sideration of the comments received, it is desirable to revise the notice of proposed amendment with respect to § 19.03(a). Such notice will appear in a subsequent issue of the FEDERAL REGISTER.

Effective date. The amendments of §§ 19.02 and 19.04(a) shall become effective on February 26, 1973.

(Sec. 8a as added and amended, 49 Stat. 1500; 82 Stat. 32, 33; 7 U.S.C. 12a)

NOTE: The reporting requirements contained herein have been approved by the Office of Management and Budget in accord with the Federal Reports Act of 1942 (44 U.S.C. Ch. 12).

Issued January 18, 1973.

RICHARD E. LYNG,
Assistant Secretary.

§ 19.02 Merchants, processors, and dealers in cotton and cotton products.

(a) *Details of cotton position.* Merchants, processors, and dealers in cotton and cotton products or byproducts shall include the following information in each report:

(1) The quantity of open fixed-price spot positions (long and short) in cotton and cotton products, including open fixed-price purchase commitments of raw cotton, stocks of raw cotton on hand (owned and at fixed prices), cotton in process of manufacture, and finished products; and unfilled fixed-price sale commitments of raw cotton and of finished products;

(2) The quantity of call cotton bought or sold on which the price has not been fixed, together with the respective futures on which based. As used herein, call cotton refers to spot cotton bought or sold, or contracted for purchase or sale, at a price to be fixed later based upon a specified future; and

(3) The quantity of certificated cotton owned.

(b) *Standards and conversion factors.* Every such merchant, processor, or dealer, in computing his spot position, shall use such standards and conversion factors with respect to cotton products or byproducts as are usual in the cotton trade. If it is the regular business practice of such merchant, processor, or dealer to exclude certain products or byproducts in determining his spot position for hedging (as defined in section 4a of the Act), the same shall be excluded in the report. Such merchant, processor, or deáler shall furnish to the Commodity Exchange Authority upon request detailed information concerning the kind and quantity of each product or byproduct so excluded.

§ 19.04 Merchants, processors, and dealers in potatoes and potato products.

(a) *Details of cash (spot) potato position.* Merchants, processors, and dealers in potatoes and potato products shall show in each report the amount of:

(1) Potatoes being raised or expected to be raised by such persons in the ensuing 12 months, including the potato acreage in each State;

(2) Stocks of potatoes owned;

(3) Open fixed-price purchase commitments of potatoes;

(4) Unfilled fixed-price sales commitments of potatoes; and

(5) Stocks of potato products owned or potatoes in process of manufacture, open fixed-price purchase commitments, and unfilled fixed-price sales commitments of potato products, identified as to kind of product.

[FR Doc.73-1535 Filed 1-24-73;8:45 am]

Chapter II—Securities and Exchange Commission

[Release Nos. 33-5354, 34-9944, AS-138]

PART 211—INTERPRETATIVE RELEASES RELATING TO ACCOUNTING MATTERS (ACCOUNTING SERIES RELEASES)

PART 239—FORMS, SECURITIES ACT OF 1933

PART 249—FORMS, SECURITIES EXCHANGE ACT OF 1934

Disclosure of Unusual Charges and Credits to Income

The Securities and Exchange Commission today adopted amendments to its registration and reporting forms to require more detailed and timely reporting, and timely review by independent accountants of extraordinary or material unusual charges and credits to income or material provisions for losses effected by registrants. Proposals to amend these forms, as well as forms 7-Q (17 CFR 249.-307a) and 10-Q (17 CFR 249.308a), for these purposes were published for comment in Securities Act Release No. 5313 (Securities Exchange Act Release No. 9801) [37 FR 21445] on October 2, 1972. Form 8-K (17 CFR 249.308) is the form for reporting certain specified material events and transactions pursuant to Sections 13 and 15(d) of the Securities Exchange Act of 1934 (Exchange Act); Forms 10-K (17 CFR 249.310) and 12-K (17 CFR 249.312) are the forms for annual reports pursuant to those sections of the Exchange Act; Forms S-1 (17 CFR 239.11), S-7 (17 CFR 239.26), S-8 (17 CFR 239.16b), S-9 (17 CFR 239.22), and S-11 (17 CFR 239.18) are forms for registration of securities pursuant to the Securities Act of 1933; and forms 10 (17 CFR 249.210) and 12 (17 CFR 249.212) are forms for registration of securities pursuant to the Exchange Act.

The Commission noted when it proposed amendments to these forms that it had observed an increasing number of large charges to income which often appeared without warning and were not generally understood by investors. The Commission is concerned that this trend seems to have accelerated in recent months. While many of such charges result from an identifiable event, many also appear to be made on the basis of a discretionary decision to dispose of marginal facilities or operations or to write off deferred development or excess production costs. In the latter situations, where facilities or operations gradually deteriorate or the outlook for a contract or program gradually worsens to the point where a writeoff is deemed necessary, registrants have an obligation to forewarn public investors of the deteriorating conditions which unless reversed may result in a subsequent writeoff. This includes an obligation to provide information regarding the magnitude of exposure to loss.

The Commission, therefore, reiterates its view that registrants should make special efforts to recognize incipient problems that might lead to such charges and to identify them clearly at the earliest possible time in financial statements and other forms of public disclosure, including public reports filed with the Commission, so that public investors may recognize the risks involved. In this connection, registrants should consider disclosure of the investment involved in divisions operating at a loss; the undepreciated cost of plant and equipment currently considered to be obsolete or of marginal utility; the extent of deferred research and development costs incurred in connection with products whose success is not reasonably assured; and other similar items where significant uncertainties exist as to realization.

The Commission has previously urged more comprehensive disclosure of progress and problems encountered in defense and other long-term contracts which may also give rise to major charges against income (Securities Act Release No. 5263 dated June 22, 1972) (37 FR 21464) and has urged greater diligence in the release of quarterly and other interim reports of operations (Securities Exchange Act Release No. 9559 dated April 5, 1972) (37 FR 21465).

In addition to disclosure of incipient problems, the Commission believes that substantial additional disclosure in regard to extraordinary items and material unusual charges and credits to income or major provisions for loss is necessary to enable public investors to assess the impact of such items. This would include transactions that are classified as extraordinary items under generally accepted accounting principles and other unusual or nonrecurring material transactions or provisions for loss, such as (but not restricted to) material write downs of inventories, receivables, or deferred research and development costs, provisions for loss on major long-term contracts or purchase commitments, and losses on disposition of assets or business segments. The release of October 2 (33-5313 and 34-9801) contained proposals for such disclosure. The comments received on these proposals have been given careful consideration in determining the amendments to adopt.

The Commission has determined not to adopt the proposed amendment calling for pro forma statements to reflect allocation of charges and credits to prior years since, on the basis of comments received, it concluded that the proposed pro forma disclosure might leave the improper implication that past historical statements were in error as well as imposing substantial clerical burdens on registrants. The amendments adopted herein call for disclosure of the years in which the costs being included in the charge were or are expected to be incurred and the amount of cost in each year by major category of cost.

The Commission has further determined not to adopt the proposed amendments to Forms 7–Q and 10–Q and other related amendments which would have required an estimate of losses by quarters and a subsequent quarterly reconciliation of reserves provided. Comments indicated that quarterly estimates and reconciliations would be difficult to make within acceptable limits of accuracy, would not supply significant data for investors, and would impose a clerical burden on registrants. The amendments adopted herein require an estimate of losses by year and a subsequent annual explanation of differences between estimated and actual amounts and a reconciliation of any reserve provided.

In addition, the Commission has determined to omit the definition of "material" contained in the proposed note to item 10(a) of Form 8–K. Comments indicated that a definition which relates materiality to a criterion based on separate reporting of an item to stockholders might have the effect of discouraging such disclosure rather than improving the quality thereof. Materiality, therefore, must be considered within the context of the definition contained in Rule 1–02 of Regulation S–X (17 CFR 210.1–02).

Commission action. The Commission has amended certain items and instructions of various sections of Parts 239 and 249 of Chapter II of Title 17 of the Code of Federal Regulations, and as so amended they read as follows:

A. *Form 8–K* (17 CFR 249.308).

I. The caption of item 10 and paragraph (a) have been amended as follows:

ITEM 10—EXTRAORDINARY ITEM CHARGES AND CREDITS, OTHER MATERIAL CHARGES AND CREDITS TO INCOME OF AN UNUSUAL NATURE, MATERIAL PROVISIONS FOR LOSS, AND RESTATEMENTS OF CAPITAL SHARE ACCOUNT

(a) If there have been any extraordinary item charges or credits, any other material charges or credits to income of an unusual nature, or any material provisions for loss, the following shall be furnished for each such charge, credit, or provision:

(1) The date of the registrant's determination to make the charge, credit, or provision;

(2) A statement of the reasons for making the charge, credit, or provision;

(3) An analysis of the components (in dollar amounts) of the charge, credit, or provision, which includes

(i) A description of the various types of items written down or off;

(ii) A description of any provision for losses on liquidation of assets or for other losses including a detailed schedule showing the components of any losses provided for, which schedule shows the amount of administrative and fixed costs, if any, allocated to the loss;

(iii) A description of any estimated recoveries or costs netted against the charge or credit;

(4) A statement setting forth the years in which costs being reflected in the charge (or net credit) being described were or are expected to be incurred and the amount of cost for each year by major category (e.g., fixed assets, research and development costs, operating losses);

(5) A statement setting forth the estimated amount of net cash outlays (or in-flows) associated with the charge (or credit) in the year the charge (or credit) is made and in each subsequent year in which such estimate of the cash amount differs from the amount of total costs stated in part (4) for that year;

(6) A description of the accounting principles or practices followed and any changes therein or in the methods of applying such principles or practices which was made in connection with the transaction; and

(7) A report from the registrant's independent accountants in which they state that they have read the description in the Form 8–K of the facts set forth therein and of the accounting principles applied and whether they believe that on the basis of the facts so set forth that such accounting principles are fairly applied in conformity with generally accepted accounting principles or, if not, the respects in which they believe the principles do not conform to generally accepted accounting principles.

II. The following new instruction 8 has been added under *Exhibits* of Form 8–K.

8. Reports from the independent accountants furnished pursuant to Item 10.

B. *Form 10–K* (17 CFR 249.310).

A new instruction (6) has been added to the instructions to item 2, Summary of Operations, as follows:

(6) For any event subsequent to January 31, 1973, which was required to be reported pursuant to item 10(a) of Form 8–K in which an amount of cost was estimated to be incurred in the fiscal year being reported on or the prior fiscal year, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided.

C. *Form 12–K* (17 CFR 249.312).

A new instruction 6 has been added to the instructions as to exhibits, as follows:

6. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8–K in which an amount of cost was estimated to be incurred in the fiscal year being reported on or the prior fiscal year, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided.

D. *Form S–1* [17 CFR 239.11]

A new instruction 7 has been added to Item 6, Summary of Earnings, as follows:

7. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8–K in which an amount of cost was estimated to be applicable to any of the fiscal years being reported on, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided. If the issuer was not a registrant prior to the filing of this registration statement, this instruction shall apply to any transaction subsequent to January 31, 1973, which would have been required to be reported pursuant to Item 10 (a) of Form 8–K had the issuer been a registrant and in which an amount of cost was estimated to be applicable to the fiscal years being reported on.

E. *Form S–7* [17 CFR 239.26]

Instruction 8 of Item 6, State of Income, has been changed to number 9 and a new instruction 8 has been added, as follows:

8. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8–K in which an amount of cost was estimated to be applicable to any of the fiscal years being reported on, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided.

F. *Form S–8* [17 CFR 239.16b]

Instruction 4 of Item 19, Summary of Earnings, has been changed to number 5 and a new instruction 4 has been added, as follows:

4. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8–K in which an amount of cost was estimated to be applicable to any of the fiscal years being reported on, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided.

G. *Form S–9* [17 CFR 239.22]

Instruction 6 to part (a) of Item 3, Statements of Income, has been changed to number 7 and a new instruction 6 has been added, as follows:

6. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8–K in which an amount of cost was estimated to be applicable to any of the fiscal years being reported on, summarized such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided.

H. *Form S–11* [17 CFR 239.18]

A new instruction 7 has been added to part (a) of Item 6, *Summary Financial Data*, as follows:

7. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8–K in which an amount of cost was estimated to be applicable to any of the fiscal years being reported on, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided. If the issuer was not a registrant prior to the filing of this registration statement, this instruction shall apply to any transaction subsequent to January 31,

1973, which would have been required to be reported pursuant to Item 10(a) of Form 8-K had the issuer been a registrant and in which an amount of cost was estimated to be applicable to the fiscal years being reported on.

I. *Form 10* [17 CFR 249.210]

A new instruction 5 has been added to Item 2, Summary of Operations, as follows:

5. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8-K in which an amount of cost was estimated to be applicable to any of the fiscal years being reported on, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided. If the issuer was not a registrant prior to the filing of this registration statement, this instruction shall apply to any transaction subsequent to January 31, 1973, which would have been required to be reported pursuant to Item 10(a) of Form 8-K had the issuer been a registrant and in which an amount of cost was estimated to be applicable to the fiscal years being reported on.

