



SCREENING CHAPTER 29 CUSTOMS UNION

AGENDA ITEM 13: CUSTOMS CLASSIFICATION AND TARIFF

**Country Session: The Republic of TURKEY
13-14 March 2006**



LEGAL FRAMEWORK OF TURKISH CUSTOMS TARIFF



- 1. Harmonised System (HS) Convention**
- 2. Turkish Customs Law (CL)**
- 3. Law No. 474 on Customs Tariff Nomenclature**
- 4. Implementing Regulation of Customs Law (IRCL)**
- 5. Turkish Tariff Nomenclature (TTN)**
- 6. Decree on Import Regime (IR)**



1. HS Convention & HS System

- Harmonized Commodity Description and Coding System
- ratified on 10.11.1988 (Law No. 3501)
- published in Official Gazette (OG) No. 20006, dated 01.12.1988
- entered into force on 01.01.1989
- legal basis of Turkish Customs Tariff



2. Turkish Customs Law (CL) (1/2)

Articles 8-9: Information

Provisions on Binding Tariff Information (BTI)

- issue of BTI
- responsibility of the holder
- validity and annulment

2. Turkish Customs Law (CL) (2/2)

Article 15: Customs Tariff & Tariff Classification of Goods

- definition and scope of Customs Tariff
- definition of tariff classification of goods
- publication of Customs Tariff, Explanatory Notes and Alphabetical Index of Goods



3. Law No. 474 on Customs Tariff Nomenclature

- entered into force on 15.05.1964 (OG No: 11711, dated 25.05.1964)
- amended on 10.11.1988
- Customs Tariff Nomenclature including conventional duty rates was published as an Annex to this Law
- provides a legal base for amending conventional duty rates and Tariff Nomenclature



4. Implementing Regulation of Customs Law (IRCL) (1/4)

Article 9: BTI

- definition of BTI
- procedure for obtaining a BTI
- content of BTI Application Form
- notification of the information to the applicant
- validity and avoidance of BTI



4. Implementing Regulation of Customs Law (IRCL) (2/4)

Article 18: Customs Tariff & Tariff Classification of Goods

- definition and content of Turkish Customs Tariff Nomenclature
- definition and content of Customs Tariff
- classification of goods
- definitions of some tariff measures



