



Interpretations, Rulings & Opinions Committee Paper
(IROC) 2003

Re: Customs User Fee on Imports

Arising from the recent amendment relating to a Cess on Imports and the introduction of a User Fee, please see the following directives for your guidance:

1. User fee is two percent (2%) on all imports. The user fee is computed by Customs on cost, insurance and freight (CIF) as defined by Section 19 of the Customs Act.
2. The Custom User Fee is not subject to General Consumption Tax (GCT).


The effective date is June 1, 2003.

3. The User fee imposed shall not apply to Goods imported by:-
 - (a) A Ministry or Department of Government; Statutory Bodies fully funded from the Budget and Executive agencies.
 - (b) Passenger allowance up to US\$500.00 per person per trip.
 - (c) The Kingston and St. Andrew Corporation and any Parish Council;
 - (d) Heads of Mission and International organizations;
 - (e) Non-Jamaican citizens who are members of the staff of a mission or an international organization other than members of the service staff;

- (f) Non-Jamaican citizens who are trade commissioners and members of the staff of a trade commission other than members of the service staff;.
 - (g) Consular officers who are natives or citizens of the countries they represent and who are not engaged in any other business or profession in Jamaica.
 - (h) Such categories of persons as are specified in an Order made by the Minister responsible for foreign affairs.
 - (I) 807 Companies.
 - (j) New manufacturers as certified by JAMPRO to Jamaica Customs.
4. All user fee paid on goods imported by that person for business purposes will be an allowable deduction in accordance with Section 13 of the Income Tax Act.
- 4.1 Where the User Fee is paid on capital goods, this must be capitalized for capital allowances purpose in accordance with Section 13 and the 1st Schedule of the Income Tax Act.

CESS ON IMPORTS

Please refer to our bulletin relating to *Cess on Imports* and note that the directives, as well as operational aspects, still apply for the treatment of cess paid during the month of May 2003.



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"Customs User Fee on Imports"
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