3. The value for duty purposes of imported merchandise should be based on the actual value of the imported merchandise on which duty is assessed, and should not be based on the value of merchandise of national origin or on arbitrary or fictitious values.

4. In determining "actual value" for the purpose of Article 18(3) a member should adopt one of the following bases to the exclusion of the other:

**BASIS A:** Actual value shall be based on the price at which at a time and place determined by the legislation of the country of importation, and in the ordinary course of trade between independent buyer and seller, such or like imported merchandise in comparable quantities and under similar conditions of sale is sold or offered for sale with price as the sole consideration.

**BASIS B:** Actual value shall be based on the price at which at a time and place determined by the legislation of the country of importation, and in the ordinary course of trade between independent buyer and seller, such or like imported merchandise in fair average wholesale quantities and under similar conditions of sale is sold or offered for sale with price as the sole consideration.

(NOTE: The words underlined represent the only difference between the two bases).
5. Notwithstanding the provisions of paragraph 4 of this Article a member may in any individual transaction levy duty on the actual price paid or to be paid by the importer for the goods plus the amount of—

(a) any charges incurred subsequent to the purchase of the goods and

(b) any special discount or allowance or any other special deduction accruing to the importer

which the legislation of the country of importation may prescribe and minus

the amount of taxes and duties levied in the country of importation if these are included in the price.

6. If "actual value" is not ascertainable on the basis of the preceding paragraphs, then the value for duty purposes should be based on the nearest ascertainable equivalent of such value.