4. Implementing Regulation of Customs Law (IRCL) (3/4)

Article 20: General Interpretive Rules

- explanation of six General Rules for the interpretation of Tariff Nomenclature



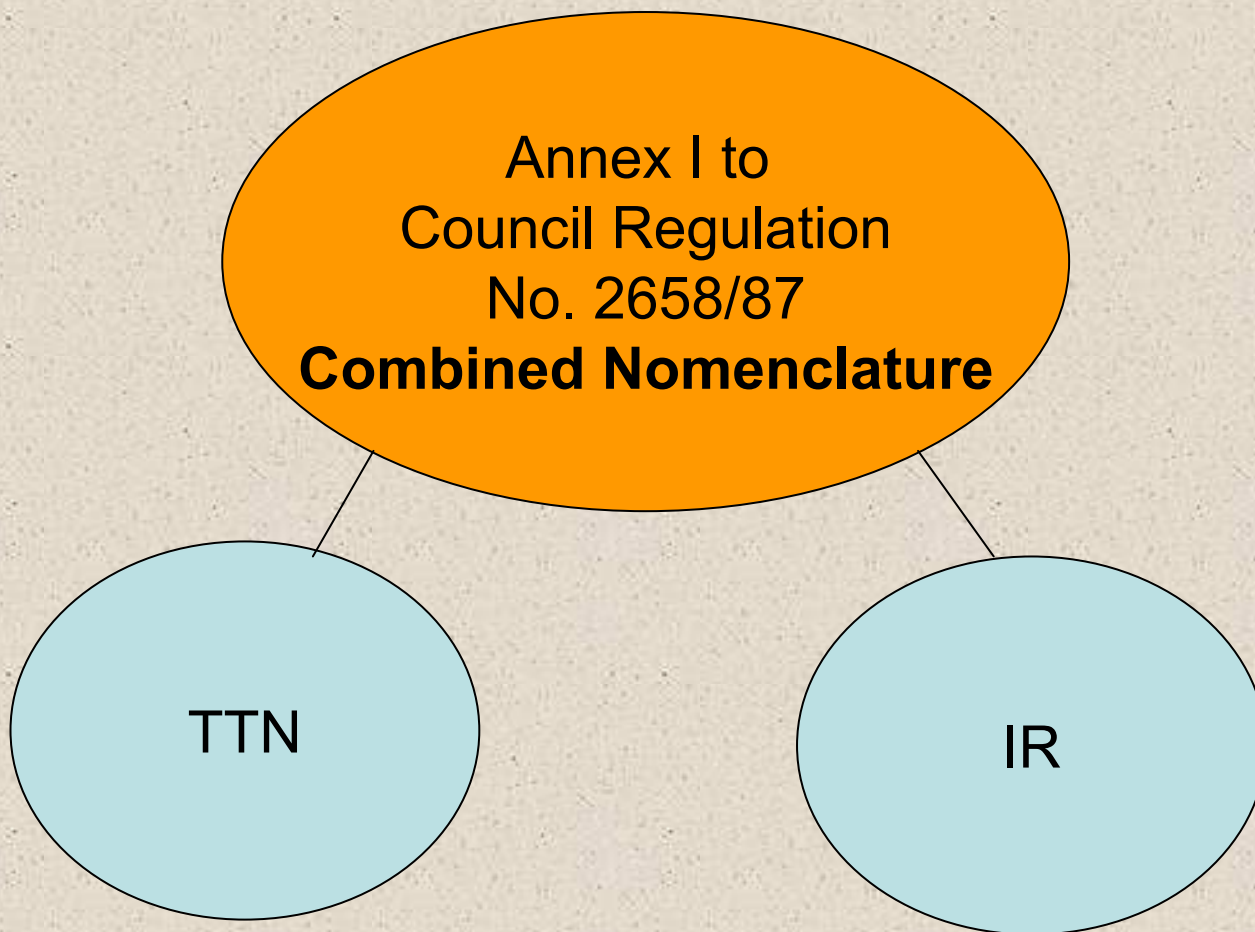
4. Implementing Regulation of Customs Law (IRCL) (4/4)

Article 21: Explanatory Notes & Alphabetical Index

- publication and legal status of Explanatory Notes & Alphabetical Index



**5. Turkish Tariff Nomenclature (TTN)
and
6. Decree on Import Regime (IR)**





5. Turkish Tariff Nomenclature

- published by Undersecretariat for Customs every year as a Decree
- enters into force as of 1st of January
- has four columns including tariff codes, description of the goods, supplementary units, conventional duty rates



Tariff Code	Description	Suppl. Unit	Conv. Duty Rate (%)
	----- Other:		
	----- Helva		
1704.90.99.10.11	----- Tahin helva	-	150
1704.90.99.10.19	----- Other helva	-	150
1704 90 99 20.00	----- Turkish delight	-	150
1704 90 99 30.00	----- Turkish delight with cream	-	150
1704 90 99 40.00	----- Sugar candy	-	150
	----- Other		
1704.90.99.90.11	----- Fondant	-	150



6. Decree on Import Regime (1/2)

- published by Undersecretariat of Foreign Trade as a Decree every year
- enters into force as of 1st of January
- includes autonomous duty rates
- has six different Lists of Goods



6. Decree on Import Regime (2/2)

- List I: Agricultural Products
- List II: Industrial Products (CCT duty rates)
- List III: Processed Agricultural Products
- List IV: Fishery and Marine Products
- List V: Suspension List
- List VI: Civil Aircrafts and Goods for Use in Civil Aircraft



AGENDA ITEM 13: CUSTOMS CLASSIFICATION AND TARIFF

Code	Description	RATE OF DUTY (%)			The amount to be paid to the Fund in Euro (equivalent in YTL) as agricultural component	
		EU EFTA ROM.	Bos. Herz.	Other	EU, EFTA and ROM.	Other
1704.90.99.10.11	Tahin helva	0	0	9	T2	T1
1704.90.99.10.19	Other helva	0	0	9	T2	T1
1704.90.99.20.00	Turkish delight	0	0	9	T2	T1
1704.90.99.30.00	Turkish delight with cream	0	0	9	T2	T1
1704.90.99.40.00	Sugar candy	0	0	9	T2	T1
1704.90.99.90.11	Fondant	0	0	9	T2	T1



