

## **Law No. (20) of the year 1998**

### **Customs Law**

#### **Title One**

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#### **Definitions**

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Article 1: This Law shall be known as (The Customs Law of 1998) and shall come into effect after the lapse of three months from the date of its publication in the Official Gazette.

Article 2: Wherever stated in this Law, the following words and expressions shall have the meanings designated hereunder unless otherwise indicated by context.

Minister: The Minister of Finance.

Department: The Customs Department.

Director: The Director General of the Customs Department.

The Tariff, the Customs Tariff: The schedule listing the class of goods, units of payment, categories of customs duties, as well as the rules and notes included therein.

The Customs Premises: The part of the seaport or airport or any other place which, by the Minister's designation, has a custom's department authorized to carry out all or some of the customs formalities.

The Customs Line: The line contiguous with the Kingdom's political borders with

adjacent countries and with the Kingdom's seashore.

The Customs Territory: The part of the land or sea which is subject to customs control and to the procedures stipulated in this Law. There are two kinds of customs territories:

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Goods:	Any natural material, or any animal, agricultural, or industrial product including electrical energy.
Class of Good:	The nomenclature used in the Customs Tariff Schedule.
Prohibited Goods:	Goods whose importation or exportation is prohibited by this Law or any other legislation.

**Ascertained Prohibited Goods:** Goods specifically prohibited by a Minister's decision published in the Official Gazette for the purposes of customs control.

**The Customs Value:** The value of the goods set in accordance with the provisions of this Law, and which is valid for all customs purposes unless otherwise provided.

**Identical Goods:** Goods which are the same as the goods being valued in every respect including physical characteristics, quality and reputation. Minor discrepancies in appearance shall not exclude otherwise identical goods from being so defined. Identical goods must be of the same origin and source as the goods being valued.

**Similar Goods:** Goods whose characteristics and material constituents are similar to the goods being valued, and which enable such goods to perform the same function and to be commercially interchangeable. The quality and reputation of the goods, and the existence of a trademark shall be taken into account in determining similarity. Similar goods must be of the same origin and source as the goods being valued.

**Restricted Goods:** Goods which may be imported and exported exclusively by or for a certain entity as determined by a decision of a competent authority.

**Goods Subject to Exorbitant Duties:** Goods specified for the purposes of customs control by a Director's decision published in the Official Gazette.

**Conditionally Permitted Goods:** Good whose importation or exportation requires a permit, license, certificate or any other document issued by a competent authority.

**The Declaration; The Customs Declaration:** The statement submitted to the Department specifying the characteristics of the declared goods and including a detailed quantity listing prepared according to the provisions of this Law. The required documents enclosed therein are considered an integral part of the declaration.

**The Declarant:** The person who prepares the customs declaration, or on whose behalf the customs declaration is prepared, and who is entitled to present the goods at customs and complete customs formalities.

**The Clearance Agent:** Every person who undertakes professionally, and according to the provisions of this Law, preparing and signing customs declarations and presenting declarations to the Customs Department and completing the required formalities

for clearing goods on the behalf of others.

- The Store:** The place or the building in which goods are stored temporarily until they are withdrawn under a customs status, whether such a store is administered directly by the Department, an official public institution, a non-official institution, or an investing entity.
- The Investing Entity:** The Department, institution, or any natural or juridical person who undertakes the storage, portorage, or stacking of goods, as well the safekeeping of the parcels, in return for set fees and under customs of supervision.
- Warehouse:** The place or building in which goods are deposited under the Department's supervision in cases of suspended customs duties and in accordance with the provisions of this Law.
- Carrier:** The owner of a means of transport or a representative thereof.
- Designated Routes:** Routes for the passage of incoming or outgoing goods or goods in transit as designated by a Minister's decision which is published in the Official Gazette.

**Article 3:** The provisions of this Law shall apply to the lands subject to the Kingdom's Sovereignty, and to its territorial waters.

However, it may be allowed to establish within such territories free zones, to which some or all of the customs provisions do not apply.

Article 4: All Goods which pass the Customs line upon entry or exit shall be subject to the provisions of this Law.

## **Title Two**

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### **The Department's Scope of Work**

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Article 5: The Department shall carry out its work within the customs premise and the customs territory and may exercise its authorities over the Kingdom's lands and its territorial waters, subject to terms stipulated in this Law.

Article 6: Customs houses and checkpoints shall be established and abolished by a Minister's decision published in the Official Gazette.

Article 7: The Competence of customs houses, and the working hours thereat shall be specified by a Director's decision .

Article 8: Without prejudice to the Articles pertaining specifically to inspection of goods, customs formalities shall be carried out only at the competent customs houses according to the provisions of the previous Article.

## **Title Three**

### **Elements of the Application of Export and Import Duties**

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#### **Chapter One**

#### **Customs Tariffs Application Principles**

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Article 9: Notwithstanding the provisions of any other Law or Legislation, the customs duties prescribed in the Customs Tariff and the other set fees and taxes shall apply to all goods entering the Kingdom except for the goods excluded under the provisions of this Law or the provisions of the

Investment Promotion Law or any Concession Law or International Treaty.

Article 10: Customs tariff duties shall be either ad valorem (a percentage of the value of goods) or fixed (a fixed amount/ unit). Goods may be subject to both ad valorem and fixed tariffs at the same time.

Article 11: Ordinary customs tariffs shall apply to goods of all countries, without prejudice to provisions of Article 12 of this Law.

Article 12: Preferential customs duties shall apply to goods originating in countries which enjoy a preferential status under the provisions of treaties with the Kingdom.

Article 13:

A- A Higher Customs Committee of experts and specialists shall be formed by the Cabinet and chaired by the Minister, and shall give consultations regarding all matters that would help realize the objectives of this Law.

B- A Council which shall be known as the (Customs Tariff Council) shall be formed, chaired by Minister of Finance and with the Minister of Industry and Trade, the Minister of Supply and the Director as members.

Article 14: Customs tariffs shall be issued, and customs duties imposed, amended and cancelled and the effective date thereof determined all by decisions of the Cabinet, upon the Customs Tariff Council's recommendation. The said decisions shall be published in the Official Gazette.

Article 15: Upon recommendation of the Customs Tariff Council, the Cabinet may decide to:

A –impose countervailing duties on certain imported goods.

B -take the necessary measures, including the imposition of import quotas, to counteract measures harmful to the national economy taken by other countries.

C- take the measures provided for in this Article in a manner which is consistent with national economic interests, and to the extent deemed necessary by the Cabinet.

Article 16: Goods which are declared to be imported for local consumption or for re- export, and goods leaving the free zones and duty-free shops to be put for local consumption, shall be subject to the customs tariff duties in effect at the customs declarations registration date at the customs houses. If the customs duties on goods prepared for re-export are paid before the entry of all the goods to the customs premises, the remaining part of the said goods shall be subject to the customs tariff duties effective at the date of their entry.

Article 17: Upon written request from the owner of the goods, the declarant may apply for the Director's approval to put declared goods for local consumption, provided the highest applicable tariff rate is levied on such goods.

Article 18:

A- The customs duties on goods deposited in the warehouse which become legally due by the expiry of a grace period that is not extended, shall be determined according to the provisions effective at the date of the expiry.

B- Goods removed illegally from the warehouse or goods in which shortage is discovered upon inventory check shall be subject to the tariff duties effective at the date of latest withdrawal from the warehouse, or of date of discovering the shortage, or the date of the actual withdrawal if it can be determined, whichever is highest.

Article 19: Goods subject to suspended duties on the basis of statements of guaranteed undertakings, and which are not submitted to the Department, shall be subject to the tariff duties effective at the date of registration of the declaration or the date of expiry of the grace period, whichever is higher.

Article 20: Smuggled goods or goods of like status shall be subject to the tariff duties effective at the date the smuggling was discovered, or at the date the smuggling actually occurred, if

this may be determined, or at the date of the amicable settlement, whichever is higher.

Article 21: Goods sold by the Department according to the provisions of this Law in order to be put for consumption shall be subject to the tariff duties in effect at the date of sale.

Article 22: The ad valorem tariffs in effect shall be applied on the basis of the estimated value of the goods at their existing condition, unless the Tariff Schedule provides otherwise. The assessment of fixed tariffs shall not be contingent upon the condition of the goods, unless the Department establishes that damage to the goods is sustained due to a force majeure or an unforeseen event. In such a case, the fixed tariff shall be reduced by an amount proportional to the damage, and the rate of damage shall be determined by a Minister's decision, upon the recommendation of the special committee provided for in Article (80) of this Law. The Minister's decision may be challenged at the Customs Court within the period provided for in the aforementioned Article.

Article 23: The Provisions of Articles (16 – 22) of this Law shall be applied to all the other fees and taxes levied by the Department, unless otherwise provided by any other Law.

**Chapter Two**  
**Characteristics of Goods**  
**Section 1 - Origin of Goods**  
**A- Non- preferential Origin**

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Article 24: The origin of goods is the country of production.

The source of goods is the country from which the goods are directly imported.

Goods produced in a country are those which are made in, or procured, entirely from that country including:-

a- Mineral products.

b- Plant products.

c- Live animals.



d- Derivatives of live animals.

e- Fishing and / or hunting products.

f- Maritime fishing products and other products obtained from the sea, outside a country's territorial water, by means of fishing boats registered in, and raising the said country's flag.

g- Goods produced or procured aboard manufacturing ships from amongst the goods listed in item (f) of this Article, and whose origin is the aforementioned country, provided such ships are registered in, and raise the said country's flag.

h- Products taken from the sea-bed or the subsoil thereof outside territorial waters provided that the country has special rights to exploit the sea - bed or its subsoil.

i- Items produced from the wastes of manufacturing processes and raw materials used therein, provided the wastes are collected there, and are fit only to be recovered as raw materials.

j- Goods produced in the said country exclusively from goods referred to in items (a to i) or from the derivatives thereof, and at any production stage.

Article 25:

A- The origin of goods produced in more than one country shall be the country of the last manufacturing stage, provided production there is carried out within a purpose build project set up for the manufacture of a new product.

B- Goods imported from a source other than the country of origin, and which are put for domestic consumption in the source, shall be subject either to the customs tariffs applicable to the goods from the source, or to tariffs applicable to goods from the origin, whichever is higher.

C- Goods which undergo additional manufacturing in other than the country of origin, shall be subject either to the tariffs applicable to goods from the country of origin or the tariffs

applicable to the country of manufacture, depending on the extent of additional manufacturing, and according to the criteria provided in paragraph (A) of this Article.

Article 26:

A- Imported goods shall be subject to proof of origin. Conditions for proof of origins and for exemptions therefrom shall be stipulated by a Minister's decision upon the Director's recommendation.

B- The Department may require additional evidence about origin if the authenticity of the certificate of origin presented is put into doubt.

## **Preferential Origin**

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Article 27: Rules of preferential origin shall apply pursuant to the treaties between the Kingdom and other parties which provide for preferential treatment.

## **Section 2 Customs Value**

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Article 28:

A- The custom value to be declared for goods which enter the Kingdom shall be the transaction value, namely, the actual price paid or the price payable upon purchase, but subject to the following terms:-

1- The use or disposal of the goods shall not be subject to restrictions, other than those provided for in this or any other Law, or which specify the geographical areas in which the goods may be resold, or which do not substantially affect the value of the goods.

2- The sale or price shall not be contingent upon a special condition or a consideration whose value is indeterminate with respect to the goods being valued .

3- No part of the proceeds of a subsequent resale, or disposal or use of the goods by the buyer shall accrue directly or indirectly to the seller, unless it is possible to readjust the value of the transaction, according to the provisions of paragraph (F) of this Article.

4- The buyer and seller shall not be related..

B- Natural or juridical persons are considered to be related only if:-

1- they are officers or directors of one another;

2- they are legally recognized business partners ;

3- they are employer and employee;

4- one of them holds directly or indirectly no less than 5 percent of the other persons outstanding voting stocks or shares;.

5- one of them supervises the other directly or indirectly;.

6- both of them are directly or indirectly supervised by a third person;

7- they jointly supervise a third person directly or indirectly ;

8- they are members of the same family up to the third degree .

C- The fact that the buyer and seller are related within the meaning of paragraph (B) of this Article is not sufficient grounds for rejecting the transaction value, unless the Department finds that the value was biased as a result of the relationship.

D- The value of a sale transaction between related persons shall be accepted, and the goods shall be valued according to the provisions of paragraph A, if the importer proves that the [declared] value closely approximates one of the following test (standard) values for goods which are imported before or after 90 days from the date of importation [of the said good]:

1- The transaction value of identical or similar goods sold for exportation to the Kingdom, and to buyers who are not related to the sellers.

2- The customs value of identical or similar goods, determined according to the provisions of paragraph © or paragraph (D) of Article (30).

E- In applying the test (standard) values mentioned in paragraph (D) of this Article, account shall be taken of differences in commercial levels, and in the costs provided for in paragraph (F) of this Article.

F- The following costs shall be incorporated in the transaction value to the extent that they are not included in the paid or payable price of the imported goods:-

1- Commission and brokerage fees, excluding buying commission fees.

2- Cost of the containers which are considered an integral part of the goods for customs purposes.

3- Material and labor filling costs.

4- The value of the goods and services provided directly or indirectly by the buyer for free, or at reduced cost and for use in the production of the imported goods, including:

- Materials, components, and parts of the imported goods.

- Tools, dyes and molds used in the production of the imported goods,
- Materials consumed in the production of the imported goods.
- Engineering, design, and development work, as well as artwork, plans, and sketches implemented outside the Kingdom and which are essential to the production of the imported goods.

5- License fees and royalties applicable to the goods being valued and which, as a condition of the sale, are payable directly or indirectly by the buyer.

6- The value of any part of the proceeds of any subsequent resale, or disposal or use of the imported goods to which the seller is directly or indirectly entitled,

7- The cost of transport of the imported goods to the border entry point.

