VALUATION FOR CUSTOMS PURPOSES

Addendum

Replies received from Governments to an additional question (W.9/34)

India

(a) In India valuation for duty is based, in the great majority of cases on the invoice value of the merchandise actually imported. If the invoice value is not accepted because it does not represent the real value as defined in Section 30(b) assessment is made on such value of like merchandise.

(b) The words "could be imported" in Section 30(b) of the Sea Customs Act are interpreted as meaning the lowest cost at which the goods could be imported. This would naturally be the price of goods imported by wholesalers from wholesalers and would be applicable to imports in other circumstances too.

United States

Attached to the answers of the United States to the valuation questionnaire was a copy of Section 402, Tariff Act of 1930, as amended, which relates to the valuation of merchandise imported into the United States. It will be noted that paragraphs (c), Foreign Value, and (d), Export Value, both refer to such or similar merchandise.

Such merchandise is the merchandise undergoing appraisement and other merchandise which is identical therewith. Similarity of merchandise is not dependent upon appearance but upon similarity of materials, processing, cost, use, and commercial interchangeability. Resort cannot be had to the value of similar merchandise unless the statutory basis of value under consideration does not exist for such merchandise. If a statutory value exists under a particular basis for both such and similar merchandise, the value under that basis for such merchandise establishes the proper appraised value, rather than a higher value for similar merchandise. In determining whether export of foreign value is

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higher, the statutory values of such merchandise must first be compared. Only if there is no statutory value for such merchandise under one of the definitions shall a value under that definition for similar merchandise be compared with the value under the other definition for such merchandise.

As indicated, with respect to the question of level of trade, valuation for duty purposes is determined by the same criteria, whether the merchandise is such or similar.