</p> <p>Guano</p> <p>Mineral or chemical fertilizers, potassic</p> <p>Tanning extracts of vegetable origin Colouring matter of vegetable origin or animal origin Essential oils (terpeneless or not); concretes and absolutes; resinoids Casein, caseinates and other casein derivatives Albumins, albuminates and other albumin derivatives Exposed film and plates</p> <p>Tall oil</p>

Description of goods (employing the Customs Tariff 1959)	Title of tariff chapter, or summary of tariff heading
<p>38.06 38.07</p> <p>38.08</p> <p>Calcined bauxite within 38.19</p> <p>40.01 40.03 and 40.04 41.01 Leather within 41.02, 41.03, 41.04 and 41.05, other than dressed leather</p> <p>41.09 43.01 44.01 to 44.12 45.01 and 45.02 47.01 and 47.02 49.01 to 49.07</p> <p>Trade advertising material within 49.09 and 49.10, being material the primary purpose of which is to stimulate travel outside the United Kingdom</p> <p>Trade advertising material within 49.11, being pub- lications, illustrated or not, the primary purpose of which is to stimulate study or travel outside the United Kingdom, or to advertise exhibitions held outside the United Kingdom, and less than full-size repro- ductions thereof</p> <p>Printed matter within 49.11, being: less than full-size repro- ductions of articles falling within 49.01 to 49.07, or</p>	<p>Concentrated sulphite-lye</p> <p>Spirits of turpentine and other terpenic solvents; crude dipentene; sulphite turpentine; pine oil</p> <p>Rosin and resin acids and derivatives; rosin spirit and rosin oils</p> <p>Natural rubber</p> <p>Reclaimed and waste rubber</p> <p>Raw hides and skins</p> <p>Leather parings and waste</p> <p>Raw furskins</p> <p>Wood, not planed or further manufactured</p> <p>Natural cork and waste cork</p> <p>Paper-making materials (pulp and waste paper)</p> <p>Books, newspapers, maps, charts, manuscripts, typescripts, stamps, etc</p>

Description of goods (employing the Customs Tariff 1959)	Title of tariff chapter, or summary of tariff heading
<p>less than full-size repro- ductions of trade advertising material within 49.09 and 49.10, being material the primary purpose of which is to stimulate travel outside the United Kingdom, or parts of books or booklets in the form of printed pictures or illustrations not bearing a text and less than full-size reproductions thereof, or printed documents, printed diagrams and printed archi- tectural, engineering and similar industrial designs or plans, not being trade advertising material, and less than full-size repro- ductions thereof</p> <p>Photographic prints within 49.11 imported in a packet not exceeding 8 ounces in gross weight which does not form part of a larger consignment</p> <p>50.01, 50.02 and 50.03 53.01 53.02 53.03 and 53.04</p> <p>53.05</p> <p>54.01 and 54.02 55.01, 55.02, 55.03 and 55.04</p> <p>57.01, 57.02, 57.03 and 57.04</p> <p>57.06</p>	<p>Silk worm cocoons, raw silk and silk waste</p> <p>Sheep's or lamb's wool, nor carded or combed</p> <p>Other animal hair, not carded or combed</p> <p>Waste of sheep's or lamb's wool or of other animal hair</p> <p>Sheep's or lamb's wool, or other animal hair, carded or combed</p> <p>Unspun flax and ramie</p> <p>Raw cotton, linters and waste; cotton, carded or combed</p> <p>Unspun hemp, jute and other vegetable textile fibres</p> <p>Yarn of jute</p>

