

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

L/4645

10 April 1978

Limited Distribution

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Original: Spanish

ESTABLISHMENT OF A SINGLE CUSTOMS TAX

Uruguay

The following communication, dated 6 March 1978, has been received from the Permanent Delegation of Uruguay.

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I have the honour to enclose herewith the legal texts under which Uruguay has established the Single Customs Tax on Imports, which entered into force on 1 January 1978.

This tax, instituted by Law No. 14,269, replaces all the customs duties and likewise all the taxes, additional duties and other charges, whether or not of a customs nature, collected by the National Customs Directorate on the occasion of the definitive entry into the country of any goods coming from abroad. As a general rule, it will be collected on the basis of the value of the goods for customs purposes, as defined by the Brussels Customs Co-operation Council.

The above-mentioned Law stipulates that the concessions negotiated by Uruguay in various tariff agreements will have to be adjusted consistently with the new régime of the Single Customs Tax on Imports. To this end, the competent national services are carrying out the necessary studies for such adjustments to be made, and in due course the result thereof will be communicated to the CONTRACTING PARTIES.

As regards more particularly the treatment applicable to goods that have been subject of negotiation by Uruguay within GATT, the commitments entered into, as set forth in Schedule XXXI annexed to the General Agreement, will remain in force until such time as the relevant adjustments have been completed as indicated above.

I would request you kindly to bring this communication to the knowledge of the other contracting parties.

LAW NO. 14,629 OF 5 JANUARY 1977  
INSTITUTING THE SINGLE CUSTOMS TAX ON IMPORTS

CHAPTER I

Article 1 - The single customs tax on imports is hereby instituted, to be applicable upon the definitive entry into the country, for consumption or use by the importer party or by any third party, of any goods coming from abroad.

Article 2 - This tax shall replace all the customs duties and likewise all taxes, additional duties and other charges, whether or not of a customs nature, collected by the National Customs Directorate on the occasion of the import of the aforementioned goods, which shall be revoked as from the entry into force of the new tax. This replacement shall not effect the taxes on added value and on luxury articles, charged by the Directorate-General for Taxes, even where collection is made by the National Customs Directorate.

The foregoing provisions shall be without prejudice to those of Article 1.

Article 3 - The basic rate of the single customs tax on imports shall be 25 per cent.

Article 4 - The Executive is hereby empowered:

- (a) To increase the single customs tax on imports by raising it to multiples of the basic rate, subject to a maximum of six times the latter rate.
- (b) To reduce the single customs tax on imports to fractions of the basic rate, reporting each such case of reduction to the legislative body. The said fractions shall be: 90 per cent, 80 per cent, 70 per cent, 60 per cent, 50 per cent, 40 per cent, 30 per cent, 20 per cent, 10 per cent and 0 per cent.
- (c) To apply the single customs tax on the import of goods that were exempted, whether in general or specifically, under legal provisions in force on the date of this Law.

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Source: Official Gazette of 13 January 1977.

Article 5 - The general tax exemptions established in favour of certain entities, activities or goods and likewise the exemptions granted in respect of the taxes, additional duties and other charges, whether or not of a customs nature, collected by the National Customs Directorate at the time of import, shall be limited to:

- (a) Those concerning the institutions mentioned in Title 33, Chapter I of the consolidated text - 1976.
- (b) Medicaments for the treatment of humans, together with the raw materials and products necessary to their manufacture and any other type of device intended for incorporation in the human organism in accordance with medical techniques.

Article 6 - It shall not be permissible to change the destination of goods enjoying total or partial exemptions by reason of their intended utilization or their nature, without prior authorization by the competent authority and without a new collection and payment of the tax established by this Act; any infringement of this provision shall constitute the offence referred to in Article 13.

Article 7 - The tax shall be collected on the basis of the value for customs purposes of the goods imported for consumption or use by the importer or by a third party, except where there are official c.i.f. prices, established or to be established in the manner determined by the Executive, for cases resulting from special situations.

Article 8 - The value for customs purposes shall be that defined as such by the Brussels Customs Co-operation Council.

The regulations established by the Executive, having heard the opinion of the National Customs Directorate, shall incorporate that definition and the interpretative notes thereto approved by the said Council and shall be adjusted to take account of any amendments or additions that may be made thereto.

