

**Transportation and Associated Costs**  
**Paragraph 8(e)(i) of the schedule to the Customs Act**

This procedure outlines the treatment of transportation and associated costs in determining the value for duty under the Customs Act.

**Guidelines and General Information**

General description

1. Transportation and associated costs related to the transportation of imported goods in the country of export from which the goods are shipped directly to Jamaica are to be included in the value for duty (see Paragraph 8(e)(i)(ii) of the schedule to the Customs Act). Costs related to the movement or shipment of the goods from the port of export must be included in the value for duty.

Definition

2. Transportation and associated cost comprise:
  - a. The cost of transportation (this charge will normally include freight charges directly associated with the movement of goods, i.e. the cost of moving goods by rail, truck or any other mode of transport)
  - b. Loading, unloading and handling charges (this category may include, in addition to the obvious charges, freight forwarders' fees and container freight station charges):
  - c. Other charges and expenses associated with transportation (this category includes general transportation costs such as export documentation fees, weight and measurement certificates, demurrage, warehousing fees at the port of shipment, fumigation fees

etc.); and

- d. The cost of insurance relating to transportation (this category specifically relates to the cost of insurance covering loss or damage in transport both in the country of exportation and to the Jamaica if any)

### Treatment of Transportation and Associated Costs

3. Transportation and associated costs in the determination of value for duty under each method of valuation. The treatment of these costs under each method is summarized below.

### Paragraph 3 of the Schedule to the Customs Act - Transaction Value

4. Under Paragraph 8(e), Transaction and associated costs arising in respect of the goods being appraised prior to, at the place/port of shipment and from the place/port of shipment are to be added to the price paid or payable for the goods, if not already included in determining the transaction value/customs value of the goods.

### Paragraph 4 and 5 of the Schedule to the Customs Act - Transaction Value of Identical and Similar Goods

5.
  - a. Under these Paragraphs, the value for duty is determined on the basis of the transaction value of identical and similar goods respectively. As the transaction value of these goods is determined under Paragraph 3 of the schedule to the Customs Act, with the adjustments described in Paragraph 8 or 9 if necessary, will have been made.

- b. However, there is also provision made in Paragraph 4(3) for an adjustment to the transaction value of identical or similar goods to account for differences in distances and modes of transportation and associated costs arising in respect of the identical or similar goods and the costs arising in respect of the goods being valued.
  
- c. In order to make the adjustment, it is necessary, first to identify the transportation and associated costs relating to the goods being valued.

Paragraph 6 of the Schedule to the Customs Act

- 6. Under Paragraph 6(2)(b) of the schedule to the Customs Act, in order to determine the deductive value, transportation and associated costs incurred within the island after importation are to be deducted from the price per unit.

Paragraph 2(5) of the Schedule to the Customs Act

- 7. When applying Paragraph 2(5) of the schedule to the Customs Act, transportation and associated costs incurred to the port of shipment and from the port of shipment to Jamaica must be included in the value for duty purposes.