

Article 2 Basic notions

(1) For the sense of the present law the following notions are defined:

Customs tariff - a table that includes catalogue a combined nomenclature of goods, that includes the customs duties expressed in percentage export and import lists of the goods imported or exported from the customs territory of the Republic of Moldova as well as those that come from the application of preferential tariff measures provided by legal regulations, the the quotes of the custom duty applied on this goods;

Customs border - is the State border of the Republic of Moldova;

Customs territory - the territory whereon the Republic of Moldova exercises its exclusive jurisdiction in the area of customs activities;

The passing of the goods over the customs border - the introduction on or the drawing out of the customs territory of the goods as well as System (a) (the ton) 6 (in 07.12.2007) 98, of the (tarif) 1 (in the desig) 1.8 (ior the whe) 5.3) Theod; 20.4146 ((a). 1 (i

the goods in ~~correspondence~~ correspondence with the clasifying classifying systems applied applied in the international practice;

Customs Value of the goods - the value of the goods for the purposes of levying ad valorem duties of customs on imported goods introduced or drawn out from the customs territory, established in accordance with the present law;

Duty - compulsory fee levied by the customs authority at the introduction or drawing out of the good out of the customs territory;

Declarant - is a natural or legal person making a declaration of goods and objects to the customs authority.

Country of importation – the country or the customs territory of importation.

Identical goods

- (1) The rates of customs duties and the list of the taxed goods are established by the Parliament.
- (2) The rates of the customs duties are applied in conformity with legislation and international agreements where in the Republic of Moldova participates.
- (3) The rates of the customs duties are unique and can not be modified, except cases foreseen by legislation and international agreements wherein the Republic of Moldova Participates.

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CHAPTER III
CUSTOMS VALUE OF GOODS

Article 5

Customs valuation system

1. The system of determining the customs value of goods is applied for the goods introduced or drawn out from the customs territory.
2. The manner of application of the customs valuation system in the customs territory is established by the Government on the basis of the present law and the international agreements wherein the Republic of Moldova participates.

Article 6

Declaration of the customs value of goods

1. The declarant ~~announces~~announces the customs value of the goods to the customs authorities when the goods are transported through the customs border of the country.
2. The manner and conditions of declaring the customs value of the goods introduced and drawn out from the customs territory, as well as the form of the declaration, are established by the Government in conformity with current legislation and the international agreements wherein the Republic of Moldova participates.

Article 7

Rights and responsibilities of the person making the declaration

1. The customs value stated by the person making the declaration, as well as data provided regarding its calculation, should be based on trustworthy information supported by proper documents.
2. If it is required to confirm the customs value stated by a person making the declaration, the latter is obliged to present the required data to the customs ~~authorites~~authorities, at their request. If customs have off doubts whether the data provided by the declarant for customs valuation are authentic, the declarant has the right to determine the customs value of the goods through methods foreseen by the present law.
3. If it is required to define more precisely the customs value of the declared good, the person making the declaration, has the right to ask the customs authorities to provide him with the declared goods for use, offering any property as collateral or the guarantee of an authorized bank, or to pay the customs duty established by the customs authority.
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reason that he will try to find his right of contestation.

Article 8

(1) The customs valuation of goods introduced on the customs territory are determined by the following methods:

- (a) on the basis of the value of transaction with the respective goods ~~or price actually paid or payable~~;
- (b) on the basis of the value of transaction with identical goods;
- (c) on a basis of the value of transaction with similar goods;
- (d) on the basis of the unitary cost of the goods;
- (e) on the basis of the calculated value of the goods;
- (f) Through the reserve method.

(2) The principal method among the above ~~mentionned~~ mentioned is the method of customs valuation on the basis of the value of transaction with the respective goods. In case when the principal method can

- b) quality and reputation,
- c) country of origin,
- d) producer.

2.