Description of goods (employing the Customs Tariff 1959)	Title of tariff chapter, or summary of tariff heading
<p>Yarn of coir within 57.07, not containing man-made fibres 57.10 Hand-made knotted carpets, carpeting and rugs within 58.01 Coir mats and matting within 58.02 Jute sacks and bags within 62.03 Chapter 63 (all headings) 71.01 to 71.10  71.11 Chapter 72 73.01  73.02 73.03, 73.04 and 73.05  74.01 and 74.02  75.01  Unwrought nickel electroplating anodes within 75.05 76.01 77.01 Waste and scrap beryllium within 77.04 and unwrought beryllium within 77.04 78.01 79.01 80.01 Chapter 81 (all headings)  Aircraft within 88.02 of a maximum total weight exceeding 18,000 lbs. (maximum total weight to be that authorized in the certificate of airworthiness in force in respect of the</p>	<p>Woven fabrics of jute   Old clothing and other textile articles; rags Pearls, synthetic and natural, precious and semi-precious stones and precious metals not fully manufactured Waste and scrap of precious metals Coin Pig iron, cast iron and spiegeleisen, in pigs, blocks, lumps and similar forms Ferro-alloys Iron and steel waste, scrap, shot, grit and powder Copper matte; unwrought copper; copper waste and scrap; master alloys Nickel mattes; unwrought nickel; nickel waste and scrap   Unwrought aluminium and waste and scrap Unwrought magnesium and waste and scrap    Unwrought lead; lead waste and scrap Unwrought zinc; zinc waste and scrap Unwrought tin; tin waste and scrap Certain base metals employed in metallurgy and articles thereof</p>



Description of goods (employing the Customs Tariff 1959)	Title of tariff chapter, or summary of tariff heading
<p>aircraft or, if there is no such certificate in force, ascertained in such manner as the Commissioners may direct)</p> <p>Ships and other descriptions of goods within 89.01, 89.02 and 89.03, if of a gross tonnage of 80 tons or more (ascertained in accordance with the Merchant Shipping Acts or, if not ships with a gross tonnage under those Acts, ascertained in such manner as the Commissioners may direct)</p> <p>Fishing vessels within 89.01 of the kind commonly known as Danish-type seiners with a fuel carrying capacity of not less than 500 gallons</p> <p>89.04</p> <p>Sound recordings not produced in quantity and not for general sale, within 92.12</p> <p>Chapter 99 (all headings)</p>	<p></p> <p></p> <p></p> <p></p> <p>Vessels for breaking up</p> <p></p> <p>Works of art, collectors' pieces and antiques</p>

1. References in this Schedule to the provisions of the Customs Tariff 1959 are references to those provisions as for the time being in force.

2. The titles of chapters of the Customs Tariff 1959 and summaries of headings of the tariff in column 2 of this Schedule are provided for ease of reference only, and do not affect the descriptions in column 1 of this Schedule.

SCHEDULE 2

Reliefs

Goods Intended for Use in Shipbuilding, Repairing or Refitting

1. (1) The Commissioners may remit:
  - (a) the import deposit payable in respect of any goods if satisfied that it is intended to remove them to a registered shipbuilding yard and to use them in the yard as components, parts, preservatives or finishes of any ship being built, repaired or refitted in the yard, or of any such ship's equipment or machinery, and
  - (b) the import deposit payable in respect of goods of descriptions for the time being prescribed for the purposes of section 5(3) of the Import Duties Act 1958 (relief for goods used in the construction and repair of boilers or propelling machinery of ships, and of accessories of such boilers and machinery) if satisfied that it is intended to use them (outside a registered shipbuilding yard) as components, parts, preservatives or finishes of the boilers or propelling machinery of ships, or of the accessories of such boilers and machinery,

but subject (in cases under both paragraph (a) and paragraph (b)) to such conditions and restrictions as the Commissioners may think fit to impose for the purpose of securing that the deposit is paid if the goods are disposed of or used in a way not qualifying for remission under this paragraph.

(2) Sub-paragraph (1)(a) of this paragraph shall not apply in relation to any ship of a description which is not for the time being included in Schedule 1 to this Act, and if the boilers or propelling machinery, or accessories thereof, in which goods qualifying for remission under sub-paragraph (1)(b) of this paragraph have been used as components or parts are used in a ship of a description which is not for the time being included in Schedule 1 to this Act, the deposit remitted in respect of those goods under this paragraph shall again become payable.

(3) In this paragraph "registered shipbuilding yard" means premises constituting such a yard for the purposes of the Import Duties Act 1958 or any shipbuilding yard in the Isle of Man.