8- Loading, unloading, handling and insurance costs associated with transporting the imported goods to the border entry point,

G- The transaction may not be valued at higher than the price paid or payable except in accordance with the provisions of paragraph (F) of this Article. Increments to the value over and above the price shall be based upon objective and quantifiable data. Otherwise, the value of the transaction shall be considered indeterminable according to the provisions of this Article.

H- If the Customs Department entertains reasonable doubt about the authenticity of the produced documents, notwithstanding the provisions of this Article, it shall inform the importer about its doubts, in writing and upon the importer's request, and shall give the importer a reasonable opportunity to respond. If the importer fails to present

evidence acceptable to the Department within the given period, the provisions of Articles (29,30 31) shall be applied successively.

Article 29: If the customs value is indeterminable according to the provisions of Article (28), it shall be determined by successively applying the methods stated in paragraphs (A-D) of Article 30 until obtaining the first result. However, paragraph (D) of Article (30) may be applied before paragraph C thereof, upon the importer's request and subject to the Department's approval.

Article 30: The customs value shall be:-

A- the transaction value of identical goods sold for exportation to the Kingdom at or about the same time the goods being valued are exported, with due account, however, to differences in the commercial levels, quantity, distance and means of transport. If according to the provisions of this paragraph, more than one transaction value is established for identical goods, the lowest value shall be adopted.

B- The transaction value of similar goods sold for exportation to the Kingdom at or about the same time the goods being valued are exported, with due account, however, to differences in commercial levels, quantity, distance and means of transport. If, according to the provisions of this Article, more than one transaction value is found for similar goods, the lowest value shall be adopted.

C:1- The unit price at which the imported goods, or identical or similar goods are sold in the largest aggregate quantity in the Kingdom at the conditions of their importation, to persons not related to the seller, and at or about the same time the goods being valued are imported, but before the lapse of 90 days from the date of importation. However, deductions shall be made for commissions, and for additions that are usually paid in the Kingdom, or are agreed to be paid for profits and general expenses on goods of the same class or kind, regardless of origin, and for the usual internal transport and insurance costs, customs tariffs and other fees and taxes, and other taxes

imposed internally but which are related to the importation or sale the goods within the Kingdom.

2- If the goods provided for in item (1) of paragraph C of this Article are sold in other than the state of their import , the customs value shall be based on the unit price of the processed goods sold, less the amount of the value added and the other deductions provided for in the previous item.

D- The customs value of goods imported according to the provisions of this paragraph shall be based upon the computed sum of the following:

1- The cost or value of the materials, fabrication, and other processes that entered into the manufacturing of the imported goods.

2- The amount of profit and of general expenses normally incorporated in sold goods which are of the same kind or class as the goods being valued, and are manufactured in the origin purposely for being exported to the Kingdom.

3- The Wages, costs, and expenses provided for in items 7 &8 and in paragraph (F) of Article 28.

#### Article 31:

A- If the customs value is not determinable according to the provisions of Articles (28, 29, 30), it shall be determined according to Minister's instructions published in the Official Gazette.

B- Upon request thereof, the importer shall be advised in writing about the criteria used in customs valuations.

C- Every declaration shall have enclosed therein an original itemized invoice certified by the chamber of commerce of the city of export or any entity recognized by the Department and attesting to the authenticity of the prices and the origin.

The documents must also be certified by the Jordanian Consulate Mission where available.

D-Upon the Director's approval, customs clearance formalities may be completed without submission of the certified invoices and required documents, against a cash deposit or a bank guarantee which may not exceed respectively 2% and 4% of the value of the goods, in lieu of each document. The payer shall be refunded if the certified invoices and required documents are submitted within (60) days of payment.

E- The certified invoice requirement and the provisions applicable thereto may be waived partly or entirely on the basis of instructions issued by the Minister upon the Director's recommendation, which instructions shall specify the waiver conditions. The instructions shall be published in the Official Gazette.

F- Values declared in foreign currency shall be converted into the local currency at the rate set by the Central Bank on the date of registration of the declaration.

G- The Department may request the submission of any documents, contracts, correspondences, and other items related to the transaction including documentary credit

H- All invoices issued in a foreign language shall have inscribed thereupon the class of goods in Arabic and in customs terminology.

Article 32: The value to be declared for exports shall be the value of the goods at the time of registration of the customs declaration, including all expenses incurred until the good's arrival at the border, but excluding:

A – export duties and taxes if any,

B – local taxes and other taxes which are refundable upon export.



### **Section 3**

#### **Class of Goods**

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Article 33:

A- For the purposes of determining the class of goods, decisions regarding the assimilation and classification of goods which are not mentioned in the Customs Tariff Schedules shall be issued by the Minister, upon the Director's recommendation, and in accordance with the procedures outlined in the Schedule, which decisions shall be published in the Official Gazette.

B- Without Prejudice to the provisions of the Commentaries issued by the World Customs Organization, supplementary tariff commentaries and application guides shall be issued by the Director within instructions published in the Official Gazette, in which effective date of the guides shall be indicated.

### **Title FOUR**

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#### **Entry and Exit of Goods**

##### **Chapter One**

#### **Presenting Goods to the Customs Authorities**

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Article 34: A Cargo declaration must be presented for all goods entering and leaving the Kingdom. Goods shall be submitted without delay to the customs authorities at the nearest customs house as specified by the Department.

##### **chapter Two**

#### **Prohibition and Restriction**

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Article 35: Ships of any load may not anchor at other than the assigned port, except in a maritime emergency or due to a force majeure, in which case the ship master shall notify the customs house or security post without delay.

Article 36: Ships with loads of less than two hundred freight tons, may not within the maritime customs territory, ferry restricted goods, or prohibited goods or goods subject to exorbitant duties, or the ascertained prohibited goods mentioned in Article 2 of this Law.

Article 37: Ships with loads of less than two hundred freight tons, carrying the goods mentioned in Article (36) of this Law, may not enter the maritime customs territory, or sail within, or deviate from their course therein except in a maritime emergency or due to force majeure, in which case, the ship master shall inform the customs house or the security post without delay.

Article 38: Planes shall not take off from, or land, at airports with no custom houses except if due to a force majeure, and in which case, the pilot shall notify the nearest customs house or security post and submit to the Department a report to this effect endorsed by notified entity.

Article 39:

A - Ascertained prohibited goods, even if declared, shall be seized unless licensed in advance for entry or exit.

B - Other prohibited goods which are declared under their real nomenclature shall not be seized, but shall be sent back into the Kingdom or abroad, as dictated by the situation.

C - Customs formalities for goods whose importation or exportation requires a license, certificate, or any other document, shall not be completed before producing the required documents.

Article 40: Foreign goods which carry a mark, name or sign on the goods, the packages, or the wrappings which falsely suggest that the

goods are of local origin shall be considered prohibited. This shall also apply to goods subject to suspended duties.

Article 41: Foreign goods which do not conform with requirements of the Laws and regulations for the protection of origin and ownership shall be denied entry unless otherwise approved by the competent authorities.

Article 42: The Minister may stipulate special packaging rules for certain goods for the purposes of facilitating inspection procedures.

### **Chapter Three**

#### **Maritime Transport**

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Article 43:

A- All goods arriving by sea, including those consigned to the free zone, shall be registered in the cargo manifest.

B- A single declaration only shall be prepared for the entire cargo, and shall be signed by the ship master, or the ship agent at the port of lading. The manifest shall include the following information:-

1 – The name, nationality and registered tonnage of the ship.

2 - The class of goods, and their gross weight, and the weight of knocked goods, if any. Prohibited goods shall be mentioned by their real nomenclature.

3 - The quantity of parcels and pieces, and a description of the packages, marks and numbering thereof.

4 - Name of the carrier and the consignee.

5 - The ports of lading.

C – Upon ship entry into the customs territory, and at first request of the Department's officials, the ship master shall submit the original manifest for endorsement and a copy thereof to be kept with the Department.

D - Upon ship entry into the port, the ship master must deliver to the customs house the following:

1 - The cargo manifest and a preliminary translation thereof if necessary.

2 - The manifest of the ship's supplies, and of personal effects of the crew and of goods belonging thereto,

3 - The passengers list.

4 - A list of the goods to be unloaded at the port.

5 - All the documents and bills of lading which may be requested by the Department for applying customs regulations.

E - All manifests and documents shall be presented within thirty six hours of the ship's entry into the port, inclusive of official holidays.

F - The format of the cargo manifest and the number of copies thereof to be submitted shall be determined by the Director.

Article 44: Manifests of ships which do not make regular trips or which have no agent at Jordanian ports, and manifests of sailboat must be endorsed if possible by the customs authorities at the port of lading.

Article 45:

A - Cargoes of ships and all other vessels may not be unloaded except in ports with customs houses. The unloading of goods or the transshipment thereof shall be carried out only by written approval of competent customs house and in the presence of the customs house officials.

B - The unloading of goods and their transshipment shall be carried out during the hours and at the term set by the Department.

Article 46: Without prejudice to the provisions of Article(71) of this Law, the ship master, or representative, or agent shall be responsible for the quantity of parcels or pieces and the contents thereof and for the amount of knocked, bulk, and bagged goods until such goods are delivered to the Customs stores or warehouses or, if allowed, to the owners. The Director shall issue instructions specifying the tolerable rates of overage or shortage in knocked, bulk and bagged goods, and the rate of loss due to natural factors, or to spillage from poor packaging. The said instructions shall be published in the official Gazette .

Article 47: Quantity shortages in unloaded pieces or packages as against what is listed in the cargo manifest, or shortages in the quantities of knocked, bulk or bagged goods over and above the tolerable rate specified in the Director's instructions, must be justified by the ship master, or a representative thereof, who shall provide documentation to establish that the shortage occurred outside the maritime customs territory. If the said document are not readily available, a grace period of six month from the date of drawing the delivery receipt may be granted against a guarantee. The Director may issue instructions to regulate the preparation of such receipts and to specify the grace period for submission, which instructions shall be issued in the Official Gazette.

## **Chapter Four** **Land Transport**

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Article 48: Goods imported by land must be taken to the nearest customs house through the designated direct routes. Carriers may not bypass the customs house without authorization, and may not place the goods in houses or any other place before taking them to the customs house.

Article 49: A – Carriers and attendants of the goods shall present upon arrival at the customs house a cargo manifest or any equivalent document, signed by the driver and if available, the representative of the transport company, and prepared in accordance with the terms stipulated in Article (43) of this

Law. The value of the goods shall also be enclosed therein. The Director may grant exceptions from some of the above requirements if necessary.

B - The cargo manifest, or the document equivalent thereto shall be have enclosed therein the documents confirming the contents thereof prepared according to the terms specified by the Director.

## **Chapter Five**

### **Air Transport**

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Article 50: Airplane flying in the Kingdom's airspace must take designated routes only.

Article 51: Goods transported by air must be listed in the cargo manifest signed by the pilot and prepared according with the terms stipulated in Article (43) of this Law.

Article 52: Upon arrival at the airport, the pilot must present the cargo manifest as well as the lists prescribed in Article (43) of this Law to the Department's staff at their first request. The same documents and a copy thereof shall be submitted to the airports' customs house.

Article 53: Goods may not be unloaded or jettisoned from planes during flight. However, the pilot may have the goods jettisoned during flight if deemed necessary for the plane's safety, but must inform the Department thereabout immediately upon the planes arrival.

Article 54: The provisions of Articles (45, 46, 47) of this Law shall apply to land and air transport. Drivers, pilots and carrier companies shall be responsible for any shortages in the case of land and air transport.

## **Chapter Six**

### **Mail and Postal Parcels Transport**

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Article 55: The importation or exportation of goods by mail or by postal parcels shall be carried out in accordance with the Arab and

International postal agreements and the internal legal provisions in effect.

## **Chapter Seven Export and Re- Export**

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Article 56: Ships, trains, cars, planes, or any other mean of transport, whether loaded or not, may not leave the country before presenting the Department with a manifest conforming to the provisions of Article 43, and before obtaining a departure permit, unless exempted therefrom by the Department.

Article 57: Goods prepared for exportation must be brought to the competent customs house and declared in detail thereat. Carriers crossing the land borders may not bypass customs houses without obtaining departure permits, and may not take roundabout routes in order to evade customs houses. Goods within the police jurisdiction of the custom's territory shall be subject to the provisions stipulated by the Department.

Article 58: Foreign goods which enter the Kingdom may be re- exported to outside the Kingdom or to a free zone, subject to the terms, procedures, and guarantees specified by the Director.

Article 59: Goods may be transshipped, and goods which have not been warehoused may be withdrawn from the wharves back to the ship, however all subject to the terms set by the Director.

## **Chapter Eight Common Provisions**

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Article 60:

A – Parcels sealed or aggregated in any way may not be listed in the cargo manifest or the equivalent document thereof as one parcel. Crates, trailers, and containers shall be regulated by instructions issued by the Director.

B- It may be allowed to disassemble a single consignment of goods upon valid justification, and by the Director's

permission, provided this entails no loss to the Treasury. The Director may issue the necessary instructions in this regard.

## **Title FIVE**

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### **Stages of Customs Clearance Chapter One Customs Declarations**

Article 61:

A- A customs declaration shall be submitted at the customs house upon clearance of any goods, including goods exempt from duties and taxes. The declaration shall be:-

1-handwritten;

2-or prepared by using data or word processing methods in accordance with the Director's instructions. Declarations prepared in this way shall also be subject to the provisions applicable to handwritten declarations.

B- The declaration format and medium, the number and price of copies thereof, and the information to be submitted, and the documents to be enclosed therein, and the information to be provided in such documents shall all be specified by the Director.

Article 62: A customs declaration may cover only the goods listed in the same cargo manifest, except in cases otherwise specified by the Director.