Article 9 - Where because of the nature of the transaction no invoice price exists or such price is not deemed acceptable, or where because of any other circumstance it is not possible to determine the normal price to serve as the basis for calculating the customs value, the said value may be fixed according to one of the following methods:

- (a) On the basis of the selling price of the imported goods in the domestic market, such price being calculated or estimated, after deduction of costs, charges and other expenses incurred or exigible within the country upon the introduction of the goods into the country or subsequently thereto, and taking into account the modalities inherent in the import and any differences in relation to the modalities of trade or upon subsequent marketing.

- (b) By application of pre-established price indices published in a general manner for certain specified periods, obtained by taking the average invoice prices for like goods accepted as normal and with any adjustments made thereto, for like goods of the same origin or, failing these of another origin, or in the absence of such like goods, for similar competing goods.
- (c) By comparative estimation with identical goods, or failing these similar competing goods, that have been cleared through customs after acceptance of invoices for determining the customs value, and with any adjustments made thereto taking into account, both in this case and in the case referred to in sub-paragraph (b) above, the modalities in force at the operation (level of the transaction, quality, quantity, etc.)
- (d) By expert opinion.
- (e) In the case of goods cleared under a rental arrangement or any similar arrangement, on the basis of the total presumed amount of the rental or its equivalent during the lifetime of the goods, without prejudice to any adjustments to be made in relation to the concept of normal price.

Article 10 - Where an enquiry is made for the purpose of customs valuation, the goods may be cleared through customs and released to the market provided that the following conditions are fulfilled:

- (1) Prior payment of the tax, collected on the basis of the declared value.
- (2) Bank surety or deposit affording an adequate guarantee of any difference between the amount of the tax and the minimum value that the customs administration deems appropriate.

The same system shall be applicable in cases of adjustments to value that are appealed against by the party concerned.

Article 11 - Where in pursuance of this Law the declared value has to be increased by adjustment, the party concerned may choose between one of the following solutions:

- (a) To pay the tax on the basis of the value determined.
- (b) To re-embark the goods at his expense provided no offence has been committed.
- (c) To allow the goods to be sold in the conditions established for cases of abandonment; to this end, the established time-limits shall be granted with the advantage that his responsibility will be limited to the price obtained in the sale. The party concerned shall receive any balance remaining.

CHAPTER II

Article 12 - In Article 246, paragraph 1(a) and (d) of Law No. 13,318 of 28 December 1964, the reference to differences of value shall be deleted as constituting a customs offence in the event of any discordance, in import or customs clearance operations.

The references to differences of value in Articles 247 and 248 of the same Law shall likewise be deleted.

Article 13 - Changes made to value at the time of import or customs clearance shall constitute the offence of customs fraud where wilful misrepresentation on the part of the importer is established; in such case the provisions of Article 287 of Law No. 13,318 of 26 December 1964 shall not be applicable.

Fraud shall be presumed, without prejudice to proof of the contrary, in the following cases:

- (a) Where the normal price, fixed by the National Customs Directorate in accordance with the Brussels valuation rules exceeds by at least 100 per cent the value declared by the importer; or
- (b) where the particulars to be included in the forms required by the National Customs Directorate for verifying the customs valuation are omitted or are inaccurately stated.

If the facts constitute simultaneously more than one customs offence, only the most severe penalty shall be applied.

The provisions of this article regarding responsibility shall apply exclusively to differences of value, and shall not derogate from the provisions of Article 284 of Law No. 13,318 of 28 December 1964.

Article 14 - In cases of import contraband, the single customs tax on imports shall be fixed at double the basic rate established in Article 3 of this Law, or double the higher rate fixed by the Executive.

Where the tax will have to be paid by the declarant because there is no possibility of obtaining it from the offending party, the judge concerned may reduce it, if he deems appropriate, to the basic rate established in Article 3 of this Law or to the rate fixed for the goods concerned by the Executive.

In the cases of fraud referred to in Article 13, the rate corresponding to the entire heading shall be fixed at double the basic rate or the higher rate fixed for the goods concerned by the Executive.

Any exemptions that may have been granted for normal introduction of the same goods shall not be applicable in such cases.

In cases of import contraband or fraud, the provisions of this article shall replace the tax established by Article 497 of Law No. 14,106 of 14 March 1973.