Goods Intended for Use in Building, Repairing or Servicing  
Aircraft or for Tests or Experiments

2. (1) The Commissioners may remit the import deposit payable in respect of any goods:
  - (a) if satisfied that it is intended to use them as components or parts of any aircraft of a maximum total weight exceeding 18,000 pounds in the course of building, repairing, refitting, maintaining or servicing the aircraft, or

- (b) if and so far as the relief appears to the Commissioners to be necessary or expedient with a view to conforming with an international agreement relating to the importation of materials, parts or components to be subjected to tests or experiments in the course of designing or developing a type of aircraft of a maximum total weight exceeding 18,000 pounds,

but subject to such conditions and restrictions as the Commissioners may think fit to impose for the purpose of securing that the deposit is paid if the goods are used in a way not qualifying for remission under this paragraph.

(2) A maximum total weight for the purposes of this paragraph is that authorized in the certificate of airworthiness in force in respect of the aircraft or, if there is no such certificate in force, is that ascertained in such manner as the Commissioners may direct.

#### Goods for Export

3. (1) The Commissioners may remit import deposit payable in respect of any goods if satisfied:

- (a) that it is intended to re-export the imported goods, or goods incorporating the imported goods, or goods manufactured or produced from the imported goods; or
- (b) that the remission of import deposit would conduce to the exportation of other goods, being goods constituting or incorporating, or manufactured or produced from, equivalent articles.

(2) The Commissioners may repay import deposit paid in respect of any goods if satisfied that those goods, or goods incorporating the imported goods, or manufactured or produced from the imported goods, have been exported.

(3) Any remission or repayment of import deposit under this paragraph shall be subject to such conditions and restrictions, if any, as the Commissioners may think fit to impose for the protection of the Revenue; and if any condition or restriction so imposed is not complied with, or if, where import deposit has been remitted under paragraph (i)(a) above, the goods are disposed of or used in a way inconsistent with the intention to re-export, the import deposit remitted or repaid shall become payable, or repayable, to the Commissioners.

(4) In this paragraph "equivalent articles" means goods of any description which, in the opinion of the Commissioners (having regard to such matters, and in particular to such of the following matters, namely, the description, quantity, quality, value and function of those goods and the imported articles respectively, as appear to the Commissioners to be relevant in the particular circumstances) are sufficiently similar to the imported articles or to goods which could be manufactured or produced from the imported articles, to be reasonably regarded

for the purposes of relief under this paragraph as inter-changeable with those articles or, as the case may be, with goods manufactured or produced from them.

(5) To facilitate applications for relief under this paragraph, the Commissioners may extend the said definition of "equivalent articles" so as to include all or any categories of articles which are classified in the Customs Tariff 1959 (as applied by orders under the Import Duties Act 1958), in the same heading, sub-heading or sub-division of a sub-heading as the imported goods; and, where the relevant heading is sub-divided, it shall be for the Commissioners to determine, as between the heading, and the relevant sub-heading or further sub-division, which is the appropriate classification to select.

(6) For the purposes of this paragraph:

(a) any reference to goods produced or manufactured from any imported goods shall be construed as including cases where the goods are produced or manufactured partly from the imported goods, or wholly or partly from other goods produced or manufactured from the imported goods;

(b) any container in which goods are exported, being a container:

(i) which is provided by a supplier of the exported goods and is not required to be returned to him, and

(ii) for which, if it were returned to him, that supplier would give no credit and would discharge no contingent liability,

shall be treated as forming part of the exported goods.

4. (1) So far as relates to import deposits, section 38 of the Customs and Excise Act 1952 (under which imported goods may be warehoused without payment of duty) shall not apply to goods entered for warehousing unless the Commissioners are satisfied that the goods:

(a) are being warehoused for the purpose of exportation or use as stores, or use in a way qualifying for remission of the deposit under paragraph 1, paragraph 2 or paragraph 9 of this Schedule; or

(b) are goods which are being warehoused in the course of a trade or business in which the major part of the goods of the kind in question which are imported in the course of the trade or business are re-exported.

