



## DIRECÇÃO GERAL DAS ALFÂNDEGAS



*“Seja um cidadão, seja um novo héroi para a nossa Nação”*

### PUBLIC NOTICE - CUSTOMS ADVICE

ORIGINATING OFFICE: Director General of Customs

DGC Notice No 338

DATE: 29 - 6 - 2015

**Subject: - “Instruction for Entry of Partially Dismantled Motor-Vehicles”**

#### **Purpose:**

To advise to the community how to classify properly the partially dismantled motor vehicles for recycle companies engaging in sale of spare parts that fulfill with requirements established by customs.

Customs has prepared this instruction to allow Recycle Companies to import partially dismantled vehicles with full confidence to comply with law.

#### **Introduction**

Motor Vehicles (other than railway or tramway rolling-stock) are provided for in Chapter 87. Many of the parts and accessories for such vehicles are also classifiable in Chapter 87, but there are many exceptions. Knowing which tariff classification applies to a given article is not as easy as one might think.

The goal of this instruction is to explain in simple layman’s language how such vehicles and their parts and accessories are classified so that importers, exporters, customs brokers and Customs officers will know how to classify them correctly.

Before getting into specifics, however, a clarification of what constitutes a “vehicle” would appear to be in order. The term “vehicle” is derived from the Latin word “*vehiculum*.” It means a carriage or conveyance. The type of vehicles which go in Chapter 87 are, for the most part, those

whose main function is to transport people or things from one place to another (three exceptions: tractors, special purpose motor vehicles and armored fighting vehicles).

For those concerned with things “automotive,” the principal headings of interest are 8701-8708. Heading 8703 covers vehicles for transporting people, like cars. Heading 8704 covers vehicles for transporting goods. Heading 8705 covers special purpose motor vehicles **other than those principally designed for the transport of persons or goods** (e.g. garbage trucks, even those with compactors, would go in 8704 if their principal function is to transport trash).

Heading 8708 reads “Parts and accessories of the motor vehicles of headings 8701 to 8705,” it does not cover all such parts.

In order for motor vehicle parts or accessories to be classifiable under heading 8708, they must be identifiable as being suitable for use solely or principally with motor vehicles.

In Timor-Leste, some companies import motor vehicles cut in two parts partially dismantled along with spare parts with the sole purpose to sell to the public spare parts.

### **Authority**

The above motor vehicles cannot be used for the transport of persons or goods due to the way how are presented to customs. It is therefore that they can be classified under heading 8708 that reads: “***Parts and accessories of the motor vehicles of headings 8701 to 8705***” as long as the importer follows the below process.

### **The Process.**

### **Company’s responsibilities**

The recycle companies have to submit (Form A1 attached) an application for one-time to the National Directorate of Compliance requesting for a verification of their facilities for to ascertain that the main activity is to sell spare parts to the public.

The application will include:

1. Name of the company, and
2. Direction of the company

Attached to the application the importer must provide the following documents:

- a) Business licenses in must be specify that the main activity of the company is to sell spare parts to the public, and
- b) Inside and outside photographs of the facilities.

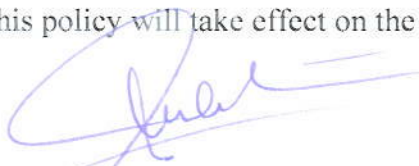
### **Customs's responsibilities**

National Directorate of Compliance will undertake a verification visit (Form A2 attached)

- a) of the facilities in order to ensure that the main activity of the company is to sell spare parts to the public
- b) Take pictures of the company.
- c) To make sure that the company has an inventory control of the goods;
- d) Make an inspection report, and
- e) If it is demonstrated that the trader meets with the requirements established by Customs to, National Director of Compliance will be issued a letter in which the trader will be certificated as a Recycle Company.

### **OPERATIONAL APPLICATION**

This policy will take effect on the 1 July 2015.



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Director General of Customs