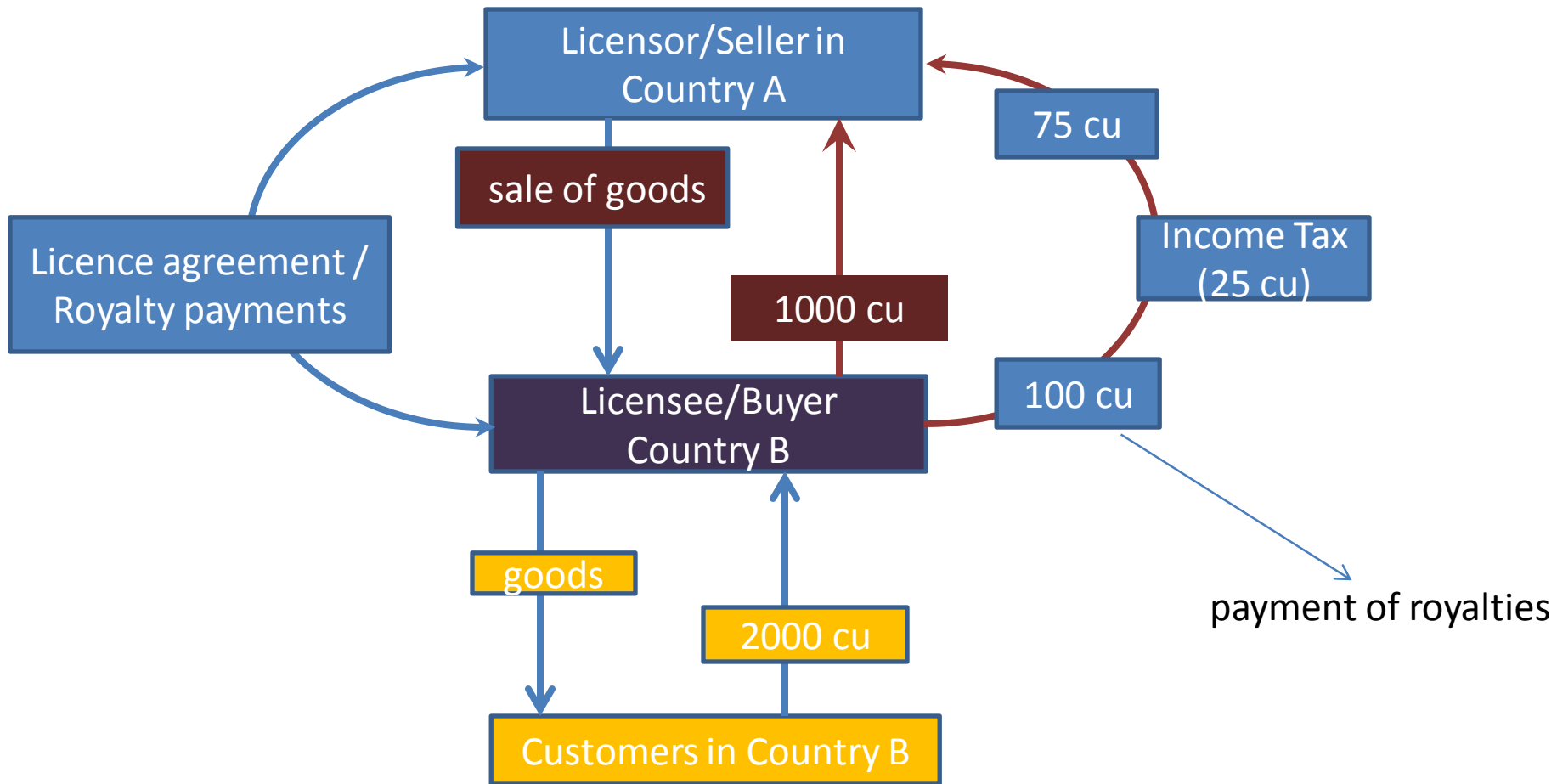


Royalties and licence fees under Article 8.1(c) of the Agreement

Treatment of withholding tax applied on royalties in the country of importation

Treatment of withholding tax applied on royalties in the country of importation



Treatment of withholding tax applied on royalties in the country of importation

- Royalties payable contracted as a condition of the sale , is related to the imported goods and not included in the PaPP.
- This tax is not the one of the type referred to in paragraph 3 of the Interpretative Note to Article 1 of the Agreement.
- Question? Is the withholding tax paid part of the royalties payable to the licensor?

Treatment of withholding tax applied on royalties in the country of importation

Question

- Is the withholding tax paid to the tax authorities part of the Customs value under Article 8.1(c)?