

**FEDERAL LAW NO. 144-FZ OF NOVEMBER 8, 2005 ON AMENDING THE LAW OF THE RUSSIAN  
FEDERATION ON CUSTOMS TARIFFS**

**Adopted by the State Duma on October 19, 2005  
Endorsed by the Federation Council on October 26, 2005**

**Article 1**

The following amendments shall be made to the Law of the Russian Federation No. 5003-I of May 21, 1993 on Customs Tariffs (Vedomosti Syezda Narodnikh Deputatov Rossiyskoy Federatsii i Verkhovnogo Soveta Rossiyskoy Federatsii, 1993, No. 23, Article 821; Sobranie Zakonodatelstva Rossiyskoy Federatsii, 2004, No. 27, Article 2711):

1) Article 5 shall be stated in the following wording:

**"Article 5. Basic Concepts Used in This Law**

**1.** For the purposes of this Law the basic concepts herein shall mean the following:

1) duty shall mean the customs duty, as well as other duties, provided for by this Law. Here, customs duty shall mean an obligatory payment to the federal budget collected by the customs authorities when importing goods onto the customs territory of the Russian Federation or when exporting goods from this territory, as well as in other instances established by the customs legislation of the Russian Federation for the purpose of customs tariff regulation of foreign economic activity in the economic interests of the Russian Federation. Import customs duty, including seasonal duties, and export customs duty shall pertain to customs duties;

2) Interrelated persons shall mean persons complying with one of the following conditions:

if either of these persons is an employee or the head of an organization established with the participation of the other person;

if they are business partners, that is, if they have contractual relations, act for the purpose of deriving profit and jointly bear expenses and losses connected with the exercise of their joint activities;

if they are employer and employee;

if either person possesses directly or indirectly five or more per cent of the circulating voting stocks of both persons, controls five or more percent of the circulating voting stocks of both persons or is a nominal holder of five or more per cent of the circulating voting stocks of both persons;

if either of them controls directly or indirectly the other;

if they are both controlled directly or indirectly by a third person;

if they together control directly or indirectly a third person;

if persons are spouses, relatives or relatives by marriage, an adoptive parent and adopted person, as well as a guardian and a person under guardianship.

At the same time, the fact that persons are connected, while exercising their activities in such a way that either of them, regardless of the denomination used, is the sole agent, the sole distributor or the sole user under commercial concession contract, may not serve as a ground for recognizing the said persons as interrelated, if these persons do not comply with any of the above conditions;

3) identical goods shall mean goods that are similar in all respects, including their physical characteristics, quality and reputation. Some slight differences in the appearance thereof shall not serve as a ground for refusal to deem such goods identical, if in all other respects they comply with the requirements established by this Item.

Goods shall not be deemed identical, if they are not made in the same country as those being evaluated or if in respect of these goods design and development works, art lay out works, design, sketches and drafts were made, as well as other works were carried out (performed), in the Russian Federation.

Goods made by a person other than the producer of the goods being evaluated shall be only taken into consideration in instances when identical goods of the same producer are not detected on the customs territory of the Russian Federation;

4) homogeneous goods shall mean goods that are not identical but have similar characteristics and consist of similar components, this allowing their use in the same way as the goods being evaluated and to be interrelated with them from the commercial point of view. When determining if goods are homogeneous, such characteristics as quality, reputation and the presence of a trademark shall be taken into account. Goods shall not be deemed homogeneous if they are not made in the same country as the goods being evaluated or if in respect of these goods design and development works, art lay out works, design, sketches and drafts were made, or other works were carried out (performed), in the Russian Federation.

Goods produced by a person, other than the producer of the goods being evaluated, shall be only taken into consideration in the instances when homogeneous goods of the same producer are not detected on the customs territory of the Russian Federation;

5) goods of the same class or kind shall mean goods pertaining to a single group or to a range of goods whose production pertain to the appropriate type of economic activity. Goods of the same class or kind shall include identical or homogeneous goods;

6) generally accepted business accounting principles shall mean the system of accounting rules adopted in the established procedure in an appropriate period in an appropriate country. The subtraction method in compliance with Article 22 of this Law in respect of a commodity being evaluated shall apply subject to the normative legal regulation in the area of business accounting in the Russian Federation. The addition method in compliance with Article 23 of this Law shall apply subject to the business accounting rules adopted in the established procedure in the country of production of the goods being evaluated.