Article 15 - In cases of import contraband the charge established by Article 19 of Law No. 12,464 of 5 December 1957 shall be eliminated.

Article 16 - The fine established by Article 254, paragraph 1 of Act No. 13,318 of 28 December 1964, as subsequently amended by Article 495 of Act No. 14,106 of 14 March 1973, shall be applied solely in cases of export contraband.

Article 17 - For the purpose of collecting the single customs tax on imports, the provisions in force on the following dates shall be applicable:

- (a) the date of numbering and registration of the customs clearance or, as the case may be, of the file, for normal import of goods;
- (b) the date of seizure or arraignment in cases of contraband;
- (c) the date of registration of the definitive customs clearance in the case of goods, admitted to the country under the temporary admission régime.

Article 18 - The tax must be paid prior to customs clearance of the goods.

Article 19 - Within six months following the enactment of this Law, the Executive, with the advisory opinion of the National Customs Directorate and of the delegations of Uruguay to the General Agreement on Tariffs and Trade (GATT) and the Latin American Free Trade Association (LAFTA), shall adjust to the new tax the import duty rates set forth in the respective agreements, bringing them together, with the exception of specific duties, while respecting the levels agreed upon.

As from the entry into force of this Law, the above-mentioned delegations shall be empowered to initiate the necessary action within those organizations in order to adapt concessions to the present legal provisions.

Pending completion of such action, the levels agreed upon with the contracting parties to the above-mentioned international instruments shall remain applicable. As and when the levels are adjusted in accordance with the provisions of this Law, the revocations mentioned in Article 2 of this Law shall take effect.

Article 20 - This tax and the rules concerning it as established in this Law shall be applicable as from 1 July 1977, except in cases where special time-limits are established as from date of entry into force of this Law.

Article 21 - The National Customs Directorate may request directly from representatives of Uruguay abroad such information as it may deem necessary regarding prices of goods and services. Such information shall be communicated likewise directly to the above-mentioned Directorate.

Article 22 - As from the date of entry into force of this Law, customs clearance permits shall be presented directly to the National Customs Directorate, together with a copy of the corresponding import declaration, endorsed by the Bank of the Eastern Republic of Uruguay.

Upon completion of the customs formalities, the National Customs Directorate shall forward to the Bank of the Eastern Republic of Uruguay the customs certificate on the basis of which the Bank shall collect the surcharges authorized under Article 2 of Law No. 12,670 of 17 December 1959.

As from 1 July 1977, the Bank of the Eastern Republic of Uruguay shall take no further action on applications for customs clearance of goods under the system now revoked.

Article 23 - The National Customs Directorate shall adjust the general import tariff by establishing headings, or inserting the necessary notes where a heading already exists, in order to incorporate the products formerly included in the section "Raw materials" which is deleted as from the entry into force of this Law. These adjustments shall be made within three months following the entry into force of this Law and shall be published in the Official Gazette within the following month.

Article 24 - For the purpose of collection of this tax, the exemption percentages applicable on the date of enactment of this Law in respect of the import tax established by Article 173 of Law No. 13,637 of 21 December 1967 shall remain in force, without prejudice to the facilities granted to the Executive under Article 4 of this Law.

Goods eligible for exemption of 85 per cent of the tax referred to in the preceding paragraph shall be cleared through customs with an exemption of 80 per cent of the basic rate established by this Act, without prejudice to the facilities granted to the Executive as referred to in the preceding paragraph.

Pending the publication of the new general import tariff, all customs clearance operations shall be carried out in accordance with the existing customs tariff, and in respect of raw materials a note shall be added indicating the heading under which the said raw materials were formerly included in the section "Raw materials".

The new customs tariff shall be adjusted and kept up to date in accordance with the rules of the Brussels Customs Co-operation Council.

Article 25 - Where the declaration of import value is inaccurate but does not result in any revenue loss, the National Customs Directorate shall impose a penalty in accordance with Article 95 of the Tax Code.

Article 26 - Any reference to "aforos" ("valuations") in the customs legislation in force shall be deemed to have been replaced by the expression "value for customs purposes".

