

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

TN.64/NP/13/Rev.1/Add.5
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Sub-Committee on Tariff Negotiating Plan

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THE BASE DATE AND THE LEVEL OF DUTIES BY REFERENCE TO WHICH
THE 50 PER CENT LINEAR REDUCTION WOULD BE CALCULATED

Notifications by Governments

Addendum

United Kingdom

1. In its notification of the base rate it proposed to use (for industrial goods) (circulated in TN.64/NP/13/Rev.1 page 12) the United Kingdom put forward as the basis of the linear cut the United Kingdom protective tariff at 1 July 1964 which excludes inter alia revenue duties (a list of the tariff headings affected is on page 13 of the document referred to). The United Kingdom has since been asked whether it would be willing to apply the 50 per cent linear cut to such protective elements as may exist in these revenue duties.
2. The revenue duty items notified on page 13 of TN.64/NP/13/Rev.1 fall into five groups -
 - (a) matches (36.05(A) and 36.06)
 - (b) mechanical lighters (98.10(A)(1) and (2))
 - (c) hop oil (33.01(A)(2))
 - (d) perfumed spirits (33.06(A)(1)(a)(b)(c) and (2)(a)(b)(c))
 - (e) hydrocarbon oils and composites (the remaining tariff headings).
3. In the case of (a) and (b) (matches and mechanical lighters) the United Kingdom is willing to offer to apply the 50 per cent linear cut to the protective elements in the duty (8d. per 7,200 matches and 1 shilling per lighter).
4. Hop oil falls in our view to be considered in the agricultural sector (as explained in the note on the definition of industrial goods in Annex E of our exceptions list).
5. In the case of perfumed spirits the revenue duty does not contain any protective element. The current rate of excise duty (which is £12.17s.6d. or £12.19s.0d. per proof gallon according to the period of warehousing) exceeds the import duty (which varies between £9.12s.0d. and £9.15s.5d. per liquid gallon according to the period of warehousing and whether in bottle or cask).

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6. In the case of hydrocarbon oils the excise duty has, since the notification referred to, been increased to 3s.3d. per gallon - the same level as the current revenue duty. The protective margin has therefore ceased to exist. In the case of composites subject to hydrocarbon oil duty the various duties chargeable on imports likewise contain no protective element.

(Note: the heading 40.06(A) on page 13 of TN.64/NP/13/Rev.1 is a misprint for 40.06(C).)