2. In this Article and in Sections III and IV of this Law the concepts 'produced' and 'are produced' as applied to goods shall likewise include such meanings as 'extracted', 'cultivated', 'manufactured' (including by way of mounting, assembling or dismantling goods)".

3. Other concepts shall have in this Law the meanings determined by the customs legislation of the Russian Federation, the legislation of the Russian Federation on taxes and fees, the civil legislation of the Russian Federation the legislation of the Russian Federation on administrative offences and other laws of the Russian Federation.";

2) Article 7 shall be stated in the following wording:  
"Article 7. Specific Duties

In order to protect the economic interests of the Russian Federation, the following specific kinds of duties may be temporarily established with respect to goods, imported onto the customs territory of the Russian Federation, in compliance with the laws of the Russian Federation on special protective, antidumping and compensatory measures:

- 1) special duties;
- 2) anti-dumping duties;
- 3) compensatory duties.";

- 3) Articles from 8 to 11 shall be declared invalidated;
- 4) the title of Section III shall be stated in the following wording:

"Section III. Customs Value of Goods";

5) Article 12 shall be stated in the following wording:  
"Article 12. Basic Principles of Determining the Customs Value of Goods Imported onto the Customs Territory of the Russian Federation

1. The determination of the customs value of goods imported onto the customs territory of the Russian Federation shall be based on the principles of determining the customs value of goods established by international law rules and generally accepted international practice and shall be effected by applying one of the following methods for determining the customs value of goods:

- 1) the method based on the value of a transaction with imported goods;
- 2) the method based on the value of a transaction with identical goods;
- 3) the method based on the value of a transaction with homogeneous goods;
- 4) the subtraction method;
- 5) the addition method;
- 6) the reserve method.

2. The fundamental principle of the customs value of goods shall be the value of a transaction in the meaning thereof established by Item 1 of Article 19 of this Law. For this, the provisions established by Article 19 of this Law shall apply subject to the provisions established by Article 19.1 of this Law.

If the customs value of goods cannot be determined on the basis of the value of a transaction with imported commodities, the customs value of goods shall be determined in compliance with the provisions established by Articles 20 and 21 of this Law applied in succession.

If the customs value of goods cannot be determined in compliance with Articles 20 and 21 of this Law, the customs value of the goods shall be determined in compliance with the regulations established by Articles 22 and 23 of this Law applied in succession. When determining the customs value of goods, the declarant shall be entitled to choose the order of applying the methods established by Articles 22 and 23 of this Law.

If it is impossible to use any of the above methods for determining the customs value of goods, the customs value thereof shall be determined on the basis of the reserve method established by Article 24 of this Law.

3. The customs value of goods and the data related to its determination must be based on reliable information determined on a quantitative basis and proved by documents.

A procedure for determining the customs value of goods must be generally applicable, that is, it must not be different depending on the sources of goods' supply.

4. Procedure for customs valuation of imported goods should not be used to prevent dumping.

5. The provisions of this Law may not be regarded as restricting the authority of customs authorities to check, in the procedure provided for by the customs legislation of the Russian Federation, the authenticity of the documents submitted by the declarant for the purpose of determining the customs value of goods and the reliability of the data contained therein.

6. For the purpose of ensuring lawfulness, uniformity and impartiality in determining the customs value of imported commodities an arbitrary or fictitious customs value of commodities must not be used.";

6) Article 13 shall be stated in the following wording:

"Article 13. Additional Provisions Pertaining to the Customs Value of Imported Goods

1. The provisions of this Law related to determining the customs value of imported goods shall apply to goods that have actually crossed the customs border of the Russian Federation when imported onto the customs territory of the Russian Federation or declared for importation, if preliminary declaring is used, provided that these goods are placed for the first time under the customs regime established by the customs legislation of the Russian Federation.

in the event of changing the customs regime, the customs value of goods shall be deemed the customs value of the goods determined in compliance with this Law as of the date of the customs authority accepting the customs declaration, when they are placed for the first time under the customs regime after their actual crossing of the customs border of the Russian Federation, if not otherwise established by the customs legislation of the Russian Federation.

2. The Government of the Russian Federation hereby establishes the following:

1) the rules for applying the methods for determining the customs value of imported goods on the basis of the provisions of this Law for the purpose of ensuring the discharge of international obligations of the Russian Federation;

2) the procedure for determining the customs value of imported commodities in the event of their damage caused by an emergency or an act of God, as well as in the event of illegal movement of imported goods across the customs border of the Russian Federation.