COMMON CUSTOMS TARIFF

As a result of Customs Union between Turkey and EC;

Turkey

- eliminated all customs duties and charges having equivalent effect applied to imports of industrial products from the EC
- started to apply Community's Common Customs Tariff for imports from the third countries



TARIFF STRUCTURE AND CLASSIFICATION



History

1955–1974 Brussels Nom. + *national stat. codes*

1975–1988 CCCN + *national stat. codes*

1989-1995 HS codes + *national stat. codes*

1996- HS codes + CN codes + *national codes + statistical divisions*



93	05	99	00	90	11	
93	05					HS Heading } 4 digit
93	05	99				HS Subheading } 6 digit
93	05	99	00			CN Subheading } 8 digit
93	05	99	00	90		National Subheading } 10 digit
93	05	99	00	90	11	Statistical Code } 12 digit



Classification of goods is realised in three stages

- pre-entry classification (i.e. BTI)
- at the time of declaration (SAD)
- post-entrance (verification)



Legislation applied for Tariff Classification of Goods* (1/2)

- HS Nomenclature and Legal Notes
- HS Explanatory Notes
- HS Alphabetical Index
- HS Committee Decisions
- HS Classification Opinions

* All Legislation is published on the web site of Directorate General of Customs



Legislation applied for Tariff Classification of Goods* (2/2)

- Turkish Tariff Nomenclature
- Combined Nomenclature
- EC Classification Decisions (27 Regulations)

* All Legislation is published on the web site of Directorate General of Customs



References used in Tariff Classification of Goods

- CN Explanatory Notes
- EC Classification Decisions
- WCO Commodity Database
- EU Database (EBTI, TARIC, ECICS)



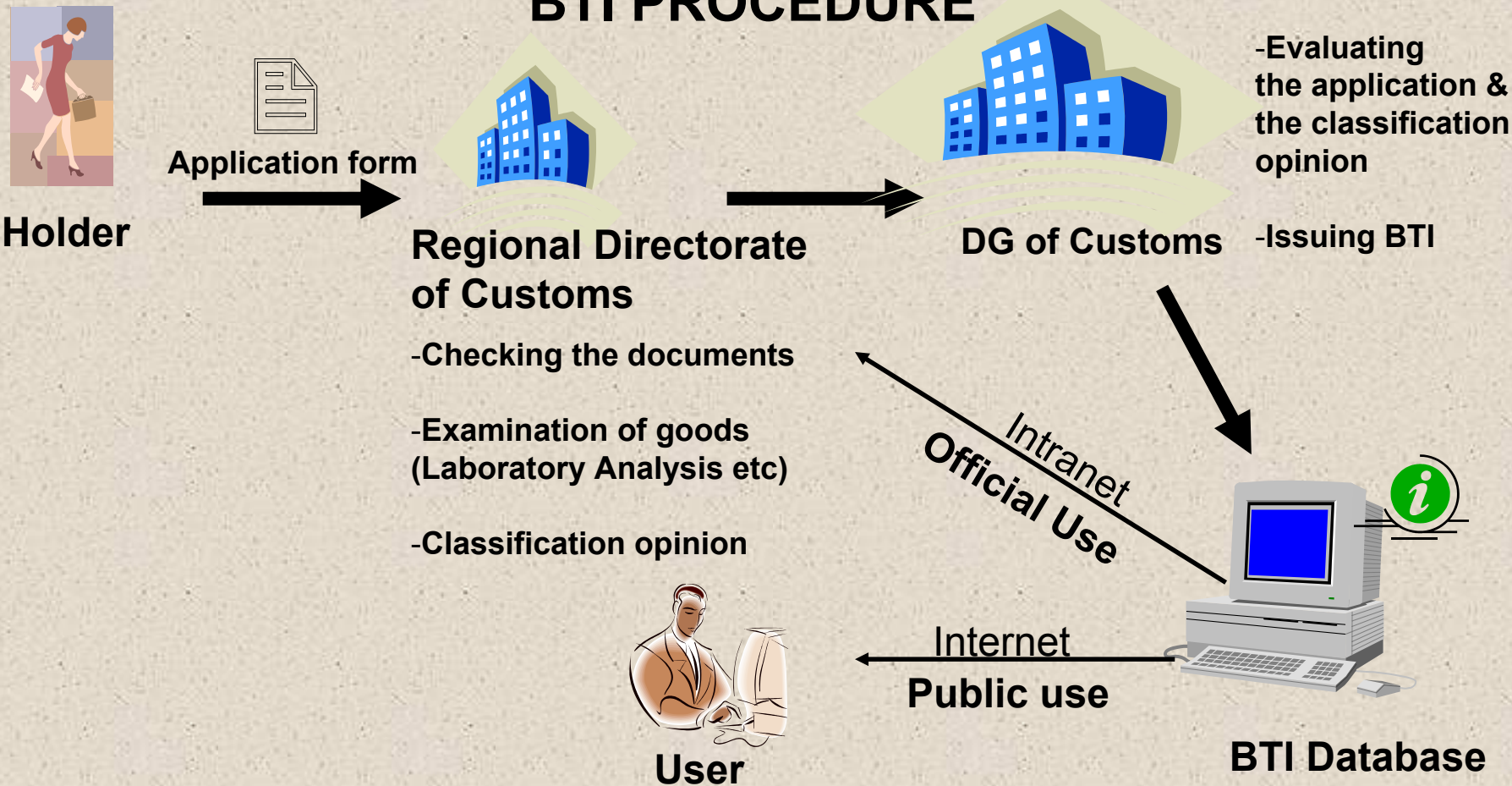
BINDING TARIFF INFORMATION (BTI)

