

(2) Where the customs value of imported goods cannot be determined under paragraph (1) because identical goods were not sold under the conditions described in paragraph (1)(a) and (b), there shall be substituted therefore identical goods sold under any of the following conditions -

- (a) to a buyer at the same or substantially the same commercial level as the buyer of the goods being valued but in quantities different from the quantities in which those goods were sold;
- (b) to a buyer at a commercial level different from that of the buyer of the goods being valued but in the same or substantially the same quantities as the quantities in which those goods were sold; or
- (c) to a buyer at a commercial level different from that of the buyer of the goods being valued and in quantities different from the quantities in which those goods were sold.

(3) For the purposes of determining the customs value of imported goods under paragraph (1), the transaction value of identical goods shall be adjusted by adding thereto or deducting therefrom, as the case may be, amounts to account for -

- (a) commercially significant differences between the costs, charges and expenses referred to regulation 4(2)(f) in respect of the identical goods and those costs, charges and expenses in respect of the goods being valued that are attributable to differences in distances and modes of transport; and
- (b) where the transaction value is in respect of identical goods sold under the conditions described in any of sub-paragraphs (a), (b) and (c) of paragraph (2), differences in the commercial levels of the buyers of the identical goods and the goods being valued or the quantities in which the identical goods and the goods being valued were sold or both, as the case may be,

if each such amount can, in the opinion of the proper officer of customs, be determined on the basis of sufficient information; and where any such amount cannot be so determined, the customs value of the goods being valued shall not be determined on the basis of the transaction value of those identical goods under this regulation.

(4) Where, in relation to imported goods being valued, there are 2 or more transaction values of identical goods that meet all the requirements set out in paragraphs (1) and (3) or where there is no such transaction value but there are 2 or more transaction values of identical goods sold under the conditions described in any of sub-paragraphs (a), (b) and (c) of paragraph (2) that meet all the requirements set out in this paragraph that are applicable by virtue of paragraph (2), the customs value of the goods being valued shall be determined on the basis of the lowest such transaction value.

Transaction value of similar goods as value

6.-(1) Subject to paragraph (2) and regulation 5(2), (3) and (4), where the customs value of imported goods cannot, in the opinion of the proper officer of customs, be determined under regulation 5, the customs value of the goods shall be the transaction value of similar goods in respect of a sale of those goods for export to Singapore if that transaction value is the customs value of the similar goods and the similar goods were exported at the same or substantially the same time as the goods being valued and were sold under the following conditions -

- (a) to a buyer at the same or substantially the same commercial level as the buyer of the goods being valued; and
 - (b) in the same or substantially the same quantities as the goods being valued.
- (2) Regulation 5(2), (3) and (4) shall apply to this regulation in respect of similar goods as if every reference in those paragraphs to "identical goods" were a reference to "similar goods".

Deductive value as value

7.-(1.) Subject to regulation 3(4) and (5), where the customs value cannot, in the opinion of the proper officer of customs, be determined under regulation 6, the customs value of the goods shall be the deductive value in respect of the goods.

(2) Where the goods being valued or identical goods or similar goods are sold in Singapore in the conditions in which they were imported at the same or substantially the same time as the time of importation of the goods being valued, the deductive value of the goods being valued shall be the price per unit in respect of sales described in paragraph (5), determined in accordance with that paragraph and adjusted in accordance with paragraph (6), at which the greatest number of units of the goods being valued or identical goods or similar goods are so sold.

(3) Where the goods being valued or identical goods or similar goods are sold in Singapore in the condition in which they were imported before the expiration of 90 days after the importation of the goods being valued but are not so sold at the same or substantially the same time as the time of that importation, the deductive value of the goods being valued shall be the price per unit in respect of sales described in paragraph (5), determined in accordance with the paragraph and adjusted in accordance with paragraph (6), at which the greatest number of units of the goods being valued or identical goods or similar goods are so sold at the earliest date after the importation of the goods being valued.

(4) Where the goods being valued or identical goods or similar goods are not sold in Singapore in the circumstances described in paragraph (2) or (3), but the goods being valued, after being assembled, packaged or further processed in Singapore, are sold in Singapore before the expiration of 90 days after the importation and the importer of the goods being valued requests that this paragraph be applied in the determination of the customs value of those goods, the deductive value of the goods being valued shall be the price per unit, in respect of sales described in paragraph (5), determined in accordance with that paragraph and adjusted in accordance with paragraph (6), at which the greatest number of units of the goods being valued are so sold.