3. The customs value of goods imported onto the customs territory of the Russian Federation shall be declared and controlled in compliance with the Customs Code of the Russian Federation.";

7) Article 14 shall be stated in the following wording:

"Article 14. Procedure for Determining the Customs Value of Goods Exported from the Customs Territory of the Russian Federation

The procedure for determining the customs value of goods exported from the customs territory of the Russian Federation shall be established by the Government of the Russian Federation.";

8) Articles 15 - 17 shall be declared invalidated;

9) the title of Section IV shall be stated in the following wording:

"Section IV. Methods for Determining Customs Value of Goods Imported onto the Customs Territory of the Russian Federation";

10) Article 18 shall be declared invalidated;

11) Article 19 shall be stated in the following wording:

"Article 19. The Method Based on the Value of a Transaction with Imported Goods

1. The customs value of goods imported onto the customs territory of the Russian Federation shall be deemed the value of a transaction, that is, the price actually paid or payable for the goods, when exported for sale in the Russian Federation, and supplemented in compliance with Article 19.1 of this Law.

For the purposes of this Article, as the price actually paid or payable shall be deemed the total amount of all payments made or to be made by the purchaser directly to the seller and (or) a third person to the benefit of the seller for imported goods. For this, payments may be made in any form directly or indirectly by the purchaser to the seller or a third person to the benefit of the seller.

2. The value of a transaction shall be deemed the customs value of goods, provided that:

1) there are no restrictions in respect of the purchaser's rights to use, and dispose of, goods, except for the limitations which:

are established by federal laws, decrees and orders of the President of the Russian Federation, decisions and orders of the Government of the Russian Federation, as well as by normative legal acts of federal executive bodies;

limit the geographical region where goods may be re-sold;

do not essentially effect the value of goods;

2) the sale of goods or their price do not depend on observing terms and obligations whose impact on the value of goods cannot be determined on a quantitative basis;

3) any part of the income derived from further sale of goods, disposal of goods in any other way or their use shall not be due directly or indirectly to the seller, except for the instances when extra charges may be made in compliance with Article 19.1 of this Law;

4) the purchaser and the seller shall not be interrelated persons, except for the instances when the purchaser and the seller are interrelated persons but the value of the transaction are acceptable for customs purposes in compliance with Items 3 and 4 of this Article.

3. The fact of interrelation between the seller and the purchaser must not in itself serve as a ground for declaring the value of a transaction unacceptable for the purpose of determining the customs value of goods. In this instance, the circumstances surrounding the sale must be analysed. If the said interrelation does not affect the price of goods, the value of a transaction must be declared acceptable for the purpose of determining the customs value of the goods. If on the basis of the information provided by the declarant or received by the customs authorities in any other way, some signs are detected that the interrelation between the seller and the purchaser has affected the value of a transaction, the customs authorities shall inform the declarant of these signs. The declarant shall be entitled to prove that the value of a transaction is not affected by the interrelation.

4. When there are sales between interrelated persons, the value of a transaction must be accepted by the customs authorities and the goods must be valued in compliance with the terms established by Item 1 of this Article, if the declarant by way of comparison can prove that such value is close to that valid at the relevant period of time or at a period of time corresponding to it:

1) or to the value of a transaction when selling identical or homogeneous goods for exportation to the Russian Federation to purchasers that are not persons interrelated with the seller;

2) or to the customs value of identical or homogeneous goods determined in compliance with Article 22 of this Law;

3) or to the customs value of identical or homogeneous goods determined in compliance with Article 23 of this Law.

5. When making comparisons with the use of the check values specified in Item 4 of this Article, account shall be taken of the data, presented by the declarant, on differences in commercial sale rates (wholesale, retail and others), in the quantity of goods, in the additional charges specified in Article 19.1 of this Law, as well as in the outlays traditionally borne by the seller while making sales, if the seller and the purchaser are not interrelated persons, as compared to the outlays that are not borne by the seller, if the seller and the purchaser are interrelated persons.

6. The test values indicated in Item 4 of this Article shall be used at the initiative of the declarant solely for the purpose of comparison and may not be used as the customs value of goods.