J. *Form 12* [17 CFR 249.212]

A new instruction 9 has been added to the *Instructions as to Exhibits*, as follows:

9. For any event subsequent to January 31, 1973, which was required to be reported pursuant to Item 10(a) of Form 8-K in which an amount of cost was estimated to be applicable to any of the fiscal years being reported on, summarize such transaction and state the amounts of such estimated cost and the amounts of the actual cost incurred in such periods, the reasons for differences between estimated and actual amounts, if any, and provide a detailed reconciliation showing all charges and credits to any reserve provided. If the issuer was not a registrant prior to the filing of this registration statement, this instruction shall apply to any transaction subsequent to January 31, 1973, which would have been required to be reported pursuant to Item 10(a) of Form 8-K had the issuer been a registrant and in which an amount of cost was estimated to be applicable to the fiscal years being reported on.

The foregoing amendments are adopted pursuant to sections 6, 7, 8, 10, and 19(a) (15 U.S.C. 77f, 77g, 77h, 77j, and 77s) of the Securities Act of 1933 and sections 13, 15(d), and 23(a) (15 U.S.C. 78m, 78o, and 78w) of the Securities Exchange Act of 1934. The amendments shall be effective with respect to reports on Form 8-K and registration statements on Forms S-1, S-7, S-8, S-9, S-11, 10, and 12, and with respect to annual reports on Forms 10-K and 12-K filed on or after February 28, 1973.

By the Commission.

[SEAL] RONALD F. HUNT, *Secretary.*

JANUARY 12, 1973.

[FR Doc.73-1516 Filed 1-24-73;8:45 am]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 73-27]

PERSONAL DECLARATIONS AND EXEMPTIONS

Declaration and Entry of Articles

On August 10, 1972, a notice of proposed rule making pertaining to a revision of the customs regulations relating to personal declarations and exemptions (19 CFR 10.11-10.28, and 10.42), was published in the FEDERAL REGISTER (37 FR 16092). Interested persons were given 60 days in which to submit written comments, suggestions, or objections regarding the proposed revision. No comments were received.

Previously, on August 5, 1972, a notice of proposed rule making to amend Part 10 of the customs regulations regarding the privileges accorded personnel of foreign governments and international organizations in accordance with existing law and treaties, and set forth the authority to search their baggage (19 CFR 10.29-10.30b), was published in the FEDERAL REGISTER (37 FR 15872). Interested persons were given 30 days in which to submit written comments, suggestions, or objections regarding the proposed amendment. No comments were received.

The proposed amendments published August 5, 1972, relating to personnel of foreign governments and international organizations are being adopted as subpart I of Part 148, in order to treat matters relating to personal declarations and exemptions in one part of the Customs regulations. Changes in numbering and cross references, together with other conforming changes, have been made.

The following changes are made in the amendments as proposed:

1. Sections 148.2(d) and 148.8 are added to incorporate the ruling in T.D. 72-92 (37 FR 6769), permitting a person arriving in the United States who would otherwise be considered a returning resident to claim at his option the status of nonresident if he intends to remain in the United States for only a short period of time before returning abroad..

2. Reference to Part 23 is changed to show that the entire part is deleted, rather than §§ 23.4 and 23.5. Treasury Decision 72-211 (37 FR 16486) deleted all of Part 23, except for §§ 23.4 and 23.5.

Accordingly, new Part 148, and conforming changes in Parts 4, 6, 8, 9, 10, 11, 23, and 123 of the Customs Regulations, Chapter I, Title 19 of the Code of Federal Regulations, are hereby adopted as set forth below.

Effective date. This amendment shall become effective February 22, 1973.

[SEAL] EDWIN F. RAINS, *Acting Commissioner of Customs.*

Approved: January 15, 1973.

EUGENE T. ROSSIDES, *Assistant Secretary of the Treasury*

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADE

§ 4.2 [Amended]

In § 4.2, paragraph (c) is amended by substituting "Subpart B of Part 148" for "section 10.19."

§ 4.5 [Amended]

In § 4.5, the second sentence of paragraph (a) is amended by substituting "§ 148.72" for "§ 10.24."

§ 4.7a [Amended]

Section 4.7a is amended as follows:

In paragraph (b), subparagraph (3) is amended and a new subparagraph (4) is added as follows:

(3) For requirements concerning the preparation of Customs Forms 5123 and 5129, see Subpart G of Part 148 of this chapter.

(4) Any articles which are required to be manifested and are not manifested shall be subject to forfeiture and the master shall be subjected to a penalty equal to the value thereof, as provided in section 584, Tariff Act of 1930, as amended.

In paragraph (e), subparagraph (1) is amended to substitute "devolving" for "developing" in the text of the certification, and to add a new subparagraph (4) as follows:

(e) *Passenger List*—(1) The Passenger List shall be completed in accordance with § 4.50 and with the requirements of the Immigration and Naturalization Service, U.S. Department of Justice (8 CFR Part 231), and the following certification shall be placed on its last page:

I certify that Customs baggage declaration requirements have been made known to incoming passengers; that any required Customs baggage declarations have been or will simultaneously herewith be filed as required by law and regulation with the proper Customs officer; and that the responsibilities devolving upon this vessel in connection therewith, if any, have been or will be discharged as required by law or regulation before the proper Customs officer. I further certify that there are no steerage passengers on board this vessel (46 U.S.C. 151-163).

Master

(4) All baggage on board a vessel not accompanying a passenger and the marks or addresses thereof shall be listed on the last sheet of the passenger list under the caption "Unaccompanied baggage."

§ 4.30 [Amended]

In § 4.30, paragraph (a) is amended to include provision for vessels transiting the Panama Canal, as follows:

(a) Except as prescribed in paragraph (f), (g), or (k) of this section or in § 123.8 of this chapter and except in the case of a vessel exempt from entry or clearance under 19 U.S.C. 288 [55] no passengers,[56] cargo,[57] baggage,[57] or other article [58] shall be unladen from a vessel which arrives directly or indirectly from any port or place outside the Customs territory of the United States or from a vessel which transits the Panama Canal and no cargo, baggage, or other article shall be laden [59] on a vessel destined to a port or place outside the Customs territory of the United States if Customs supervision of such lading is required," until the district director shall have issued a permit or special license therefor on Customs Form 3171.

(R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 6—AIR COMMERCE REGULATIONS

§ 6.7 [Amended]

Section 6.7 is amended by deleting paragraph (g).

(R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 8—LIABILITY FOR DUTIES; ENTRY OF IMPORTED MERCHANDISE

§ 8.2 [Amended]

Section 8.2 is amended to correct the cross-references in the list of articles not liable to duty on subsequent importation as follows:

In (a) substitute "§ 148.31" for "§ 10.17 (a)" in the parenthetical matter.

In (b) substitute "§ 148.53" for "§ 10.15" in the parenthetical matter.

In (c) substitute "§ 148.32" for "§ 10.42" in the parenthetical matter.

§ 8.3 [Amended]

In § 8.3, paragraph (b) is amended by substituting "§ 148.51" for "§ 10.21(i)" in the parenthetical matter at the end thereof.

§ 8.15 [Amended]

In § 8.15, paragraph (c) (6) is amended to read:

(6) Aircraft, automobiles, and other vehicles, boats, horses, and the usual equipment of any of the foregoing, if taken abroad for noncommercial use and returned in accordance with the provisions of § 148.32 of this chapter.

Section 8.51a is amended to correct the cross-references and forms prescribed to read as follows:

§ 8.51a Entry of certain shipments of unconditionally or conditionally free merchandise.

A shipment not exceeding $250 in value which is (a) unconditionally free of duty and not subject to any quota or internal revenue tax, or (b) conditionally free and all conditions for free entry are met at the time of entry, may be released upon examination and identification by a Customs officer and the filing by the importer of Customs Form 7523, in duplicate, supported by evidence of the right to make entry: *Provided*, That thir procedure shall not be followed in the case of American goods returned for the entry of which Customs Form 3311 has been prescribed by § 10.1, or effects and tools of trade released under Customs Form 3299 without other entry in accordance with § 148.6 of this chapter.

(Sec. 498, 46 Stat. 728, as amended; 19 U.S.C. 1498; R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 9—IMPORTATIONS BY MAIL

§ 9.4 [Amended]

Section 9.4 is amended by substituting "section 148.6" for "§ 10.20" in the first sentence.

§ 9.11 [Amended]

In § 9.11, paragraph (a) is amended by deleting the last sentence thereof and substituting the following:

See §§ 8.45 and 22.27 of this chapter; and as to articles released from continuous Government custody for which return to Customs custody is appropriate prior to exportation, see §§ 10.8, 10.38, 22.33, and 148.37 of this chapter.

(R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

§§ 10.11–10.28; 10.42 [Deleted]

Part 10 is amended by deleting therefrom § 10.11 through § 10.30b together with the accompanying centerheads, § 10.42, and footnotes 9 through 33c appended thereto.

(R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 11—PACKING AND STAMPING; MARKING

The heading of Part 11 is amended as set forth above, and § 11.3 is amended to read as follows:

§ 11.3 Package and notice requirements for cigars and cigarettes; package requirements for cigarette papers and tubes.

Exemptions from tax on cigars, cigarettes, and cigarette papers and tubes apply in accordance with the regulations of the Bureau of Alcohol, Tobacco, and Firearms (26 CFR Part 275) upon release from Customs custody of such articles imported by consular officers and employees of foreign states. Cigars, cigarettes, cigarette papers, and tubes may also be released without payment of tax as provided in § 11.2a and for exhibition in accordance with Part 147 of this chapter. Additionally, cigars, cigarettes, or cigarette papers and tubes may be admitted free of duty and tax under the provisions of schedule 8, part 2A, Tariff Schedules of the United States (19 U.S.C. 1202), or section 321, Tariff Act of 1930, as amended (19 U.S.C. 1321), §§ 10.30c, 54.3, 148.63, 148.74, and subpart I of Part 148 of this chapter. Except in the foregoing instances and in any instance in which such articles are imported in passengers' baggage or are to be released under a mail entry for the personal consumption of the importer or for disposition as his bona fide gift, the provisions in Part 275 of the regulations of the Bureau of Alcohol, Tobacco, and Firearms (26 CFR Part 275) as to packages and notices thereon apply.

(R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 23—[DELETED]

Chapter I of Title 19 of the Code of Federal Regulations, is amended by deleting Part 23, Enforcement of Customs and Navigation Laws.

(R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 123—CUSTOMS RELATIONS WITH CANADA AND MEXICO

§ 123.52 [Amended]

In § 123.52, paragraph (a) is amended by substituting "§148.41" for "§ 10.18(d)" in the last sentence.

§ 123.62 [Amended]

Section 123.62 is amended by substituting "§ 123.3" for "§ 5.3" in the parenthetical matter at the end of the section.

(R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624)

PART 148—PERSONAL DECLARATIONS AND EXEMPTIONS

Chapter I of Title 19, Code of Federal Regulations, is amended by adding a new Part 148 to read as follows:

AUTHORITY: R.S. 251, as amended, secs. 498, 624, 46 Stat. 728, as amended, 759; 19 U.S.C. 66, 1498, 1624. The provisions of this part, except for Subpart C, are also issued under General Headnote 11, Tariff Schedules of the United States; 19 U.S.C. 1202. Additional authority and statutes interpreted or applied are cited in the text or following the section affected.

§ 148.0 Scope.

This part contains the regulations governing the allowance of exemptions for residents and nonresidents arriving in the United States, for crewmembers of carriers engaged in international traffic, for military and civilian employees of the United States, for certain evacuees, and for certain personnel of foreign governments and international organizations. Procedures and requirements are also set forth pertaining to registration of articles to be taken abroad, declaration and entry, and examination of baggage, and collection of duties and taxes.

Subpart A—General Provisions

§ 148.1 Registration of valuable effects to be taken abroad.

(a) *Persons who may use procedure.* Any person, except a nonresident seaman, airman, or person engaged in similar employment, who intends to take valuable effects of foreign origin abroad may register such articles before departure from the United States in order to facilitate their identification on return to the United States.

(b) *Procedure for registration.* Applicants for registration of valuable articles of foreign origin shall present the articles to a Customs officer together with a properly executed Customs Form 4457. After the Customs officer has examined the articles and verified their description, he shall sign the form and return it to the applicant for presentation on return of the articles. Customs Form 4455 may be required in any case in which Customs Form 4457 will not adequately serve the purpose of registration.

(c) *Presentation on return.* The form shall be presented to the Customs officer when the registered articles are returned to the United States.

§ 148.2 Residence status of arriving persons.

(a) *General.* Persons arriving from foreign countries shall be divided into two classes for Customs purposes:

(1) Residents of the United States returning from abroad, and

(2) All other persons, hereinafter referred to as nonresidents.

(b) *Status as returning resident.* Citizens of the United States, or persons who have formerly resided in the United States, shall be deemed residents thereof returning from abroad within the meaning of "residents" as used in schedule 8, part 2A, Tariff Schedules of the United States (19 U.S.C. 1202), in the absence of satisfactory evidence that they have established a home elsewhere. For this purpose, the residence of a wife shall be deemed to be that of her husband unless satisfactory evidence is presented that the wife has established a separate residence elsewhere. The residence of a minor child shall be presumed to be that of his parents.