Article 63: Parcels which are sealed together, or aggregated in any way, shall not be listed in the declaration as one unit. Containers, crates and trailers shall be regulated by the Director's instructions.

Article 64: The person who submits a declaration may make modifications thereto, upon own request, provided that the modified declaration does not cover goods other than those originally included therein. In no case shall modifications to



the declaration be allowed if the customs authorities have done any of the following:

A- Notified the one submitting the declaration about the authorities intent to rummage the goods.

B- Decided that the particulars in question are incorrect.

C- Cleared or released the goods.

Article 65:

A- Goods entering the Kingdom shall be admitted under one of the following customs statuses:

1- Consumption status.

2- Transit status

3- Warehousing status.

4- Free zone status

5- Temporary admission status

6- Manufacturing status.

B- The custom status of goods may be changed upon the Departments approval, and in accordance with procedures set by the Director.

Article 66:

A- The Department may cancel registered declarations upon which due duties and taxes are not paid or declarations which are not completed by the submitter, after the lapse of 15 days from the date of registration.

B- The Department may agree to have the declaration cancelled upon the submitter's request and only if the duties and taxes upon the declaration have not be paid yet. The declaration may not be cancelled before settlement of offenses, if any. Changes in the duty and tax rates, and in the

prices of foreign currency shall not necessarily prevent the approval of cancellation requests.

C- The Department may request to inspect the goods. Inspection may take place in the presence or the absence of the declaration submitter, provided the submitter is duly notified about the inspection date.

Article 67: Owners of goods, or representatives thereof may check up the goods before submitting the declaration, and may, if necessary, and subject to the Department's approval, take sample of the goods, provided the sampling is done under the Department's supervision. The samples taken shall be subject to the applicable duties and taxes.

Article 68: Customs declarations may be viewed only by the owners or representatives thereof, and by the judiciary and other competent official authorities.

## **Chapter Two**

### **Inspection of Goods**

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Article 69: After the registration of a customs declaration is completed, the goods shall be inspected by the competent customs officials, partly or wholly, as per the Director's instructions.

Article 70:

A - Goods shall be inspected within the customs premises, or outside thereof, upon the request and at the expense of the person concerned, and according to the procedures set by the Director.

B – Moving the goods to the inspection site, and opening and resealing parcels, and any other activity required in the inspection process shall be at the expense and liability of the declaration submitter.

C – Goods in warehouses or inspection sites may not be moved without the Department's approval.

D – Any one employed in moving and inspecting goods must be pre-approved by the Department

E –Entry into stores, warehouses, barns, shelters, yards for the storage and deposit of goods, and inspection sites shall be allowed only by the Department’s approval.

Article71: Inspection must be carried out in the presence of the declaration submitter or a representative thereof. Liability for shortages in the parcel contents shall be determined as follows:

A – If the parcels are admitted to the stores and warehouse in an apparently sound condition, indicating that the shortage has occurred in the country of origin before shipment, the shortage shall not be further investigated.

B -If the parcels are admitted to the stores and warehouses in an apparent condition which is not sound, the investing entity, together with the Department and the carrier, shall inscribe this in the receipt of delivery, and shall verify, the weights, contents and quantities of the parcels. The investing entity shall be liable for the shortage, unless indicative qualifications are inscribed on the manifest by the competent authorities from the country of origin, in which case the shortage shall not be further investigated.

C - If the parcels are admitted to the warehouse in a condition which is apparently sound, but which later comes into question, the investing entity shall be liable for the confirmed losses or replacements.

Article 72: The parcels may be opened for inspection by the Department if there is suspicion about the existence of prohibited goods, or goods which are inconsistent with the contents of the customs documents. Inspections may be carried out in the absence of the persons concerned, and representatives thereof, if they fail to attend at the set time after being duly notified. If necessary, inspections may be carried out before notifying the person concerned or a representative thereof, by a committee formed especially for this purpose and which shall prepare a verbal process about the inspection’s outcome.

Article 73: The Department may have the goods tested by an accredited analyst, to verify the class or specifications of goods or their compliance with the legislation in effect.

Article 74: The Department and the person concerned may challenge the analysis results before the special committee prescribed in Article (80) of this Law.

Article 75:

A- Tests which are required to establish the conformity of goods with the conditions and specifications provided for in other effective legislation shall be mandatory. The Director may release the goods against a guarantee ensuring that the goods are not be disposed of before the test results come out.

B- Goods may be released before the test results are obtained, if the tests are intended only for the purposes of customs tariff application and if the owner pays the duties at the highest tariff rate, to be held in trust.

C- Goods which are established to be harmful or not to conform to the required specifications may be destroyed by the Director, at the expense of the owners, and in their presence or the presence of representatives thereof. The owners may re-export the goods within the period specified by the Director. If the owners fail to attend or to re-export the goods after being duly notified in writing, the goods shall be destroyed at the owners expense and the required verbal process in this regard shall be prepared.

Article 76: The ad valorem tariffs applicable to the goods shall also apply to the packages thereof. Upon the Director's recommendation, the Minister may issue a decision specifying therein the cases in which the due fees and duties shall apply to the packages separately from the contents thereof, and according to a special tariff rate, whether in the case of goods subject to ad valorem, fixed or reduced duties, or to goods which are exempt from customs duties.

Article 77: If the Department is unable to verify the declaration contents on the basis tests or submitted documents, the Department may suspend inspections and request the submission of

documents that furnish the required proof, provided all measures are taken to ensure that the suspension period is kept as short as possible.

Article 78: Duties and fees shall be levied on the basis of the declaration contents. However, discrepancies between the inspection results and the Declaration contents shall be taken into account in determining duties and taxes and without prejudice to the Department's right to prosecute, if necessary, for the collection of due fines, according to the provisions of this Law.

Article 79: The customs authorities, and the owners of the goods or representatives thereof are entitled to request that the goods be re-inspected in accordance with the provisions of Articles (69 – 78) of this Law.

### **Chapter Three**

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Article 80:

A- A special committee of three senior officials shall be formed by the Minister and shall look into disputes regarding the value, origin, and specification of goods and the applicable tariffs thereupon.

B- Disagreements between the persons concerned and the Department shall be referred to the said committee which may seek the assistance of those with expertise and technical competence.

C- The Director's decision shall be issued upon the committee's recommendation .

D- The Director's decisions may be challenged before the Customs Court within 15 days from the notification date.

E- The goods may be delivered before settlement of the disagreements mentioned in paragraph (A) of this Article. However, samples of the goods in question shall be kept with the Department according to the terms, procedures, and guarantees specified by the Director.

F- Customs duties and other fees and taxes which are not disputed shall be levied as revenue, while a deposit or a bank guarantee shall be placed against disputed duties and other fees and taxes until settlement of the dispute.

## **Chapter Four**

### **Special Provisions for Travelers**

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Article 81:

A- Travelers personal effects and items accompanied by travelers shall be declared and inspected at the competent custom's houses, and in accordance with procedures and regulations set by the Director.

B-Notwithstanding the provisions of this Law, Customs duties on goods in the possession of travelers shall be levied at the rates set by the Minister, upon the Director's recommendation, with instructions issued in this regard specifying the terms and procedures for applying the provisions of this Articles and the goods to which they are applicable.

## **Chapter Five**

### **Payment of Duties and Taxes and Withdrawal of Goods**

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Article 82:

A- Goods are held as a pledge for duties and taxes and shall not be withdrawn except after the completion of customs formalities and the payment of duties and taxes in accordance with the provisions of this Law.

B- Without prejudice to the principle of joint and several liability provided for in this Law, customs duties and other set duties and taxes shall be paid by the importer.

C-The withdrawal of goods before payment of duties and taxes in cases of emergency, the terms of withdrawal , the required guarantees, the assessment of taxes and duties thereupon, and the receipts against which duties and taxes

are collected and other related matters shall be provided for in instruction issued by the Minister.

Article 83: Goods may be withdrawn by those liable for payment, before payment of duties and taxes, but against a bank or a cash guarantee and at the terms and rules specified by the Director.

Article 84:

A- The customs authorities, by the Director's permission, may review the declaration and the commercial documents pertaining to the exportation and importation of goods which are already released. Goods in the premises of the person concerned or any other person directly or indirectly involved in the business transaction may be inspected and tested within a period not exceeding three months from the date of release of the goods.

B- If it is established through post - clearance inspection and examination that the customs procedures provided for in this Law have been applied incorrectly or on the basis of false or incomplete information, the customs authorities may take the measures necessary to rectify the mistake in the light of available information and in accordance with the procedures stipulated in this Law.

Article 85: Under the exceptional circumstances determined by the Cabinet, measures may be taken to withdraw goods against special guarantees and subject to the terms stipulated by a Minister's decision. Such goods shall be subject to the customs duties and other fees and taxes in effect at the withdrawal date.

Article 86: A receipt prepared in the importer's name and in the format set by the Minister shall be issued by the Department officials in charge of collecting duties and taxes. Drawbacks shall be made to the importer's name and upon presentation of a receipt issued thereto or a copy of the receipt, if necessary.

Article 87: A detailed customs declarations for goods imported by ministries, public departments and institutions, and municipalities shall be prepared in accordance with the general rules. It may be authorized to withdraw such goods

after inspection, but before payment of due duties and taxes, subject to the terms set by the Minister, and upon the Director's recommendation.

**Title SIX**  
**Suspended Duties Status**  
**Chapter One**  
**General Provisions**

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Article 88: Payment of Duties and other fees and taxes on goods which enter the Kingdom, moved within, or pass in transit therein may be suspended against a cash or a bank guarantee or a guaranteed undertaking, in accordance with the Director's instructions .

Article 89: Materials and classes of goods admitted under any of suspended duties statuses shall not be used, allotted, or disposed of for other than the purpose of import .

Article 90: Bank securities and guaranteed undertakings shall be discharged, and deposits on taxes and duties shall be refunded on the basis of quittances, and in accordance with the terms set by the Director.

**Chapter Two**  
**Goods in Transit**  
**General Provisions**

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Article 91:

A- Goods of foreign origin which enter the Kingdom at one border and leave at another may be granted a transit status. The transit status shall be terminated upon producing either copies of the declarations endorsed by the first customs house in the neighboring country, or a certificate of arrival from the country of destination, or any other evidence accepted by the Department.

B- The required time periods for transport on a transit basis and the documents for settling and discharging declarations



shall be specified by the instructions issued by the Department.

Article 92: Transit crossing shall be allowed only at authorized customs houses.

Article 93: Goods passing in transit shall not be subject to restriction or prohibition unless the Laws and regulations in effect provide otherwise.

Article 94:

A – Goods passing in transit may be stored only in free zones. However, such goods may be stored in a public storehouse for a maximum period of ninety days, by the Director's permission, upon valid justification, and subject to the terms and guarantees set by the Director. If the goods are not withdrawn after the expiry of this period and the Director does not grant an extension, the Director may take the necessary measures to sell the goods at auction and to deposit in trust the sum outstanding, after making deductions for fees, expenses and fines due by law, which fines shall not exceed 10 % of the value of the goods. The remaining amount may not be refunded after three years from the date of sale.

B - Transit goods may be put for local consumption by the Director's decision, upon consultation with the competent authority.

### **Ordinary Transit**

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Article 95: Goods transported under an ordinary transit status, on designated routes, and by any means of transport, shall be at the responsibility of the undertaking's signatory.

Article 96: Goods referred to in the previous Article shall be subject to the special provisions in this Law regarding detailed customs declarations and customs inspection.

Article 97: Goods transported under the ordinary transit status shall be subject to the terms set by the Director regarding the leading

of parcels and containers, and regarding means of transport, and the submission of guarantees and other obligations.

## **Special Transit**

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Article 98:

A – Transport on a special transit basis shall be through railway entities, licensed car or air transport companies or any other means approved by a Director’s decision, and shall be at the responsibility of such entities and establishments

B - Licenses for the entities and establishments provided for in paragraph (A) of this Article shall be issued by the Director and shall stipulate therein the guarantees to be furnished and other requirement to be met. A license may be suspended for a certain period or cancelled entirely by the Director, if the requirements and regulations are violated, or if the special transit status is abused and the licensed means of transport is used in acts of smuggling.

Article 99: The roads and paths which may be used for the transport of goods under a special transit status, and the conditions for transport thereupon shall be specified by a Director’s decision, without prejudice to treaties with other countries.

Article 100: Provisions applicable to the procedures regarding detailed customs declarations and inspections shall not apply to the goods transported under a special transit status. In the case of such goods, a summary declaration and general inspection [spot check] shall suffice, unless detailed inspection is deemed necessary by the Department.

Article 101: The special transit provisions of this Law shall apply in the implementation of agreements with provisions on transit, unless otherwise stipulated therein.

## **Transit by International Documents**

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Article 102: Companies and agencies licensed by the Director may, upon submitting the required guarantees, carry out transportation

under a transit status on the basis of international documents-  
namely unified international booklets and other documents.  
Such transportation shall be by means of vehicles which  
meet the terms and specifications accepted by the Director.

### **Transport of Goods from One Customs House to Another**

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Article 103: Goods may be transported from one customs house to  
another, subject to the same provisions applicable to  
transport on a transit basis.

### **Chapter Three Warehouses A - General Provisions**

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Article 104: Goods may be stored in warehouses without payment of fees  
and taxes in accordance with the provisions of this chapter.  
Warehouses are of two kinds:

- Public,
- Private.

Article 105: Each access point to a public warehouse site shall be secured  
by two different padlocks, with one of the padlock keys kept  
with the customs Department and the other with the party  
concerned.

Article 106: Goods shall not be admitted to any warehouse before the  
submission of a deposit statement prepared according to the  
provisions of this Law. Goods shall also be inspected  
according to such provisions. Records of all activities  
relating to goods shall be maintained to keep track of goods,  
and to serve as a reference against which to check the  
contents of the warehouse .