7. The customs value of goods shall not include the following outlays, provided that they are singled out from the price actually paid or payable, declared by the declarant and proved by him on the basis of documents:

1) outlays on the construction, mounting, installation, assembly, servicing or rendering technical assistance in respect of such goods to be valued as industrial installations, machines and equipment after importation thereof onto the customs territory of the Russian Federation;

2) outlays on carriage (transportation) of goods to be valued after their arrival in the customs territory of the Russian Federation;

3) duties, taxes and fees collected in the Russian Federation.

8. The price actually paid or payable shall pertain to the commodities imported onto the customs territory of the Russian Federation. The dividends and other similar payments, paid by the purchaser of goods to the seller and not connected with imported goods, shall not form part of the customs value of the goods.";

12) Article 19.1 with the following contents shall be added hereto:  
"Article 19.1. Extra Charges on Actually Paid or Payable Price

1. When determining the customs value of imported goods by the method based on the value of a transaction with imported goods, the following must be additionally charged on the price actually paid or payable for these goods:

1) outlays in the amount paid by the purchaser but not included into the actually paid or payable price:

on paying remuneration to an agent (intermediary), except for the remunerations paid by the purchaser to its agent (intermediary) for rendering the services connected with purchasing goods;

on tare, if for customs purposes it is regarded as a single whole with goods;

on packing, including the cost of packing materials and packing works;

2) correspondingly distributed value of the following goods and services, directly or indirectly provided by the purchaser on a free-of-charge basis or at a reduced price for its use in connection with

the manufacture and export sale to the Russian Federation of goods to be valued in an amount not included into the actually paid or payable price:

of raw stuff, materials and componentry that form part of imported goods;

of tools, punches, forms and other similar articles used in the production of imported goods;

of the materials spent while producing importable goods;

of design and development works, art lay out works, design, sketches and drafts made (carried out) in any country, except for the Russian Federation, that are necessary for the production of goods to be valued;

3) payments for the use of intellectual property (except for payments for the right of reproduction in the Russian Federation) which pertain to the goods to be valued and which the purchaser must pay directly or indirectly, this being a condition of such goods' sale, in an amount which is not included in the actually paid or payable price, provided that such payments pertain solely to imported goods;

4) any part of the income derived as a result of the subsequent sale, disposal in any other way or use of goods which is due to the seller directly or indirectly;

5) outlays on carriage (transportation) of goods to an airport, sea port or other place of goods' arrival at the customs territory of the Russian Federation;

6) outlays on loading, unloading or re-loading of goods and on making other operations connected with their carriage (transportation) to an airport, sea port or other place of goods' arrival at the customs territory of the Russian Federation;

7) outlays on insurance in connection with international carriage of goods.

2. The extra charges on the actually paid or payable price provided for by Item 1 of this Article shall be made on the basis of data proved by documents and determinable on a quantitative basis with the use of the purchaser's business accounting data. Where there are no data proved by documents and determinable on a quantitative basis, the method based on the value of a transaction with imported goods shall not apply for making extra charges.

3. When determining the customs value of imported goods, other charges on the actually paid or payable price, except for the extra charges specified in Item 1 of this Article, shall not be made.

4. The value of the articles indicated in Paragraph Three of Subitem 2 of Item 1 of this Article, that have been used in the production of goods to be valued, may be distributed by assigning this value on the whole to the customs value of the first consignment of goods or to the customs value of another quantity of goods, specified by the declarant, that may not be less than the quantity of goods to be declared. Such distribution must be effected in the way applicable to the specific circumstances, depending on the documents available to the declarant and in compliance with business accounting rules.

To do this, the value of said articles shall be deemed the outlays on acquisition thereof, if the purchaser has acquired these articles from the seller that is not an interrelated person with the purchaser, or the outlays on their production, if these articles are made by the purchaser or a person which is an interrelated person with the purchaser. If the said articles have been previously used by the purchaser, regardless of whether they are acquired or made by this purchaser, the original price of their acquisition or production shall be subject to reduction for the purpose of obtaining (determining) the value of these articles subject to their use.

5. In respect of the goods and services, provided by the purchaser, which are indicated in Paragraph Five of Subitem 2 of Item 1 of this Article and have been acquired or leased by the purchaser, extra charges shall be made, insofar as outlays on their acquisition or lease are concerned.";

13) Article 20 shall be stated in the following wording:

"Article 20. The Method Based on the Value of a Transaction with Identical Goods

1. If the customs value of goods cannot be determined in compliance with Article 19 of this Article, the customs value of goods shall be deemed the value of a transaction with identical goods exported for sale in the Russian Federation or exported to the Russian Federation at the same period of time, or at a period of time corresponding to it, as the goods to be valued.

