

**GENERAL AGREEMENT ON  
TARIFFS AND TRADE**

RESTRICTED

VAL/1/Add.1/Suppl.2\*

24 February 1981

Special Distribution

---

Committee on Customs Valuation

INFORMATION ON IMPLEMENTATION AND ADMINISTRATION OF THE AGREEMENT

Supplement

LEGISLATION OF THE UNITED STATES

United States Implementing Legislation for the Protocol to the

Agreement on Customs Valuation

---

\*English only

# Ninety-sixth Congress of the United States of America

## AT THE SECOND SESSION

*Begun and held at the City of Washington on Thursday, the third day of January,  
one thousand nine hundred and eighty*

### An Act

To approve and implement the protocol to the trade agreement relating to customs valuation, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. APPROVAL OF PROTOCOL TO THE TRADE AGREEMENT RELATING TO CUSTOMS VALUATION.

(a) APPROVAL OF PROTOCOL.—In accordance with the provisions of sections 102 and 151 of the Trade Act of 1974 (19 U.S.C. 2112 and 2191), the Congress approves—

- (1) the trade agreement entitled "Protocol to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade" (hereinafter in this Act referred to as the "Protocol") submitted to the Congress on August 1, 1980, and;
- (2) the statement of administrative action proposed to implement such trade agreement submitted to the Congress on that date.

(b) ACCEPTANCE OF PROTOCOL BY THE PRESIDENT.—

(1) IN GENERAL.—Subject to paragraph (2), the President may accept the Protocol for the United States.

(2) LIMITATION ON ACCEPTANCE OF PROTOCOL.—Paragraph (3) of section 2(b) of the Trade Agreements Act of 1979 (19 U.S.C. 2503(b)(3)) (relating to the limitation on acceptance of trade agreements concerning major industrial countries) applies to the Protocol and for such purpose the Protocol shall be treated as a trade agreement that is referred to in such paragraph (3).

(c) APPLICATION OF PROTOCOL.—Paragraph (2) of section 2(b) of such Act of 1979 (19 U.S.C. 2503(b)(2)) (relating to the application of agreements between the United States and other countries) applies to the Protocol and for such purpose the Protocol shall be treated as a trade agreement that is accepted by the President under paragraph (1) of such section 2(b).

(d) RELATIONSHIP OF PROTOCOL TO UNITED STATES LAW.—Subsections (a), (b), (c), and (f) of section 3 of such Act of 1979 (19 U.S.C. 2504 (a), (b), (c), and (f)) (relating to the priority of domestic law in case of conflict, implementing regulations, statutory changes to implement agreement amendments, and disclaimer regarding the creation of any private right of action or remedy) apply to the Protocol and for such purpose the Protocol shall be treated as a trade agreement approved by the Congress under section 2(a) of such Act of 1979.

#### SEC. 2. CONSEQUENTIAL AMENDMENT TO UNITED STATES LAW RELATING TO CUSTOMS VALUATION.

Effective on the latest of—

- (1) the date on which the amendments made by title II of the Trade Agreements Act of 1979 (except the amendments made by section 223(b)) take effect,

(2) the date on which the President accepts the Protocol for the United States, or

(3) the date on which the President determines that the European Economic Community has implemented the Protocol under its laws,

and effective with respect to merchandise exported to the United States on or after that date, section 402 of the Tariff Act of 1930 (19 U.S.C. 1401a), as amended by section 201 of such title II, is further amended by striking out subparagraph (B) of subsection (b)(2) and inserting in lieu thereof the following:

“(B) The transaction value between a related buyer and seller is acceptable for the purposes of this subsection if an examination of the circumstances of the sale of the imported merchandise indicates that the relationship between such buyer and seller did not influence the price actually paid or payable; or if the transaction value of the imported merchandise closely approximates—

“(i) the transaction value of identical merchandise, or of similar merchandise, in sales to unrelated buyers in the United States; or

“(ii) the deductive value or computed value for identical merchandise or similar merchandise;

but only if each value referred to in clause (i) or (ii) that is used for comparison relates to merchandise that was exported to the United States at or about the same time as the imported merchandise.”.