#### CHAPTER IV

Article 27 - Article 85 of Law No. 13,420 of 2 December 1965, as amended by Article 167 of Law No. 13,695 of 24 October 1968, shall be replaced by the following:

Article 85 - The parcels handling tax established by Article 78(b) of Law No. 7,819 of 7 February 1925, as amended by Article 7 of Law No. 9,291 of 2 March 1934 and Article 81 of Law No. 11,490 of 18 September 1950, is fixed at 5 per cent of the value for customs purposes.

The Executive may reduce this tax to fractions of the basic rate as follows: 80 per cent, 60 per cent, 40 per cent, 20 per cent and 0 per cent.

Article 28 - The charge established by Article 22:3(a) of Law No. 12,803 of 30 November 1960, as replaced by Article 200 of Law No. 13,032 of 7 December 1961 and amended by Article 116 of Law No. 13,640 of 26 December 1967, is hereby eliminated.



Article 23 of Law No. 12,802 of 30 November 1960, providing for the allocation of the revenue derived from the charge mentioned in the preceding Article in cases of customs clearance of imports, is hereby revoked.

CHAPTER V

Article 29 - All allocations of customs duties, whether in full or in part, are hereby revoked.

Article 30 - In the general budget of expenditure of the State, the National Audit Office shall include under the general services heading as many subsidies as have been eliminated by the revocation provided for in the preceding Article.

The amount of these contributions shall be equivalent to an annual heading equal to the product of the allocation revoked during the year 1976.

Article 31 - Any intervention by the Tariff Commission in the valuation process shall be solely of an advisory character and shall not be binding on the decision-making bodies.

Article 32 - The provisions of Articles 68 and 70 of the Tax Code shall be applicable to the taxes provided for in this Law.

Article 33 - This Law shall be communicated, etc.

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DECREE NO. 116/977 OF 23 FEBRUARY 1977  
ESTABLISHING IMPLEMENTING REGULATIONS FOR LAW NO. 14,629 INSTITUTING  
THE SINGLE CUSTOMS TAX ON IMPORTS

Ministry of the Economy and Finance

Ministry of External Relations

HAVING REGARD to the need to regulate the implementation of Law No. 14,629 of 5 January 1977, instituting the single customs tax on imports;

CONSIDERING that the said legal text has established in Article 6 thereof a new basis for collection of the above-mentioned tax, by introducing the concept of "value for customs purposes";

WHEREAS Article 7 requires the Executive to incorporate in this regulation the definition of "value for customs purposes" adopted by the Brussels Customs Co-operation Council and the relevant interpretative notes;

HAVING RECEIVED the opinions of the National Customs Directorate and of the Economic, Financial and Legal Advisory Committees of the Ministry of the Economy and Finance;

THE PRESIDENT OF THE REPUBLIC hereby decrees as follows:

CHAPTER I

Single Customs Tax on Imports

Article 1 - Operation taxed - The "single customs tax on imports" shall be applied upon the introduction into the country, in a definitive manner, for consumption or use by the importer or by any third party, of any goods coming from abroad.

Article 2 - Collection office - The single customs tax on imports shall be collected by the National Customs Directorate.

Article 3 - The taxable element - The tax basis of the single customs tax on imports shall be the "value for customs purposes" of the goods referred to in Article 1 of this decree.

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Source: Official Gazette No. 19,963 of 8 March 1977.

Article 4 - Definition of value for customs purposes - The value for customs purposes in accordance with the relevant definition laid down by the Brussels Customs Co-operation Council, is the normal price, that is to say the price that goods imported would fetch on the date of numbering and registration of the customs clearance permit, as a result of a sale in the open market between buyer and seller independent of each other.

The moment to be taken into consideration is the date of numbering and registration of the customs clearance, which shall be effected at the date on which the latter is received by the National Customs Directorate.

Article 5 - Normal price - The normal price of imported goods shall be determined on the following assumptions:

- (a) that the goods are delivered to the buyer at the port or place of introduction into the national territory;
- (b) that the seller bears all costs, charges and expenses incidental to the sale and to the delivery of the goods at the port or place of introduction, those expenses accordingly being included in the normal price; and
- (c) that the buyer bears any duties, surcharges, taxes and other charges applicable in the country, which are consequently excluded from the normal price.