(c) *Status as nonresident.* Any person arriving in the United States who is not a resident of the United States or who, though a resident of the United States, is not returning from abroad, shall be treated for the purpose of these regulations as a nonresident.

(d) *Optional claim of nonresident status.* Any person arriving in the United States who would otherwise be considered a returning resident, may claim at his option the status of a nonresident if he intends to remain in the United States for only a short period of time before returning abroad. If the status as a nonresident claimed by an arriving person is allowed, the procedures in § 148.8 shall be followed.

§ 148.3 Customs treatment after transiting the Panama Canal.

Passengers' baggage and effects and purchases of officers and crewmembers landed in the United States from vessels which have transited the Panama Canal are subject to Customs examination and treatment in the same manner as arrivals from a foreign country.

§ 148.4 Accompanying articles.

(a) *Generally.* Articles shall be considered as accompanying a passenger or brought in by him if the articles arrive on the same vessel, vehicle, or aircraft on the same date as that of his arrival in the United States.

(b) *Baggage shipped as freight.* Articles in baggage shipped as freight on a bill of lading or airway bill shall be considered as accompanying a passenger when the baggage arrives on the conveyance on which he arrives in the United States.

(c) *Precleared articles.* Articles in baggage, or in baggage shipped as freight, shall be considered as accompanying a passenger if examined at an established preclearance station and the baggage is hand-carried, checked or manifested on the conveyance on which he arrives in the United States.

(d) *Automobiles.* An automobile which arrives on the same mode of conveyance on the same date as a passenger arrives in the United States shall be considered as accompanying him.

(e) *Misdirected baggage.* Baggage which arrives on the same mode of conveyance ahead of, or after a passenger, shall be treated as accompanying him if it is fully evident to the examining officer from the circumstances that:

(1) The passenger intended the baggage to arrive with him; and

(2) It was misdirected through no fault of the passenger.

§ 148.5 Regular entry of articles in baggage.

Subject to any applicable exemption from entry requirements, articles imported as baggage but not passed under a baggage declaration or under the procedure provided in § 148.6 for unaccompanied shipments of effects subject to personal exemptions shall be entered in the same manner as a cargo importation of like goods. In making regular entry for articles imported in baggage, the value of articles entitled to free entry under item 810.20 or 813.10, Tariff Schedules of the United States (19 U.S.C. 1202), shall be disregarded in determining whether formal or informal entry is required.

§ 148.6 Entry of unaccompanied shipments of effects subject to personal exemptions.

(a) *Declaration to support free entry.* When effects claimed to be free of duty under items 810.20, 812.10, 812.20, 812.30, or 813.10, Tariff Schedules of the United States (19 U.S.C. 1202), do not accompany the importer on his arrival in the United States or are forwarded in bond, a declaration of the importer on Customs Form 3299 shall be required to support the claim for free entry. However, an oral declaration may be accepted in lieu of a written declaration on Customs Form 3299, for effects of a resident which are free of duty under item 810.20 for tools of trade taken abroad or under item 813.10 for personal and household effects taken abroad. Effects of returning residents entitled to free entry under item 810.20 or item 813.10 (except automobiles and other vehicles of residents returning from countries other than Canada or Mexico) need not be itemized if a written declaration is required.

(b) *Exemption from entry.* If the district director is satisfied that an entry would serve no good purpose, none need be required, but evidence of ownership for Customs purposes, such as a carrier's certificate or properly endorsed bill of lading, shall be required with the declaration. Such exemption from entry may also be applied with respect to household effects or tools of trade entitled to free entry (see §§ 148.52 and 148.53 respectively) which are unaccompanied or forwarded in bond.

§ 148.7 Unclaimed baggage.

Articles in passengers' baggage on which duties due are not paid and baggage not claimed within a reasonable time shall be treated as unclaimed and sent to general order.

§ 148.8 Temporary importation by residents arriving for short visits.

A person claiming the status of a nonresident upon arrival for a short visit in the United States before returning abroad may import articles free of duty under items 812.10, 812.20, 812.25, and 812.30, Tariff Schedules of the United States (19 U.S.C. 1202), in accordance with the following procedure:

(a) The person claiming the status shall agree to export all such articles upon his departure from the United States, except articles imported as gifts under item 812.25, and articles consumed during his visit;

(b) When required to do so, the person claiming the status shall list all articles of substantial value which he is importing on Customs Form 4455, in duplicate, noting thereon the expected duration of his visit. He shall present the completed form to the inspecting officer who will initial both copies and return the duplicate to him;

(c) Upon his departure from the United States at the completion of his visit, the person claiming the status of a nonresident shall present to a Customs officer the duplicate copy of Customs Form 4455, initialed by the inspecting officer, and the articles listed thereon shall be subject to inspection; and

(d) If he decides not to return abroad, the person claiming the status shall immediately notify the district director at the port of entry. The district director will advise him of the amount of duties and taxes due by reason of his failure to return abroad.

Subpart B—Declarations

§ 148.11 Declaration required.

All articles brought into the United States by any individual shall be declared to a Customs officer at the port of first arrival in the United States, on a conveyance en route to the United States on which a Customs officer is assigned for that purpose, or at a preclearance office in a foreign country where a United States Customs officer is stationed for that purpose.

§ 148.12 Oral declarations.

(a) *Generally.* Returning residents and nonresidents arriving in the United States may make an oral declaration under the conditions set forth in paragraph (b) of this section. However, written declarations may be required generally or in respect to particular types of traffic at any port if necessary to effect prompt and orderly clearance of passengers and their effects, and may be required in particular cases at any port if deemed necessary to protect the revenue. If an oral declaration is permitted, completion of the identifying information on Customs Form 6059-B may be required.

(b) *When permitted.* Oral declarations may be permitted under the following conditions:

(1) *Residents.* A returning resident may make an oral declaration if:

(i) The aggregate fair retail value in the country of acquisition of all accompanying articles acquired abroad by him and of the cost or value of alterations and dutiable repairs made abroad to personal and household effects taken out and brought back by him does not exceed $100, or $200 in the case of direct or indirect arrivals from American Samoa, Guam, and the Virgin Islands of the United States, if not more than $100 shall have been acquired elsewhere than in such insular possessions;

(ii) None of his accompanying articles are forwarded in bond; and

(iii) None of his accompanying articles are imported for the account of any other person or for sale.

(2) *Nonresidents.* An arriving nonresident may make an oral declaration if all the articles he has to declare are:

(i) Entitled to free entry under his personal exemptions (see Subpart E of this part); or

(ii) Eligible for the administrative exemption for articles not exceeding $10 in aggregate value, provided in section 321(a)(2)(B), Tariff Act of 1930, as amended (19 U.S.C. 1321(a)(2)(B)) (see § 148.51).

(c) *Memorandum baggage declaration for dutiable articles.* When an arriving person is carrying a few dutiable or taxable articles which can be readily identified and segregated from articles entitled to free entry under his personal exemptions, the Customs officer may prepare a memorandum baggage declaration using a cash receipt, Customs Form 5104, for dutiable or taxable articles if he determines that a written declaration by the arriving person is not essential.

§ 148.13 Written declarations.

(a) *When required.* Unless an oral declaration is accepted under § 148.12, the declaration required of a person arriving in the United States shall be in writing on Customs Form 6059-B.

(b) *Completion and presentation of written declarations.* The person arriving in the United States shall complete the information required by Customs Form 6059-B and shall list all articles acquired abroad which are in his possession at the time of arrival. Individual items not exceeding $5 per item in fair retail value in the country of acquisition may be grouped on the written declaration as "Miscellaneous" up to but not exceeding a total value of $50. Articles not requiring itemization as set forth in paragraph (c) of this section shall be declared orally to the Customs officer. The form shall be presented to the Customs officer who will inspect the passenger's baggage.

(c) *Itemization of certain articles not required.* Except as required by § 148.62 or § 148.66 for crewmembers' articles, the following need not be itemized in written declarations:

(1) Effects of a returning resident entitled to free entry under item 810.20, Tariff Shcedules of the United States (19 U.S.C. 1202), for tools of trade taken abroad, or under item 813.10, for personal or household effects taken abroad. However, automobiles and other vehicles of residents returning from countries other than Canada or Mexico and the cost of all repairs or alterations to articles taken abroad must be itemized.

(2) Effects of a nonresident entitled to free entry under item 812.10, Tariff Schedules of the United States (19 U.S.C. 1202), for wearing apparel and other similar personal effects; item 812.20, for tobacco products and alcoholic beverages; item 812.25, for articles to be disposed of as bona fide gifts; or item 812.40, for articles accompanying a person in transit to a place outside U.S. Customs territory.

(3) Books, libraries, furniture, and similar household effects entitled to free

entry under item 810.10, Tariff Schedules of the United States (19 U.S.C. 1202).

(d) *Value*. Opposite the description of each article required to be declared specifically in a written declaration the passenger shall state either:

(1) The price at retail actually paid for the article in the currency of purchase, or its equivalent in U.S. currency; or

(2) The fair retail value in the country of acquisition if the article was not acquired at retail or by purchase, in the currency of the country in which the article was acquired or in U.S. currency.

(e) *Acknowledgment before Customs officer*. Each written declaration shall be acknowledged by the declarant before the Customs officer who examines the baggage covered by the declaration.

§ 148.14 Family declarations.

A family group residing in one household, traveling together, and having the same residence status may be permitted to declare orally articles acquired abroad for the personal or household use of any member of the family if the value of such articles does not exceed the total amount of the exemption to which the family group is entitled. (See § 148.34.) Where a written declaration is required, one member of a family group may declare for all. Servants accompanying a family group shall not be included in the family declaration.

§ 148.15 Inclusion of articles not for personal or household use.

Articles not personal in character, or which are intended for sale or are brought in on commission for another person, may be included in the baggage declaration of a resident or nonresident under the conditions specified in § 148.23 (c). If not so included, regular entry shall be required.

§ 148.16 Amendment of declaration.

(a) *Before examination*. A passenger shall be permitted to add an article to his declaration if, before examination of his baggage has begun, the fact that the article has not been declared is brought to the attention of the examining officer by the passenger.

(b) *After examination is begun*. A passenger shall be permitted to add an article to his declaration after examination of his baggage has begun if, before any undeclared article is found, the passenger advises the examining officer that he has such an article and the officer is satisfied that there was no fraudulent intent. Under no circumstances shall a passenger be permitted to add any undeclared article to his declaration after such article has been discovered by the examining officer.

§ 148.17 Declaration on arrival incidental to further foreign travel.

(a) *Declaration on incidental arrival*. A resident who enters the United States merely as an incident of foreign travel and who will continue his foreign travel before finally returning to the United States from a continuous trip shall declare, but need not clear through Customs, any articles he has acquired or had repaired or altered while abroad. The incidental character of the arrival shall be made known to the Customs officer.

(b) *Treatment of articles on incidental arrival*. In order that a resident may claim the $100 or $200 exemption upon his final arrival in the United States from a continuous trip, articles accompanying him at the time of an incidental arrival may be exported directly from Customs custody or after transportation in bond, or the articles may be left in Customs custody if the resident upon his final return is to arrive at the Customs facility where the articles are deposited.

(c) *Failure to advise of incidental character of arrival*. If the traveler fails to advise the Customs officer of the incidental character of his arrival, or for other reason declares any articles for allowance of the $100 or $200 exemption, such declaration shall mark the beginning of the respective period or periods during which a further exemption cannot be granted.

§ 148.18 Failure to declare.

(a) *Penalty incurred*. Except as provided in paragraphs (b) and (c) of this section for the remission of the personal penalty and mitigation of the forfeiture in special circumstances, any article in the baggage of a passenger arriving from a foreign country which is not declared as required by this subpart shall be seized if it is available for seizure at the time the violation is detected, and the personal penalty prescribed by section 497, Tariff Act of 1930 (19 U.S.C. 1497) shall be demanded from the passenger. If the article is not seized, a claim for the personal penalty shall be made against the person who imported the article without declaration. No duty shall be collected, since undeclared articles are treated as smuggled.

(b) *Remission of penalty*. When an article not declared as required by this subpart is found in the baggage of a person arriving in the United States, the personal penalty incurred is hereby remitted pursuant to the authority of section 618, Tariff Act of 1930, as amended (19 U.S.C. 1618), provided it is satisfactorily established that:

(1) The article would have been free of duty and internal revenue tax if it had been properly declared;

(2) Its importation is not prohibited or restricted; and

(3) The failure to declare was not due to willful negligence or fraudulent intent.

(c) *Mitigation or remission of forfeiture incurred*. In any case in which the personal penalty for failure to declare is remitted in accordance with paragraph (b) of this section, the forfeiture incurred will be mitigated or remitted as follows:

(1) When the article would have been free of duty only because of the provisions of items 810.20, 812.10, 812.25, 812.30, 812.40, 813.10, 813.30, or 813.31, Tariff Schedules of the United States (19 U.S.C. 1202), or section 321(a)(2)(B), Tariff Act of 1930, as amended (19 U.S.C. 1321(a)(2)(B)), the forfeiture incurred is hereby mitigated pursuant to the authority of section 618, Tariff Act of 1930, as amended (19 U.S.C. 1618), to a sum equal to the duty and any internal revenue tax which would have accrued upon the article had it been imported for commercial purposes; or

(2) When the article would otherwise have been free of duty and internal revenue tax, the forfeiture incurred is hereby remitted pursuant to the same authority.