Article 107: Goods may not be kept in public warehouses for more than a  
period of one year, which may be extended by another year  
if necessary, upon the Director's approval.

### **B - The Public Warehouse**

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Article 108:

A- Working conditions at public warehouses, warehouse storage fees and other expense thereof, allowances to be paid to the Department, and required guarantees and any other provisions and specifications pertinent to public warehouses shall be regulated by instructions issued by the Director and published in the Official Gazette .

B- The Minister may take a decision to license a public establishment or company to set up a public warehouse, specifying in the decision the warehouse site, and its managing entity.

Article 109: Prohibited goods, explosive, semi-explosive, radioactive and inflammable materials, and goods showing signs of decay and goods which are a hazard to, or which may affect the quality of other goods, and goods whose upkeep requires special facilities, or knocked goods shall not be kept in the warehouse, unless it is set up for this purpose.

Article 110: The Department shall be entitled to supervise public warehouses which are managed by other entities. The investing entity shall be solely and entirely liable for the goods deposited at the warehouse according to the provisions of the Laws in effect.

Article 111: The public warehouse investing entity shall take the place of the owners of goods, with respect to all obligations towards the Department arising from the deposit of goods.

Article 112:

A- The Department may sell the goods deposited in the public warehouse upon the expiry of deposit delay period, and if the owners fail to re-export the good or put them for consumption.

B- The sale may be carried out one month after notifying the investing entity, and the owner or a representative thereof. The balance outstanding from the proceeds of the sale, after

making deductions for duties, taxes and expenses, shall be deposited in trust with the Department, to be delivered to the persons concerned. The right to claim the proceeds shall be prescribed after three years from the date of the sale, at which point proceeds shall devolve to the treasury.

C- Sale shall be carried out through public auction and by a committee consisting of two officials of the competent customs house - one of whom shall head the committee- and a representative of each of the Municipal Council, and the Chamber of Commerce or Chamber of Industry as the case may be. The auction shall take place in the presence of the majority of committee members.

Article 113: Goods in the public warehouse may be unpacked and transferred to other containers, and parcels may be aggregated and disassembled. Moreover, it is allowed to perform any task to improve the appearance of the goods and facilitate the disposal thereof, however, subject to the Director's approval and under the supervision of the Department and the competent official authority.

Article 114:

A- The Customs duties and other fees and taxes due shall be assessed on the basis of the entire quantity of goods originally deposited at the warehouse. The warehouse investing entity shall be liable for the fees and taxes in the case of shortages, overages, losses, or replacements in the goods and for the fines imposed by the Department under the provisions of this Law.

B - Customs duties and other fees and taxes shall not apply if the shortages or losses are a result of force Majeure, an inevitable accident, or a natural cause.

C – The investing entity remains liable for customs duties and other fees and taxes, and fines on shortages, overages, losses or replacements in the goods, even if a responsible cause is established.

Article 115: Goods may be moved from a public warehouse to another, or to any customs house on the basis of statements supported by guaranteed undertakings. Such transfers shall be subject to the provisions applicable to the transit status. Signatories of the statement of transfer shall submit within the period set by the Director a certificate of deposit attesting to the admission of the goods to the public warehouse or to a customs house for storage, or to be put for consumption, or to be placed under another customs status.

## **C - Private Warehouse**

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Article 116: Licenses for setting up private warehouses may be issued if necessary.

Article 117: Licenses to set up a private warehouse shall be issued by the Minister's decision upon the Director's recommendation, which decisions shall specify the warehouse site, annual payments, and the guarantees to be submitted before the start of activities, and other related provisions.

Article 118: Goods in the private warehouse shall be presented to the Department upon every request. Duties and taxes shall be assessed on the basis of the entire quantity of goods originally deposited regardless of subsequent shortages in the goods, unless the shortages are due to a force Majeure or a natural cause such as evaporation, and dryness, or the like. The fines set by the Department shall also apply.

Article 119: The Provisions of Articles (110, 112, 115) of this Law shall apply to private warehouses.

Article 120: Prohibited goods and damaged goods shall not be deposited in private warehouses.

Article 121: The function of the private warehouse shall be limited to the storage of goods.

## **Chapter Four**

### **Duty - Free Zones and Shops**

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Article 122:

A- Without prejudice to the provisions of Article (123) of this Law, foreign goods of any class and origin which are brought into free zones and taken out therefrom to other than the customs territory shall not be subject to import and prohibition restrictions or to duties and taxes except for any imposts made for the benefit of the free zone investing and managing entity.

B- National goods or goods which qualify as such by virtue of being put for local consumption may be admitted to the free zone provided they become subject to export restrictions and prohibitions, and to the customs duties and fees and other taxes applicable to exports, and to any imposts which are made for the benefit of the free zone investing and managing entity.

Article 123:

A- Goods imported for local consumption may not be transferred to or admitted [directly] into a free zone except by the approval of the Director or a mandatory thereof, and subject to the terms and reservations set by the Director.

B- The following goods shall not be admitted into free zones:

1- Goods which are prohibited because they are contrary to the public order as specified by the competent authorities.

2- Decayed and inflammable goods except for fuels needed for the investment purposes and permitted by the investing entity within the terms set by that entity.

3- Weapon, ammunitions and explosives of any kind.

4- Goods which do not conform to the Laws protecting commercial, industrial, literary and artistic property as specified in a decision of a competent authority.

5- Narcotics, and mind altering substances of any kind, and all derivatives thereof.

6- Goods from an origin which is the subject of an economic boycott.

Article 124: Joint committees from the Department and the Free Zones Corporation may be formed by the Minister for the purpose of inspecting goods in the presence of the persons concerned, and of ensuring that smuggled or prohibited goods are not brought into the free zone.

Article 125: The Free Zone administrator shall submit to the Department a list of all items brought into, or taken out of the zone within 36 hours of entry or exit.

Article 126: Goods unloaded from ships or brought by land may not be admitted into Free Zones without a permit from the Free Zone administration according to the Laws and regulations in effect and to the Director's instructions. Goods in the free zone may not be consigned to other free zones or to stores or warehouses except in accordance with the provisions applicable to the transit status.

Article 127: Goods shall be withdrawn from the Free zone only in accordance with the provisions of this Laws and the regulations in effect, and the Director's instructions.

Article 128:

A- Goods of foreign origin which enter the customs territory from the free zones in their original state shall be treated as foreign goods.

B- Goods which are manufactured in free zones or which undergo additional manufacturing therein, and which are subsequently put for consumption, shall be exempt from customs duties and other fees and taxes on the value of local materials and local manufacturing costs and expenses. This value shall be assessed by a committee chaired by the general Director of the Free Zones Corporation or the deputy thereof, and with a representative member from each of the



Ministry of Industry and Trade and The Customs  
Department to be appointed by their respective Minister.

Article 129: Foreign goods in the free zones may not be taken out for personal consumption before payment of customs duties and other fees and taxes thereupon.

Article 130: National and foreign ships may procure their supplies from the free zone.

Article 131: The free zone management shall be responsible for offenses committed by its personnel and for goods taken out of the free zone illegally.

Article 132: Duty free shops may be established. The provisions regarding duty free shops, the entities to invest in and manage duty free shops, as well as the terms, and required guaranties and the rules regarding the entry and exit of goods from the duty free shop shall all be specified in a regulation to be issued for this purpose.

## **Chapter Five**

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### **Internal Manufacturing (Entry for Manufacturing and Export)**

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Article 133:

A- Duties and other fees and taxes on foreign goods may be suspended if the goods are brought into the Kingdom for manufacturing, completion of manufacturing, or repair, for subsequent export within a period of not more than three years. This shall apply regardless of whether the beneficiary therefrom is the exporter or the manufacturer.

B- Goods imported or manufactured under the provisions of this Article may be re exported by other than the importer subject to the approval of the Director or a mandatory thereof , and in which case the importers obligations shall be assigned to the exporter.

C-Goods which enter the Kingdom according to the provisions of this Article, may be sold by one factory to

another, provided the original import purpose is not maintained.

D- Goods which shall be eligible to this status, and the required terms and guarantees for eligibility to the provisions of this Article shall be specified in instructions issued by the Director.

Article 134:

A- Materials imported for purposes of internal manufacturing may be put for local consumption upon the Director's approval, and subject to the legal conditions in effect.

B-Goods which are manufactured from materials imported for manufacturing purposes according to the provisions of Article (133) of this Law may be put for local consumption upon the Director's approval. The imported materials shall be subject to the customs duties and other fees and taxes at the rates effective at the date of entry of the materials, and assessed on the basis of the value of the material at the same date.

## **Chapter Six** **Temporary Admission**

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Article 135:

A- Equipment and machinery needed for project implementation or for performing practical and scientific experiments may be granted temporary admission in accordance with a regulation to be issued for this purpose, specifying therein the kind and scale of eligible projects, as well as the class, specification and terms of usage of the equipment and machinery.

B- The following items may be granted temporary admission, subject to the terms and restrictions specified by the Director:-

1- Items which are imported temporarily for use in playgrounds, theatres, exhibitions and the like.

2- Machines, equipment, means of transport and other items which are brought to the Kingdom for repair.

3- Containers and packages to be filled in the Kingdom.

4- Commercial display samples.

5- Testing equipment, and kits for installation and maintenance thereof.

C- The items provided for in this Article shall be re-exported or placed in free zones, storehouses, or warehouses within three months after the expiry of the delay period for keeping such items in the Kingdom

Article 136: Individuals seeking temporary entry and stay in the Kingdom to work for official public institutions, ministries and departments, and whose contracts stipulate for their right to bring their private cars to the Kingdom, shall have their cars granted temporary admission status. This status shall apply regardless of whether the cars are accompanied by owners, or brought from stores, warehouses or free zones.

Article 137: Diplomatic employees of the Ministry of Foreign Affairs who are transferred to the Headquarters [the Kingdom] may have their cars, which are registered in their center of work abroad, granted temporary admission to the Kingdom for the duration of their term in the Kingdom, but for a period not exceeding two years.

Article 138: Foreign vehicles which transport passengers and goods to and from the Kingdom may enter the Kingdom under a temporary admission status, provided such vehicles do not provide local transport and subject to the terms set by the Director.

Article 139: Car and motorcycle owners who are domiciled outside the Kingdom may bring their vehicles into the Kingdom under a temporary admission status, but subject to the terms and

guarantees and time limits set by the instructions issued by the Director's.

Article 140: This Law shall apply according to the Director's issued instructions, but without prejudice to the provisions of international treaties regarding the temporary entry of cars and customs facilities granted to tourists.

Article 141: The cars of the non-Jordanian staff and experts working for the United Nations and its affiliated international, regional and Arab organizations and agencies may be granted temporary admission by a Director's decision, and subject to the terms set therein. This shall apply regardless of whether the cars are accompanied by the owners, or bought at the stores, warehouses or the free zone.

Article 142: Shortages which are discovered upon settling the accounts regarding items admitted under suspended duty status for internal manufacturing or under a temporary admission status, shall be subject to the duties and taxes according to the provisions of Article (19) of this Law.

Article 143: The terms and required guarantees for the application of the temporary admission status shall be set by the Director.

Article 144: Goods admitted under a temporary admission status may be put for local consumption subject to Director's approval and without prejudice to the legal conditions in effect.

## **Chapter Seven**

### **Drawback**

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Article 145:

A- The customs duties and other fees and taxes levied on certain foreign materials which are used in the manufacture of national products, shall be partly or wholly refunded upon re-export of such products. The said material shall be specified by a Minister's decision, upon the Director's recommendation, and in consultation with the Minister of Trade and industry.

B- The Customs duties and other fees and taxes shall be refunded, partly or entirely, or at a fixed, if the duties are levied on certain foreign materials which are used in the manufacture of national products. The said materials shall be specified by a Cabinet's decision and upon the Tariff Council's recommendation.

C- The Minister shall determine the following:-

1- The terms of [eligibility for] drawback.

2- The kind of fees and duties that shall be refunded and the rates or fixed amounts that are refundable for each material or each h unit produced.

Article 146: The Customs duties and other fees and taxes shall be refunded partly or wholly in the case of goods which are re-exported in their original condition after being put for local consumption, and which have no local counterpart, provided it is verified that the goods, including packages thereof, are in the original condition of import. The classes of eligible goods, and the refundable percentage of the customs duties and taxes, and the terms of eligibility for this status shall be specified by the Minister upon consultation with the competent ministry.

Article 147: Customs duties and other fees and taxes levied on goods which are re-exported because they do not conform to specifications shall be refunded before the goods leave the stores or warehouses. Goods which are subject to pending analysis, or tests of conformity to specifications, or to the approval of competent authorities, and which are meanwhile delivered to owners against a guarantee, are not considered to have left the warehouse or the store.

## **Title Seven**

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### **Simplification of Customs Formalities**

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Article 148: Notwithstanding the provisions of Article (69) of this Law, and for the purpose of simplifying customs formalities, the Minister may waive the inspection requirement and allow clearance of goods *ex facie*, according to the provisions and terms specified in the Minister's instructions issued in the Official Gazette.

## **Title Eight**

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### **Chapter One Exemptions**

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Article 149: The following shall be exempted from customs duties and other fees and taxes:-

A- Items admitted in the name of His Majesty the King.

B- Gifts and donations to ministries, government departments, public institutions, state universities, municipalities, rural councils and joint services councils.

C- Exempted imports which are used, or which are unfit for use may be sold by the Department, but subject to the Department's approval. The Department shall collect 75% of the sale proceed in lieu of customs duties and other fees and taxes.

