

## CHAPTER 71

## PORT AND SERVICE TAX

*Acts Nos. 5 of 1940, 10 of 1944, 5 of 1946, 10 of 1950, 9 of 1954, 17 of 1985, G. 281/75, G. 35/76, G. 61/76, G. 105/80, G. 141/82, G.S. 4/83, G. 31/84, G. 133/85, G.S. 3/86, G. 11/87, G. 63/87, G.S. 17/88.*

## AN ACT TO IMPOSE A PORT AND SERVICE TAX

[16th August, 1940]

1. This Act may be cited for all purposes as the Port and Service Tax Act. Short title.

2. (1) In addition to any customs dues under any law now in force or that hereafter may be in force in the Kingdom there shall be levied, collected and paid on all goods imported into the Kingdom of whatsoever description whether dutiable or free of duty a Port and Service Tax at the rate of 17.5 per centum on the value of such goods. *(Amended by G. 133/85.)* Imposition of port and service tax on imports.

(2) For the purposes of this section the value of goods shall be deemed to be the value as ascertained in accordance with the Customs and Excise Act as if all goods were subject to duty *ad valorem*.

(3) The tax imposed by subsection (1) of this section shall be payable at the time and place where customs dues are payable or where customs dues would have been payable if the goods were not free of duty. *(Inserted by Act 17 of 1985.)*

(4) When any goods upon which the tax imposed by subsection (1) of this section has been paid are exported and drawback of Customs duty is allowed on such goods under the provisions of the Customs and Excise Act or of any regulations made thereunder there shall be allowed on such goods in addition to the drawback of Customs duty aforesaid a refund of the full amount of the tax paid on such goods under subsection (1) of this section.

3. (1) The goods specified in the Schedule to this Act shall be exempt from tax under this Act. Exemption.

(2) It shall be lawful for His Majesty in Council from time to time by proclamation published in the Gazette to vary, alter or add to the said Schedule and to revoke the said Schedule in whole or in part.

## SCHEDULE

(Substituted by G. 61/76 and amended as shown)

Articles imported as the property of or for the use of the reigning Monarch.

Articles or goods imported for objects of a general public character or for the establishment of an enterprise considered to be of national economic importance, if approved by His Majesty in Council (*Added by G. 4/87.*)

Books, publications and documents listed in Annex A to the Agreement (approved by the General Conference of the United Nations Education, Scientific and Cultural Organisation at Florence in June, 1950) on the importation of educational, scientific and cultural materials which are the products of a Contracting State to the said Agreement, subject to any conditions laid down in the said Annex.

Boxes, bags and other containers for export of local produce. (*Added by G.S. 4/83.*)

Church bells. (*Added by G.S. 17/88.*)

Coin and Government Notes.

Educational, Scientific and cultural materials listed in any of Annex B, C, D, and E to the Agreement referred to above which are the products of a Contracting State to such Agreement subjects to any conditions laid down in the said Annexes.

Fertilizer, natural and manufactured.

Films for cinematographs, when imported on a hire basis.

Grave Stones and such similar memorials to a deceased person.

Goods donated to the Red Cross Society and certified by the person for the time being in charge that they are free for distribution. (*Added by G.S. 4/83.*)

Goods imported as charitable gifts, admitted as such by the Collector of Customs, by any organisation approved by the Controller of Customs and certified by the head of such organisation that such goods are for free distribution. (*Added by G. 141/82.*)

Goods imported by accredited Diplomatic Representatives to the Kingdom for official or personal use.

Goods imported for the use of the Government.

Goods and articles imported under an agreement of technical assistance or bilateral aid entered into by the Government of Tonga.

Goods shipped for delivery at a place outside the Kingdom and entered for transshipment for that place.

Household effects which have been in use for 12 months prior to embarkation by the person or family bringing them to the Kingdom and which are not intended for sale or the use of any other person or persons not exceeding \$200 in value for each adult passenger and \$100 for each child provided the total value of household effects so imported does not exceed \$600 for the members of one family, if imported within 6 months of the arrival in the Kingdom of the persons or families by whom they have been used.

Household and personal effects and equipment (including a motor-vehicle) of any person (hereinafter called the officer) and his family first arriving in the Kingdom to take up an appointment with the Government under technical assistance or other arrangements if such household and personal effects and equipment are imported within 6 months of the date of appointment of the officer:

Provided that in the event of the officer selling or otherwise disposing of the motor vehicle within the Kingdom, the Port and Service Tax as assessed at the time of import will be payable. (*Amended by G.S. 3/86.*)

Insecticides, pesticides and fungicides, for use in agriculture.

Medals and decorations to be worn by persons in the Kingdom.

Machinery and implements, agricultural, including hand tools and timber milling machinery.

Machinery, plant and equipment imported exclusively for public lighting and power purposes.

Newspaper and periodicals, imported for reading.

Personal luggage which may from time to time be admitted free of Customs

Duty under any law in force.

Seeds, garden.

Ship's ballast.

Stock feed. (*Added by G. 63/87.*)