§ 148.19 False or fraudulent statement.

A passenger who makes any false or fraudulent statement or engages in other conduct within the purview of section 592, Tariff Act of 1930, as amended (19 U.S.C. 1592), whereby a Customs officer is or may be induced to pass an article free of duty or at less than the proper amount of duty, shall be deemed to have violated the said section 592. In any such case the article involved shall be seized, if it is available for seizure at the time the violation is detected and such seizure is otherwise practicable, unless the article is in the possession of an innocent holder for value who has full right to possession as against any party to the Customs violation. If the article is not available for seizure or is in the hands of such an innocent holder, or if seizure is impracticable, the domestic value of the article, determined in accordance with section 606, Tariff Act of 1930, as amended (19 U.S.C. 1606), shall be demanded from the passenger. Whether the article is seized or the domestic value thereof is demanded in lieu of seizure, the duty estimated to be due thereon shall be demanded of the passenger as soon as possible after the discovery of the violation. Any applicable internal revenue tax shall also be demanded unless the merchandise is to be, or has been, forfeited.

Subpart C—Examination of Baggage and Collection of Duties and Taxes

§ 148.21 Opening of baggage, compartments, or vehicles.

(a) *Customs officers not to open*. Customs officers shall not open baggage or other containers, nor unlock vehicles or compartments thereof for the purpose of examination, but shall detain them until the owner, his agent, or the person in charge of any baggage, container or vehicle opens or refuses to open them.

(b) *Refusal to open*—(1) *General*. If an owner, his agent, or the person in charge of any baggage, other container, or vehicle with a locked compartment refuses to open it, the baggage, container, or vehicle shall be treated as unclaimed.

(2) *On arrival from Canada or Mexico*. If the owner, his agent, or the person in charge of any baggage, container, or vehicle arriving from Canada or Mexico refuses to open it, it shall be opened in accordance with section 462, Tariff Act of 1930 (19 U.S.C. 1462), unless a request is received from him to make other proper disposition. If any article subject to duty, or any prohibited article is found upon opening by a Customs officer, the

whole contents and the container or vehicle shall be subject to forfeiture.

(Secs. 461, 462, 46 Stat. 717, 718; 19 U.S.C. 1461, 1462)

§ 148.22 Examination of air travelers' baggage in foreign territory.

(a) *Examination and surrender of declaration*. The baggage of persons traveling by air may be examined and passed in accordance with § 148.23 at places in foreign territory where U.S. Customs offices have been established for that purpose (see § 1.4 of this chapter). When baggage is examined in foreign territory, the baggage declaration shall be surrendered to the Customs officer at the airport of departure for the United States prior to boarding the flight.

(b) *Subsequently acquired articles*. When a person whose baggage has been examined and passed in foreign territory in accordance with paragraph (a) of this section subsequently acquires additional articles prior to return to the United States, the Customs officer to whom the declaration was surrendered may permit the amendment of that declaration to include the additional articles.

§ 148.23 Examination and clearance of baggage.

(a) *Articles free of duty*. The inspector, including inspectors on trains or ferries, who examines the baggage of any person arriving in the United States may examine and pass, without limitation as to value, the following articles in such baggage or otherwise accompanying such person:

(1) All articles which are for the personal or household use of the arriving person and are free of duty under schedule 8, part 2A, Tariff Schedules of the United States (19 U.S.C. 1202), including automobiles and other articles under § 148.32.

(2) Works of art classifiable under item 765.03, Tariff Schedules of the United States (19 U.S.C. 1202).

(3) Works of art classifiable under item 765.10, 765.15, 765.20, or 765.25, Tariff Schedules of the United States (19 U.S.C. 1202), upon compliance with § 10.48 of this chapter.

(4) Works of art produced by American artists temporarily residing abroad provided for in item 765.30, Tariff Schedules of the United States (19 U.S.C. 1202), upon compliance with § 10.50 of this chapter.

(b) *Articles subject to duty*. The inspector who examines the baggage of any person arriving in the United States may examine, determine the dutiable value of, collect duty on, and pass articles accompanying the arriving person which are for his personal or household use but are subject to duty, including articles imported to be disposed of by him as bona fide gifts.

(c) *Articles not for personal use*—(1) *Valued at not more than $250*. The inspector may also examine, determine the dutiable value of, collect duty on, and pass articles accompanying any person arriving in the United States properly listed on the baggage declaration which are not for the personal or household use of the declarant or which are intended for sale or are brought in on commission for another, provided the aggregate value of such articles is not more than $250.

(2) *Valued over $250 but not over $500*. Articles in the baggage of or otherwise accompanying any person arriving in the United States which have an aggregate value over $250 but not over $500 and are not intended for his personal or household use, or are intended for sale or are brought in on commission for another, may be examined and entered and cleared on a baggage declaration at the place of their arrival with a passenger if:

(i) The articles are accompanied by a proper invoice if one is required (see section 8.15 of this chapter); and

(ii) It is practicable to appraise the articles at the place of arrival.

(d) *Examination of tea for personal use imported in baggage*. Tea for personal use in one or more packages weighing not more than 5 pounds each, when imported in a passenger's baggage, may be delivered without examination for purity under 21 U.S.C. 41–50 and without payment of the examination fee prescribed in 21 U.S.C. 46a.

§ 148.24 Determination of dutiable value.

(a) *Principles applied*. In determining the dutiable value of articles examined under § 148.23, the Customs inspector shall apply the principles of section 402 or section 402a, Tariff Act of 1930, as amended (19 U.S.C. 1401a, 1402), and shall not regard the declared value or price as conclusive.

(b) *Adjustment of value declared*. An adjustment shall be made by the Customs inspector whenever the purchase price or value declared differs from the fair retail value, whether by reason of depreciation due to wear or use, circumstances of purchase or acquisition, or for any other reason. He shall give due consideration to the condition of the articles at the time of importation, but he shall not make any allowance for wear and use in excess of 25 per centum of the declared price or value of a worn or used article. A passenger who desires to claim a larger allowance may arrange for formal entry and appraisement of his goods.

§ 148.25 Reexamination and protest.

(a) *Reexamination*. Whenever the Customs officer deems it advisable any or all of a passenger's baggage may be sent to the public stores for examination or reexamination. Passengers dissatisfied with the assessment of duty on their baggage may demand a reexamination, provided the articles have not been removed from Customs custody. In either case, a receipt for the baggage to be examined or reexamined shall be given on Customs Form 6051.

(b) *Protest*. If the passenger remains dissatisfied with the assessment of duty after reexamination, he shall pay the duty assessed and may protest the decision of the district director in accordance with Part 174 of this chapter.

§ 148.26 Collection of internal revenue taxes.

(a) *Cigars and cigarettes*. The internal revenue tax on taxable cigars and cigarettes in a passenger's baggage shall be paid to Customs, using the Customs entry form as a return. Any such return shall show the kind, the quantity, and the tax by class on cigars and cigarettes separately from the statement of duty. Unless for the personal consumption of the importer or disposition as his bona fide gift, cigars and cigarettes are subject to the packaging and marking requirements in the regulations of the Bureau of Alcohol, Tobacco, and Firearms.

(b) *Alcoholic beverages*. The internal revenue tax shall be collected on all wines and liquors in excess of the quantity entitled to exemption as specified in this part. Alcoholic beverages found in passenger's baggage shall be released without the placing of strip stamps on the bottles when it appears from the baggage declaration or otherwise that the liquors are for personal use and not for sale or other commercial purposes.

§ 148.27 Receipt for payment.

When duties and internal revenue taxes on articles in a passenger's baggage are collected, a receipt on Customs Form 5104 shall be issued to the passenger if such duties and taxes are paid in cash. If such duties and taxes are paid by personal check, the check shall be the passenger's receipt unless a receipt is requested.

Subpart D—Exemptions for Returning Residents

§ 148.31 Effects taken abroad.

(a) *Exemption*. Each returning resident is entitled to bring in free of duty and internal revenue tax under item 813.10 and schedule 8, part 2, headnote 1, Tariff Schedules of the United States, (19 U.S.C. 1202), all personal and household effects taken abroad. To ensure allowance of the exemption, articles of foreign origin should be registered in accordance with § 148.1. Automobiles and other vehicles, aircraft, boats, teams and saddle horses, together with their accessories, may be brought in free of duty if taken abroad for noncommercial use (see § 148.32).

(b) *Repair or alteration while abroad*. If any such personal or household effect taken abroad has been advanced in value or improved in condition while abroad by repairs (including cleaning) not merely incidental to wear or use while abroad, or by alterations (including additions) which did not change the identity of the article, the cost or value of such repairs or alterations is subject to duty unless all or part of such cost or value is covered by an allowance of the $100 or $200 exemption for articles acquired abroad (see § 148.33). An effect taken abroad and there changed into a different article is dutiable at its full value when returned to the United States, unless covered in whole or in part by some provision for free entry.

§ 148.32 Vehicles, aircraft, boats, teams and saddle horses taken abroad.

(a) *Admission free of duty.* Automobiles and other vehicles, aircraft, boats, teams and saddle horses, together with their accessories, taken abroad for noncommercial use and returned by a returning resident shall be admitted free of duty upon being satisfactorily identified.

(b) *Identification of articles taken abroad.* Upon the request of the owner or his agent, the district director shall cause any article described in paragraph (a) of this section to be examined before it is taken abroad, and shall issue a certificate of registration therefor on Customs Form 4455. On the return of the article, the certificate may be accepted as satisfactory identification of the described article for the purpose of admitting the article free of duty. In lieu of Customs Form 4455, the following may be accepted as satisfactory identification of such articles taken abroad:

(1) For an automobile, the State registration card;

(2) For an aircraft, the certificate of registration issued by the Federal Aviation Administration; and

(3) For a pleasure boat, the yacht license or motorboat identification certificate.

(c) *Repairs, alterations, and accessories.* Repairs made abroad to articles described in paragraph (a) of this section, if incidental to use abroad, are not subject to duty. Repairs not incidental to use abroad, and alterations and additions made abroad, shall be assessed with duty upon their value at the rate at which the article itself would be dutiable if imported. Accessories for articles described in paragraph (a) of this section which are acquired abroad are dutiable as if separately imported. Any accessories, repairs, alterations, or additions, which accompany the returning resident at the time of his return to the United States shall be included in his baggage declaration.

(d) *Entry.* Entry on a baggage declaration or regular entry (see § 148.5) shall be required if:

(1) The owner or his agent is unable to produce a proper registration card or certificate to cover the article;

(2) A claim for free entry of repairs, alterations, additions, or accessories is to be made under the $100 or $200 returning resident's exemption for articles acquired abroad; or

(3) Duty is to be collected.

(77A Stat. 411; 19 U.S.C. 1202, item 813.10, Tariff Schedules of the United States)

§ 148.33 Articles acquired abroad.

(a) *Exemption.* Each returning resident is entitled to bring in free of duty and internal revenue tax under items 813.30 and 813.31 and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), articles for his personal or household use which were purchased or otherwise acquired abroad merely as an incident of the foreign journey from which he is returning and which accompany him on his arrival, subject to the limitations and conditions set forth in this section and §§ 148.34–148.38. The aggregate fair retail value in the country of acquisition of such articles for personal and household use shall not exceed $100, or $200 in the case of a resident arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States, of which not more than $100 shall have been acquired elsewhere than in such insular possession.

(b) *Application to articles of highest rate of duty.* The $100 or $200 exemption shall be applied to the aggregate fair retail value in the country of acquisition of the articles acquired abroad which are subject to the highest rates of duty. If an internal revenue tax is applicable, it shall be combined with the duty in determining which rates are highest.

(c) *Gifts.* An article acquired abroad by a returning resident and imported by him to be disposed of after importation as his bona fide gift is considered to be for the personal use of the returning resident and may be included in the exemption.

(d) *Tobacco products and alcoholic beverages.* Cigars, cigarettes, manufactured tobacco, and alcoholic beverages, may be included in the exemption to which a returning resident is entitled, with the following limits:

(1) No more than 100 cigars may be included;

(2) No alcoholic beverages shall be included in the case of an individual who has not attained the age of 21; and

(3) No more than 1 quart of alcoholic beverages may be included unless the individual is arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States. An individual returning directly or indirectly from these insular possessions shall be entitled to include in the exemption no more than 1 wine gallon of alcoholic beverages, not more than 1 quart of which shall have been acquired elsewhere than in such insular possessions.

(e) *Exemption not applicable.* The exemption does not apply to articles intended for sale or acquired on commission, i.e., for the account of another person, with or without compensation for the service rendered. Articles acquired on one journey and left in a foreign country cannot be allowed the exemption accruing upon the return of the resident from a subsequent journey.

(f) *Remainder not applicable to subsequent journey.* A returning resident who has received a total exemption of less than $100 under the $100 exemption, or less than $200 under the $200 exemption in connection with his return from one journey is not entitled to apply the remainder of either amount to articles acquired abroad on a subsequent journey.