5. In case when at customs valuation of goods, as a basis can be taken the value of one transaction out of few transaction with identical or similar goods, the lowest value of a transaction is applied.

Article 15

1. If the imported goods or identical or similar imported goods are sold in the country of importation in the condition as imported, the customs value of the imported goods under the provisions of this Article shall be based on the unit price at which the imported goods or identical or similar imported goods are so sold in the greatest aggregate quantity, at or about the time of the importation of the goods being valued, to persons who are not related to the persons from whom they buy such goods, subject to deductions for the following:"

- (a) either the commissions usually paid or agreed to be paid or the additions usually made for profit and general expenses in connection with sales in such country of imported goods of the same class or kind;
- (b) the usual costs of transport and insurance and associated costs incurred within the country of importation;
- (c) where appropriate, the costs and charges referred to in paragraph 1(a) of Article 11; and
- (d) the customs duties and other national taxes payable in the country of importation by reason of the importation or sale of the goods;

2. "If neither the imported goods nor identical nor similar imported goods are sold at or about the time of importation of the goods being valued, the customs value shall, subject otherwise to the provisions of paragraph 1, be based on the unit price at which the imported goods or identical or similar imported goods are sold in the country of importation in the condition as imported at the earliest date after the importation of the goods being valued but before the expiration of 90 days after such importation."

3. "If neither the imported goods nor identical nor similar imported goods are sold in the country of importation in the condition as imported, then, if the importer so requests, the customs value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons in the country of importation who are not related to the persons from whom they buy such goods, due allowance being made for the value added by such processing and the deductions provided for in paragraph 1."

Method of customs valuation through the method of unitary cost

1. Customs valuation of goods by the method of unitary cost is applied in cases where the goods identical or similar to those under valuation will be sold within the territory of the Republic of Moldova without changing their original condition.

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because f the import and sale of the goods;

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3. The reserve method of determining the customs value of goods can not rely upon the following items:

- (d) products obtained in this country from animals raised therein;
- (e) products obtained in this country from hunting and fishing;
- (f) sea products, obtained and/or produced in the oceans of the world by vessels of this country or by vessels it has chartered (freighted);
- (g) high technology products, obtained in space craft owned or chartered by this country ;
- (h) secondary raw materials and wastes resulted from production and other operations carried on in this

from the respective country, and it should contain the following:

- (a) a written declaration by the consignor stating that the goods meet the ~~regim~~ regime;
 - (b) a written statement by a competent body of the exporting country that has issued the certificate that the data of the certificate are trustworthy.
2. The certificate of origin of goods should be attached to the customs declaration and other documents produced for customs clearance. If the certificate is lost, then its officially certified duplicate should be produced.
 3. If any doubts arise regarding the authenticity of the certificate or data contained therein, including the data about country of origin of goods, the customs of the Republic of Moldova may request the authorities that have issued the certificate or from competent organizations of the country shown as the country of origin of goods to provide additional or more specific information.
 4. In cases stipulated by the present law, the goods are not considered as originated from a given country until a certificate of origin issued in the proper way or the data requested are provided.

Article 25

Additional provisions regarding identification of country of origin of goods

1. For goods coming from countries with which the Republic of Moldova is part at agreements regarding the “Most ~~favoured~~ favored nation” status can be applied (re-established) the preferential treatment for the customs tariff if the proper certification of their origin is produced within one year from the date the customs procedures are completed.
2. While identifying a country of origin of goods the origin of energy resources, machines, equipment and tools used for their production is not taken into account.
- ~~3. 3.~~ Particular procedures to identify a country of origin of goods imported into the customs territory from third countries, as well as from free customs zones and free customs warehouses located on the territory of the Republic of Moldova, are established by the Government.
4. Upon the request of an exporter, importer or any person with a justifiable cause, assessments of the origin and preferential origin they would accord to a good are issued as soon as possible but no later

CHAPTER VI
TARIFF PREFERENCES

Article 27

Tariff preferences

1. As Tariff preferences are considered to be facilities provided by a country, in reciprocal or unilateral conditions in respect of goods passed over the customs border of this country under the form of some established customs share for the preferential import or export of goods, reduction of customs tariff, exemption from ~~duties~~duties, return of duties paid earlier.
- 2.