BTI

- a trade facilitation measure to provide legal certainty
- issued by Directorate General of Customs
- binding in Turkey
- Customs Communiqué (Tariff-BTI) No. 1 concerning application procedure for BTI (OG No. 24141, dated 15.08.2000)
- application form
- valid for 6 years
- customs can revoke, but allow period of grace
- accessible on internet & customs intranet



BTI PROCEDURE





BTI Intranet (for official use by customs officers)

TC GÜMRÜKLERİ - BAĞLAYICI TARİFE BİLGİSİ
TURKISH CUSTOMS - BINDING TARIFF INFORMATION

BAĞLAYICI TARİFE BİLGİSİ BTB RAPOR TARİHÇE

GEÇERLİ

Kullanıcı : [] Dosya No : []

Başmüdürlük : 340000 İSTANBUL GÜMRÜKLERİ BAŞMÜDÜRLÜĞÜ

1. Hak Sahibinin

Vergi No : [] Hak Sahibi Bilgileri Giriş

Adı : []

Adresi : [] İSTANBUL

Telefon No : 212 [] Fax No : 212 []

Öngörülen Sınıflandırma : [] Yeni GTİP : []

5. Eşyanın Tanımı :
Diş yüzü dakumaya elverişli maddeden mamul fermuarlı bir kalemi kutusu içine yerleştirilmiş plastik maddeden mamul bir adet otomatik kurşun kalem, plastik

7. Ticari İsimlendirme ve Ek Bilgi :

8. Sınıflandırmanın Gerekçesi
Genel Yorum Kuralları (1), (3b) ve (8).
Gümrük Tarife Cetveli İzahnamesi 42.02 tarife pozisyonu açıklama notları.

9. Bu BTB Başvuru Sahibi Tarafından Sağlanan Aşağıdaki Materyale İstinaden Verilmiştir.
Tanım Numune Fotoğraf Broşür Diğer

11. Gümrükler Genel Müdürlüğü'nün Eşyanın Gümrük İşlemleri Sırasında Dikkat Edilmesi Gereken Hususlar ile İlgili Talimatlar
Eşya, set halindeki eşyaya ilişkin 2002/39 sayılı Genelge kapsamındadır.
Kalem kutusu. 4202.92.98.90.00 GTİP'inde; kurşun kalem. 9608.40.00.10.00

12. BTB'nin Durum Kodu : 1/0

2. BTB Referans Numarası : []

3. Geçerliliğin Bağlama Tarihi : 01/01/2001

İptal Edilme / Geçersiz Kılınma Tarihi : []