Article 6 - Costs, charges and expenses - The costs, charges and expenses mentioned in paragraph (b) of the preceding Article include in particular:

- (a) carriage and freight;
- (b) insurance;
- (c) commission;
- (d) brokerage;
- (e) charges and expenses of obtaining, outside the country, documents incidental to the introduction of the goods into the national territory, including consular fees;
- (f) duties and charges applicable outside the country, excluding any from which the goods have been exempted, or the amount of which has been or is to be reimbursed; and
- (g) cost of packaging, excluding packaging given separate customs treatment; and likewise cost of packing (whether for labour, materials or otherwise); and
- (h) loading charges.

Article 7 - Quantity - The normal price shall be determined on the assumption that the sale is limited to the quantity of goods to be valued.

Article 8 - Foreign currency. Conversion - Where the determination of the value or of the price paid or payable depends on factors which are expressed in a currency other than the national currency having legal tender, conversion shall be made at the official rate of exchange in effect on the date of registration of the customs clearance.

Article 9 - Place, level - The object of the concept of customs value is to make it possible in all cases to calculate the charge payable on the basis of the price at which imported goods are freely available to any buyer in the open market at the port or place of introduction into the national territory. It is a concept of general scope and for general use and is applicable whether or not the goods are in fact imported under a contract of sale, and whatever the terms of that contract.

The application of this concept implies an enquiry into current prices at the time of valuation. In practice, therefore, when imported goods are the subject of a bona fide sale, the price paid or payable on that sale can generally be considered as a valid indication for determining the normal price mentioned in this decree. In such case, it can be used as a basis for valuation and accepted as the value of the goods in question, subject:

- (a) to proper safeguards aimed at preventing evasion of duty by means of fictitious or colourable contracts or prices; and
- (b) to such adjustment of the contract price as may be considered necessary on account of circumstances differentiating the sale concerned from the concept of customs value laid down in this decree.

Adjustments under paragraph (b) above may, in particular, be required with reference to freight and other expenses mentioned in Articles 11 and 12 or with reference to discounts or other reductions in price granted in favour of sole concessionaires or exclusive representatives, or to any abnormal discount or any other reduction from the ordinary competitive price.

Article 10 - Price - A sale in the open market between buyer and seller independent of each other is a sale in which, in particular, the following conditions are fulfilled:

- (a) the price of the goods is the sole consideration;

- (b) the price made is not influenced by any commercial, financial or other relationship, whether by contract or otherwise, other than the relationship created by the sale of the goods in question, between the seller or any person associated in business with him and the buyer or any person associated in business with him; and
- (c) no part of the proceeds of the subsequent re-sale, use or disposal of the goods will accrue either directly or indirectly to the seller or any person associated in business with him.

Article 11 - Association - Two persons shall be deemed to be associated in business with one another if, whether directly or indirectly, either of them has any interest in the business or property of the other or both have a common interest in any business or property or some third person has an interest in the business or property of both of them.

Article 12 - Patents, designs, etc. - The normal price of the goods shall be determined on the assumption that the right to use the patent, design or trade mark is covered by that price when the goods:

- (a) have been manufactured in accordance with any patented invention or consistently with a protected design;
- (b) are imported under a foreign trade mark;
- (c) are imported either for sale or for disposal otherwise under a foreign trade mark, or for use under such mark.

The provisions of the preceding sub-paragraphs shall likewise be applicable to goods imported in order to be the subject, after further processing, either of a sale or of disposal otherwise under a foreign trade mark, or of use under such mark.

The application of this Article shall in no case limit the application of the provisions of Articles 4, 5, 10 and 11.

Article 13 - Marks - A trade mark shall be deemed to be foreign if it is that of:

- (a) any person by whom the goods to be valued have been grown, produced, manufactured, offered for sale or otherwise dealt with outside the country;
- (b) a person associated in business with any such person as is referred to in (a) above; or
- (c) a person whose rights in the mark are limited by an agreement with any of the persons referred to in (a) and (b) above.

Article 14 - Explanatory notes. The explanatory notes pertaining to the Brussels Definition of Value for Customs Purposes shall be adopted to determine the field of application of the foregoing Articles.

The National Customs Directorate shall establish an official version in the Spanish language of those explanatory notes and to that end shall apply the time-limit fixed in Article 20 of the Law in respect of which this Decree lays down implementing regulations.

