

GENERAL AGREEMENT ON

TARIFFS AND TRADE

L/6611

6 December 1989

Limited Distribution

TURKEY - STAMP DUTY

Decision of 5 December 1989

Considering the Decision taken by the CONTRACTING PARTIES under paragraph 5 of Article XXV on 20 July 1963¹ to waive, 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, a stamp duty not exceeding a specified ad valorem rate, on imports into Turkey of products included in Schedule XXXVII;

Noting that the validity of which Decision was, by successive decisions by the CONTRACTING PARTIES, extended until 31 December 1989²;

Considering that the Government of Turkey has requested an extension of the waiver to permit the maintenance of the stamp duty until 31 December 1992 (L/6586);

Considering that the Government of Turkey has applied, as from 1 January 1973, the same rates of stamp duty to imports from the territories of all contracting parties, and has undertaken to do so in the future;

Noting that the rate of the stamp duty has fluctuated in line with economic and financial conditions between 25 and 1 per cent; the current rate being 10 per cent;

Taking note that the Government of Turkey has assured the contracting parties that once the ongoing process of finding alternative sources of revenue through effective fiscal reforms is completed the stamp duty will be eliminated;

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, a stamp duty on imports into Turkey of products included in Schedule XXXVII.

¹BISD 12S/55.

²BISD 34S/35.

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Terms and Conditions

1. The rate of the stamp duty shall not exceed 10 per cent of the value of the imported goods as assessed for the imposition of the customs duty.
2. The continued application of the stamp duty shall be accompanied by commensurate efforts by the Government of Turkey to replace it by alternative measures.
3. The Government of Turkey shall report one year from the date of this decision as to the current rate of the stamp duty and how it intends to proceed to eliminate the need for further extension of the waiver.
4. The decision shall be valid until the removal of the stamp duty or until 31 December 1991, 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.