Ek Süre Sona Erme Tarihi : []

4. Başvuru Tarihi ve Referans Numarası : 25/02/2005 []

5. Eşyanın Sınıflandırıldığı Tarife Pozisyonu : 420292989000

10. Eşyanın Gümrük İşlemleri Sırasında Teşhisini Sağlayacak Fotoğrafları, krokiyi, Planı vs. :

İbraz Edildi mi? :

Tebliğ Tarihi : []

Sorgulama/ Düzeltme

Giris

Sorgulama

Çıkış

WEB 7:

YENİ BTB KAYDET YAZDIR BTB

Kayıt: 1/1 <08C> <D8B>

Başlat [BTB Programı Giriş] ... 17:26



BTI Internet (for public use- excluding company names)

btb - Microsoft Internet Explorer provided by Muhabere ve Elektronik Dairesi

Dosya Düzen Görünüm Sık Kullanılanlar Araçlar Yardım

Geri Ara Sık Kullanılanlar Ortam

Adres http://www.gumruk.gov.tr/gumruk_tarife/ Git Bağlantılar

Bağlayıcı Tarife Bilgisi

BTB No	GTİP	Eşyanın Tanımı
TR000001	040690880000	Yeni Petit Danone Taze Peynirli ve Meyveli (Çilek/Kayısı/Şeftali-Armut/OrmanMeyveleri/Ahudu) Süt Ürünü Alüminyum folyo ile kapatılan ve ait olduğu meyve/ vanilya rengine yakın taze peynirimsi bir kütle ile doldurulan 50 gramlık renkli plastik kaplardadır. Kuru Madde Miktarı: %26.9 (Seasand Metodu), Süt Yağı Oranı:%3,2, süt proteini %2.92, nişasta glikoz % 3.1, şeker %2.8
TR000002	854389950019	LNB(Low Noise Block Converter-Düşük Gürültülü Alt Bant Blok Dönüştürücü)Uydulardan 10.7 12.75GHz frekans aralığında yayımlanan sinyalleri toparlayarak 950 MHz -3 GHz frekans aralığındaki sinyallere dönüştüren,çift kutuplu 11-20 Volt besleme gerilimi ile çalışan ve uydu alıcıları ve çanak antenlerde kullanılan cihaz.
TR000003	851679800000	XING XING MARKA ELEKTRONİK KLOZET KAPAĞI SICAK SU FIŞKIRTMA, OTURMA YERİNİN ISITILMASI VE SICAK HAVA ÜFLEME GİBİ FONKSİYONLARI OLAN CİHAZ
TR000004	851679800000	JINTAO WASH SEAT MARKA ELEKTRONİK KLOZET KAPAĞI SICAK SU FIŞKIRTMA, OTURMA YERİNİN ISITILMASI VE SICAK HAVA ÜFLEME GİBİ FONKSİYONLARI OLAN CİHAZ
TR000005	851679800000	HUATAO HS MARKA ELEKTRONİK KLOZET KAPAĞI SICAK SU FIŞKIRTMA, OTURMA YERİNİN ISITILMASI VE SICAK HAVA ÜFLEME GİBİ FONKSİYONLARI OLAN CİHAZ
TR010001	740710000013	ORTALAMA 8 MM ÇAPINDA %99.9 ORANINDA BAKIR İÇEREN RAFİNE BAKIRDAN MAMUL BAKIR ÇUBUK.EŞYANIN SEVK ŞEKLİ: RULOLAR HALİNDE KULLANIM ALANI: BAKIR KABLO ÜRETİMİ

Bitki Yerel intranet

Sayfa 27 Böl 1 27/27 Bşl 15,4 cm Sat 3 Süt 1 KAY DİM SEÇ ÜYZ Türkçe

Başlat BTB BTB 3 - Microsoft Word T.C. Başbakanlık Gümrük... btb - Microsoft Intern... 14:32



BTI Statistics of Turkey (as of 01.01.2006)