## **Chapter Two**

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### **Diplomatic and Consular Exemptions**

Article 150: To the extent commensurate with reciprocal treatment, and subject to necessary inspections to be carried out with the knowledge of the Ministry of Foreign Affairs, the following goods may be exempted from customs duties and other fees and taxes:

A- The personal effects of non-Jordanian and non-honorary heads and members of the diplomatic and consular corps

who work in Jordan and are listed with the Ministry of Foreign Affairs, and the personal effects of spouses and underage children thereof residing in Jordan.

B- Items imported by embassies, legations and non-honorary consulates for official use, excepting food, alcoholic beverages and tobacco. Imports exempted according to the provisions of this paragraph and paragraph (A) must correspond to actual needs, and must be in reasonable amounts. Limits on certain imports may be set by the Minister, upon the recommendation of a committee of representatives from the Ministry of Foreign Affairs and the Department.

C- Subject to inspection, items such as personal effects, furniture and household utensils imported for the personal use of the administrative personnel of Diplomatic and Consular missions, who are citizens of such missions and who do not benefit from the set exemptions. Such items shall be imported within six months from the arrival of the beneficiary, which period may be extended by six months by permission of the Minister of Foreign Affairs. Such individuals may also have their cars entered under a temporary admission status for a period of three years, which may be extend by approval of the Minister of Foreign Affairs.

Drivers and attendants shall not be considered administrative staff for the purposes of applying the provisions of this Article.

D- The exemptions referred to in this Article shall be granted by a decision of the Director or a mandatory thereof, and upon request of the head of the diplomatic or consular Mission and the recommendation of the Ministry of Foreign Affairs, as dictated by situation.

#### Article 151:

First- The items exempted according to Article (150) of this Law shall not be disposed of inconsistently with the purpose of their exemption, and may be assigned only after notifying the Department and after payment of due customs duties and other fees and taxes. The customs duties and other fees and

taxes shall be based upon the condition and value of the goods, and assessed at the rate in effect either at the date of the disposal, or of assignment or of registration of the customs declaration, whichever is higher. The beneficiary from the exemption may not assign the exempted items before completing the customs formalities and obtaining a customs assignment permit from the Department .

Second- Except for cars, items exempted according to Article (150) and disposed of after 5 years from being withdrawn from the Department, shall not be subject to customs duties and other fees and taxes.

Third-1- The exempted car shall not be disposed of before the lapse of three years from the date of registration of the exemption statement, except if:-

a-The commission of the diplomatic or consular member of the embassy benefiting from the exemption is concluded

b- The car is rendered by accident unfit for use by a diplomatic or consular member, as established by the joint recommendation of the directorate of licenses and the Department . In the former two cases the customs duties shall not be subject to reduction.

c- The exempt car is sold to a member of a diplomatic or consular mission, provided the buyer is eligible for exemption. Otherwise, the general rules governing this matter shall be apply.

2- Cars which are assigned after three years from the date of registration of the exemption declaration, shall be dealt with as follows:-

a- If the car is assigned for a reason other than the conclusion of a commission in the Kingdom, the car shall be subject to all customs duties.



b-If the car is assigned due to the conclusion of the commission of the diplomatic or consular member, custom duties thereupon shall be reduced by 30%, notwithstanding the provisions of Article (22) of this Law.

3- Upon conclusion of their commission, or at the expiry of the exemption period on their cars, administrative personnel with cars entered under a temporary admission status, may either assign the cars to someone eligible for exemption or temporary admission, or re-export the car, or pay the full duties and tariffs thereupon at the rates effective at the date of registration of the declaration of placement for consumption.

Article 152: Beneficiaries shall be eligible to exemption under Article (150) of this Law from the date of their start of work at the official premises in Jordan.

Article 153: The privileges and exemptions provided for in Article (150& 151) of this Law shall apply only to diplomatic or the consular missions and members thereof, whose countries grant Jordanians same or better concession. Otherwise, exemptions and privileges shall be applied commensurately with concessions granted to Jordanians.

Article 154: Members or personnel of the diplomatic and consular corps who benefit from exemptions under the provisions of this Law, and who are transferred from the Kingdom, shall submit to the Department through the Ministry of Foreign Affairs a list of the household items and personal effects and of the car admitted to the Kingdom so as to obtain an exit permit. The Department may carry out investigations for this purpose when necessary, provided the Ministry of Foreign Affairs is informed.

### **Chapter Three**

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### **Exemptions for the Military**

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Article 155:

A- The armed forces, internal security forces and any Arab forces stationed in Jordan are granted exemption from customs duties and other fees and taxes on all imports of ammunition, weapons, equipment, military fatigue, vehicles and spare parts thereof, and any other items specified by the Cabinet upon the Minister's recommendation.

B-If the imports provided in paragraph A are sold after use or because they are unfit for usage, the Department shall receive 75% percent of the sale proceeds in lieu of customs duties and other fees and taxes.

C-Notwithstanding the provisions of any other laws, items imported for the Military Consumer Corporation, shall be exempt from customs duties and other fees and taxes, in the amounts, and for the classes of goods, and at the values set by the Cabinet, upon the Minister's recommendation, provided the imports have no Jordanian counterpart approved by the Cabinet, upon the recommendation of the Minister and the Minister of Industry and Trade.

## **Chapter Four**

### **Personal Effects and Household Furniture**

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Article 156: Except for cars, the used personal effects, domestic utensils and household furniture brought by Jordanians seeking domicile in the Kingdom shall be exempt from duties and taxes. The amounts and classes of exempted items, and terms for applying the provisions of this Article shall be determined by the Department.

## **Chapter Five**

### **Returned Goods**

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Article 157: The following shall be exempted from customs duties and other fees and taxes:

A- Goods of established local origin which are exported from the Kingdom and returned thereto within three years.

B- Motor vehicles returned to the Kingdom, which have been licensed in the Kingdom, provided the customs duties and other fees and taxes thereupon have been paid.

C- Goods exported temporarily for completion of manufacture or for repair, which shall be subject to customs duties only upon the value added by manufacture or repair, and in accordance with the Minister's decision upon the Director's recommendation.

D-Goods which are difficult to distinguish may be excluded from the provisions of this Article, with full fees imposed thereat upon re- export and completion of manufacture or repair.

E- The terms for applying the provisions of this Article shall be determined by the Minister's instructions.

## **Chapter Six** **Miscellaneous Exemptions**

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Article158: The items hereunder shall be exempted from customs duties and other fees and taxes set by the Director:-

A- Samples of no commercial value.

B- Samples which may be of use and whose value shall be set in instructions issued by Minister.

C- Supplies, fuels, lubricating oils, spare parts and provision of ships and airplanes, and of the crew and passengers on trips abroad subject to and commensurate with reciprocal concessions.

D- Advertising calendars.

E- Decorations, sport trophies, and scientific prizes which have no commercial attributes.

F- Personal gifts brought by passenger provided they are non-commercial, and in accordance with instructions issued by the Minister upon the Director's recommendation.

G. Educational and medical materials, supporting aids, instruments, machinery, and parts thereof, and means of transports necessary for schools, establishments and programs for the disabled, and for individual or collective productive projects owned and run by the disabled. As well, specialized means of transport for the disabled, as specified upon recommendation of the Ministry of Social Development and according to the terms mutually agreed upon between the said Ministry and the Customs Department.

H- Grants, donations and gifts for the special use of Mosques, Churches and Monasteries.

I- Imports of the Civil Consumer Corporation (Civil Servants shop ) in the kinds and amounts and at the values set by the Cabinet upon the Minister's recommendation, provided the imported item has no Jordanian counterpart product approved by the Cabinet upon the recommendation of the Minister and the Minister of Trade and Industry, and not withstanding other Law that provide otherwise.

## **Chapter Seven Common Provisions**

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Article 159:

A- The exemptions provided for in this section shall apply to the items subject to exemption, whether such items are imported directly or through an intermediary, or bought from storehouses, warehouses or from the Free Zones, subject to the terms set by the Department .

B- Disputes regarding the eligibility for of the goods provided for in this section for exemption shall be resolved by the Director.

## **Title Nine**

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## **Allowances for Services**

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### Article 160:

A- Goods placed in the Department yards and stores shall be subject to the fees for storage, portorage, insurance and other services required for the storage and inspection of goods. The storage fees shall not, under any circumstances, exceed half the estimated value of goods. Allowances for services at stores and warehouses managed by other entities shall be collected by such entities, according to the applicable provisions and rates.

B- Goods shall be subject to charges for packing, buttoning, leading, analyzing, sealing and other services.

C- The allowances mentioned in this Article, the terms for their collection, and the grounds for their reduction or for exemption therefrom, and the value of the publications provided by the Department shall all be determined by Minister's instruction published in the Official Gazette.

### Article 161:

A- The following allowances shall be levied from the owners of the goods for the benefit of officials of the Customs Department and other departments working therewith:

1- 0.002 of the value of the imported goods, and re-exported goods and locally-sold goods.

2- 0.001 of the value of transit goods.

B- Upon the Minister's recommendation, the Cabinet may grant exemptions from payment of allowances on goods.

C- Upon the Minister's recommendation, the Cabinet may stipulate allowances for overtime work done at workshops, factories, ships or any other place outside the customs territory..

D- Allowances levied pursuant to this Article shall be paid to the eligible officers as specified in paragraph (A) of this

Article, and in the way prescribed by the Minister. The outstanding amount shall be deposited in a special fund for the Department. The Minister or a mandatory thereof may draw on the deposited money in the fund to improve the customs houses, establish housing compounds and provide housing loans for customs officials and to improve the living, sport, cultural and social standards of customs official.

Article 162: The exemption and drawback provisions of this Law shall not apply to the fees and allowances mentioned in Articles (160 &161) of this Law.

Article 163: Documents confirming payments of duties and taxes, or completion of customs formalities or documents authorizing the transport, circulation or possession of goods shall be issued to the persons concerned, upon request thereof, for a fee of 1 JD for each document, and subject to the terms set by the Director.

## **Title Ten**

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### **Customs Clearance Agents**

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Article 164: Declaration about goods at customs, and completion of customs formalities for imports, exports, and other customs statuses may be done by:

A-Owners of goods or employees thereof who meet the requirements set by the Director, including the terms of authorization.

B- Licensed customs clearance agents.

Article 165: The persons mentioned in the previous paragraph must submit a delivery order. The endorsement of the delivery order to the customs clearance agent or the owners employee shall be considered an authorization for completing the customs formalities. The customs Department bears no responsibility for the delivery of goods to the endorsee.

Article 166:

A- Without prejudice to acquired rights, customs clearance may be practiced professionally only by persons licensed by the Minister upon the Director's recommendation.

B- In the case of natural persons:

1- Agent must be a Jordanian citizen.

2- Agent must be at least twenty years old.

3- Agent must have completed secondary school or worked as a customs official in the Customs Department for 15 years.

4- Agent must have practiced customs clearance, or worked as a customs official for a licensed entity in the Kingdom, or provided a service classified by the Department.

5- Agent must be of good repute and conduct and must not be sentenced to any crime or misdemeanor against morals.

C- In the case of juridical persons:

1- Agent must be a registered Jordanian company.

2- The general manager or the managing partner, as well as the branch directors must meet the terms stipulated in paragraph (B) of this Article.

D- The Director may allow the licensed agent to hire one or more employees provided they meet the terms stipulated in paragraph (B) of this Article with the exception of items (2) and(4) thereof.

E- Applicants for a license to practice clearance must use the special forms designated for this purpose .

F- Upon the Director's recommendation, the Minister may grant the license, or deny it upon justification

G- A license fee of three hundred JDs shall be charged for the main office, and two hundred JDs for every branch.

H- The license shall be valid for a period of one year ending on the 31st of December, and renewable upon the Director's approval.

I- The license of a customs clearance agent shall be revoked entirely by a Minister's decision, if any of terms or qualification stipulated in this Article cease to be fulfilled.

J- The customs clearance agent must operate through an office and must obtain the required municipal permit.

K- 1- The Director may hold an annual competence exam for new customs clearance agents, and deny license if the exam is not passed.

2- The Director may issue the necessary instructions.

Article 167:

A- The customs clearance agent shall be responsible towards the consignees, the Department, and investors in storehouses, warehouses and free zones, for the actions of the agents employees, and shall provide the employees with authorizations prepared in accordance with the provisions of this Law, which authorization shall be deposited with the Department.

B- A license applicant shall submit a bank surety in the amount set by the Director, but which shall not be less than 5,000 JD, as a guarantee against liabilities that may result from the actions of the licensee or of the employees thereof. The Director may set the surety at a higher amount.

Article 168:

A- The customs clearance agent may be subject to any of the following disciplinary penalties, commensurately with the offense and as determined by the Director:

1- Written notice



2- Written warning

3- Suspension from work for a period not exceeding six months.

B- The agent may be removed from the list of customs clearance agents and may be barred from practice permanently, by the Minister, and upon the Director's recommendation, in the following cases:

1- If the clearance agent is penalized by a written notice or warning three times or more;

2- If the clearance agent is suspended from work more than two times within four years;

3- If the clearance agent is sentenced in a crime or misdemeanor against morals.

Article 169: By the Minister's approval, the Director may issue instructions specifying:

A- The number of clearance agents allowed to practice at customs houses.

B- The customs house or houses at which clearance agents may practice.

C- Customs agents fees.

D- Customs clearance companies may establish unions as dictated by public interest and subject to the Minister's approval.

Article 170: Customs clearance agents shall maintain summary records of all customs formalities carried out on behalf of others, according to the terms set by the Director. Agents who fail to maintain such records shall be subject to the penalty of suspension from practice. In particular, records shall be maintained of payments made to the customs Department, and to the clearance agent and of all other expenses on formalities. The Department shall have absolute authority to

examine such records at any time, without the agent's objection.

## **Title Eleven**

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### **The Rights and Obligations of the Department's Officials.**

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Article 171:

A- Department's officials on duty are considered members of the judicial police, within the limits of their competence.