§ 148.34 Family grouping of exemptions for articles acquired abroad.

(a) *Grouping of exemptions.* Each member of a family is entitled to the $100 or $200 exemption for articles acquired abroad, subject to the conditions prescribed in this subpart. When members of a family residing in one household travel together on their return to the United States, the $100 or $200 exemption to which the several members of the family may be entitled may be grouped and allowed without regard to which member of the family is the owner of the articles. However, a group exemption shall not include an exemption for a family member not entitled to it in his own right, nor shall a group exemption be applied to any property of such a member. The exemption of a family member who has not attained the age of 21 shall not be applied under the group exemption to alcoholic beverages. No exemptions allowable to a resident servant accompanying the family shall be included in the family grouping.

(b) *Members of a family residing in one household.* The term "members of a family in one household" shall include all persons, regardless of age, who:

(1) Are related by blood, marriage, or adoption;

(2) Lived together in one household at their last permanent residence; and

(3) Intend to live together in one household after their arrival in the United States.

§ 148.35 Length of stay for exemption of articles acquired abroad.

(a) *Required for allowance of $100 exemption.* The $100 exemption for articles acquired abroad shall not be allowed unless the returning resident has remained beyond the territorial limits of the United States for a period of not less than 48 hours, except in the case of a resident arriving directly in the United States from Mexico. The exemption may be allowed on articles acquired abroad by a returning resident arriving directly from Mexico without regard to the length of time the person has remained outside the territorial limits of the United States.

(b) *Required for allowance of $200 exemption on return from Virgin Islands.* The $200 exemption applicable in the case of the arrival of a returning resident directly or indirectly from the Virgin Islands of the United States may be allowed without regard to the length of time such person has remained outside the territorial limits of the United States.

(c) *Computation of time.* The 48-hour period a returning resident must have completed abroad to be entitled to an exemption shall be computed exactly. For example, a resident leaving United States territory at 1:30 p.m. on June 1 would complete the 48-hour period at 1:30 p.m. on June 3.

§ 148.36 Frequency of allowance of exemption for articles acquired abroad.

(a) *30-day period.* The $100 or $200 exemption for articles acquired abroad shall not be granted to a returning resident who has taken advantage of such exemption within the 30-day period immediately preceding his return to the United States. The date of the returning resident's latest prior arrival on which he declared articles acquired abroad for allowance of the $100 or $200 exemption shall be deemed the date he took advantage of the applicable exemption.

(b) *Computation of time.* The 30-day period immediately preceding the resident's return shall be computed by excluding the day of arrival and counting backward 30 days. For example, in the case of an arrival on May 28, the resident would not be entitled to the $100 or $200 exemption if he had taken advantage of such exemption on or after the preceding April 28.

§ 148.37 Replacement of unsatisfactory articles acquired abroad.

(a) *Free entry of replacement articles.* An article furnished by a foreign supplier to replace a like article of comparable value previously exempted from duty under the $100 or $200 exemptions for articles acquired abroad shall be allowed free entry if the original article is found by the importer to be unsatisfactory and the procedures provided by paragraph (b) of this section are followed. In any case in which the importer has failed to follow these procedures, the district director may allow free entry of the replacement article if he is satisfied that the unsatisfactory article was timely exported and that the failure to comply with the procedures of paragraph (b) of this section was due to inadvertence or lack of experience in Customs matters and was without willful intent to avoid Customs supervision.

(b) *Procedure for replacement.* Any article previously exempted from duty under the $100 or $200 exemptions found by the importer to be unsatisfactory shall be returned to Customs custody and exported under Customs supervision at the expense of the importer within 60 days after its importation. A certificate of registration on Customs Form 4455 shall be issued to the importer with instructions as to its use when the unsatisfactory article is exported for replacement under the provisions of item 813.40, Tariff Schedules of the United States.

(c) *Articles found damaged upon declaration.* The requirement that the original article be exported under Customs supervision does not apply when a duplicate article is furnished by a foreign supplier as a replacement for an article declared for entry under the $100 or $200 exemption and found by the Customs inspector or other examining officer to be so damaged as to constitute a nonimportation (§ 158.11 of this chapter). In such a case, Customs Form 4455 shall be issued to the importer at the time the determination of nonimportation is made and the duplicate replacement shall be considered to have been acquired abroad for the purposes of the $100 or $200 exemption provision, provided no charge is made to the importer for the duplicate replacement.

§ 148.38 Sale of articles acquired abroad.

An article brought in under the $100 or $200 exemption for articles acquired abroad for personal or household use and subsequently sold is not dutiable or subject to forfeiture by reason of the sale if the returning resident actually acquired and imported the article for his bona fide personal or household use and not for sale

§ 148.39 Rented automobiles.

(a) *Importation for temporary period.* An automobile rented by a resident of the United States while abroad may be brought into the United States by or on behalf of such resident for a temporary period not to exceed 30 days under item 813.25, Tariff Schedules of the United States (19 U.S.C. 1202), without payment of duty. The automobile shall be used for the transportation of the resident and that of his family and guests, and for such incidental carriage of articles as may be appropriate to his personal use of the automobile. No entry or security for exportation shall be required.

(b) *Unauthorized use or failure to export.* If any automobile exempted from duty under item 813.25, Tariff Schedules of the United States (19 U.S.C. 1202), is used otherwise than for the purpose expressed or is not returned abroad within 30 days, without prior payment to a district director of the duty which would have been payable at the time of entry if entered without benefit of the exemption, the automobile or its value (to be recovered from the importer) shall be subject to forefeiture.

Subpart E—Exemptions for Nonresidents

§ 148.41 Articles carried through the United States.

An arriving nonresident who is in transit to a place outside U.S. Customs territory may take with him through U.S. Customs territory for carriage to such place articles not exceeding $200 in aggregate value without the payment of duty or internal revenue taxes as provided in item 812.40, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202).

§ 148.42 Personal effects.

(a) *Exemption.* A nonresident arriving in the United States, regardless of age, is entitled under item 812.10, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), to entry free of duty and internal revenue tax for his wearing apparel, articles of personal adornment, toilet articles, and similar personal effects. "Similar personal effects" include all articles intended and appropriate for the personal use of the nonresident while traveling, such as hunting and fishing equipment, wheelchairs for invalids or crippled persons, pet and hunting dogs, and the like.

(b) *Application of exemption.* The exemption applies only to articles which were actually owned by the nonresident and in his possession abroad at the time of, or prior to, his departure for the United States. The articles must be appropriate for the personal use of the nonresident, and intended only for such use and not as a gift for another person nor for sale.

§ 148.43 Tobacco products and alcoholic beverages.

(a) *For personal use.* Fifty cigars, or 300 cigarettes, or 3 pounds of smoking tobacco, and not exceeding 1 quart of alcoholic beverages may be passed free of duty and internal revenue tax under item 812.20, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), when brought in by an adult nonresident for his personal use, and not for commercial use or to be given to another person. This exemption for tobacco products may be applied proportionately; for example to 25 cigars and 150 cigarettes, or to 25 cigars, 50 cigarettes and 1 pound of smoking tobacco. The exemption may be applied to more than one kind of alcoholic beverages but not to an aggregate volume of more than 1 quart for one adult nonresident.

(b) *For gifts.* A nonresident who is allowed the $100 gift exemption (see § 148.44) may include not more than 1 wine gallon of alcoholic beverages and not more than 100 cigars under such exemption from duty and internal revenue tax, provided the articles accompany him and are to be disposed of only as bona fide gifts.

§ 148.44 Gifts.

(a) *Exemption.* An arriving nonresident who intends to remain in the United States for not less than 72 hours is entitled to claim as free of duty and internal revenue tax under item 812.25, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), articles not over $100 in aggregate value which accompany him and are to be disposed of by him as bona fide gifts. See § 148.43 for limitations on alcoholic beverages and cigars under this exemption.

(b) *Frequency of allowance.* The exemption for gifts may be allowed only if the nonresident has not claimed the exemption within the immediately preceding 6 months.

§ 148.45 Vehicles and other conveyances.

Nonresidents are entitled to entry free of duty and internal revenue tax under item 812.30, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), for automobiles, trailers, aircraft, motorcycles, bicycles, baby carriages, boats, horse-drawn conveyances, horses, and similar means of transportation and the usual equipment accompanying them, if such articles are imported in connection with the arrival of the nonresident to be used in the United States only for the transportation of the nonresident, his family and guests, and such incidental carriage of articles as may be appropriate to his personal use of the conveyance.

§ 148.46 Sale of exempted articles.

(a) *Sale resulting in forfeiture.* The following articles or their value (to be recovered from the importer) upon their sale, shall be subject to forfeiture in accordance with the provisions of schedule

8, part 2A, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), unless the procedure set forth in paragraph (b) of this section is followed:

(1) Any jewelry or similar articles of personal adornment having an aggregate value of $300 or more which have been allowed an exemption under § 148.42, if sold within 3 years of the date of importation.

(2) Any conveyance or its equipment allowed an exemption under § 148.45, if sold within 1 year after the date of importation.

(b) *Procedure permitting sale*. Articles described in paragraph (a) of this section may be sold if, prior to the time of sale, payment is made to a district director of the duty which would have been payable at the time of entry if the article had been entered without the benefit of the applicable exemption.

(c) *Permissible sales*. A sale pursuant to a judicial order or in liquidation of the estate of a decedent is not a basis for any liability for duty or forfeiture.

Subpart F—Other Exemptions

§ 148.51 Special exemption for personal or household articles.

(a) *Application of exemption*. The exemption from duty and internal revenue tax contemplated by section 321(a)(2)(B), Tariff Act of 1930, as amended (19 U.S.C. 1321(a)(2)(B)), may be applied to articles for his personal or household use including gifts, but not for any business or commercial use, accompanying:

(1) A nonresident arriving in the United States who is not entitled to an exemption for gifts under item 812.25, Tariff Schedules of the United States (19 U.S.C. 1202) (see § 148.44); or

(2) A returning resident who is not entitled to the $100 or $200 exemption for articles acquired abroad under item 813.31, Tariff Schedules of the United States (19 U.S.C. 1202) (see Subpart D of this part).

(b) *Limitations*. No article accompanying a person arriving in the United States shall be exempted from duty or internal revenue tax under section 321 (a)(2)(B), Tariff Act of 1930, as amended, if any article accompanying such person is subject to duty or tax by reason of the following limitations on the application of this exemption:

(1) *Value of articles*. The exemption shall be allowed only when the aggregate fair retail value of all articles not otherwise entitled to an exemption does not exceed $10.

(2) *Articles subject to internal revenue tax*. The exemption shall not be applied to articles subject to internal revenue tax other than:

(i) Cigarettes not in excess of 50;

(ii) Cigars not in excess of 10;

(iii) Alcoholic beverages not in excess of 4 ounces; or

(iv) Alcoholic perfumery not in excess of 4 ounces.

(c) *Family grouping*. Family grouping of the exemption shall not be allowed.

(Sec. 7, 52 Stat. 1081, as amended; 19 U.S.C. 1321)

§ 148.52 Exemption for household effects used abroad.

(a) *Exemption*. Furniture, carpets, paintings, tableware, books, libraries, and other usual household furnishings and effects actually used abroad for not less than 1 year by resident or nonresidents, and not intended for any other person or for sale may be allowed entry free of duty and tax under item 810.10, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), Household effects used abroad not less than 1 year by a family of which the importer was a resident member for not less than 1 year during the period of use may be allowed free entry whether or not the importer owned the effects at the time of such use. The year of use need not be continuous, nor need it immediately precede the time of importation.

(b) *Proof of use*. In order to obtain free entry for household effects under this section, the use of the effects abroad for 1 year must be proven to the satisfaction of the district director. The district director, in his discretion, may require evidence of use other than the declaration provided for in paragraph (c) of this section.

(c) *Declaration*. When household effects are claimed to be free of duty a declaration of the owner on Customs Form 3299 shall be required to support the claim for free entry. If it is impracticable to produce the declaration at the time of entry, the importer may give a bond on Customs Form 7551 or 7553 for the production of the owner's declaration within 6 months.

(d) *Arrival of effects more than 10 years after arrival of importer*. As a general rule, household effects arriving more than 10 years after the last arrival of the importer from the country in which the effects were used shall not be admitted free of duty under this exemption unless the district director is satisfied from the importer's explanation that the effects were unavoidably detained beyond the 10-year period. However, in no case shall free entry be allowed under this provision when a period of 25 years or more has elapsed since the last arrival of the importer in the United States from the country in which the effects were used.

§ 148.53 Exemption for tools of trade.

(a) *Exemption*. Professional books, implements, instruments, or tools of trade, occupation or employment, may be allowed entry free of duty and tax under the provisions of schedule 8, part 2, headnote 1, and item 811.10, Tariff Schedules of the United States (19 U.S.C. 1202), for such articles owned and used abroad by any person emigrating to the United States, or item 810.20 for such articles taken abroad by or for the account of any person arriving in the United States. The exemption for emigrants under item 811.10 shall not be applied to:

(1) Theatrical scenery, properties, or apparel;

(2) Articles for use in any manufacturing establishment;

(3) Articles for any other person; or

(4) Articles for sale.