Years	Number of BTIs issued	Number of BTIs annulled (due to misinformation given by the holder)	Number of BTIs annulled (Misclassification)	Number of BTIs annulled (Change in tariff code)	Valid BTIs
2000	5	-	-	4	1
2001	126	6	4	33	83
2002	250	7	2	78	163
2003	428	5	8	80	335
2004	478	5	11	87	375
2005	521	2	4	98	417
TOTAL	1808	25	29	380	1374



TARIC



- no alignment concerning TARIC at present
- duty rates and related tariff measures are integrated into Computerized Customs Declaration System of BİLGE manually
- starting off Integrated Tariff Management System (ITMS) Project with the EU



EU FUNDED PROJECTS



ITMS project

The first phase

Twinning Light

Analysis of legislation & procedures relevant to Tariff matters



ITMS Technical Pre-Study

- Technical pre-study report (including the User Requirements)
- ITMS Functional and Technical Specifications
- Project Initiation Document defined and approved for the development phase
- Training on the selected tools
- Definition of the TCA IT strategy for the future web-based developments



ITMS Developments

- modification of the Turkish Integrated Tariff
- development of a TIT Management System
- integration into BİLGE
- preparation of TCA systems for the connection with the DG TAXUD databases

Modernisation of Customs Laboratories - 2004

At Central and Regional Level

- construction (national financing)
- designing
- furnishing
- equipping
- technical training for staff



RELATED WEB PAGES

Customs Tariff Legislation

<http://gumrukler.gumruk.gov.tr/>

BTI (for public use)

www.gumruk.gov.tr/gumruk_tarife/

Turkish Tariff Nomenclature
including applied duty rates
(English version)

www.gumruk.gov.tr/english

Tariff Related Questions

tarife@gumruk.gov.tr



TARIFF DEROGATIONS



AUTONOMOUS TARIFF SUSPENSIONS (1/3)

LEGAL FRAMEWORK

- Law No. 474 on Customs Tariff Nomenclature (OG No. 11711, dated 21.5.1964)
- Association Council Decision No. 1/95 on the EC-Turkey Customs Union
- Import Regime Decree No. 95/7606 (OG No. 22510 bis 2, dated 31.12.1995)
- Import Communiqué No. 2006/18 (OG No. 26040 bis 2, 31.12.2005)

AUTONOMOUS TARIFF SUSPENSIONS (2/3)

Procedure;

- Applications of the industry are collected according to the rules and procedures as described in the Import Communiqué No. 2006/18 in line with the EC Commission Communication 98/C 128/02
- Autonomous tariff suspension requests of the Member States and Turkish industries are negotiated in the Economic Tariff Questions Group (ETQG)
- The Commission Regulation prepared according to the decisions of the ETQG is reflected to the Import Regime Decree biannually (as List V)



AUTONOMOUS TARIFF SUSPENSIONS (3/3)

Import Regime Decree, List V (sample)

put into force simultaneously with the EC Council Regulation biannually
(1st of January and July)

TARIFF CODE	REF	DESCRIPTION	TARIFF RATE
2823.00.00.00.00	10	* Titanium dioxide, of a purity by weight of 99,9 % or more, with an average grain-size of 1,2 µm or more but not exceeding 1,8 µm, for the manufacture of goods of heading No 8532 or 8533 (a)	0
2826.90.90.10.00	10	* Potassium hexafluorophosphate	0



AUTONOMOUS TARIFF QUOTAS (1/4)

LEGAL FRAMEWORK

- Law No. 474 on Customs Tariff Nomenclature (OG No. 11711, dated 21.05.1964)
- Association Council Decision No: 1/95 on the EC-Turkey Customs Union
- Import Regime Decree No. 95/7606 (OG No. 22510 bis 2, dated 31.12.1995)
- Decree No. 2004/7333 on Administration of Quota and Tariff Quotas (OG No. 22510, dated 10.05.2004)
- Implementing Regulation on Administration of Quota and Tariff Quotas (OG No. 25486, dated 08.04.2004)
- Import Communiqué No. 2006/18 (OG No. 26040 bis 2, dated 31.12.2005)



AUTONOMOUS TARIFF QUOTAS (2/4)

Turkey cannot benefit from the EC autonomous tariff quotas as Turkey and the EC both have individual customs territories and they are governed by different institutions;