The value of a transaction with identical goods shall be deemed the customs value of these goods accepted by the customs authorities in compliance with Article 19 of this Law.

2. In order to determine the customs value of goods in compliance with this Article, the value of a transaction with identical goods sold at the same commercial rate (wholesale, retail and others) and essentially in the same quantity, as the goods to be valued, shall be used.

If such sales are not detected, the value of a transaction with identical goods sold at another commercial rate (wholesale, retail and others) and (or) in other quantities shall be used, provided that this value is corrected subject to the differences in the commercial rate (wholesale, retail and others) and (or) in the quantity. Such correction shall be effected on the basis of the data proving the reasonableness and accuracy of this correction, regardless of whether it leads to the increase or decrease of the value of a transaction with identical goods. In the absence of such data, the method based on the value of a

transaction with identical goods for the purpose of determining the customs value of goods shall not be used.

3. When determining the customs value of goods to be valued on the basis of the value of a transaction with identical commodities, the customs value of identical commodities, where necessary, shall be corrected to take into account a significant difference in the outlays, specified in Subitems 5-7 of Item 1 of Article 19.1 of this Law, between goods to be valued and identical ones resulting from differences in the distances of goods' carriage and in the modes of transport used while doing it.

4. If more than one value of a transaction with identical goods is detected (subject to the corrections in compliance with Items 2 and 3 of this Article), the lowest of them shall be used for determining the customs value of goods to be valued.";

14) Article 21 shall be stated in the following wording:

"Article 21. The Method Based on the Value of a Transaction with Homogeneous Goods

1. If the customs value of goods cannot be determined in compliance with Articles 19 and 20 of this law, the customs value of the goods shall be deemed the value of a transaction with homogeneous goods sold for exportation to the Russian Federation or exported to the Russian Federation at the same period of time, or at a period of time corresponding to it, as the goods to be valued.

The value of a transaction with homogeneous goods shall be deemed the customs value of these goods accepted by the customs authorities in compliance with Article 19 of this Law.

2. In order to determine the customs value of goods in compliance with this Article, the value of a transaction with homogeneous goods sold at the same commercial rate (wholesale, retail and others) and essentially in the same quantity, as goods to be valued, shall be used.

If such sales are not detected, the value of a transaction with homogeneous goods sold at another commercial rate (wholesale, retail and others) and (or) in other quantities shall be used, provided that this value is corrected subject to the differences in the commercial rate (wholesale, retail and others) and (or) in the quantity. Such correction shall be effected on the basis of data proving the reasonableness and accuracy of this correction, regardless of whether it leads to an increase or decrease of the value of a transaction with identical goods. In the absence of such data, the method based on the value of a transaction with homogeneous goods for the purpose of determining the customs value of goods shall not be used.

3. When determining the customs value of goods to be evaluated on the basis of the value of a transaction with homogeneous goods, where necessary, the customs value of identical commodities shall be corrected to take into account a significant difference in the outlays, specified in Subitems 5 - 7 of Item 1 of Article 19.1 of this Law, between goods to be valued and homogeneous ones resulting from differences in the distances of goods' carriage and in the modes of transport used while doing it.

4. If more than one value of a transaction with homogeneous goods is detected (subject to the corrections in compliance with Items 2 and 3 of this Article), the lowest of them shall be used for determining the customs value of goods to be valued.";

15) Article 22 shall be stated in the following wording:

"Article 22. The Subtraction Method

1. If the customs value of goods may not be determined in compliance with Articles 19, 20 and 21 of this Law, the customs value of the goods shall be determined on the basis of the subtraction method in compliance with this Article, except for the instances when on the basis of the declarant's application the reverse procedure for applying the subtraction method and the addition method is used.

