

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

L/4657  
20 April 1978  
Limited Distribution

TURKEY - STAMP DUTY

Decision of 17 April 1978<sup>1/</sup>

Considering that the CONTRACTING PARTIES, by decision dated 20 July 1963<sup>2/</sup>, 11 November 1967<sup>3/</sup>, 24 August 1969<sup>4/</sup>, 30 January 1973<sup>5/</sup>, 3 July 1973<sup>6/</sup>, and 15 July 1975<sup>7/</sup> waived, subject to specified terms and conditions, the provisions of paragraph 1 of Article II of the General Agreement to the extent necessary to allow the Government of Turkey to maintain as a temporary measure, the Stamp Duty not exceeding a specified ad valorem rate, on imports into Turkey of products included in Schedule XXXVII, until 31 December 1977;

Considering that the Government of Turkey has requested an extension of the waiver to permit the maintenance of the Stamp Duty until the end of the Fourth Five-Year Development Plan on 31 December 1982;

Considering that the Government of Turkey has applied, as from 1 January 1978, the same rates of Stamp Duty to imports from the territories of all contracting parties, and has undertaken to do so in the future;

Taking note of the view of the International Monetary Fund that the Stamp Duty constitutes an important source of revenue, but that it should be replaced by alternative fiscal measures in the context of a programme to restore external balance and internal stability;

Taking note of the statement made by the Government of Turkey that its objective was to achieve gradually complete liberalization of trade;

<sup>1/</sup> The decision was adopted by postal ballot. There were fifty-two votes in favour and none against.

<sup>2/</sup> BISD 12S/55

<sup>3/</sup> BISD 15S/90

<sup>4/</sup> BISD 17S/28

<sup>5/</sup> BISD 20S/31

<sup>6/</sup> BISD 20S/32

<sup>7/</sup> BISD 22S/13

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Taking note that the Government of Turkey had assured the contracting parties that internal procedures were under way to introduce a fiscal reform which would enable it to eliminate the Stamp Duty;

The CONTRACTING PARTIES, acting pursuant to the provisions of paragraph 5 of Article XXV of the General Agreement and in accordance with the procedures adopted by them on 1 November 1956,

Decide to waive, subject to the terms and conditions specified hereunder, the provisions of paragraph 1 of Article II of the General Agreement to the extent necessary to allow the Government of Turkey to maintain, as a temporary measure, on imports into Turkey of products included in Schedule XXXVII a Stamp Duty.

Terms and conditions

1. The rate of the Stamp Duty shall not exceed 25 per cent of the value of the imported goods as assessed for the imposition of the customs duty, and shall be lowered progressively, as circumstances permit.
2. The continued application of the Stamp Duty shall be accompanied by commensurate efforts by the Government of Turkey to remove progressively quantitative restrictions on imports.
3. The Government of Turkey shall report one year from the date of this waiver on the progress made toward and intentions to substitute other economic measures for the Stamp Duty.
4. The Decision shall be valid until the removal of the Stamp Duty or until 31 December 1979, whichever date is earlier.
5. If any contracting party considers that the effect of the Stamp Duty maintained under this Decision is unduly restrictive and that damage to its trade is caused or threatened thereby, it may make representations to the Government of Turkey, which shall accord sympathetic consideration to such representations and afford that contracting party adequate opportunity for consultation.
6. If such consultation does not lead to satisfactory results the contracting party concerned may request the CONTRACTING PARTIES to invite Turkey to enter into consultations with them. If, as a result of these consultations with the CONTRACTING PARTIES, no agreement is reached and if they determine that the effect of the Stamp Duty is unduly restrictive and that serious damage to the trade of the contracting party initiating the procedure is threatened or caused thereby, the latter will be released from its obligations to apply to the trade of Turkey concessions initially negotiated with Turkey to the extent that the CONTRACTING PARTIES determine to be appropriate in the circumstances.