(5) For the purposes of paragraphs (2), (3) and (4), the price per unit in respect of any goods being valued or identical goods or similar goods, shall be determined by ascertaining the unit price in respect of sales of the goods at the first commercial level after their importation to persons who -

- (a) are not related to the persons from whom they buy the goods at the time the goods are sold to them; and
 - (b) have not supplied, directly or indirectly, free of charge or at a reduced cost for use in connection with the production and sale for export of the goods, any of the goods or services referred to in regulation 4(2)(c),

at which the greatest number of units of the goods is sold where, in the opinion of the proper officer of customs, a sufficient number of such sales have been made to permit a determination of the price per unit of the goods.

(6) For the purposes of paragraphs (2), (3) and (4), the price per unit in respect of any goods being valued or identical goods or similar goods, shall be adjusted by deducting therefrom an amount equal to the aggregate of -

- (a) an amount, determined in the manner specified in paragraph (8), equal to -
 - (i) the amount of commission generally earned on a unit basis; or
 - (ii) the amount for profit and general expenses, including all costs of marketing the goods, considered together as a whole, that is generally reflected on a unit basis,

in connection with sales in Singapore of goods of the same class or kind as those goods;

- (b) reasonable costs, charges and expenses that are incurred in respect of the transportation and insurance of the goods within Singapore and reasonable costs, charges and expenses associated therewith to the extent that an amount for such costs, charges and expenses is not deducted in respect of general expenses under sub-paragraph (a);
- (c) any customs duties or other taxes payable in Singapore by reason of the importation or sale of the goods, to the extent that an amount for such duties and taxes is not deducted in respect of general expenses under sub-paragraph (a); and
- (d) where paragraph (4) applies, the amount of the value added to the goods that is attributable to the assembly, packaging or further processing in Singapore of the goods, if the amount is determined, in the opinion of the proper officer of customs, on the basis of sufficient information.

(7) Where an amount referred to in paragraph (6)(d) in respect of any goods being valued cannot, in the opinion of the proper officer of customs, be determined on the basis of sufficient information, then the customs value of the goods cannot be determined on the basis of the deductive value under paragraph (4).

(8) An amount equal to the amount of commission or the amount for profit and general expenses referred to in paragraph (6)(a) shall be calculated on a percentage basis and determined on the basis of information prepared in a manner consistent with generally accepted accounting principles that is supplied -

- (a) by or on behalf of the importer of the goods being valued; or
- (b) where the information supplied by or on behalf of the importer of the goods being valued is not sufficient information, by an examination of sales in Singapore of the narrowest group or range of goods of the same class or kind as the goods being valued from which sufficient information can, in the opinion of the proper officer of customs, be obtained.

Computed value as value

8.-(1) Subject to regulation 3(4) and (5), where the customs value of imported goods cannot, in the opinion of the proper officer of customs, be determined under regulation 7, the customs value of the goods shall be the computed value in respect of those goods.

(2) The computed value of the goods being valued is the aggregate of amounts equal to -

- (a) the costs, charges and expenses incurred in respect of, or the value of -
 - (i) materials employed in producing the goods being valued; and
 - (ii) the production or other processing of the goods being valued,

determined in the manner specified in paragraph (3), including, without limiting the generality of the foregoing -

- (iii) the costs, charges and expenses referred to in regulation 4(2)(b);
 - (iv) the value of any of the goods and services referred to in regulation 4(2)(c), determined and apportioned to the goods being valued as referred to in that regulation, whether or not such goods and services have been supplied free of charge or at a reduced cost; and
 - (v) the costs, charges and expenses incurred by the producer in respect of engineering, development work, art work, design work, plans or sketches undertaken in Singapore that were supplied, directly or indirectly, by the buyer of the goods being valued for use in connection with the production and sale for export of those goods to the extent that such elements are charged to the producer of the goods, apportioned to the goods being valued as referred to in regulation 4(2)(c);
- (b) the amount, determined in the manner specified in paragraph (4), for profit and general expenses, considered together as a whole, generally reflected in sales for export to Singapore of goods of the same class or kind as the goods being valued, made by the producers of the goods to buyers in Singapore who are not related to the producers from whom they buy the goods at the time the goods are sold to them; and
 - (c) the costs of transportation and insurance of, and the loading, unloading, and handling charges, and other charges and expenses associated with the transportation of the goods being valued from the country of export to Singapore.