2. If the goods to be evaluated or goods, which are identical or homogeneous in respect of them, are sold in the Russian Federation in the same condition as when they were imported onto the customs territory of the Russian Federation, as the basis for determining the customs value of the goods shall be taken the price of the goods' unit at which the maximum aggregate quantity of goods to be evaluated, of identical or homogeneous goods are sold to persons that are not interrelated with the persons making sales on the territory of the Russian Federation, at the same period of time or at the time period corresponding to it, when the goods to be valued are imported onto the customs territory of the Russian Federation. For this, the following amounts shall be deducted therefrom:

1) remunerations to an agent (intermediary) that are traditionally paid or payable, or premiums to the price traditionally added for deriving profits and covering commercial and managerial outlays in connection with sales in the Russian Federation of goods pertaining to the same class or kind, including those imported from other countries;

2) traditional outlays on carriage (transportation), insurance made on the customs territory of the Russian Federation, as well as outlays in the Russian Federation connected with such operations;

3) customs duties, taxes, fees, as well as taxes established in compliance with the laws of the Russian Federation, that are payable in connection with importation of commodities onto the customs territory of the Russian Federation or with their sale on this territory, including taxes and fees of the subjects of the Russian Federation and local taxes and fees.

3. If either goods to be valued, or identical, or homogeneous goods were not sold in the Russian Federation at the same period of time or at a period of time, corresponding to it, when goods to be valued crossed the customs border of the Russian Federation, the customs value of goods to be valued shall be determined on the basis of the price of the goods' unit at which accordingly the goods to be valued, or goods identical to those to be valued, or goods that are homogeneous with the goods to be evaluated, are sold in the Russian Federation in a quantity sufficient for establishing the price of such goods' unit, in the same condition as when they were imported, as of the earliest date with respect to the date of crossing the customs border of the Russian Federation by the goods to be valued but at the latest upon the expiry of 90 days as of this date.

4. If either goods to be valued, or identical, or homogeneous goods are not sold in the Russian Federation in the same condition as when they were imported onto the customs territory of the Russian Federation, pursuant to the declarant's application the customs value of goods shall be determined on the basis of the price of the goods' unit at which the maximum aggregate quantity of goods to be evaluated are sold after their processing (treatment) to persons that are not interrelated with the persons, making sales on the territory of the Russian Federation, on condition that the value added as a result of processing (treatment) and the amounts indicated in Subitems 1-3 of Item 2 of this Article are deducted.

The value added as a result of processing (treatment) shall be deducted on the basis of unbiased and quantitatively determinable data pertaining to the cost of processing (treatment).

5. The provisions established by Item 4 of this Article shall not be used for determining the customs value of goods, if:

1) as a result of further processing (treatment) imported goods lose their individual features, except for the instances when, despite of the loss by goods of their individual features, the rate of the value added as a result of processing (treatment) may be precisely determined;

2) imported goods constitute a minor part of the goods sold on the domestic market of the Russian Federation and for that reason the value of imported goods cannot have an essential impact on the value of goods being sold.

6. The possibility of applying Item 4 of this Article shall be determined in every single case depending on specific circumstances.

7. For the purpose of this Article, the sum of profit and commercial and managerial outlays (including outlays on goods' sale) shall be deemed a premium to the price of goods covering the said outlays, as well as ensuring profit earning in connection with the sale of imported commodities of the same class or kind.

The sum of profit and commercial and managerial outlays shall be accounted as a whole and shall be determined on the basis of the information provided by the declarant, if the data on profit and commercial and managerial outlays are comparable with the data that are available when selling in the Russian Federation goods of the same class or kind. If the data used by the declarant are not comparable with the data on the amount of profit and commercial and managerial outlays, when selling goods of the same class and kind in the Russian Federation, available to the customs authority, the customs authority may determine the amount of profit and commercial and managerial outlays on the basis of the data available to it.

8. For the purpose of this Article use shall be made of information on the sales of goods of the same class or kind, including those imported from other countries. The issue as to whether goods to be valued and goods, which they are compared to, are those of the same class or type must be decided on an individual basis in every single case subject to the appropriate circumstances. For this, the sales in the Russian Federation of the narrowest possible group or range of imported goods of the same class or kind, including those to be valued, in respect of which information can be provided shall be taken into account.";

16) Article 23 shall be stated in the following wording:

"Article 23. The Addition Method

1. When determining the customs value of goods on the basis of the addition method, the estimated value of the goods shall be used as the basis. The estimated value of goods shall be determined by way of adding:

1) outlays on the production or acquisition of materials and outlays on production, as well as on other operations connected with the production of imported goods;

2) the sum of profits and commercial and managerial outlays that are equivalent to the value traditionally accounted when selling goods of the same class or kind as goods to be valued which are manufactured in the exporting country for exportation to the Russian Federation;

3) the outlays indicated in Subitems 5 - 7 of Item 1 of Article 19.1 of this Law.