B- The Director shall provide Department officials upon appointment with a written service authorization, which must be carried on duty and presented upon request.

Article 172: Civil and Military authorities and public security forces must, upon request, offer Department officials any needed assistance in carrying out their duties, and the Department shall offer support to other departments.

Article 173: Customs employees may carry weapons, according to instructions issued to this effect.

Article 174:

A- A Department official or member of the judicial police whose services are terminated for any reason shall promptly return to the immediate director thereof, any records, authorizations, and provisions entrusted therewith..

B- The jobs, uniform, ranks and distinguishing marks of customs judicial police shall be specified in regulations issued in accordance with provisions of this Law.

Article 175:

A- Any person charged officially with implementing this Law shall consider as confidential, and shall handle accordingly, all documents, information, statements and official papers relating to this Law or to the implementation of its provisions.

B- The Department may exchange information with ministries, government agencies, departments and official entities for the purpose of implementing the provisions of this Law and other Laws in force.

## **Title Twelve**

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### **Chapter One: Customs Territory**

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Article 176: Ascertained prohibited goods, goods subject to exorbitant duties and other goods designated by a Minister's decision published in the Official Gazette shall be subject to the provisions of the customs territory, even when such goods are outside the customs territory.

Article 177:

A- Goods subject to the provisions of the customs territory may not be transported without a transport permit, issued by the Department according to the terms set by the Director.

B- The possession of the said goods is prohibited and their placement in warehouses shall only be in the areas designated by the Minister.

C- Ordinary necessities whose possession for consumption purposes within the customs territory is allowed shall be specified by the Director.

Article 178: The illegal transport, possession or circulation within the customs territory of goods which are subject to the provisions of the customs territory shall amount to exportation and importation by smuggling, to the extent that such goods are subject to the territory's provisions with regards to importation and exportation, and unless evidence indicates otherwise .

## **Chapter Two**

### **Investigation of Smuggling**

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Article 179:

A- In enforcing the provisions of this Law and combating smuggling, authorized Department's Officials shall be entitled to inspect goods and means of transport and to search people in accordance with the provisions of this Law and other Laws in effect. Drivers of means of transport shall comply with the orders of customs officials and judicial police, who are entitled to use all the necessary means to stop vehicles whose drivers do not comply with orders.

B- Females may be searched by females only.

C- In the presence of sufficient evidence about smuggled goods, authorized customs officials and public security forces shall have the right to search houses, stores or other places. However residences may be searched only in the presence of the "mukhtar" or two witnesses, and by permission of the public prosecutor.

D- The criminal prosecution of customs judicial police officers for work related crimes shall only be by approval of a committee of:

1- Two civil judges appointed by the Judiciary Council. One of the appointed judges, who shall chair the committee, must enjoy at least a special rank.

2- A representative of the Department appointed by the Minister.

3- The committee decisions shall be reached by unanimity or majority vote, and shall be conclusive.

Article 180: The Department's officials may board all ships anchored at local ports, or incoming or outgoing therefrom, and to remain on board until cargo is completely unloaded. They may also order opened compartments, cabins, cupboards and parcels on board, and may lead-seal restricted goods, or goods subject to exorbitant duties, or ascertained prohibited goods as provided for in Article 2 of this Law, and may ask

the ship master to submit a list of such goods upon entry to the port.

Article 181: The Department's officials may board ships within the customs territory for search purposes, and may ask for the cargo declaration-manifest- and other documents required under the provisions of this Law. If the documents are not submitted, or are unavailable, or if there is reason to suspect the presence of smuggled or prohibited goods of the kinds mentioned in Article 2 of this Law, customs officials shall have the right to take all the necessary measures- including the use of force- to seize the goods and bring the ship to the nearest customs port.

Article 182:

A- Smuggling and customs offenses may be investigated and goods may be seized as follows:-

1- Within the land and maritime customs territory.

2- In the customs premises, ports and airports, and generally in all areas subject to customs control, including public and private warehouses.

3- Outside the land and sea customs territory, but only in cases involving the pursuit and chase of goods first observed within the customs territory under circumstances suggestive of intent to smuggle.

B- In the case of goods other than the ascertained prohibited goods and goods subject to exorbitant duties, customs officials may investigate and verify smuggling offenses and seize goods outside the areas designated in paragraph (A) of this Law, only if they possess evidence about smuggling written in a preliminary verbal process. Customs officials shall not be held responsible for seizures carried out according to the provisions of this Law, if the offenses are

not subsequently confirmed, unless gross negligence is committed.

C- The ascertained prohibited goods, prohibited goods, or the goods subject to exorbitant duties, and other goods ascertained by the Director's decision according the provisions of Article 2 of this Law shall be considered to be smuggled unless otherwise proven, if the owners and carriers fail to present the proofs required by the Director.

Article 183:

A- Department's officials charged with verification and investigation may review bills of lading, invoices, commercial correspondence, contracts, records and any other document directly or indirectly related to customs formalities. If necessary, Department officials may seize documents from any entity whose work relates to customs operations, which entities shall maintain the such records and documents for a period of three years.

B- Authorized Department officials may arrest without a warrant any persons caught in flagrant crime.

### **Title Thirteen**

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### **Customs Cases**

### **Chapter One**

### **Verbal Processes and their Applicable Procedures**

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Article 184: Smuggling crimes and customs offenses shall be recorded in a verbal process prepared according to the procedures stipulated in this Law.

Article 185:

A- The verbal process shall be prepared by at least two members of the Customs Department or the judicial police or any other official entity, as soon as possible after the customs offense or the smuggling crime is discovered. If necessary, the verbal process may be prepared by one official only.

B- Smuggled goods, or goods used in concealing the offense or the smuggling crime, and the means of transport thereof, shall be brought to the nearest customs house, if possible.

Article 186: The verbal process shall include the following:-

A- The Place, date and time of its preparation in letters and numbers.

B- The names, signatures, ranks and jobs of those who prepare the verbal process.

C- The names of offenders or smugglers, their descriptions, professions, full addresses, and their domicile of choice if possible.

D- The class, quantity and value of seized goods, and to the extent possible, the duties and taxes thereupon.

E- Goods that have escaped seizure to the extent that they may be known or inferred.

F- Detailed facts, and statements of offenders, smugglers, and if possible, witnesses.

G- The legal Articles applicable to the offense or the smuggling crime, to the extent possible.

H- A statement affirming that the contents of the verbal process were read to the offenders and smugglers present then, and indicating whether or not they consented to and endorsed the contents of the verbal process.

I- All other relevant facts, including whether the offenders or smugglers were present or absent at the time of taking inventory of the goods.

Article 187:

A- Material events recorded in verbal process in accordance with Articles (185&186) of this Law, and witnessed by those who prepared the verbal process, shall be considered established facts, unless otherwise proven.

B- A verbal process which is formally defective shall not be considered invalid and may be returned to the preparer for completion. A verbal process which is factually incomplete may not be returned for completion. Verbal processes prepared according to the previous Articles, and incorporating testimonies, facts, and statements verified in other countries shall be of equal evidentiary force.

Article 188:

A- Smuggling crimes may be verified and proven by all means of evidence, and not necessarily on the basis of seizure of goods within or outside the customs territory. Declared goods which are inspected and cleared without comment or reservations by the Department regarding smuggling, may, nonetheless be subject to investigation for smuggling subsequently.

B- Customs offenses may be verified and proven by all means of evidence, and the importer shall bear liability for such offenses.

Article 189: Forgery claims must be submitted to the Customs Court of First instance at the first court session, and in accordance with the court procedures in effect. If the court finds evidence and indications of forgery, it shall refer the forgery investigation to the Attorney General and shall postpone hearings until the forgery claim is settled. However, if the verbal process includes items other than the ones covered by the forgery claim, the court shall hear and reach decisions about the remaining items without delay.

Article 190: A single verbal process may cover more than one offense if the value of goods for each offense does not exceed five JDs, but subject to the limits and instructions set by the Director. Moreover, such goods may be confiscated by a decision of the Director, or a deputy thereof. Petitions for review of any kind shall not be admitted before payment by owners of the customs duties and other fees and taxes and fines due upon the goods.

## **Chapter Two**

### **Precautionary Measures**



## **Section One: Precautionary Seizure**

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Article 191: Preparers of the verbal process may seize smuggled good or goods which are subject of an offence, and the means of concealment and of transport thereof, as well as any documents, for the purpose of proving offenses and smuggling crimes and ensuring payment of fees, duties and fines.

## **Section Two Precautionary Detention**

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Article 192:

A- Precautionary detention of persons is allowed only in cases of:-

1-Flagrant smuggling crimes .

2- Acts which obstruct investigations of the smuggling crime or what amount thereto.

3- Persons who are likely to flee or disappear to evade penalties and compensation sentences.

B- The detention decision shall be issued by the Director or a mandatory thereof, who shall also notify the competent public prosecutor. The detainee shall be referred to the competent court within 24 hours. If necessary for purposes of interrogation, this period may be extended by another 24 hours subject to the Attorney General's approval, provided the detainee is referred to the customs court immediately after interrogations are concluded.

## **Section Three**

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### **Restrictions on Travel of Smugglers and Offenders**

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Article 193: The Director may ask the competent authorities to stop offenders and smugglers from leaving the country if the materials seized are not sufficient to cover the customs duties, taxes and fines. The Director may cancel the request if the offender or smuggler submits a bank guarantee to cover the amounts that may be due over and above the value of the seized property.

**Chapter Three**  
**Customs Offenses and Penalties Applicable Thereto**  
**Section one: General Provisions**

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Article 194: The customs fines and confiscation provided for in this Law shall be considered a compensation to the Department, and shall not be subject to the provisions of General Amnesty Laws.

Article 195: In the case of multiple offenses, separate fines shall be imposed on each offence, unless the offenses are inseparable, in which case the highest fine shall apply.

Article 196: Wherever it is provided that a customs fine shall be set at a certain percentage of the “fees”, the term fees shall designate the customs duties and other fees and taxes which are subject to loss.

Article 197: A customs fine not exceeding the amount of fees shall be imposed on the following:-

A-Goods, other than ascertained prohibited goods, which are imported or exported through smuggling, and whose value does not exceed 100 JDs.

B- Items and objects for personal use, and travelers personal effects, and gifts carried therewith, whose value does not exceed 500 JDs and which are not declared at the customs house upon entry or exit, and are not exempt from customs duties.

In the former two cases, a part or all of the seized goods may be returned, without prejudice to the provisions in effect.

## **Section Two**

### **Customs Offences and Penalties Applicable Thereto**

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Article 198:

A- Except for cases amounting to smuggling and which are covered by Article (204) of this Law, a fine not exceeding half the amount of duties and taxes due shall be imposed on the following:

1- Unjustified shortages against what is listed in the maritime cargo manifest, or the equivalent document thereof.

2- A manifest in which the actual values does not exceed 10% of the declared value of the goods, or 10% of the weight, quantities, or size thereof, provided the goods are not prohibited goods.

B- Except for cases amounting to smuggling and which are covered by Article (204) of this Law, a fine not exceeding twice the amount of the duties or half the value of goods, whichever is less, shall be imposed upon the following offenses:

1- A declaration intended to affect without a valid basis, eligibility for drawback, or a settlement of the accounts of goods admitted under a temporary admission status, or manufacturing and re-export status, if the value of the duty on such goods does not exceed 500JDs.

2- Unjustified overages against what is listed in the cargo manifest or the document equivalent thereto. Parcels found in overage and which carry signs and numbers identical to those on other parcels shall be considered subject to higher fees or to prohibition.

3- Unjustified shortages against what is listed in the land or air cargo manifest or the

document equivalent thereto, whether the shortage is in the number of parcels, in the contents thereof, or in the quantities of knocked goods.

4- The use of items subject to exemption or reduced tariff in or for other than the purpose of import, or the illegal exchange, sale or disposal of such items without the Department's approval and without submitting the documents.

5- The sale of goods which are admitted under a suspended duty status, or their use outside permitted areas or for other than the purpose of import or in other than their intended function, or the illegal exchange or disposal of such goods, before notifying the Department and submitting the required document.

6- Obtaining drawbacks in a value exceeding 500JDs without a valid basis.

Article 199: Except for cases amounting to smuggling, and which are provided for in Article (204) of this Law, the following offenses shall be subject to a fine not less than 50 JDs and not more than 500 JDs:-

A- Submitting an export declaration which leads invalidly to evading export licensing or currency repatriation requirements.

B- Submitting a declaration which is invalidly intended to affect eligibility for drawbacks, or a settlement of the accounts of goods admitted under a temporary admission status, or manufacturing and re-export status, if the value of the duty on such goods does not exceed 500JDs.

C- Transporting passengers or goods within the Kingdom by means of vehicles admitted under a suspended duties status in violation of the provisions of Laws and regulations.

D- Taking a route other than the designated transit route or re-exporting goods without the Department's approval .

E- Removing the lead, buttons or the customs seals from goods consigned by transit or prepared for re-export.

F- Submitting late after the expiry of the delay period, the documents required for the discharge and settlement of transit declarations or undertakings regarding temporary admission, or admission for internal manufacturing under a suspended duties status or re-export.

G- Violating any of the terms and provisions of this Law and its pursuant regulations which are applicable to transit, internal manufacturing, temporary admission or re-export.

H- Violating the provisions of private and public warehouses, in which case the due fine shall be fall upon the warehouse owners or investors.

I- Possession by the person concerned of more than one cargo manifest or the document equivalent thereto.

J- Possession or transport of goods which are subject to the customs territory's judicial police, illegally or in a manner which is inconsistent with the contents of the transport permit.

K- Ferrying by ships with loads of less than 200 freight tons, within the maritime customs territory, of restricted or prohibited goods, or goods subject to exorbitant duties, or ascertained prohibited goods, whether or not such goods are listed in the manifest, or a change of course by such ships in other than cases of maritime emergency or force majeure.

