GENERAL AGREEMENT ON
TARIFFS AND TRADE

TURKEY - STAMP DUTY

Decision of 4 December 1991

Considering the Decision taken by the CONTRACTING PARTIES under
paragraph 5 of Article XXV on 20 July 1963 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 1991; 2

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;

Noting that the Government of Turkey notified its intention to remove
the stamp duty as of 1 January 1992, but that, due to early general
elections held in October 1991, it was not possible to conclude the legal
process;

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;

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;

1 BISD 12S/55.
2 BISD 36S/433.
3 L/6775.

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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.

Terms and Conditions

1. The rate of 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 six months 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 1992, which ever 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.