(b) *Declaration*. A declaration of the emigrant or returning individual on Customs Form 3299 shall be required to support the claim of free entry. However, an oral declaration may be accepted from a returning individual in lieu of a written declaration for any such articles claimed to be free of duty under item 810.20, Tariff Schedules of the United States (19 U.S.C. 1202).

§ 148.54 Exemption for effects of citizens dying abroad.

(a) *Exemption*. Articles claimed to be personal and household effects, not stock in trade, the title to which is in the estate of a citizen of the United States who died abroad may be allowed entry free of duty and tax under item 815.00, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202).

(b) *Entry*. Such effects shall be entered in accordance with the provisions of § 8.50 of this chapter, or if the value of such effects does not exceed $250, entry may be permitted under the provisions of § 8.51 of this chapter.

(c) *Statement of facts required*. The district director shall require in connection with the entry the written statement of a person having knowledge of the facts or shall otherwise satisfy himself as to the citizenship of the deceased owner of the effects at the time of death.

Subpart G—Crewmember Declarations and Exemptions

§ 148.61 Status as crewmembers.

The following persons arriving in the United States shall not be treated as crewmembers:

(a) Members of the Armed Forces of the United States and persons in the civil service of the United States engaged in the operation of a vessel, vehicle, or aircraft owned by, or under the complete control and management of, the United States or any of its agencies.

(b) Persons engaged in the operation of a private or public aircraft.

(c) Persons not connected with the operation, navigation, ownership, or business of a vessel, vehicle or aircraft engaged in international traffic.

§ 148.62 Declaration and entry of articles by crewmembers.

(a) *Declaration required*. Articles which are to be landed by a crewmember, including any person traveling on board a vessel, vehicle, or aircraft engaged in international traffic who is returning from a trip on which he was employed as a crewmember, shall be declared upon arrival of the vessel, vehicle, or aircraft in the United States. When practicable, the clearance of articles through Customs shall be made and permission to unlade obtained before the articles are taken from the carrier. However, if no danger to the revenue will result, articles may be submitted for examination and clearance to the Customs office on the pier or at the landing place.

(b) *Form of declaration*—(1) *Oral declaration*. A crewmember may be permitted to make an oral declaration and entry if all articles he has to declare, in addition to articles for use in port on temporary leave for which no entry is required in accordance with § 148.63, may be admitted free of duty and tax under section 321(a)(2)(B), Tariff Act of 1930, as amended (19 U.S.C. 1321(a)(2)(B)) (see § 148.64).

(2) *Written declaration.* A written declaration on Customs Form 5123, Declaration and Entry of Crewmember for Imported Articles, or on Customs Form 5129, Crewmember's Declaration shall be required in any case in which an oral declaration is not permitted. A written declaration may be required in any case if necessary to effect prompt and orderly clearance of crewmembers and their effects or if deemed necessary to protect the revenue.

(c) *Transfer without declaration.* Articles belonging to a crewmember may be transferred from one carrier to another in international traffic without declaration, entry, or assessment of duty if the transfer is carried out under the supervision of Customs officers, or by a bonded cartman if necessary.

(d) *Entry at port where articles to be landed.* Articles in the possession of or owned by a crewmember of a character for which entry must be made when they are brought into the United States shall be entered at the port where the articles are to be landed. However, if the crewmember remains on a vessel, vehicle, or aircraft which is to proceed to another port of the United States in a movement in which entry of the vessel, vehicle, or aircraft will not be required, entry of the articles shall be made at the port at which such movement begins.

(e) *Collection of duty and taxes.* Any duties and taxes found due shall be collected as in the case of arriving passengers.

§ 148.63 Articles for use while on temporary leave.

(a) *Exemption.* Articles in the possession of and exclusively for use by any crewmember during the trip or voyage, such as necessary clothing, toiletries, and purely personal effects, may be landed by such crewmember for use on temporary leave without a written declaration or entry, and without payment of duty or internal revenue tax under item 814.00, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States (19 U.S.C. 1202), if the district director is satisfied that:

(1) The articles are reasonable and appropriate for the crewmember's accommodation while on temporary leave, and are to be taken out of the United States, except for articles consumed in use;

(2) The articles are intended exclusively for the crewmember's bona fide personal use;

(3) The quantities are reasonable, depending on the circumstances in each particular case; and

(4) In the case of tobacco products and alcoholic beverages, the containers have been opened and the total quantity landed shall not exceed 50 cigars, 300 cigarettes, or 3 pounds of smoking tobacco, or a proportionate amount of each, and 1 quart of alcoholic beverages.

(b) *Temporary leave.* A crewmember is not considered to be on temporary leave from a vessel, vehicle, or aircraft engaged in international traffic or entitled to the exemption under this section upon disembarkation when he is to remain in the confines of a pier, terminal, airport, or area immediately adjacent thereto, in order to timely embark on the carrier in the course of a continuous journey or on a concurrently scheduled arrival and departure.

§ 148.64 Administrative exemption.

(a) *Application of exemption.* The exemption from duty and internal revenue tax contemplated by section 321 (a)(2)(B), Tariff Act of 1930, as amended (19 U.S.C. 1321(a)(2)(B)), may be applied to articles for the personal and household use, including gifts, of a crewmember arriving in the United States who is not entitled to an exemption under item 812.25 or 813.31, Tariff Schedules of the United States (see §§ 148.66(c) and 148.65). The exemption may be applied when the crewmember is entitled to an exemption under item 814.00, Tariff Schedules of the United States (19 U.S.C. 1202), for articles for use while on temporary leave (§ 148.63).

(b) *Limitations.* No article accompanying a crewmember arriving in the United States shall be exempted from duty or internal revenue tax under section 321 (a)(2)(B), Tariff Act of 1930, as amended, if any article accompanying such crewmember is subject to duty or internal revenue tax by reason of the following limitations.

(1) *Value of articles.* The exemption shall be allowed only when the aggregate fair retail value of all articles not otherwise entitled to an exemption does not exceed $10.

(2) *Articles subject to internal revenue tax.* The exemption shall not be applied to any article subject to internal revenue tax in addition to any articles allowed an exemption under item 814.00, Tariff Schedules of the United States (19 U.S.C. 1202), other than:

(i) Cigarettes not in excess of 50;

(ii) Cigars not in excess of 10;

(iii) Alcoholic beverages not in excess of 4 ounces; or

(iv) Alcoholic perfumery not in excess of 4 ounces.

§ 148.65 Exemptions for resident crewmembers.

(a) *Status as returning resident.* A crewmember arriving on a vessel, vehicle, or aircraft from a foreign port who is a resident of the United States shall be considered a returning resident qualifying for the exemptions allowed under schedule 8, part 2A, Tariff Schedules of the United States (19 U.S.C. 1202), and subpart D of this part if:

(1) He permanently leaves the carrier without intention of resuming his employment on the same or another carrier engaged in international traffic; or

(2) He remains on or transfers to a vessel which is to proceed to another port of the United States in a movement in which entry of the vessel will not be required.

(b) *Statement on declaration.* A resident crewmember who claims that articles declared by him are entitled to be passed free of duty and tax under the returning resident's exemption, shall include a legible statement on the declaration, Customs Form 5123 or 5129, of the basis for his claim for entitlement to the resident's exemption (see paragraphs (a) (1) and (2) of this section).

§ 148.66 Exemptions for nonresident crewmembers.

(a) *Status as arriving nonresident.* A nonresident crewmember will be treated as an arriving nonresident for purposes of claiming the exemptions allowable under schedule 8, part 2A, Tariff Schedules of the United States (19 U.S.C. 1202), and subpart E of this part when he permanently leaves his employment with a vessel, vehicle, or aircraft at a port in the United States without intention of resuming employment on the same or another carrier in international traffic. However, a nonresident crewmember shall not be treated as an arriving nonresident for this purpose when he departs a carrier for temporary leave but retains his employment with the carrier so that he will be going foreign again in the course of his continuing employment (see § 148.63).

(b) *Articles carried through the United States.* A nonresident crewmember, permanently leaving a carrier in a U.S. port to travel as a passenger on another carrier which will take him to a place outside the United States, who desires to take with him articles not exceeding $200 in aggregate value without the payment of duty or internal revenue tax as provided in item 812.40 (see § 148.41), may be accorded free entry of the articles under the following procedure:

(1) *Declaration and supporting statement.* The nonresident crewmember shall itemize the articles on his declaration and entry, Customs Form 5123 or or 5129, required by § 148.62(b)(2), and shall state in writing in support of his declaration that:

(i) He has been finally discharged from the carrier, with the date of discharge;

(ii) He intends to depart from the same or another U.S. port as a passenger on another carrier for a place outside U.S. Customs territory; and

(iii) The articles will be taken with him on such carrier and will not remain in the United States.

(2) *Allowance by district director.* The district director may require verification of the crewmember's discharge and a statement as to the accuracy of the second and third supporting statements of the crewmember from the person in charge of the carrier, the vessel agent, or the port captain. If the district director is satisfied that the crewmember's statements are correct, the articles may be

passed free of duty and internal revenue tax under item 812.40, Tariff Schedules of the United States (19 U.S.C. 1202).

(c) *Articles to be disposed of as gifts.* A nonresident crewmember shall itemize on his baggage declaration and entry, Customs Form 5123 or 5129, required by § 148.62, all articles in his possession for which he seeks entry under item 812.25, Tariff Schedules of the United States (19 U.S.C. 1202), as bona fide gifts. The crewmember must be permanently leaving his employment on the international carrier for a stay in the United States of at least 72 hours before departing for a place outside the United States as a passenger.

§ 148.67 Penalties for failure to declare articles.

(a) *Avoidance of inspection.* When articles may be presented to the Customs office on the pier or at the landing place for inspection and clearance, if the circumstances under which the articles are landed indicate an attempt to avoid inspection, the penalties prescribed in section 453, Tariff Act of 1930, as amended (19 U.S.C. 1453), shall be assessed.

(b) *Articles landed without declaration.* Any article landed without having been properly declared as provided in § 148.62 shall be considered as having been unladen without a permit and the penalties provided in section 453, Tariff Act of 1930, as amended (19 U.S.C. 1453), or section 1474 of title 49, United States Code, shall be assessed as applicable.

(c) *Articles omitted from declaration.* If the declaration does not include all the articles landed, the crewmember shall be subject to the penalties prescribed in section 497, Tariff Act of 1930 (19 U.S.C. 1497), with respect to the articles omitted. The penalties prescribed in section 453, Tariff Act of 1930, as amended (19 U.S.C. 1453), shall not be assessed if any, though not all, of the articles are declared, except as provided in paragraph (a) of this section.

Subpart H—Military and Civilian Employees of the United States, and Evacuees

§ 148.71 Status of persons in service of United States as returning residents.

A person in the service of the United States and members of his family arriving in the United States are ordinarily considered returning residents for the purpose of schedule 8, part 2A, Tariff Schedules of the United States (19 U.S.C. 1202), except that the following persons are treated as nonresidents:

(a) A wife or husband of any person in the service of the United States emigrating to the United States, and

(b) A child born abroad of any person in the service of the United States who is arriving in the United States for the first time.

§ 148.72 Articles acquired abroad by personnel on Government vessels.

(a) *Declaration of dutiable articles by commanding officer.* Immediately upon the arrival of any vessel operated by the United States or any agency thereof from a foreign port, the commanding officer shall file with the district director information as to dutiable articles acquired abroad in the following form:

UNITED STATES NAVY CUSTOMS DECLARATION

U.S.S. ...., Port of arrival ....

To the District Director of Customs:

Herewith is submitted a list of articles acquired in foreign countries by me and the respective officers and members of the crew under my command, which list is correct to the best of my knowledge and belief.

Owner	Rank	Description of articles	Cost or value

Date ...., 19... (Name).................

(Rank).................
Commanding Officer

If there are no articles to be listed, the statement "Nothing to declare" shall be placed on the form. No individual baggage declarations shall be required.

(b) *Examination of baggage.* Articles listed on the declaration filed by the commanding officer shall be segregated until formally passed by Customs. The listed articles shall be examined and passed in the same manner as the baggage on passenger vessels.

§ 148.73 Baggage on military transports.

(a) *Declaration.* Commissioned officers and enlisted personnel of the Armed Forces of the United States engaged in the operation of an Army or Navy transport, enlisted men carried as passengers, and civilian officers and crewmembers shall not be required to execute baggage declarations, but all articles acquired abroad by them must be listed on the manifest of the vessel. All cabin passengers shall be required to execute written baggage declarations.

(b) *Exemptions applicable.* Passengers on transports shall be granted the applicable exemptions from duty provided for in schedule 8, part 2A, Tariff Schedules of the United States (19 U.S.C. 1202). Members of the Armed Forces of the United States and personnel in the civil service of the United States engaged in the operation of the vessel shall be accorded the same privilege. Civilian officers and crewmembers not in the service of the United States shall be subject to the provisions of Subpart G of this part with respect to exemption from duty.

(c) *Examination of baggage.* Baggage on transports shall be examined at the port where landed in the same manner as baggage on commercial vessels.