L- Anchoring ships, or landing planes, or parking other means of transport in other than the designated sites authorized by the Department.

M- The departure of ships, planes or other means of transport from the harbor or the customs premise without the Department's authorization.

N- Anchoring ships of any load and landing planes at other than set harbors and airports, whether in ordinary or in emergency situations, without informing the nearest customs house about this.

O –Transferring goods from one means of transport to another, or re-exporting goods without a declaration or due authorization.

P- Loading and unloading ships, trucks, cars or other means of transport, or withdrawing goods without the Department's authorization, or in the absence of the Department officials, or in other than the specified hours, or in violation of the terms set by the Department and unloading goods at other than set places.

Q- Obstructing the duties of Department officials and their right to search, verification and inspection, and failing to stop upon the Department's officials request. The fine in such a case shall be imposed on all accomplices in the offense.

R- Failure to maintain records, official papers, and documents and like items for the period prescribed in Article (183) of this Law or failure to submit such records and documents.

S- Non-compliance by customs clearance agents with customs regulations which specify their duties. Such an offense shall also be subject to the disciplinary penalties in accordance with the provisions of Article (168) of this Law.

T- Confirmed shortages in goods placed in stores, if the goods are delivered in an apparently sound condition.

U- Goods which escape seizure whose value, quantity or class cannot be determined, without prejudice to prosecution on smuggling charges.

V- Obtaining a drawback in an amount not exceeding 500 JDs without a valid basis legal basis.

Article 200: Except for cases amounting to smuggling, the following offenses shall be subject to a fine of between 25 - 100 JDs:-

a-Declarations which are inconsistent with the documents enclosed therewith, in which case the fine shall be levied from the declarant.

b- Listing as one parcel in the manifest or the document equivalent thereto, closed parcels which are aggregated in any way, however, without prejudice to Article (60) of this Law with regards to containers, crates and trailers

c- Failing to present upon entry or exit the cargo manifest, or the document equivalent thereto or the other documents mentioned in Article (43) of this Law, or presenting such documents after the lapse of the period set in same Article.

d- The unavailability of a cargo manifest, or the availability of a manifest which is inconsistent with actual cargo.

e- Failing to have the manifest endorsed by customs authorities at the place of shipment, where this is required according to the provisions of this Law.

f- Omitting items which must be listed in the manifest or the document equivalent thereto.

g- Importation by mail of closed parcels or boxes which are not duly labeled, in violation of the provisions of Arab and International postal agreements and internal legal provisions in force.

h- Attempts to benefit from drawbacks without a valid basis.

i- Any other violation of the provisions of this Law and its implementing regulations, decisions and instructions.

Article 201: Goods consigned on a transit basis to the exit office or the internal office of the destination and which are presented late after the expiry of the periods set in the manifest shall be subject to a fine between 5-10 JDs for each day of delay, which fine, however, may not exceed half the value of the goods.

Article 202: Goods which are entered under temporary admission or for re-manufacturing and which are returned late after the expiry of the period set in the declaration shall be subject to a fine between 1-10 JDs, or 5-10 JD's in the case of cars, for each week of delay or any part thereof, which fine, however may not exceed half the value of the goods.

**Chapter Four**  
**Section One**  
**Smuggling and Applicable Penalties**

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Article 203: Smuggling is the act of bringing goods into the Kingdom or taking them out therefrom illegally and without payment of all or part of the customs duties and other fees and taxes due, or in violation of the prohibition and restriction provisions of this Law or other laws and regulations. The provisions of this Article shall not apply to Article (197) of this Law.

Article 204: The following shall amount to smuggling:-

A- Failure to present goods upon entry at the nearest customs house.

B- Failure to use the routes designated for entry or exit of goods.

C- Loading and unloading goods to and from ships, inconsistently with regulations, on coasts with no customs houses, or within the maritime customs territory

D- Unloading or loading goods to and from the planes illegally, outside official airports, or jettisoning goods during flight, without prejudice to provisions of Article (53) of this Law.

E- Failure to declare at entry or exit incoming or outgoing goods which are not listed in the manifest, including passengers belongings, without prejudice to the provisions of Article (197) of this Law.



F- By-passing customs houses at entry or exit without declaring goods.

G-The discovery of undeclared goods tucked with the intent of concealment in hideouts, holes, or places at the customs house which are not usually intended for such goods.

H- Overages, shortages or replacements in the parcels or contents thereof if discovered after the goods have passed the entry point, and in the case of goods admitted under the suspended duties status provided for in title six of this Law. This provision shall apply also to goods which are smuggled into the Kingdom, or brought into the Kingdom without due customs formalities, and in which case the carrier shall be held liable..

I- Failure to submit the evidence required by the Department for discharging declarations of goods which are admitted under the suspended duties status provided for in Title Six of this Law.

J- Taking goods from free zones, storehouses or warehouses and into the customs territory without going through the customs formalities.

K- Submitting false documents with the intent of importing or exporting ascertained prohibited goods, prohibited goods or restricted goods or with the intent of distorting the value of imported goods so as to exceed the monetary quotas provided for by the laws in effect.

L- Submitting false, forged, or fabricated documents or invoices, or putting false marks on goods with the intent of evading all or part of customs duties or other fees and taxes, or evading the prohibition or restriction provisions of (Article 198/A/2) of this Law .

M- The transport or possession of ascertained prohibited goods, or prohibited goods, or restricted goods without presenting evidence that the goods are legally imported.

N- The transport or possession of goods subject to the customs territory judicial police without a legal document.

O- Failure for any reason to re-import goods whose exportation is prohibited or goods which are exported temporarily.

P- Loading or unloading goods to and from trains inconsistently with regulations, in places with no customs houses, or within the customs territory.

## **Section Two Criminal Liability**

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Article 205: Criminal liability in smuggling shall not be constituted without intent, and shall be determined according to the Penal provisions in effect. Accordingly, the following shall be held criminally liable:-

A- Perpetrators.

B- Accomplices.

C-Intermediaries and instigators.

D- Those in possession of smuggled items.

E-Owners of the means of transport used in smuggling, and drivers and assistants thereof.

F-Owners, tenants, or beneficiaries of shops and places in which smuggled items are placed

## **Section Three Penalties**

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Article 206: Smuggling acts or acts amounting thereto, and attempts thereat shall be subject to the following penalties:

A- A fine no less than 50 JDs and no more than 1000 JDs, and for repeaters, imprisonment for a term between one month and three years, in addition to the prescribed fine, or one of the two penalties.

B- A customs fine as a compensation for the Department set at:

1- Two to three times the value of goods in the case of ascertained prohibited goods.

2- Two to three times the value of goods, in addition to the fees and the duties in the case of prohibited or restricted goods.

3- Two to four times the amount of duties on goods which are subject to customs duties, and are not prohibited or restricted goods, provided the fine shall not be less than the value of the goods.

4- Between 25 -100 JDs for goods which are not subject to duties or taxes, and are not prohibited or restricted goods.

C-Confiscation of the smuggled goods, or a fine sentence in the amount equivalent to the value of goods, inclusive of fees, if the goods are not seized, or escape seizure.

D-A sentence for the confiscation of the means of transport and the instruments and materials used in the smuggling, or a sentence to a fine not exceeding 50% of the value of the smuggled goods and not exceeding the value of the means of transport-other than ships, planes, or trains, unless those are especially leased or set up for smuggling- or a sentence to a fine equivalent to the value of the goods if the goods are not seized or escape seizure.

Article 207: The Director may decide to confiscate the seized goods if the smugglers flee or cannot be tracked down.

## **Chapter Five**

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### **Prosecution**

#### **Section One: Administrative Prosecution**

#### **Collection and Fining Decision**

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Article 208:

A- The Director or a mandatory thereof may issue decisions to claim the duties, taxes and fines which are to be levied by the Department, provided the amounts to be collected are established, and are due on the basis of a guaranteed undertaking, an undertaking of amicable settlement, or a conclusive court decision. The person liable for payment must settle the claim within 30 days from the date of being notified of the decision.

B- The Director may issue a decision for collecting the duties fees, taxes and fines if the person liable for payment does not follow up with the Department during the period referred to in paragraph (A) of this Article.

C- The person liable for payment may challenge the collection decision before the competent court within thirty days from the date of notification, however this shall not cause a stay of execution unless the person liable for payment provides a deposit or a bank guarantee for at least 25% of the amount due.

Article 209:

A-The fines set in Chapter Three of this Title shall be imposed by a decision of the Director or a mandatory thereof.

B- The offender or a representative thereof shall be notified about the fine by a written notice or registered mail, and shall pay the fines within 30 days from the date of notification or the date of refusal to sign the notification.

Article 210:

A- The Fining decisions referred to in Article (209) may be challenged before the Minister within the period set in the Article. The Minister may affirm, cancel, or reduce the fine upon justification.

B- The Minister's decision, issued pursuant to paragraph (A) of this Article, may be challenged before the customs court within thirty days from notification, if the joint value of the

fine imposed and the confiscated goods exceeds 500 JDs.  
The court may affirm, amend or cancel the fine.

## **Section Two**

### **Judicial Prosecution of Smuggling Crimes**

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Article 211: Action in smuggling crimes may be instituted only by the written request of the Director or a deputy of the Director, in the absence thereof.

## **Section Three**

### **Abatement of the Right to Prosecute Amicable Settlement**

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Article 212:

A-The Minister or a mandatory thereof may conclude an amicable settlement regarding smuggling crimes or what amounts thereto, whether before action is instituted, or during proceedings, but not after the judgment of first instance is reached. The settlement may be concluded with all or some of those liable for smuggling, for the entire crime, and at the terms stipulated in the settlement contract.

B- Upon the Director's recommendation, the Minister may, upon justification, overlook smuggling crimes or what amounts thereto, before action is instituted, or during the proceeding, but not after the judgment of the first instance is reached, and only if the fines involved do not exceed 500 JDs. However, justifications shall be admitted only in cases pertaining to travelers and the personal effects thereof.

C- Upon the Director's recommendation, the Minister may overlook customs cases involving transactions by official entities.

Article 213:

A- In concluding amicable settlements, the Minister or a mandatory thereof may substitute the penalties and customs fines provided for in Article (206) of this Law by the following:-

1- A customs fine not less than 50 % of the compensation

2- Confiscating the ascertained prohibited goods or goods whose importation or exportation is prohibited.

3- The amicable settlement contract may provide for giving back the seized goods, and collecting the customs duties and other fees and taxes thereupon in return, in the case of goods, which may be imported or exported, and of restricted goods but subject to the approval of the restricting authority's.

4- The amicable settlement contract may provide for giving back the means of transport and materials used in the smuggling in return for a fine not less than 20% of the value of the smuggled goods and not exceeding 50% of the value of the means of transport.

B- A guide for amicable settlements shall be issued by the Minister and shall be published in the Official Gazette.

Article 214: Action shall abate upon amicable settlement.

## **Chapter Six**

### **Several Liability and Joint Liability**

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Article 215:

A-Smuggling offenses and civil liabilities arising therefrom shall be constituted if the elements of the crime are present. Those who prove that they are victims of a force Majeure, or that they did not commit any of the actions which are constitutive of, or which lead to the smuggling crime or offense, shall be absolved from liability.

B-In addition to perpetrators of offenses and smuggling crimes, owners of the goods which are subject of the offence or the smuggling crime, accomplices, financiers, sureties, brokers, constituents, volunteers, carriers, possessors, beneficiaries and consignors of the goods shall all be subject to civil liability, each to the extent commensurate with responsibility for the action .

Article 216: Investors in the private shops and places, in which the smuggled goods or goods subject of an offense are deposited, shall be held responsible for such goods. Investors in public shops and places, and employees thereof, as well as the owners of public transport vehicles, and drivers and assistants thereof shall also be responsible unless they prove their ignorance about the presence of the goods involved in the offense or the smuggling crime, and lack of direct or indirect interest therein.

Article 217: Sureties shall bear, within the limits of their suretyship, the same liability as the principal undertakers with regards to payment of fees, duties, fines and other due amounts.

Article 218: Offenses in customs declarations, whether committed by the agent or by authorized employees thereof shall be the agents liability. Offenses which lead to a smuggling crime shall be adjudicated, and liability therein determined by court. The Customs clearance agent shall not be liable for the undertakings incorporated in the customs declaration unless the Agent guarantees the undertakings or acts as surety for the guarantors.

Article 219: The owners of goods, employers, and carriers shall be responsible for the actions of their employees and all those acting in their interest with regards to the duties and taxes levied by the Department and the fines and confiscations prescribed by law and resulting from such actions.

Article 220: Liability for the sums due upon the deceased shall pass on to the heirs in proportion to their respective shares of the inheritance.

Article 221: The duties, taxes and set fines or fine sentences shall be collected jointly or severally from the offenders, or those liable for smuggling, according to the procedures applicable to the collection of Dominal funds. Available or seized goods or means of transport shall serve as a guarantee for the required sums.

## **Chapter Seven**

### **Section One**

### **Procedure**

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Article 222:

A- A special court named " The Customs Court of First Instance " shall be formed, and shall be composed of a panel of three judges appointed by the Judicial Council according to the method of appointing civil judges, and presided by one of the appointed judges. If any of the judges on the panel is absent or is unable for any reason to assume responsibility, the Minister may delegate any other judge for the position.

B- More than one judicial panel may be formed.

C- The court sessions shall be held in Amman, at a venue designated by the Minister, or shall be held at any other place the court deems appropriate. Court decisions shall be reached by unanimity or majority vote.

Article 223: Notwithstanding the provisions of any other Law, the Customs Court of First Instance shall have jurisdiction to:-

A- Hear cases involving smuggling crimes or what amounts thereto subject to the provisions of this Law.