2. The outlays specified in Subitem 1 of Item 1 of this Article shall be determined on the basis of data on the production of the goods to be evaluated provided by the manufacturer or on behalf thereof. As the basis for the said data shall serve business accounts of goods' manufacturer, provided that such

accounts comply with the generally accepted business accounting principles and the rules of accounting adopted in the established procedure in the country of production of goods to be evaluated.

3. The outlays indicated in Subitem 1 of Item 1 of this Article shall include the outlays specified in Paragraphs Three and Four of Subitem 1 and Subitem 2 of Item 1 of Article 19.1 of this Law. For this, the value of design and development works, art lay out works, design, sketches and drafts carried out (made) on the territory of the Russian Federation and required for the production of goods to be evaluated shall be included to the extent paid by the manufacturer.

When determining outlays in compliance with this Item, repeated accounting of the same indices shall not be allowable.

4. The sum of profits and commercial and managerial outlays shall be accounted as a whole and shall be determined on the basis of the data provided by the manufacturer or on behalf thereof. If these data do not correspond to the data, available to the customs authorities, on the sum of profit and commercial and managerial outlays that are traditionally received when selling commodities of the same class or kind as goods to be valued, made in the country exporting goods to be evaluated for exportation to the Russian Federation, the sum of profit and commercial and managerial outlays may be estimated on the basis of the appropriate data obtained from other sources. For the purposes of this Article data on the sales of goods of the same class or type made in the same country as the goods to be evaluated shall be used. The issue as to whether goods to be evaluated and goods, which they are compared to, are goods of the same class or type must be settled on an individual basis in every single case subject to the appropriate circumstances, For this, account shall be taken of the sales for exportation to the Russian Federation of the narrowest possible group or range of imported goods of the same class or kind, including those to be valued, in respect of which information can be provided. If for the estimation of the sum of profit and commercial and managerial outlays the data on the sum of profit and commercial and managerial outlays available to the customs authority are used, the customs authority pursuant to the declarant's application shall be obliged to provide the calculations made on the basis of them and to indicate the source of such data.

5. The customs authorities shall not be entitled to demand of foreign persons without their consent submission of documents to prove the estimated value.

The documents and data presented by the producer or on behalf of it may be checked by the customs authorities of the Russian Federation in compliance with the international treaties made by the Russian Federation and international law rules.";

17) Article 24 shall be stated in the following wording:  
"Article 24. The Reserve Method

1. If the customs value of goods cannot be determined by the declarant in compliance with Articles 19 and 20-23 of this Law, the customs value of imported goods shall be determined using methods compatible with the principles and general provisions of this Law on the basis of data available in the Russian Federation.

2. The methods for determining the customs value of goods used in compliance with this Article shall be the same as those provided for by Articles 19 and 20-23 of this Law. However, when determining the customs value of commodities in compliance with this Article, some flexibility in applying these methods shall be allowable. Among others, the following shall be allowed:

1) as the basis for determining the customs value of goods may be taken the value of a transaction with identical or homogeneous commodities made in a country, other than that where the goods to be valued were produced;

2) when determining the customs value of commodities on the basis of the value of a transaction with identical or homogeneous goods, it shall be allowable to deviate on a reasonable basis from the requirements, established by Article 20 or 21 of this Law, that identical or homogeneous goods must be imported at the same period of time or at a time period corresponding to it, as the goods to be valued;

3) the customs value of identical or homogeneous goods determined in compliance with Articles 22 and 23 of this Law may be taken as the basis for determining the customs value of goods;

4) When determining the customs value of commodities on the basis of the subtraction method, it shall be allowable to deviate from the time established by Item 3 of Article 22 of this Law.

3. As the basis for determining the customs value of commodities in compliance with this Article, the following may not be used:

1) the price of goods on the domestic market of the exporting country (the country of exportation);

2) the price of the goods supplied from the country of their exportation to third countries;

3) the price in the domestic market of the Russian Federation of goods made in the Russian Federation;

4) outlays, other than the estimated value determined for identical or homogeneous goods in compliance with Article 23 of this Law;



- 5) a price that provides for the acceptance of the highest of two alternative values for customs purposes;
- 6) arbitrary or fictitious values;
- 7) minimum customs values.";

18) Section V shall be declared invalidated.

**Article 2**

This Federal Law shall enter into force as of July 1, 2006.

President of the Russian Federation

V. Putin

The Kremlin, Moscow  
November 8, 2005  
No. 144-FZ