(3) The costs, charges and expenses incurred in respect of, or the value of, the materials employed in producing the goods being valued and the production or other processing of the goods being valued shall be determined on the basis of -

- (a) the commercial accounts of the producer of the goods being valued; or
- (b) any other sufficient information relating to the production of the goods being valued

that are supplied by or on behalf of the producer of the goods and prepared in a manner consistent with the generally accepted accounting principles of the country of production of the goods being valued.

(4) The amount of profit and general expenses referred to in paragraph (2)(b) shall be calculated on a percentage basis and determined on the basis of information prepared in a manner consistent with

generally acceptable accounting principles of the country of production of the goods being valued and that is supplied -

- (a) by or on behalf of the producer of the goods being valued; or
- (b) where the information supplied by or on behalf of the producer of the goods being valued is not sufficient information, by an examination of sales for export to Singapore of the narrowest group or range of goods of the same class or kind referred to in paragraph (2)(b) from which sufficient information can, in the opinion of the proper officer of customs, be obtained.

(5) For the purposes of this regulation, "general expenses" means the direct and indirect costs, charges and expenses of producing and selling goods for export, other than the costs, charges and expenses referred to in paragraph (2)(a) and (c).

Residual basis of valuation

9.-(1) Where the value of imported goods cannot, in the opinion of the proper officer of customs, be determined under regulation 8, it shall be determined on information available in Singapore on the basis of a value derived from the methods of valuation set out in regulations 3 to 8 interpreted in a flexible manner and reasonably adjusted to the extent necessary to arrive at a value of the goods.

(2) A customs value shall not be determined on the basis of -

- (a) the selling price in Singapore of goods produced in Singapore;
- (b) a basis which provides for the acceptance of the higher of two alternative values;
- (c) the price of goods on the domestic market of the country of exportation;
- (d) the cost of production other than computed values that have been determined for identical or similar goods in accordance with regulation 8;
- (e) the price of goods for export to a country other than Singapore;
- (f) minimum customs values; or
- (g) arbitrary or fictitious values.

Determination of value by Customs

10.-(1) The value of goods pursuant to these Regulations shall be determined by any proper officer of customs and import duty shall be payable in accordance with that determination unless, pursuant to these Regulations, a different amount is proved to be the correct value of the goods.

(2) If, upon an objection received from the importer of the goods or for any other reason, the proper officer of customs is satisfied that any determination made under the provisions of these Regulations in respect of any goods is inconsistent with the Regulations or incorrect for any other reason, he shall amend his determination in respect of that determination accordingly and import duty shall be payable in accordance with that amended determination.

(3) Where a proper officer of customs amends his determination of the value of any goods pursuant to these Regulations otherwise than as a result of an objection received from the importer of the goods he shall give notice to the importer of the amended determination.

Supply of information

11.-(1) Subject to paragraph (2), upon written request by the importer of any goods, the Director-General shall give notice to him in writing of the value of the goods, and the basis of the determination of that value, including the provisions of these Regulations applying to the goods.

(2) Any information which is by its nature confidential, or which has been provided to the Director-General by any government or person on a confidential basis for the purpose of determining the value of any goods, shall not be disclosed to any other government or person without the specific authority of that government or person, except to the extent to which it may require to be disclosed in any legal proceedings arising out of the determination.

Foreign currency conversion

12.-(1) Where under any provision of these Regulations the conversion of foreign currency into Singapore currency is required to be made, the rate of exchange for the purpose of the conversion shall be the current selling rate in Singapore at the time when import duty is paid for the imported goods.

(2) The rate of exchange under paragraph (1) shall be notified by the Director-General in such manner as he may determine.

Made this day of 1997.

*Permanent Secretary,
Ministry of Finance,
Singapore.*

[Customs 0102/71/PtA/V.II; MF(R) R17.4.001 V3; AG/LEG/SL/70/95/4 Vol 1]

(To be presented to Parliament under section 143(2) of the Customs Act).



REPUBLIC OF SINGAPORE
GOVERNMENT GAZETTE
BILLS SUPPLEMENT

Published by Authority

NO. 10]

TUESDAY, AUGUST 26

[1997

Notification No. B 10 — The Customs (Amendment) Bill is hereby published for general information. It was introduced in Parliament on the 25th day of August 1997.

Customs (Amendment) Bill

Bill No. 10/97.

Read the first time on 25th August 1997.

A BILL

intituled

An Act to amend the Customs Act (Chapter 70 of the 1995 Revised Edition) and to make consequential amendments to the Free Trade Zones Act (Chapter 114 of the 1985 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Customs (Amendment) Act 1997
s and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.