B- Hear cases of crimes and offenses against the provisions of this Law, and the laws and regulations dealing with tolls, national production, exports and imports, investment promotion, and the general sales tax, and the regulations and instructions pursuant thereto.

C- Hear cases regarding the application of international trade agreements to which the Kingdom is party, and any dispute



regarding the application of the laws and regulations mentioned in paragraph (B) of this Article.

D- Hear challenges to collection decisions issued according to the provisions of Article (208) of this Law

E- Hear objections to fining decisions issued in accordance with Article (208) of this Law.

F- Order detentions and releases in relation to the said crimes and offenses, according to the procedures provided for in the Code of Criminal Procedures. If a case has not been referred to the court, the Presiding Judge may ask the accused to provide bail, or face detention until the case is settled.

Article 224:

A- The Decisions of the Customs Court of First Instance may be appealed to a special Customs Appellate Court. The Appellate court shall be composed of a panel of three civil judges, appointed according to the method of appointing civil judges, and presided by one of the appointed judges. If any of the judges on the panel is absent or unable for any reason to assume responsibility, The Minister may delegate any other judge for the position.

B- The court sessions shall be held in Amman, at the venue designated by the Minister, or the place deemed appropriate by the court.

C- Cases may be tried by the court with or without pleadings, and the decisions shall be reached by unanimity or majority of vote.

D- The period to appeal the judgement of first instance shall be thirty days from the date of notification with the decision, if the judgement is issued in default, or from the date of hearing the decision otherwise.

Article 225: The judgments of the court of appeal in legal and penal cases may be appealed to the court of cassation in the following cases:-

A- If the judgment amount is less than two thousand JDs.

B- If the point of contention in the other judgments involves a new or complicated legal issue, or an issues of general significance, and if the Appellate court grants leave to appeal to the court of Cassation.

The leave to appeal to the Cassation Court shall be submitted within 10 days of notification about the Appellate court's decision.

C- If the leave to appeal to the Cassation court is denied by the Customs Court of Appeal, the petitioner may submit a leave to appeal to the President of the Cassation Court within ten days of being notified of the refusal decision.

D- If the leave to appeal is granted either by the Customs Court of Appeal or by the President of the Cassation Court, the appellant must present the statement of Cassation within ten days of being notified of the leave to appeal.

Article 226:

A- Convicts may challenge default judgements within ten days of notification.

B- The appeal statement shall be submitted to the court which issued the judgment or the court of jurisdiction of the appellants residence, to be referred thereafter to the competent court.

C- The statement of cassation shall be presented to the Cassation Court or to the Court of Appeal which issued the judgment to be referred thereafter, along with the case file, to the Cassation Court. The period to appeal to the cassation court is thirty days from the date of hearing the decision, or from the date of notification for judgements by default.

## **Section Two Miscellaneous Provisions**

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Article 227:

A- The Attorney General's office shall be assumed by one or more public prosecutor(s) appointed by the Minister from amongst the law professionals of the Custom's Department

who have been working at the Department for at least five years. The Attorney General shall have the right to cross examination, pleading, and appealing the decisions of the Customs Courts to the Appellate Court and Court of Cassation.

B- Notwithstanding the provisions of any other law, the services of anyone who worked as a member of a customs court or as a customs public prosecutor for two consecutive years before or after the coming into effect of the provisions of this Law, shall have the status of full judicial experience for the purposes of the Bar Association Law and the Judicial Independence Law.

Article 228: The customs courts shall not hear actions to bar claims regarding customs duties and other fees and taxes due on goods which are still in the possession of the Department and subject to clearance.

Article 229: The Customs Court of First Instance and the Customs Court of Appeal shall have the right to subpoena and cross-examine witnesses, and to hear all evidence, and shall comply with the provisions of Civil and Criminal Procedures, without prejudice to the provisions of this Law.

### **Section Three Notifications**

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Article 230: Customs Department officials and judicial police officers may prepare and serve subpoenas, notifications, judgements, and in general all documents relating to court procedures, including collection and fining decisions.

Article 231:

A- Notification shall be made according to the provisions of Civil procedure, without prejudice to the following two cases:-

1- If the person to be served notices changes elected place of residence or work after the

date of preparation of the verbal process, and without notifying the Department in writing, or if the said person provides a false address, notification shall be served by posting a notice at the latest, or known, or elected place of residence or work, and at the notice board of the competent customs house.

2- If the place of residence of the person to be served is unknown, and if the value of the goods involved in smuggling does not exceed 200 JDs, notification shall be served through the court's bulletin board and a record thereof made in a verbal process. If the value of the goods involved in smuggling exceeds 200 JDs, notification shall be through the courts bulletin board, and at least one announcement in a daily news paper.

B- Notwithstanding the provisions of any other law, the Customs Courts shall not hear cases against the Treasury unless the plaintiff provides a cash or a bank guarantee equivalent to 25% of the required amount- taxes, fees and fines included- or to the amount acknowledged by the claimant, whichever is higher.

## **Chapter Eight**

### **Execution of Judgments and of Collection and Fining Decisions**

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Article 232:

A-Collection and fining decisions and judgements which are conclusive shall be executed by all available means applicable to the real and person property of the person liable for payment, and according to the provisions of the Law of Collecting Dominial Moneys. The Minister shall make attachments to the property to the extent needed for satisfaction of the amounts in debt.

B- The Director shall exercise the same authorities vested in the Administrative Governor and the Committee for

Collection of Dominial Moneys provided for in the  
aforementioned law.

Article 233:

A- The convict shall be imprisoned one day for each two JDs or a fraction thereof of unpaid cash penalty, but for no more than one year. If the court decision does not stipulate for the substitution of the cash penalty by imprisonment, substitution shall be made by decision of the Customs Public Prosecutor.

B- Any payments of the monetary fine sentence which are made before or during imprisonment, and any amount of the fine collected otherwise, shall be deducted from the original fine at the rate prescribed in the first Paragraph of this Article

C- The imprisonment provided for by this Article shall not prejudice the Department's right to collect the fees and fines imposed on offenders or smugglers, nor the Department's right to the decided confiscation. Customs fine sentences shall be considered a compensation for the Department and shall be collected in the same way Dominial Moneys are collected.

Article 234: The Department officials and judicial police may execute imprisonment decisions and the summons and notifications issued by the competent authorities.

Article 235: The Department shall be exempt from execution costs, and from having to submit a security deposit or a guarantee where this is required by law.

## **Title Fourteen**

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### **Sale of Goods**

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Article 236:

A- Seized goods which are animals, perishables, or items which may leak or which constitute a threat to the safety of other goods or to installations in which they are placed may be sold by the Department.

B- Seized goods which are subject to obvious devaluation may be sold, upon approval of Director or a mandatory thereof, without need to await a court decision, provided the owner is notified if possible. A verbal process shall be prepared for sales carried out in implementation of this Article, reporting therein the condition of the goods and justifications for the sale.

Article 237: The Department may sell the following:

A- Warehoused goods, or goods in courtyards and pavements within the customs premises, which are stored for more than three months, as well as goods abandoned at customs houses by travelers.

B- Goods stored in the warehouses and courtyards of investing entities after the lapse of the grace periods specified according to the provisions of the laws and regulations applicable to such entities.

C- Goods in the customs premises of the kinds mentioned in paragraph (A) of Article (236) of this Law, and during the safekeeping period, if they manifest signs of disease or decay or if they pose an apparent hazard to the safety of the other goods or to the installations in which they are placed, provided this is recorded in a verbal process, and the owners of the goods or representatives thereof are notified if possible, or otherwise an announcement about the sale is posted at the competent customs house prior to the sale.

Article 238: The Department may also sell the following:-

A- Goods, materials and means of transport whose ownership has devolved irrevocably to the Department by a court decision, amicable settlement or a written assignment or by confiscation in accordance with Article (207) of this Law, or for any other legal reason.

B- Goods which are not withdrawn from the public or private warehouses within the legal delay periods and which shall be sold in accordance with Articles (112&119) of this Law.

C- Goods and articles whose owners are unknown, and which are not claimed during the safe keeping period.

Article 239: The Department shall not be held liable for losses or damages to the goods sold under the provisions of Articles (236, 237, 238) of this Law unless it is established that the Department has committed gross mistake in carrying out the sale.

Article 240:

A- The provisions on sale of Articles (236,237,238) of this Law shall apply to prohibited goods or restricted goods whose sale is permitted..

B- Without prejudice to the provisions of paragraph (B) of Article (248) of this Law, the sales provided for in this section shall be carried out by auction, and in accordance with the terms and rules set by a Minister's decision which shall be published in the Official Gazette.

C- The price of the goods, articles, and means of transport sold shall include the customs duties and other fees and taxes, except for the brokerage and municipality fees which shall be paid by the buyer.

Article 241:

A- Sale Proceeds shall be distributed in following order:-

- 1- The costs of the sale transaction.
- 2- Any disbursements made by the Department.
- 3- Customs duties.
- 4- Other fees and taxes with priority to the fees and taxes which are provided for by earlier legislation.
- 5- Storehouses and warehouses safekeeping expenses such as packing, unpacking , moving, portorage and other expenses.

6- Storage fees.

7- Transportation fees where necessary.

B- The outstanding balance of the proceeds from the sale of goods whose importation is allowed, after making deductions for the amounts prescribed in paragraph (A) of this Article, shall be placed in trust with the Department on the day of sale. The said amount may be claimed by the persons concerned within three years from the date of sale, after which they shall devolve to the treasury.

C- The outstanding balance of the proceeds from the sale of prohibited goods, or goods which may not be imported, shall devolve to the treasury. The outstanding balance of the proceeds from the sale of goods, which are sold in an amicable settlement, or on the basis of a fine sentence, or a court decision in a smuggling crime shall be distributed according to the provisions of Article (242) of this Law, regardless of whether the goods sold are prohibited goods, or restricted goods, or goods whose importation is allowed.

Article 242: The sum of customs fines and the value of the confiscated items, goods and means of transport, after deductions are made therefrom for costs, duties and fees, shall devolve to the Treasury. However, a third of this sum shall be allocated for bonuses which shall be distributed according to the Minister's instructions upon the Director's recommendation, provided the contributions of those directly involved is taken into consideration in bonus allocation.

Article 243: If the Department collects no fines or compensations or an insignificant amount thereof, and is unable to reward informants and those who execute the seizures, then, notwithstanding the provisions of Article (242), the proceeds from the sale of confiscated goods and means of transport may be distributed in the manner deemed appropriate by the Minister, subject to the Director's recommendation, and consistently with the allocation rate provided for in the previous Article. Otherwise, the Minister, upon the Cabinet's approval, may allocate an amount from the treasury for bonuses.



## **Title Fifteen**

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### **The Customs Department Priority Rights**

Article 244: In collecting the duties and other fees and taxes it is charged with collecting, as well as the fines, compensations, confiscation, and reclamation, the Department shall have a priority debt claim over the movable and immovable property of the person liable for payment, even in cases of bankruptcy, but not over debts related to material maintenance costs, and court costs paid by other parties, or debts of other priority creditors..

## **Title Sixteen**

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### **Prescription**

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Article 245:

A- If it is discovered at any time that, for whatever reason, the duties and fines levied pursuant to the provisions of this Law have not been collected, or have been only partly collected, the Department shall collect the duties and fine, or the outstanding sum thereof according to the Law for Collection of Dominional Moneys in effect, and within three years from the date of completion of the declaration.

B- Drawback claims or actions shall not be heard after the lapse of three years from the payment of duties, taxes or fines.

C- Cash guarantees of any kind shall devolve irrevocably to the Treasury if the persons concerned fails to submit the documents, and to meet the terms required for determining the status of such securities within the periods set in this Law. In any case, the outstanding balance after deductions are made for customs duties and other fees and taxes may not be claimed after the lapse of three years from the date of payment of the guarantee, unless the Department is responsible for delay.

D- The provisions of the two previous paragraphs shall not apply to guarantees paid for instituting action according to the Law.

Article 246: The Department may destroy the files, records, receipts, declarations, and other document of any date, after five years from the date of their expiry or from the time when they are last used, and shall not have to present such documents, or copies or transcripts thereof to anyone thereafter.

Article 247:

A-Criminal Action in the crimes and offenses provided for under this Law shall be prescribed after three years from the date of the crime or offense which is not prosecuted.

B- Penalty sentences pursuant to the provisions of this Law shall be prescribed if they are not implemented within five years from date of notification in the case of default judgements, and from the date of hearing the judgement.

C- The provisions and periods for prescription in the Civil Law shall apply to the Department's financial rights.

## **Title Seventeen**

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### **General Provisions**

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Article 248:

A- The Minister may grant ministries, government departments and official public institutions some exceptions from customs formalities in order to facilitate their work. This may include accepting as the customs value of goods imported by such entities, the value stated in the invoice, in addition to cost of transportation, insurance and any other necessary import costs, however, provided this does entail exemption from, or a reduction in the rate of, the duties and taxes provided for by the Laws in effect.

B- Upon the Director's recommendation, the Minister may sell to ministries, government departments, and official public institutions goods that devolve to the Treasury, and

for the amount deemed appropriate by the Minister, or may assign such goods to such entities without consideration subject to the Cabinet's approval.

Article 249:

A- The Cabinet may issue the regulations needed for implementing the provisions of this Law.

B- The instructions issued pursuant to the provisions of this Law shall be published in the Official Gazette.

Article 250:

A- The Customs and Excise Law No. 1 for the year 1962, and amendments thereto shall be repealed. However the regulations and instructions issued pursuant thereto as well as the regulations and instructions issued pursuant to the temporary Customs Law no. 16 for the year 1983 shall remain operative unless repealed or amended under the provisions of this Law within six months at most.

B- The provisions of any other legislation shall be repealed to the extent that they conflict with the provisions of this Law.

Article 251: The Prime Minister and the Ministers shall be charged implementing the provisions of this Law.