- thus, Turkey is granted tariff quotas on a national basis taking into consideration the decisions of the ETQG
- upon the consent of the Commission, Turkey can introduce tariff quotas



AUTONOMOUS TARIFF QUOTAS (3/4)

Procedure;

- applications of the Industry are collected according to rules and procedures described in the Import Communiqué No. 2006/18 in line with the EC Commission Communication 98/C 128/02
- autonomous tariff quota requests of EC and Turkish companies are negotiated in the ETQG
- Turkey introduces national tariff quotas according to ETQG proposal and issues a Decree



AUTONOMOUS TARIFF QUOTAS (4/4)

- UFT is the competent authority to manage and issue tariff quotas and tariff quota licenses
- tariff quotas are allocated on the basis of the criteria described in the Legislation on Administration of Quota and Tariff Quotas (such as past performance, first-come-first-served)



- Other than autonomous tariff quotas, mainly for agricultural products, tariff quotas can be introduced under preferential arrangements such as free trade agreements
- Tariff ceilings and reintroduction of customs duties can be exercised with a decree issued by Council of Ministers



RELIEFS FROM CUSTOMS DUTY



RELIEFS FROM CUSTOMS DUTY

Legal Framework

- Article 167 of Turkish Customs Law No. 4458
- Council of Ministers Decree No. 2000/53 on the Exemptions and Reliefs from Customs Duties (OG No. 23955, dated 05.02.2000)



RELIEFS FROM CUSTOMS DUTY

Article 167 of Turkish Customs Law No. 4458

- provides the list of goods to be released for free circulation with customs duty relief
- stipulates the circumstances and conditions for duty relief



Article 167 of Turkish Customs Law No. 4458 authorizes the Council of Ministers

- to identify the goods
- to determine the nature, description and amount of these goods, the amount subject to relief and exception
- to nullify or double the flat rates
- to determine the lower and the upper limits with regard to the periods
- to implement successively or separately the relief and exception in respect of different goods



In line with the provisions of Article 167 of the Turkish Customs Law No. 4458, the Council of Ministers put into force Decree No. 2000/53 incorporating provisions parallel to those set by the EC Council Regulation No. 918/83



Relief from Customs Duty (1/3)

- personal property belonging to natural persons transferring their normal place of residence from a third country to customs territory of Turkey
- goods imported on the occasion of a marriage
- personal property acquired by inheritance
- school outfits, scholastic materials and other scholastic household effects
- consignments of negligible value
- small consignments of a non-commercial nature
- capital goods and other equipment imported on the transfer of activities from a third country into customs territory of Turkey
- products obtained by Turkish farmers on properties located in a third country



Relief from Customs Duty (2/3)

- seeds, fertilizers and products for the treatment of soil and crops imported by agricultural producers in neighbouring countries to use in properties in the customs territory of Turkey
- goods contained in travellers' personal luggage
- educational, scientific and cultural materials, scientific instruments and apparatus
- laboratory animals and biological or chemical substances intended for research
- therapeutic substances of human origin and blood-grouping and tissue-typing reagents
- pharmaceutical products used at international sports events
- goods for charitable or philanthropic organizations; articles intended for the blind and other handicapped
- honorary decorations or awards



Relief from Customs Duty (3/3)

- presents received in the context of international relations
- goods to be used by monarchs or heads of state
- goods imported for trade promotion purposes
- goods imported for examination, analysis or test purposes
- consignments sent to organizations protecting copyrights or industrial and commercial patent rights
- tourist information literature
- miscellaneous documents and articles
- ancillary materials for the storage and protection of goods during their transport
- litter, fodder and feeding stuffs for animals during their transport
- fuel and lubricants present in land motor vehicles
- materials for the construction, upkeep or ornamentation of memorials to or cemeteries for war victims
- coffins, funerary urns and ornamental funerary articles

Property belonging to natural persons transferring their normal place of residence from a third country to customs territory of Turkey (1/4)

Such property includes;

- personal property
- household effects
- private road vehicles



Such property, by its nature or quantity, should not indicate that it is being imported for commercial reasons.