§ 148.74 Exemption on termination of assignment to extended duty or on evacuation.

(a) *Exemption.* With the limitation on alcoholic beverages and tobacco products provided in paragraph (c) of this section, entry free of duty and tax under item 817.00, and schedule 8, part 2, headnote 1, Tariff Schedules of the United States, (19 U.S.C. 1202), may be accorded personal and household effects of:

(1) Any person in the service of the United States who returns to the United States upon the termination of assignment to extended duty at a post or station outside the Customs territory of the United States;

(2) Members of his family who have resided with him at such post or station and are returning upon the termination of his assignment; or

(3) Any person evacuated to the United States under Government orders or instructions.

(b) *Applicability of exemption.* The term "personal effects" as used in item 817.00, Tariff Schedules of the United States (19 U.S.C. 1202), is not confined to that class of articles described in item 812.10, Tariff Schedules of the United States, nor is any period of use, such as is prescribed by item 810.10, Tariff Schedules of the United States, applicable to household effects entered under item 817.00. The privilege of free entry under item 817.00, Tariff Schedules of the United States, does not apply to:

(1) Articles imported for sale, or for the account of any person not specified in item 817.00, Tariff Schedules of the United States; or

(2) Articles which have not been in the direct personal possession of the claimant, or a member of his household, while abroad.

(c) *Limitation on alcoholic beverages and tobacco products.* A total of not more than 1 wine gallon of alcoholic beverages and not more than 100 cigars shall be accorded free entry under item 817.00, Tariff Schedules of the United States, (19 U.S.C. 1202), subject to the conditions that:

(1) These articles accompany the person making the claim for free entry upon his arrival in the United States;

(2) Not more than 1 quart of any such alcoholic beverages shall have been distilled or otherwise manufactured and bottled in any place other than the United States or its possessions;

(3) Such individual has not concurrently claimed exemptions as a returning resident under items 813.30 and 813.31, Tariff Schedules of the United States; and

(4) Such person, if other than one in the service of the United States, shall have attained the age of 21.

(d) *Termination of assignment to extended duty.* The requirement of item 817.00 that the person "returns to the United States upon the termination of assignment to extended duty" shall be considered met upon the necessary proof being submitted that any one of the following is applicable:

(1) The person is returning upon the termination of a tour of duty outside the Customs territory of the United States of at least 140 days' duration.

(2) The person is returning after the termination of an assignment under permanent change of station orders to duty at a post or station outside the Customs territory of the United States, regardless of the duration of the duty. A crewmember, including a member of a command, serving on a United States naval vessel when it departs from the United

States on an intended deployment of 120 days or more outside the Customs territory of the United States and who continues to serve on the vessel until it returns to the United States may be considered as returning after the termination of an assignment of duty under permanent change of station orders.

(3) The person is returning to the United States upon the termination of a tour of duty at any time after leaving the United States for duty of not less than 140 days outside the Customs territory of the United States.

(4) The person, although not returning to the United States, is ordered by the Government agency involved from duty at a post or station outside the Customs territory of the United States to duty at another post or station outside the Customs territory of the United States necessitating the return to the United States of his personal and household effects.

§ 148.75 Persons ineligible for exemption on termination of assignment.

(a) *Persons returning from temporary assignment.* No person, or member of his family, shall be allowed free entry of personal and household effects under item 817.00, Tariff Schedules of the United States (19 U.S.C. 1202), where the person returns to the United States pursuant to Government orders or instructions which authorized him initially to proceed to a foreign post or station and return to the United States upon termination of temporary duty, except as it may otherwise be deemed proper in accordance with the provisions of § 148.74(d) or § 148.76.

(b) *Persons returning on leave or before termination of extended duty assignment.* A person returning on leave, other than on reemployment leave at the termination of assignment to extended duty as defined in § 148.74(d), or otherwise returning before the termination of an assignment to extended duty outside the Customs territory of the United States, with or without orders covering the return, is not eligible for an exemption under item 817.00, Tariff Schedules of the United States (19 U.S.C. 1202).

(c) *Person returning on temporary duty assignment.* A person returning to the United States under orders on temporary duty assignment at the termination of which he is returned to his duty station abroad to resume his regular duties is not regarded as returning to the United States at the termination of extended duty outside the Customs territory of the United States and is not eligible for an exemption under item 817.00, Tariff Schedules of the United States. (19 U.S.C. 1202).

§ 148.76 Waiver of requirements or limitations.

In any case in which the limitation on the quantity of alcoholic beverages and tobacco products which may be exempted from duty and tax under § 148.74(c) or the failure of the person to meet the requirements that he be returning upon the termination of assignment to "extended duty," as explained in § 148.74(d), will cause undue hardship to the person through no fault of his own, but rather because of the nature of his assignment or other hardship circumstances, the Commissioner of Customs, upon receipt of a request from the Government agency involved, may waive the limitation or the requirement, as the case may be, if he deems such waiver warranted by the facts.

§ 148.77 Entry of effects on termination of assignment to extended duty, or on evacuation.

(a) *General procedure.* All articles for which free entry is claimed under item 817.00, Tariff Schedules of the United States (19 U.S.C. 1202), shall be entered or withdrawn in accordance with the requirements prescribed by the Tariff Act of 1930, as amended. District directors shall be satisfied in all cases that the articles for which free entry is claimed under item 817.00, Tariff Schedules of the United States, are personal and household effects of the importer entitled to the benefits of item 817.00, particularly in those cases where the quantity of effects imported may appear to be unreasonable for personal or household use. No invoice shall be required for articles accorded free entry under this provision.

(b) *Declaration and entry*—(1) *Person entitled to exemption.* Declaration and entry for articles claimed to be exempt from duty and tax under item 817.00, Tariff Schedules of the United States (19 U.S.C. 1202), may be made on Customs Form 6061, or Department of Defense Form (DD) 1252 when entry is made in the name of the person who is entitled to the benefits of the exemption. The date of the person's last departure from the United States shall be indicated on the declaration and entry.

(2) *Designated official.* Customs Form 6061, executed on behalf of the owner of unaccompanied personal and household effects by either a United States Dispatch Agent or a designated responsible military official in his own name, may be accepted by the Customs officer as the declaration and entry if there is a valid reason evident from the owner's travel orders or information at hand why the United States Government agency concerned is unable to present Department of Defense Form (DD) 1252 or Customs Form 6061 executed by the owner. The date of the owner's last departure from the United States need not be indicated on the form. The following statement shall be added across the face or to the back of Customs Form 6061:

This form is completed on behalf of

(Name of Government employee)

Travel orders and information on hand in this office show that the named person has met all requirements of § 148.74 of the Customs Regulations and is entitled to the benefits of item 817.00, Tariff Schedules of the United States. The shipment imported consists of nothing but personal and household effects of the named person, which effects are not imported for sale or as an accommodation for others.

(c) *Verification of claim for exemption*—(1) *By travel orders.* The declaration and entry shall be verified by the Customs officer by an inspection of the owner's travel orders. If the district director accepts an inspection of the owner's travel orders as evidence that the effects were brought into the United States within the requirements of item 817.00, the owner's travel orders shall be identified on the entry, which shall be handled like a free baggage declaration. istration card;

(2) *By other evidence.* The declaration and entry may be verified by other evidence which satisfies the district director that the effects were brought into the United States in connection with:

(i) The person's return to the United States upon the termination of assignment to extended duty, as explained in § 148.74(d);

(ii) The return of members of his family who have resided with him at his post or station upon the termination of his assignment; or

(iii) The evacuation of a person to the United States under Government orders or instructions.

Subpart I—Personnel of Foreign Governments and International Organizations

§ 148.81 General provisions.

(a) *Reciprocal privileges.* The privileges provided for in §§ 148.81 through 148.86 and § 10.30c of this chapter shall be accorded only if reciprocal privileges are granted by the foreign government involved to U.S. personnel of comparable status.

(b) *Baggage and effects.* The term "baggage and effects," as used in this subpart and § 10.30c of this chapter includes all articles which were in the possession of a person abroad, and are being imported in connection with his arrival, and which are intended for his bona fide personal or household use. It does not include articles imported as an accommodation to others or for sale or other commercial use.

(c) *Aliens.* The privileges provided in this subpart and § 10.30c of this chapter shall be accorded only to alien representatives, officers, employees, and members of the armed forces of foreign governments and designated public international organiations.

(d) *Internal revenue tax.* Any article exempted from the payment of duty under this subpart and § 10.30c of this chapter shall be exempt also from the payment of any internal revenue tax imposed upon or by reason of importation.

§ 148.82 Diplomatic, consular and other privileged personnel.

(a) *Inviolability of the person of diplomatic personnel.* The person of the representatives of foreign governments and members of their families set forth below shall be free from arrest, search, or detention:

(1) Ambassadors, ministers, chargés d'affaires, secretaries, counselors, attachés of foreign embassies, and legations, and other heads of diplomatic missions or members of the diplomatic staffs of such missions, accredited to the United States or en route between other countries to which accredited and their own countries.

(2) Members of the families forming part of the households of the diplomatic personnel listed in the preceding subparagraph, who are accompanying them or traveling separately to join them incidental to their official travel, excluding those members of families who are U.S. nationals.

(3) Members of the administrative and technical staffs of diplomatic missions accredited to the United States and members of their families forming part of their household, all of whom are not nationals or permanent residents of the United States who are accompanying them or traveling separately to join them incidental to their official travel.

(4) Diplomatic and consular couriers.

(b) *Exemption for baggage and effects and admission without entry.* The baggage and effects of the following representatives of foreign governments shall be admitted free of duty without the filing of an entry, upon the request of the Department of State and appropriate instructions from the Bureau of Customs in each instance:

(1) Ambassadors, ministers, chargés d'affaires, secretaries, counselors, attachés of embassies and legations, and other members of the diplomatic staffs of such missions accredited to the United States or en route to or from other countries to which assigned, as well as recognized consular officers, and the immediate families, suites, and servants of all the above under item 820.10, Tariff Schedules of the United States (19 U.S.C. 1202).

(2) Members of the administrative and technical staffs of diplomatic missions and members of their families forming part of their households, all of whom are not nationals or permanent residents of the United States under item 820.10, Tariff Shcedules of the United States (19 U.S.C. 1202). Unless more extensive privileges are provided in treaties or special agreements between the United States and the foreign country concerned, this privilege is limited to baggage and effects imported at the time of first installation.

(3) Consular employees who are not nationals or permanent residents of the United States. Unless more extensive privileges are provided in treaties or special agreements between the United States and the foreign country concerned, this privilege is limited to articles imported at the time of first installation.

(4) Other high officials of foreign governments and such distinguished foreign visitors as may be designated by the Department of State, and their immediate families under item 820.50, Tariff Schedules of the United States (19 U.S.C. 1202).

(5) Foreign government personnel entitled to privileges under statutes or treaties under item 820.60, Tariff Schedules of the United States (19 U.S.C. 1202).

(6) Diplomatic couriers, limited to accompanying baggage and effects.

(c) *Absence of special request.* In the absence of special request from the Department of State prior to the arrival of representatives of foreign governments enumerated in paragraph (b)(1) of this section, their immediate families as well as accompanying suites and servants, and diplomatic couriers, their baggage and effects may be admitted free of duty without entry upon presentation of their credentials or other proof of their identity.

(d) *Delay in arrival of baggage or effects.* If by accident or unavoidable delay in shipment the baggage or other effects of a person entitled to the privileges of this section shall arrive after him upon satisfactory proof of ownership, such baggage or effects may be passed free of duty without entry.

(e) *Inspection of baggage*—(1) *Exemption for representatives of foreign governments.* The personal baggage of the following representatives of foreign governments and their families is ordinarily exempt from inspection:

(i) Ambassadors, ministers, chargés d'affaires, secretaries, counselors, attachés of foreign embassies or legations, and other members of the diplomatic staffs of such missions, who are accredited to the United States or en route between other countries to which accredited and their own countries and members of their families forming part of their household who are not nationals of the United States.

(ii) Consular officers recognized by the United States and members of their families forming part of their household who are not nationals or permanent residents of the United States, provided the baggage accompanies them.

(iii) Diplomatic couriers, provided the baggage accompanies them.

(2) *Conditions permitting inspection.* The personal baggage of representatives of foreign governments listed in subparagraph (1) of this paragraph and members of their families may be inspected if there is serious reason to believe that it contains:

(i) Articles other than those for the personal use of such persons or for the use of their establishments or for official mission use.

(ii) In the case of consular officers and their families, articles intended for consumption in excess of the quantities necessary for direct use by the person concerned.

(iii) Articles which are absolutely or conditionally prohibited importation or exportation under the laws or regulations of the United States, or which are subject to the quarantine laws or regulations of the United States.

(3) *Presence of foreign representative.* When inspection of personal baggage is permitted under subparagraph (2) of this paragraph, the inspection shall take place only in the presence of the affected representative of a foreign government, or his authorized agent.

§ 148.83 Diplomatic and consular bags.

(a) *Diplomatic bags.* The contents of diplomatic bags are restricted to diplomatic documents and articles intended exclusively for official use and packages constituting the diplomatic bag must bear visible marks of their character. Diplomatic bags shall not be opened or detained nor shall they be subject to duty or entry.