(2) Goods warehoused without payment of import deposit under paragraph (a) of the preceding sub-paragraph shall not be removed from warehouse, or otherwise removed from the control of the Commissioners, for any purpose, other than a purpose for which they may be warehoused without payment of deposit, except with the permission of the Commissioners given on being satisfied that it is impracticable to use the goods for any purpose for which goods may be warehoused under this paragraph without payment of deposit, and except after the deposit has been paid.

(3) Goods warehoused without payment of import deposit under sub-paragraph (1)(b) of this paragraph shall not be removed from warehouse, or otherwise removed from the control of the Commissioners, for home use except after the deposit has been paid.

Reduction of Duty on Goods Re-imported After Processing

5. (1) Where there are imported into the United Kingdom any goods which:
- (a) have been previously exported from the United Kingdom (whether produced here or not), and
  - (b) after being so exported have undergone outside the United Kingdom a process which has not changed their form or character, and
  - (c) if they had not undergone that process, would on their importation have been exempted from import deposit by virtue of section 35 or section 36 of the Customs and Excise Act 1952 (goods re-imported without undergoing any process),

then, subject to the provisions of this paragraph, any import deposit which apart from this paragraph would be payable on their importation shall be reduced by the amount specified in the next following sub-paragraph or, if equal to or less than that amount, shall not be payable.

(2) Subject to the next following sub-paragraph, the amount referred to above is, in the case of any goods, the amount of the import deposit payable (apart from any relief under the said section 35 or section 36 or under this paragraph) on the importation of the like goods which are in the same state as the goods in question were in when exported from the United Kingdom.

(3) For the purposes of this paragraph, any sum contracted to be paid for the execution of a process on any goods shall be prima facie evidence of the difference attributable to that process between the value of the goods and the value of the like goods referred to in sub-paragraph (2) above; but this provision shall be without prejudice to the powers of the Commissioners under any enactment as to the ascertainment of the value of goods.

(4) For the purpose of determining whether any goods would have been exempted from import deposit as mentioned in sub-paragraph (1)(c) above under section 36 of the Customs and Excise Act 1952, any such deposit payable in respect of them on a previous importation into the United Kingdom but not required to be paid shall be deemed not to have been payable.

Articles for Scientific Research, etc.

6. (1) Articles intended to be used in scientific research, or for a purpose connected with the advancement of any branch of learning or art or with the promotion of any sport, and not intended to be sold, or to be used for any purpose

which is substantially a commercial purpose, shall qualify for relief from import deposit in accordance with this paragraph.

(2) In relation to articles of the description in sub-paragraph (1) above (which is the same as the description in paragraph 3 of Schedule 4 to the Import Duties Act 1958 (goods qualifying for exemption under Treasury directions)) section 6 of that Act (power to exempt particular importations of certain goods) shall apply as respects the repayment or remission of import deposit as it applies as respects the repayment or remission of import duty.

Goods Specially Designed for the Education, Scientific or  
Cultural Advancement of the Blind

7. (1) The Import Duty Reliefs (No.4) Order 1958 (goods specially designed for the education, scientific or cultural advancement of the blind) shall apply as respects the repayment or remission of import deposit as it applies as respects the repayment or remission of import duty.

(2) References in section 10 of the Import Duties Act 1958 (offences in connexion with applications for relief) to relief under section 5 of that Act, or sub-section (1) of that section, shall include references to relief given by virtue of this paragraph.

Diplomatic Privileges

8. For the purpose of giving effect to any exemption from import deposit conferred, whether before or after the commencement of this Act:

- (a) by or under the Diplomatic Privileges Act 1964 or the International Organisations (Immunities and Privileges) Act 1950, or
- (b) by any other enactment, or provision having effect thereunder, which is framed by reference to diplomatic privileges of the kind specified in the said Act of 1964, or by reference to immunities and privileges under the said Act of 1950,

the Commissioners may, subject to such conditions and restrictions as they may impose, allow goods to be warehoused or delivered or removed on importation without payment of any import deposit.

Spirits Used in Manufacture

9. Where under section 111 or 122 of the Customs and Excise Act 1952 duty on imported spirits charged under section 1 of the Finance Act 1964 is remitted or reduced, any import deposit payable in respect of those spirits shall be remitted.