Article 29

Reimbursement of import duties

1. The amount of overpaid import duties made by error of calculation or the annulled payments for modified import declaration are reimbursed to the payer or netted for future customs payments within one year from the date the overpayment is made.
2. In order to obtain the reimbursement or to net the overpaid amount, the payer shall present its request to the customs authority in written form.
3. After the examination of the request, within 30 days from receiving date, the customs authority shall a decision and notify the payer in written form on reimbursement, netting with future payments or about its refusal of reimbursement. The custom authority will attach to the written notification the verification act on the payer's payment account.
4. The custom authority will reimburse overpaid fiscal or import duties from the budget revenue account by bank transfer.
5. The reimbursement will not be made by the customs authority to the payer who has debts to local or central budget.

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CHAPTER VII

LIABILITY FOR VIOLATION OF THE PRESENT LAW

Article 2930

Liability for violation of the present law

Persons charged with a violation of the present law shall incur liability in conformity with current legislation.

CHAPTER VIII INTERNATIONAL AGREEMENTS

Article 310

International agreements

If an international agreement wherein the Republic of Moldova participates stipulates norms different from those contained in the present law, the international agreement norms shall be applied.

CHAPTER IX

INTERPRETATIVE NOTES

General Note :

Sequential Application of Valuation Methods

1. Articles 11 through 17 define the modality of the determination of customs value of imported goods under the provisions of this Law. The methods of valuation are set out in a sequential order of application. The first method for customs valuation is defined under Article 11 and according to this Article imported goods are to be valued every time when prescribed conditions are fulfilled.

2. Where the customs value cannot be determined

Use of Generally Accepted Accounting Principles


1. "Generally accepted accounting principles" refers to the recognized consensus or substantial authoritative support within a country at a particular time as to which economic resources and obligations should be recorded as assets and liabilities, which changes in assets and liabilities should be recorded, how the assets and liabilities and changes in them should be measured, what information should be disclosed and how it should be disclosed, and which

element.

3. Once a value has been determined for the element, it is necessary to apportion that value to the imported goods. Various possibilities exist. For example, the value might be apportioned to the first shipment if the importer wishes to pay duty on the entire value at one time. As another example, the importer may request that the value be apportioned over the number of units produced up to the time of the first shipment. As a further example, the importer may request that the value be apportioned over the entire anticipated production where contracts or firm commitments exist for that production. The method of apportionment used will depend upon the documentation provided by the importer.

4. As an illustration of the above, an importer provides the producer with a mould to be used in the production of the imported goods and contracts with the producer to buy 10,000 units. By the time of arrival of the first shipment of 1,000 units, the producer has already produced 4,000 units. The importer may request the customs administration to apportion the value of the mould over 1,000 units, 4,000 units or 10,000 units.

Paragraph 1(c) line four



Paragraph 1(d)



Paragraph 2(b)

1. If the sale or price is subject to some condition or consideration for which a value cannot be determined with respect to the goods being valued, the transaction value shall not be acceptable for

example, where it is shown that the price is adequate to ensure recovery of all costs plus a profit which is representative of the firm's overall profit realized over a representative period of time (e.g. on an annual basis) in sales of goods of the same class or kind, this would demonstrate that the price had not been influenced.

Note to Article 12

1. In applying Article 12, the customs administration shall, wherever possible, use a sale of identical goods at the same commercial level and in substantially the same quantities as the goods

Note to Article 13

1. In applying Article 13, the customs administration shall, wherever possible, use a sale of similar goods at the same commercial level and substantially the same quantities as the goods being valued. Where no such sale is found, a sale of similar goods that takes place under any one of the following three conditions may be used:

- _____
(a) a sale at the same commercial level but in different quantities;
- _____
(b) a sale at a different commercial level and substantially the same quantities; or
- _____
(c) a sale at a different commercial level and in different quantities.

