



LAO PEOPLE'S DEMOCRATIC REPUBLIC
Peace Independence Democracy Unity Prosperity

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Ministry of Finance

No. 0462/MOF
Vientiane Capital, dated 14 March 2003

Ministerial Decision on
Collection of Fixed Fee for Importation of Some Goods for Exportation

- Pursuant to the Customs Law No. 04/94, dated July 18, 1994;
- Pursuant to the Prime Minister's Decree on Organization and Responsibility of Finance Ministry No.127/PM, dated October 3, 2000;
- Pursuant to the Prime Minister's Decree on Implementation of Budget Law No.192/PM, dated November 2, 1999 to disseminate Prime Minister's Decree No. 200/PM, dated October 12, 2002 on Implementation of Social-Economic Development Plan and State Budget in Fiscal Year of 2002-2003 to Ensure Achieving Revenue Collection Goals as Approved by the National Assembly.

To enhance the collection of state revenue in addition to the collection of normal import-export duty,

The Finance Minister hereby issues a decision:

Article 1. Authorizing the customs department and customs border checkpoints to collect fixed fees for importation of some goods for the purpose of exporting to other country as follows:

A. Tobacco

- One box of cigarettes of brand Jet (1 box containing 50 sub-boxes, 1 sub-box containing 10 packs) must be charged seventeen US dollars;
- One box of cigarettes of brands 555, Marlboro, Tan Hin, Benson, Main 7 or other brands having similar quality (1 box containing 50 sub-boxes, 1 sub-box containing 10 packs) must be charged seventeen US dollars;

B. Alcoholic Beverage

- A litre of Johnny Walker Red Label must be charged sixty-six US cents (US\$ 0.66);
- A litre of Johnny Walker Black Label must be charged one dollar;
- A litre of Western wine must be charged be charged sixty-six US cents (US\$ 0.66);
- A litre of wine produced in Vietnam or China must be charged forty-four US cents (US\$ 0.44);
- Alcoholic beverages of a similar cost or quality to the above drinks shall be charged the same fee accordingly.

C. Petrol

A litre of all kinds of petrol and machine oil must be charged two point five (2.50) cents or (US\$ 0.025)

D. Vehicles

- An automobile vehicle equipped with four wheels or more imported as whole body (CKD) must be charged three hundred US dollars;
- An automobile vehicle equipped with four wheels or more imported as separated parts must be charged two hundred US dollars;
- A motorcycle imported as whole body (CKD) must be charged twelve US dollars;
- A motorcycle imported as separated parts must be charged one point five percent (1.5%) of customs declaration value.

E. One head of cattle must be charged six US dollars;

F. One pig weighing between one and five kilograms must be charged two dollars;

G. One pig weighing over five kilograms must be charged four US dollar.

Article 2. General Goods

- a. Goods for which the normal tariff rate (MFN) is between five and ten percent (5 – 10%) must be charged two percent (2%) of declaration value at the import checkpoint;
- b. Goods for which the normal tariff rate (MFN) is more than ten and up to twenty percent (>10 – 20%) must be charged four percent (4%) of declaration value at the import checkpoint;
- c. Goods for which the normal tariff rate (MFN) is more than twenty and up to forty percent (>20 – 40%) must be charged six percent (6%) of declaration value at the import checkpoint;

Article 3. Importation for export will not be subject to payment of business turnover tax and excise tax but is subject to payment of profit tax in accordance with the Tax Law. At each time of importation, the importer has to arrange a contract with the customs department, or customs office of Vientiane or authorized customs office of other provinces for the application of the harmonized tariff across the country. The importer must deposit the security for of retention money as stated in the security contract.

Article 4. Selling goods declared for importation to be exported to a third country is strictly prohibited. Any avoiding, concealing or violating the security contract for importation of goods to be exported to a third country shall be subject to prosecution under the Customs Law and/or the security will be terminated and the retention money shall be confiscated.

Article 5. The fee for importation for export can be paid at the customs department or customs offices where the goods are imported in accordance with the relevant terms provided in the security contract signed with the customs department or other customs offices. The fee shall be paid in US dollar and must be transferred to the central state revenues as mandated in the Prime Minister's Decree No. 192/PM, dated November 2, 1999.

Article 6. It is prohibited to sell the goods imported under the provisions of this decision at duty free shops or other types of warehouse except consigning them at the warehouse for export purpose.

Article 7. Cabinet Office of Finance Ministry and Customs Department shall disseminate this decision to ensure harmonized practice across the country. All relevant agencies should acknowledge and follow this decision firmly.

Article 8. This decision shall be effective from the date of signing.

**Finance Minister
Chansy Phosikham**