Article 15 - Amendments to the Definition and the Notes. The National Customs Directorate shall inform the Executive of any amendments and additions made to the definition of value or the interpretative or explanatory notes by the Brussels Customs Co-operation Council so that it may decide on their possible adoption and publication.

Article 16 - Used goods. For the purpose of determining the normal price of used or re-conditioned goods, the Executive may stipulate that they are to be considered as new, or subject to such depreciation as it may fix by reason of age or state of use in relation to their value when new.

Article 17 - Complementary methods. Where because of the nature of the transaction, no invoice price exists or such price is not deemed acceptable, or where because of any other circumstance it is not possible to determine the normal price to serve as the basis for calculating the customs value, the said value may be fixed according to one of the following methods:

- (a) On the basis of the selling price of the imported goods in the domestic market, such price being calculated or estimated, after deduction of costs, charges and other expenses incurred or exigible within the country upon the introduction of the goods into the country or subsequently thereto, and taking into account the modalities inherent in the import and any differences in relation to the modalities of trade or upon subsequent marketing.
- (b) By application of pre-established price indices published in a general manner for certain specified periods, obtained by taking the average invoice prices for like goods accepted as normal and with any adjustments made thereto, for like goods of the same origin or, failing these, of another origin, or in the absence of such like goods, for similar competing goods.
- (c) By comparative estimation with identical goods, or failing these similar competing goods, that have been cleared through customs after acceptance of invoices for determining the customs value, and with any adjustments made thereto taking into account, both in this case and in the case referred to in sub-paragraph (b) above, the modalities inherent in the operation (level of the transaction, quality, quantity, mode of payment, etc.)

- (d) By expert opinion.
- (e) In the case of goods imported under a rental arrangement or any similar arrangement, on the basis of the total presumed amount of the rental or its equivalent during the lifetime of the goods, without prejudice to any adjustments to be made in relation to the concept of normal price.

Article 18 - Price indices. The price indices referred to in the preceding Article are not minimum official prices that can be applied as a tax basis under the provisions of Article 7 of the Law, but simply indications on the basis of the indicative valuation of levels around which fluctuate, whether or not with any indication of a maximum or minimum, acceptable invoice prices intended for the officials who are to make the valuation and for the importers concerned.

Where prices are found to have changed or be tending to vary, the collection of data processed for the purpose of calculating the average must be interrupted, and even the application of the price indices must be suspended prior to the data fixed for their expiry in order to calculate new averages that are not affected by out-dated circumstances.

Article 19 - Goods covered. In accordance with this decree, the normal price shall be determined for all goods that have to be declared to the customs including those that can be imported duty free and those for which, under the provisions of Article 7 of the Law, the tax must be collected on the basis of official prices.

Article 20 - Customs clearance with guarantee. Where an enquiry is made for the purpose of customs valuation, the goods may be cleared through customs and released to the market subject to prior payment of the tax, collected on the basis of the declared value, and to the lodging of an adequate guarantee in the form of a bank surety or deposit covering the difference between the tax applicable in accordance with the above-mentioned basis of valuation and the minimum value that the National Customs Directorate deems it feasible and reasonable to determine for that purpose.

"The same system of guarantee and prior payment shall be applicable in cases of adjustments to value that are appealed against by the party concerned."

Article 21 - Importer's options. Where in pursuance of this Law the declared value has to be increased by adjustment, the party concerned may choose between one of the following solutions:

- (a) To pay the tax on the basis of the value determined;
- (b) To re-embark the goods at his expense, provided no offence has been committed regarding which an investigation should have been undertaken; or

- (c) To allow the goods to be sold in the conditions established for cases of abandonment; to this end, the established time-limits shall be granted with the advantage that his responsibility will be limited to the price obtained in the sale. The party concerned shall receive any balance remaining.

The tax shall be collected on the basis of the normal price established.

Article 22 - Definition of goods. For the purpose of the Law, the term "goods" shall cover likewise merchandise, goods, articles, products, raw materials, fruit, animals, etc. of any kind, species, material or quality.

Article 23 - Time of collection. For the purpose of collecting the single customs tax on imports, the provisions in force on the following dates shall be applicable:

- (a) the date of numbering and registration of the customs clearance or, as the case may be, of the file, for normal import of goods;
- (b) the date of seizure or arraignment in cases of contraband; and
- (c) the date of numbering and registration of the definitive customs clearance in the case of goods admitted to the country under the temporary admission régime.

