

CUSTOM DUTY

Important Definitions

There are certain terms and expressions, used in the Customs Act, 1962, which require clarification. In order to understand and interpret the legal provisions, it is necessary to have the conceptual clarity of these terms. These have been defined in section 2 of the Customs Act, 1962, which are as follows :—

1. Adjudicating authority [Sec. 2(1)]

It means any authority competent to pass any order or decision under this Act, but does not include the Board, Commissioner (Appeals) or Appellate Tribunal.

2. Appellate Tribunal [Sec. 2(1B)]

Appellate Tribunal means the Customs, Excise and Service Tax Appellate Tribunal constituted under section 129.

3. Assessment [Sec. 2(2)]

“Assessment” means determination of the dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any, under this, Act or under the Customs Tariff Act, 1975 or under any other law for the time being in force, with reference to:—

- (a) the tariff classification of such goods as determined under the provisions of the Customs Tariff Act;
- (b) the value of such goods as determined under the provisions of this Act and the Customs Tariff Act;
- (c) exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefore under this Act or Customs Tariff Act or under any other law for the time being in force.
- (d) the quantity, weight, volume, measurement or other specifies on which basis such duty, tax, cess or any other sum is leviable;
- (e) the origin of such goods determined as per the provisions of the Customs Tariff Act or the Rules made thereunder, if the amount of duty, tax, cess or any other sum is affected by the origin of such goods;
- (f) any other specific factor which affects the duty, tax, cess or any other sum payable on such goods.

and includes provisional assessment, self assessment, re-assessment and any other assessment in which the duty assessed is nil.

4. Baggage [Sec. 2(3)]

Baggage includes unaccompanied baggage but does not include motor vehicles.

5. Board [Sec. 2(6)]

Board means the Central Board of Indirect Taxes and Customs constituted under the Central Board of Revenue Act, 1963.

6. **Customs Station** [Sec. 2(13)]

Customs station means any customs port, customs air, port International container terminals, foreign post-office or land customs station.

7. **Dutiable goods** [Sec. 2(14)]

Dutiable goods means any goods which are chargeable to duty and on which duty has not been paid.

8. **Duty** [Sec. 2(15)]

Duty means a duty of Customs leviable under this Act.

9. **Entry** [Sec. 2(16)]

Entry in relation to goods means an entry made in a bill of entry, shipping bill or bill of export and includes or the entry made under the regulations made u/s 84.

10. **Export** [Sec. 2(18)]

Export means taking out of India to a place outside India.

11. **Exporter** [Sec. 2(20)]

Exporter, in relation to any goods at any time between their entry for exports and the time when they are exported, includes any owner, beneficial owner or any person holding himself out to be the exporter.

12. **Foreign-going vessel or aircraft** [Sec. 2(21)]

Foreign going vessel or aircraft means any vessel or aircraft for the time being engaged in the carriage of goods or passengers between any port or airport in India and any port or airport outside India, whether touching any intermediate port or airport in India or not, and includes :—

- (i) any naval vessel of a foreign Government taking part in any naval exercises;
- (ii) any vessel engaged in fishing or any other operation outside the territorial waters of India;
- (iii) any vessel or aircraft proceeding to a place outside India for any purpose whatsoever.

13. **Goods** [Sec. 2(22)]

Goods includes :—

- (a) Vessels, aircrafts and vehicles;
- (b) Stores;
- (c) Baggage;
- (d) Currency and negotiable instruments; and
- (e) any other kind of moveable property.

14. **Import** [Sec. 2(23)]

Import means bringing into India from a place outside India.

15. **National Tax Tribunal** [Sec. 2(30A)]

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National Tax Tribunal means the National Tax Tribunal established under the National Tax Tribunal Act, 2005.

16. **Person-in-charge** [Sec. 2(31)]

Person-in-charge means :—

- (a) in relation to a vessel, the master of the vessel;
- (b) in relation to an aircraft, the commandor or pilot-in-charge of the air craft;

(c) in relation to a railway train, the conductor, guard or other person having the chief direction of the train;

(d) in relation to any other conveyance, the driver or other person-in-charge of the conveyance.

17. Prohibited goods [Sec. 2(33)]

Prohibited goods means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported, have been complied with.

18. Stores [Sec. 2(38)]

Stores means goods for use in a vessel or aircraft and includes fuel and spare parts and other articles of equipment, whether or not for immediate fitting.

19. Smuggling [Sec. 2(39)]

Smuggling, in relation to any goods, means any act or omission which will render such goods liable to confiscation u/s 111 or section 113.

20. Tariff value [Sec. 2(40)]

Tariff value, in relation to any goods, means the tariff value (or assessable value) fixed in respect thereof u/s 14(2) on which custom duty is levied.

21. Vehicle [Sec. 2(42)]

Vehicle means conveyance of any kind used on land and includes a railway vehicle.

22. Warehouse [Sec. 2(43)]

“Warehouse” means a public warehouse licensed u/s 57 or a private warehouse licensed u/s 58 or a special warehouse licensed u/s 58A.

23. Warehouse goods [Sec. 2(44)]

Warehouse goods means goods deposited in a warehouse.

QUESTIONS

1. Define the following definitions :—

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| (i) Baggage | (ii) Dutiable goods |
| (iii) Person in charge | (iv) Goods |
| (v) Prohibited goods | (vi) Foreign going vessel. |