(b) *Consular bags.* Consular bags must bear visible external marks of their character and their contents are restricted to official correspondence and documents or articles intended exclusively for official use. Consular bags shall not be subject to duty and ordinarily shall not be opened or detained. However, if Customs officers have serious reason to believe that a consular bag contains other than permissible materials, they may request that the bag be opened in their presence by an authorized representative of the foreign government concerned. If this request is refused, the consular bag shall be returned to its place of origin.

§ 148.84 Baggage and effects of high Government officials.

The privilege of admission free of duty without entry of their baggage and effects may also be extended to high officials of this Government returning from special missions abroad, upon application therefor direct to the Department of the Treasury and the issuance of appropriate instructions. The free entry authorized hereunder shall not extend to alcoholic beverages, with respect to which the officials referred to in this paragraph shall receive no other exemption from duty and internal revenue tax than is allowed returning residents of the United States in accordance with § 148.33(d).

§ 148.85 Subsequent importations for the personal or family use of diplomatic, consular and other privileged personnel.

The privilege of importing free of duty and without the filing of any entry articles for personal or family use, but not as an accommodation for others or for sale or other commercial use, shall be granted upon the request of the Department of State and upon appropriate instructions from the Bureau of Customs in each instance, to the following:

(a) Ambassadors, ministers, chargés d'affaires, secretaries, counselors and attachés of foreign embassies and legations accredited to the United States under item 822.10, Tariff Schedules of the United States (19 U.S.C. 1202);

(b) Other representatives, officers and employees of foreign governments, under item 822.30, Tariff Schedules of the United States (19 U.S.C. 1202); and

(c) Other persons designated pursuant to statute or pursuant to treaties between the United States and the countries which they represent, under item 822.40, Tariff Schedules of the United States (19 U.S.C. 1202)

§ 148.86 Articles for official use of representatives of foreign governments.

Office supplies and equipment and other articles for the official use of members and attaches of foreign embassies and legations, consular officers, and other representatives of foreign governments, may be admitted free of duty under item 841.10, Tariff Schedules of the United States, without the filing of an entry, upon the request of the Department of State.

§ 148.87 Officers and employees of, and representatives to public international organizations.

(a) *Exemption for baggage and effects.* The baggage and effects of the alien officers and employees of, or representatives of foreign governments, to the organizations designated by the President as public international organizations pursuant to section 1 of the International Organizations Immunities Act (22 U.S.C. 288), and the baggage and effects of their families, suites, and servants, shall be admitted free of duty and without entry under item 820.30, Tariff Schedules of the United States (19 U.S.C. 1202), but only upon the receipt in each instance of instructions from the Bureau of Customs issued at the request of the Department of State.

(b) *Designated public international organizations.* The President, by virtue of the authority vested in him by section 1 of the International Organizations Immunities Act of December 29, 1945 (22 U.S.C. 288), has designated certain organizations as public international organizations entitled to the free entry privileges of that statute. The following is a list of the public international organizations currently entitled to such free entry privileges and the Executive orders by which they were designated:

Organization	Executive Order	Date
Asian Development Bank	11334	Mar. 7, 1967
Caribbean Organization	10983	Dec. 30, 1961
Coffee Study Group	10943	May 19, 1961
Customs Cooperation Council	11596	June 5, 1971
European Space Research Organization	11318	Dec. 5, 1966
Food and Agriculture Organization	9698	Feb. 19, 1946
Great Lakes Fishery Commission	11059	Oct. 23, 1962
Inter-American Defense Board	10228	Mar. 26, 1951
Inter-American Development Bank	10873	Apr. 8, 1960
Inter-American Institute of Agricultural Sciences	9751	July 11, 1946
Inter-American Statistical Institute	9751	Do.
Inter-American Tropical Tuna Commission	11059	Oct. 23, 1962
Intergovernmental Maritime Consultative Organization	10795	Dec. 13, 1958
Interim Communications Satellite Committee	11227	June 2, 1965
International Atomic Energy Agency	10727	Aug. 31, 1957
International Bank for Reconstruction and Development	9751	July 11, 1946
International Civil Aviation Organization	9863	May 31, 1947
International Coffee Organization	11225	May 22, 1965
International Cotton Advisory Committee	9911	Dec. 19, 1947
International Cotton Institute	11283	May 27, 1966
International Finance Corporation	10680	Oct. 2, 1956
International Hydrographic Bureau	10769	May 29, 1958
International Joint Commission—United States and Canada	9972	June 25, 1948
International Labor Organization	9698	Feb. 19, 1946
International Monetary Fund	9751	July 11, 1946
International Pacific Halibut Commission	11059	Oct. 23, 1962
International Secretariat for Volunteer Service	11363	July 20, 1967
International Telecommunications Satellite Consortium	11277	Apr. 30, 1966
International Telecommunication Union	9863	May 31, 1947
International Wheat Advisory Committee (International Wheat Council)	9823	Jan. 24, 1947
Organization for Economic Cooperation (now known as the Organization for Economic Cooperation and Development)	10133	June 27, 1950
Organization of American States	10533	June 3, 1954
Pan American Health Organization (includes the Pan American Sanitary Bureau)	10864	Feb. 18, 1960
Pan American Union	10533	June 3, 1954
Provisional Intergovernmental Committee for the Movement of Migrants from Europe (now known as the Intergovernmental Committee for European Migration)	10335	Mar. 28, 1952
Southeast Asia Treaty Organization	10866	Feb. 23, 1960
South Pacific Commission	10086	Nov. 25, 1949
United International Bureau for the Protection of Intellectual Property	11484	Sept. 29, 1969
United Nations	9698	Feb. 19, 1946
United Nations Educational, Scientific, and Cultural Organization	9863	May 31, 1947
Universal Postal Union	10727	Aug. 31, 1957
World Health Organization	10025	Dec. 30, 1948
World Meteorological Organization	10676	Sept. 1, 1956

§ 148.88 Certain representatives to and officers of the United Nations and the Organization of American States.

(a) *Exemption for baggage and effects and admission without entry.* At the request of the Department of State and upon appropriate instructions from the Bureau of Customs in each instance, the privilege of admission free of duty without the filing of an entry may be extended to the baggage and effects of the following alien representatives, officers, and members of the staff of the United Nations and the Organization of American States, and their personal baggage is ordinarily exempt from inspection, subject to § 148.82(e)(2):

(1) Every person designated by a United Nations member nation as the principal resident representative to the United Nations of such member or as a resident representative with the rank of ambassador or minister plenipotentiary and members of their families;

(2) Such resident members of their staffs as may be agreed upon between the Secretary-General of the United Nations, the Government of the United States, and the Government of the United Nations member concerned and members of their families;

(3) Every person designated by a United Nations member of a specialized United Nations agency as its principal resident representative, with the rank of ambassador or minister plenipotentiary at the headquarters of such agency in the United States and members of their families;

(4) Such other principal resident representatives of United Nations members to a specialized United Nations agency and such resident members of the staffs of representatives to a specialized United Nations agency as may be agreed upon between the principal executive officer of the specialized agency, the Government of the United States, and the Government of the United Nations member concerned and members of their families;

(5) The Secretary-General, Under Secretaries-General, and Assistant Secretaries-General to the United Nations and members of their families;

(6) Representatives of members to the principal and subsidiary organs of the United Nations and to conferences convened by the United Nations, while exercising their functions and during their journey to and from the place of meeting, with regard to personal baggage only;

(7) Experts performing missions for the United Nations, the same facilities for personal baggage as are accorded diplomatic envoys;

(8) Any person designated by a member of the Organization of American States as its representative or interim representative on the council of the Organization of American States and members of their families; and

(9) All other permanent members of the Delegation of a member of the Organization of American States and members of their families regarding whom there is agreement for that purpose between the government of the member state concerned, the Secretary-General of the Organization of American States, and the Government of the United States of America.

(b) *Absence of special request.* In the absence of a special request from the Department of State prior to the arrival of persons of the classes enumerated in paragraph (a) of this section, the privilege of admission free of duty without entry may be extended to their baggage and effects upon presentation of their credentials or other proof of identity.

(c) *Importations for personal or family use.* Upon the request of the Department of State and appropriate instructions from the Bureau of Customs, the privilege of importing without entry and free of duty articles for their personal or family use but not as an accommodation for others or for sale or other commercial use may be granted to persons of the classes enumerated in paragraph (a) of this section except those in paragraph (a) (6) and (7) of this section, under item 822.40, Tariff Schedules of the United States (19 U.S.C. 1202).

(d) *Personal inviolability.* The person of the representatives to and officers of the United Nations and the Organization of American States set forth in paragraph (a) of this section shall be free from arrest, search, and detention, except that persons of the rank set forth in paragraph (a) (6) and (7) of this section shall be accorded this privilege only while exercising their function and traveling to and from the place of meeting.

§ 148.89 Property of public international organizations.

(a) *Exemption from duty.* Property of designated international organizations listed in paragraph (b) of § 148.87 shall be admitted free of duty and internal-revenue taxes imposed upon or by reason of importation under 22 U.S.C. 288a(d), but such exemption shall be granted only upon the receipt in each instance of instructions from the Bureau of Customs issued at the request of the Department of State.

(b) *Bond.* Any Customs bond which may be required from a designated international organization (see paragraph (b) of § 148.87) in connection with the importation or entry of merchandise into, or the exportation of merchandise from, the United States may be accepted without surety.

PARALLEL REFERENCE TABLE

(This table shows the relation of sections in proposed Part 148 to 19 CFR Part 10)

Revised Section	*Superseded Section*
148.0	New.
148.1	10.28.
148.2	10.16 and New.
148.3	10.23.
148.4	New.
148.5	10.19(i).
148.6	10.20.
148.7	10.27.
148.8	New.
148.11	10.19(a).
148.12(a) and (b)	10.19(b).
148.12(c)	New.
148.13(a)	10.19(c)(1).
148.13(b)	New, 10.19(c)(3).
148.13(c)	10.19(c)(1).
148.13(d)	10.19(f).
148.13(e)	10.19(d).
148.14	10.19(b) and (g).
148.15	10.1/(h).
148.16	10.19(e).
148.17	10.17(j).
148.18	23.5(a) and (b).
148.19	23.5(c).
148.21	10.21(a).
148.22	10.19(a) and (j).
148.23(a)	10.21(b).
148.23(b)	10.21(b).
148.23(c)	10.21(c) and (e).
148.23(d)	10.21(k).
148.24	10.21(d), 10.19(f).
148.25(a)	10.21(f) and (g).
148.25(b)	New.
148.26(a)	10.21(l).
148.26(b)	10.21(m).
148.27	10.21(j).
148.31	10.17(a).
148.32	10.42.
148.33(a)	10.17(b).
148.33(b)	10.17(e).
148.33(c)	10.17(c).
148.33(d)	10.17(d).
148.33(e)	10.17(b), (h)(2).

PARALLEL REFERENCE TABLE—Continued

Revised Section	*Supervised Section*
148.33(f)	10.17(h)(2).
148.34	10.17(f).
148.35(a)	10.17(g)(1).
148.35(b)	10.17(g)(2).
148.35(c)	10.17(i)(1).
148.36	10.17(h)(1), (i)(2).
148.37	10.17(l) (1)-(3).
148.38	10.17(m).
148.39(a)	10.17(n).
148.39(b)	New.
148.41	10.18(d).
148.42	10.18(a).
148.43	10.18(f).
148.44	10.18(b).
148.45	10.18(c).
148.46	10.18(e).
148.51	10.21(i).
148.52	10.11, 10.12, footnote 11.
148.53	10.15.
148.54	10.14.
148.61	New.
148.62	10.22(b), 23.4(a), 6.7(g).
148.63(a)	23.4(c).
148.63(b)	New.
148.64	10.21(i), 23.4.
148.65(a)	10.22(a).
148.65(b)	New.
148.66(a)	10.22(e).
148.66(b)	10.22(d), 6.7(g).
148.66(c)	10.22(c), 6.7(g).
148.67	23.4(a), (b).
148.71	New.
148.72	10.24.
148.73	10.25.
148.74	10.26a (a), (b), (c) (f)(1).
148.75	10.26a (e), (f)(2).
148.76	10.26a (g).
148.77(a)	10.26a (d), (h), (i).
148.77(b)(1)	10.26a (h).
148.77(b)(2)	New.
148.77(c)	10.26a(h).
148.81(a)	New.
148.81(b)	10.30a(c).
148.81(c)	New.
148.81(d)	New.
148.82(a)	New.
148.82(b)	10.29 (a), (c), and (f).
148..82(c)	10.29(b).
148.82(d)	10.29(c).
148.82(e)	10.29(a) and New.
148.83(a)	10.30(b) and New.
148.83(b)	New.
148.85	10.29(d).
148.84	10.30 (c) and (d).
148.86	10.30(a).
148.87(a)	10.30a (b), (d), and (e).
148.87(b)	10.30a(a).
148.88(a)	10.30b (a) and (d).
148.88(b)	10.30b(c).
148.88(c)	10.30b(b).
148.88(d)	New.
148.89(a)	10.30a (b), (d), and (e).
148.89(b)	10.30a(f).

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