Article 24 - Time of payment. The tax must be paid prior to customs clearance of the goods.

Article 25 - GATT and LAFTA. The delegations of Uruguay to GATT and to LAFTA, with the advisory opinion of the National Customs Directorate, shall submit to the Executive a proposal for adjusting the new tax of the import duty rates in respect of goods included in the respective agreements, bringing them together, with the exception of specific duties, while respecting the levels agreed upon.

This proposal must be submitted before 30 April 1977.

Article 26 - Negotiation of concessions. The delegations of Uruguay to GATT and to LAFTA are empowered to initiate the necessary action within those organizations in order to adapt the concessions to the single import tax.

Pending completion of such action, the levels agreed upon with the contracting parties to the above-mentioned international instruments shall remain applicable. As and when the levels are adjusted in accordance with the provisions of the Law, the delegations of Uruguay shall notify the National Customs Directorate so that the latter may implement the revocations mentioned in Article 20 of the Law.



Article 27 - Entry into force. The National Customs Directorate shall begin to apply the provisions of the Law on 1 July 1977.

Article 28 - Representatives of Uruguay. The National Customs Directorate may request directly from representatives of Uruguay abroad such information as it may deem necessary regarding prices of goods and services.

Such information shall be communicated likewise directly to the above-mentioned Directorate, in all cases by telegram or telex.

Article 29 - Customs clearance permits. As from the date of entry into force of the aforementioned Law, customs clearance permits shall be presented directly to the National Customs Directorate, together with a copy of the corresponding import declaration, endorsed by the Bank of the Eastern Republic of Uruguay.

Where in the import declaration the Bank of the Republic has specified that the declaration is to be inspected by it, the National Customs Directorate shall advise the Bank of the date of verification of the goods so that the Bank may make its inspection.

Upon completion of the customs formalities, the National Customs Directorate shall forward to the Bank of the Eastern Republic of Uruguay the customs certificate on the basis of which the Bank shall collect the surcharges authorized under Article 2 of Law No. 12,670 of 17 December 1959.

Article 30 - Permits presented to the Bank of the Republic. As from 1 July 1977, and in accordance with Article 22 of the Law to which these implementing regulations relate, the Bank of the Eastern Republic of Uruguay shall not allow the submission of applications for the customs clearance of goods.

With respect to customs clearance applications already being processed on 1 July 1977, the Bank of the Eastern Republic of Uruguay shall be allowed thirty days within which to complete them and forward them to the customs.

Any applications not submitted to the National Customs Directorate within that period shall be automatically cancelled. In such case, the parties concerned may present the corresponding import declaration to the National Customs Directorate.

Article 31 - General import tariff. Before 31 March 1977, the National Customs Directorate shall adjust the general import tariff by establishing headings, or inserting the necessary notes where a heading already exists, in order to incorporate the products formerly included in the section

"Raw materials" which is deleted under the Law regulated by the present Decree, and shall submit it to the Ministry of the Economy and Finance for approval and publication in the Official Gazette within the following month.

Article 32 - Transitional tariff régime. Pending the publication of the new general import tariff, all customs clearance operations shall be carried out in accordance with the existing customs tariff and, in respect of raw materials, a note shall be added to the heading in the new tariff, indicating where they were formerly classified in the section "Raw materials" which is deleted as from the date of entry into force of the Law.

For statistical purposes, the value in foreign and national currency must be shown in respect of each item cleared through customs.

The new customs tariff shall be adjusted and kept up to date in accordance with the rules of the Brussels Customs Co-operation Council.

Article 33 - Inaccurate declarations of value. Where the declaration of import value is inaccurate but does not result in any revenue loss, the National Customs Directorate shall impose a penalty in accordance with Article 95 of Law No. 14,306 of 29 November 1974.

Article 34 - Reference to "aforos" ("valuations"). Any reference to "aforos" in the customs legislation in force shall be deemed to have been replaced by the expression "value for customs purposes".

Article 35 - Suspension of determination of "aforos". With effect from the date of this Decree, the Tariff Commission of the National Customs Directorate shall no longer establish any "aforos". Similarly, it shall order any files concerning "aforo" applications still under examination on that date to be placed in the archives.