2. Having found a sale under any one of these three conditions adjustments will then be made, as the case may be, for:

- _____
(a) quantity factors only;
- _____
(b) commercial level factors only; or
- _____
(c) both commercial level and quantity factors.

3. The expression "and/or" allows the flexibility to use the sales and make the necessary adjustments in any one of the three conditions described above.

4. A condition for adjustment because of different commercial levels or different quantities is that such adjustment, whether it leads to an increase or a decrease in the value, be made only on the basis of demonstrated evidence that clearly establishes the reasonableness and accuracy of the adjustment, e.g. valid price lists containing prices referring to different levels or different quantities. As an example of this, if the imported goods being valued consist of a shipment of 10 units and the only similar imported goods for which a transaction value exists involved a sale of 500 units, and it is recognized that the seller grants quantity discounts, the required adjustment may be accomplished by resorting to the seller's price list and using that price applicable to a sale of 10 units. This does not require that a sale had to have been made in quantities of 10 as long as the price list has been established as being based on high sales at other quantities. In the absence of such an objective measure, however, the determination of a customs value under the provisions of Article 13 is not appropriate.

Note to Article 15

1. The term "unit price at which ... goods are sold in the greatest aggregate quantity" means the price at which the greatest number of units is sold in sales to persons who are not related to the persons from whom they buy such goods at the commercial level after importation at which such sales take place.

2. As an example of this, goods are sold from a price list which grants favourable unit prices for purchases made in larger quantities.

supplies directly or indirectly free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods any of the elements specified in paragraph 1(c) of Article 11, should not be taken into account in establishing the unit price for the purposes of Article 15.

6. It should be noted that "profit and general expenses" referred to in paragraph 1 of Article 15 should be taken as a whole. The figure for the purposes of this deduction should be determined on the basis of information supplied by or on behalf of the importer unless the importer's figures are inconsistent with those obtained in sales in the country of importation of imported goods of the same class or kind. Where the importer's figures are inconsistent with such figures, the amount for profit and general expenses may be based upon relevant information other than that supplied by or on behalf of the importer.

7. The "general expenses" include the direct and indirect costs of marketing the goods in question.

9. In determining either the commissions or the usual profits and general expenses under the provisions of paragraph 4 of Article 15, the question whether certain goods are "of the same class or kind" as other goods must be determined

of the goods.

6. Where information other than that supplied by or on behalf of the producer is used for the purposes of determining a computed value, the authorities of the importing country shall inform the importer, if the latter so requests, of the source of such information, the data used and the calculations based upon such data, subject to the provisions of paragraph 4 of Article 8.

7. The "general expenses" referred to in paragraph (b) of Article 16 covers the direct and indirect costs of producing and selling the goods for export which are not included under paragraph 1(a) of Article 6.

8. Whether certain goods are "of the same class or kind" as other goods must be determined on a case-by-case basis with reference to the circumstances involved. In determining the usual profits and general expenses under the provisions of Article 16, sales for export to the country of importation of the narrowest group or range of goods, which includes the goods being valued, for which the necessary information can be provided, should be examined. For the purposes of Article 16, "goods of the same class or kind" must be from the same country as the goods being valued.

Note to Article 17

1. Customs values determined under the provisions of Article 17 should, to the greatest

Article 31

Validation of the present law

The present law comes into force from the day of its publication.

Article 32

The Government of the Republic of Moldova should, within a 6-month period:

- bring its normative acts into conformity with the present law;
- submit to the Parliament its proposals regarding:
 - bringing the current legislation into conformity with the present law;
 - development of new normative acts to ensure efficient application and observance of the present law.

Chishinau, November the 20th 1997
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