

dist of Rates of GST on Goods

Custom tariff used

Broad outline of the Tariff

It is of primary importance to understand the structure of the Tariff, and the nomenclature used for various parts of the same, in order to begin classification of any relevant item, which is as set out below:

- (a) Section
- (b) Chapters, and sub-chapters
- (c) Headings and Sub-Headings

Examples within Chapter 20 would be as follows:

Tariff Item	Description of Goods	Unit	Rate of Duty (Standard)	Rate of Duty (Preferential)
2008	Fruit, nuts and other edible parts of plants, otherwise prepared or pre-served, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included			
	- Nuts, groundnuts and other seeds, whether or not mixed together			
2008 11 00	-- Ground nuts	Kg.	30%	--
2008 19	- Others, including mixtures			
2008 19 10	--- Cashew nut, roasted, salted or roasted and salted	g.	45%	--
2008 19 20	--- Other roasted nuts and seeds	g.	30%	--

Heading	Sub-heading	Tariff Item	Unit	Rate of duty
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- ❖ **Rule 1 – General Rule of Classification:** The titles of sections, chapters and sub-chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative section or chapter notes and provided such headings or notes do not otherwise require, according to the subsequent rules [i.e. rule 2 to 6].

❖ **Rule 2(a) Classification of Incomplete/Unfinished Articles**

- (i) Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented; the incomplete or unfinished article has the essential character of the complete or finished article.
- (ii) It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this rule), presented unassembled or dis-assembled.



❖ **Rule 2(b) – Classification of Mixtures/Combinations of a Material/Substance with Other Materials/Substances**

- (i) Any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances.
- (ii) Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance.
- (iii) The classification of goods consisting of more than one material or substance shall be according to the principles of Rule 3.

checked as follows.

Rule 3(a) – Specific over general

- (i) The heading which provides the most specific description shall be preferred to headings providing a more general description.
- (ii) However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods.

Rule 3(b) – Essential character principle: Mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified with reference to (a), shall be classified as if they consisted of material which gives them their essential character, in so far as this criterion is applicable.

Rule 3(c) – Latter the better: When goods cannot be classified by reference to (a) or (b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.

Rule 4 – Akin Rule: Goods which cannot be classified in accordance with the above rules shall be classified under the heading appropriate to the goods to which they are most akin.

❖ **Rule 5:** In addition to the foregoing provisions, the following rules shall apply in respect of goods referred to therein:

(a) Classification of cases/containers used for packaging of goods:

Camera cases, musical instrument cases, gun cases, drawing instrument cases, necklace cases and similar containers shall be classified with a specific article or a set of articles when of a kind normally sold therewith.

Conditions to be fulfilled:-

- (i) These cases/containers are specially shaped or fitted to contain a specific article or a set of articles.
- (ii) These cases/containers are suitable for long term use and presented with the articles for which they are intended.

This rule does not, however, apply to containers which give the whole its essential character.

(b) Classification of packing materials and packing containers: Subject to the provisions of (a) above, packing materials and packing containers presented with the goods therein shall be classified with

the goods, if they are of a kind normally used for packing such goods.

However, **this provision does not apply** when such packing material or packing containers are clearly suitable for repetitive use.