Article 36 - Multiple rates. Within 60 days following the date of this decree, the National Customs Directorate shall present a draft decree fixing multiples of the rate of the single customs tax on imports, in pursuance of Article 4(a) of the Law.

For this purpose the National Customs Directorate shall take into account the result of the merging of the customs charges eliminated by the said Law, rounding it off to the nearest multiple rate.

Article 37 - Exemptions. For the purpose of collecting this tax, the exemption percentages in force on the date of enactment of the Law regulated by the present decree shall be applied, in respect of the import tax established by Article 173 of Law No. 13,637 of 21 December 1967.

Goods eligible for the 85 per cent exemption from the tax mentioned in the preceding paragraph shall, upon customs clearance, be exempted to the extent of 80 per cent of the basic rate of the single customs tax on imports.

Article 38 - Exemptions for public bodies. In accordance with Article 4(c) of the Law, the horse-breeding and horse-racing institutions mentioned in Title 33, Chapter I, Articles 14 and 15 of the consolidated text of 1976 shall be required to pay the single customs tax on imports.

Article 39 - Applications for exemption. Any persons requesting exemption from the single customs tax on imports under the provisions of Article 4(b) of the Law must present an application to the National Customs Directorate.

To this end they must communicate to that body:

- (a) The trade name of the article and its description in the tariff nomenclature;
- (b) The rate of tax specified in the revoked legislation in relation to the c.i.f. value of the product; and
- (c) Evidence in support of these particulars.

After consultation with the Tariff Commission, the National Customs Directorate shall give its opinion, for decision by the Executive.

## CHAPTER II

### Parcels Handling Tax

Article 40 - Operation subject to tax. The "parcels handling tax" is applicable to the handling of goods during customs operations.

Article 41 - Collection office. The parcels handling tax shall continue to be levied by the National Customs Directorate.

Article 42 - Tax basis. The tax basis for the parcels handling tax shall be the value for customs purposes of the goods referred to in Article 40 of this decree.

Article 43 - Rate and applications for exemption. The rate of the parcels handling tax is fixed at 5 per cent of the value for customs purposes.

Any applications for exemption from this tax must be submitted under the provisions of Article 39 of this decree.

On the basis of the information furnished by the National Customs Directorate, the Executive shall decide on the level of exemption in pursuance of Article 85, paragraph 2, of Law No. 13,420 of 2 December 1965 in the wording established by Article 27 of the Law regulated by this decree.

Article 44 - Exemptions. For the purpose of collection of the parcels handling tax, in pursuance of Article 85, last paragraph, of Law No. 13,420 of 2 December 1965, in the new wording established by Article 27 of the Law regulated by this decree, exemptions shall be applied on the basis of those in effect on the date of enactment of the above-mentioned Law in respect of the import tax established by Article 173 of Law No. 13,637 of 21 December 1967.

For goods exempted from 100 per cent, 85 per cent and 40 per cent of the rate of the tax mentioned in the preceding paragraph, exemptions of 100 per cent, 80 per cent and 40 per cent respectively of the parcels handling tax shall be applied.

Article 45 - Time-limit for submission of exemption applications. Any action in pursuance of Article 39 of this decree must be initiated within thirty days from the date of publication of this decree in order to be taken into consideration before the law regulated by this decree takes full effect.

Article 46 - The present text shall be communicated, published in the Official Gazette and two newspapers of the capital, etc.

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LAW NO. 14,684 OF 9 AUGUST 1977 REPLACING ARTICLE 20  
OF LAW NO. 14,629 CONCERNING THE SINGLE TAX ON IMPORTS

THE COUNCIL of STATE has approved the following:

DRAFT LAW

Article 1 - Article 20 of Law No. 14,629 of 5 January 1977 shall be replaced by the following text:

"Article 20 - This tax and the provisions concerning it as set forth in this Law shall be applicable as from 1 January 1978, except in cases where special time-limits are established as from the date of entry into force of this Law."

Article 2 - The provisions of the preceding article shall be effective retroactively as from 1 July 1977.

Article 3 - The present text shall be communicated, etc.

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Ministry of the Economy and Finance  
Ministry of External Relations

The present text shall be executed, acknowledged, communicated, published and included in the National Register of Laws and Decrees.

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Source: Official Gazette of 15 August 1977.