Property belonging to natural persons transferring their normal place of residence from a third country to customs territory of Turkey (2/4)

Such property excludes;

- alcoholic products
- tobacco and tobacco products
- articles for use in the exercise of a trade or profession, other than portable instruments of the applied or liberal arts



Property belonging to natural persons transferring their normal place of residence from a third country to customs territory of Turkey (3/4)

Conditions for relief

Place of residence of the person concerned has to be outside the customs territory of Turkey for a continuous period of at least 24 months

Exception: Civil servants who were appointed to the national or international posts abroad and then returned after completing their mission (residing abroad for at least 24 months is not a must)



Property belonging to natural persons transferring their normal place of residence from a third country to customs territory of Turkey (4/4)

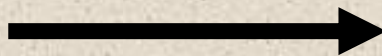
Conditions for private land vehicles

- should be registered in the name of the person concerned in the country of residence at least six months before the transfer of residence, and
- should not be older than three years at the time of registration

Goods contained in travellers' personal luggage (1/4)

Such relief covers imports which;

- are of non-commercial nature or quantity
- consist exclusively of goods for the personal use of the travellers or their families
- are brought as gifts





Goods contained in travellers' personal luggage (2/4)

Relief per traveller

Tobacco products*

Cigarette	200 pieces and
Cigarillos (cigars not exceeding 3 gr. per each)	50 pieces and
Cigar	10 pieces and
Minced tobacco (with 200 leaves of cigarette paper) or Pipe tobacco or Chewing tobacco or Water-pipe tobacco	200 gr.
snuff	50 gr.

*This relief is not applicable to the travellers under the age of 18



Goods contained in travellers' personal luggage (3/4) Relief per traveller

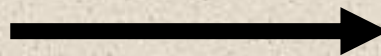
b) Alcoholic beverages*: 100 cc 75cc * Not applicable to the travellers under the age of 18	1 bottle or 2 bottles
Eau de cologne, lavender water, perfume and lotion (max. 120 ml)	5 pieces
Coffee Soluble instant coffee Tea	1 kg 1kg 500 gr
Chocolate Candy	1 kg. 1 kg

Goods contained in travellers' personal luggage (4/4)

Limit

Other goods: €300

€145 (travellers under the age of 15)





Relief for goods of negligible value

Goods that have been sent from abroad to a person resident in the Customs Territory of Turkey by post, parcel post or by express cargo service

Limit: € 100 for each consignment (goods of non-commercial quantity and nature)



Relief for gifts sent by private individuals to another

Goods sent by a natural person residing outside Turkey to a natural person resident in Turkey

Conditions

- goods that have been sent for new year and religious holidays by post or express cargo service,
- goods of no commercial quantity and nature,
- goods that are not subject to any payment by the receiver.

Limit: a real value of € 300



Household effects for furnishing a secondary residence (1/2)



normal residence



Summer house in Antalya





Household effects for furnishing a secondary residence (2/2)

No provision in Article 167 of Turkish Customs Law No. 4458

Technical studies are ongoing within the customs administration



Capital goods and other equipment imported on the transfer of activities from a third country to Turkey (1/3)

Relief includes;

the capital goods and other equipment belonging to undertakings which definitively cease their activity in a third country and move to the customs territory of Turkey in order to carry on a similar activity



Capital goods and other equipment imported on the transfer of activities from a third country to Turkey (2/3)

Conditions for relief

- except in special cases justified by the circumstances, have actually been used in the undertaking for a minimum of 12 months before the date on which the undertaking ceased to operate in the country from which it has transferred its activities
- are intended to be used for the same purposes after the transfer
- are appropriate to the nature and size of the undertaking in question



Capital goods and other equipment imported on the transfer of activities from a third country to Turkey (3/3)

Relief excludes;

- means of transport which are not of the nature of instruments of production or of the service industry, mobile laboratory
- supplies of all kinds intended for human consumption or animal feed
- fuel and stocks of raw materials or finished or semi-finished products
- livestock in the possession of dealers

Pharmaceutical products used at international sports events

Pharmaceutical products for human or veterinary medical use by persons or animals coming from third countries to participate in international sports events organized in the Customs Territory of Turkey within the limits necessary to meet their requirements throughout their stay in that territory are eligible for relief





THANK YOU FOR YOUR ATTENTION