

Memorandum for Cabinet by the Minister of Finance, Customs and Port

Drawback Regulations on locally assembled vehicles purchased by  
Members of Diplomatic Missions

In terms of the Diplomatic Immunities and Privileges Act, 1966, members of diplomatic missions are entitled to the importation free of duty of one vehicle but, in the absence of enabling regulations, they cannot avail themselves of this concession of exemption from duty when they purchase a car from the local assembly plant because of the operation of Section 21 of the Import Duties Act, 1964. This Section precludes the refund of duty paid on any goods released for use or consumption in these Islands save by regulations issued expressly for the purpose. Locally assembled cars have duty paid on them at time of their entry in a knocked down condition.

It will be appreciated that it is desirable from all aspects to encourage the sales of the local plant and, therefore, obstacles in the way of the plant's sales potential should be removed. The attached Regulations authorise the refund of duty paid to importers thus putting the locally assembled product on equal ground with the imported one.

Honourable Members are invited to advise His Excellency to issue the attached Drawback Regulations which have been vetted by Crown Counsel.

5th September, 1967.

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