



## MINISTRY OF FINANCE

### PRESS RELEASE

#### AMENDMENTS TO THE CUSTOMS IMPORT AND EXCISE DUTIES EFFECTIVE 1<sup>st</sup> APRIL 2017

The Ministry of Finance has announced that with the consent of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam, the amendments to the Customs Import Tax and Excise Duties will be implemented effective **1<sup>st</sup> April 2017**.

1. The objectives of the amendments to the customs import and excise duties among other things are to streamline the tax structure for goods in this country that will be able to support a number of key objectives, such as to enhance the competitiveness of business and investment climate in the country as well as to fulfill certain commitments under the Free Trade Agreements (FTAs) with several countries either on a bilateral or multi-lateral basis. The restructuring of the import and excise duties also focuses on specific products with the purpose of meeting certain objectives, such as alleviating the cost of living for specific groups; focusing on the reduction of prices for certain goods to encourage its usage; and at the same time to control the use of certain products in order to improve the health and well-being of citizens and residents of this country.
2. To further enhance the development of the private sector in the country, the reduction of import and excise duties will be implemented on several items for certain business sectors such as industrial machinery and spare parts for heavy vehicles and heavy machinery. In addition, the tax rates for car spare parts and tyres will be reduced, aimed at easing the financial burden and enhancing the safety of consumers in the country. On the health aspect, taxes for several products that are harmful to health will be raised to control consumer demand such as food and drinks that have high sugar content. This is in line with the Ministry of Health's effort to realise the objective of '**Towards a Healthy Society**'. In terms of environment, the increase in excise duties on plastic products and so forth is to support the efforts of Department of Environment, Parks and Recreation (JASTRE) in reducing the amount of plastic waste to be disposed of; encouraging the use of recycled materials and to help minimise pollution that can harm the people's health.

3. To balance the reduction in revenue for certain goods, tax rates for certain products such as mobile phones, leather and fur skin products, video games and other items will be increased.
4. In support of the initiative to create a healthy society, the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam through the Ministry of Health will introduce an assistance scheme for mothers giving birth to newborns, who are Citizens and Permanent Residents of the country. The assistance given will be as follows:
  - a. Assistance in the form disposable diapers for every new-born for a period of 12 months from the date of birth; and
  - b. Assistance in the form of a breast-pump given at every birth of a child or for a period of two years, subject to which period is longer.
5. Further information about the amendments to the tax rates can be obtained from [www.bdnsw.gov.bn](http://www.bdnsw.gov.bn) or [www.tradingacrossborders.gov.bn](http://www.tradingacrossborders.gov.bn) and by contacting the Customs and Excise Department on 2382361.
6. The list of goods included in the amendments is as follows:

DESCRIPTION OF GOODS		BEFORE 1 APRIL 2017		EFFECTIVE 1 APRIL 2017	
		Import	Excise	Import	Excise
Tyres for motorcycles, cars and heavy vehicles	New tyre	20%	0%	0%	5%
	Used tyre	20%	0%	0%	15%
Tyres for heavy machinery	New tyre	15%	0%	0%	5%
	Used tyre	15%	0%	0%	15%
Spare parts for cars		20%	0%	0%	5%
Spare parts for heavy vehicles		20%	0%	0%	5%
Spare parts for heavy machinery		15%	0%	0%	5%
Industrial machines	Using electricity	5%	0%	0%	2.5%
	Not using electricity	0%	5%	0%	2.5%
Leather and fur skin products	Clothing and bags made of leather and fur skin	10%	0%	0%	5%

	Baggage, luggage and handbag mad of leather	0%	0%	0%	5%
	Raw fur skin	0%	0%	0%	5%
<b>Hair oil and materials for hairdressing</b>		30%	0%	0%	5%
<b>Games</b>	Dart	10%	0%	0%	10%
	Video games and consoles	5%	0%	0%	20%
<b>Jewellery, precious metals and stones</b>	Precious metals	0%	0%	0%	15%
	Jewellery	5%	0%	0%	15%
<b>Food Products</b>	Drinks with high sugar content	0%	0%	0%	\$4.00/dal
	Sugar and cocoa products	0%	0%	0%	3%
	<i>Monosodium glutamate (MSG)</i>	0%	0%	0%	30%

DESCRIPTION OF GOODS		BEFORE 1 APRIL 2017		EFFECTIVE 1 APRIL 2017	
		Import	Excise	Import	Excise
<b>Some electrical goods under Chapter 84 and 85</b>	Electrical goods for computer use such as cable and speaker including parking system machine	0%	0%	0%	5%
	Mobile phones and all types of digital camera	5%	0%	0%	10%
	Electrical products for home use such as microwave oven, water heater, hair dryer, television and others	5%	0%	0%	5%
	Electric tools and equipment such as generator, switchboard, halogen bulb and others	5%	0%	0%	5%
	Electrical products for home use such as fan, air-condition, refrigerator etc.	5%	0%	0%	5%
<b>Restricted Goods</b>	Tobacco and Tobacco Product	0%	\$60/kg, \$120/kg, \$200/kg, 0.25¢ per stick	0%	\$120/kg, \$240/kg, \$400/kg, 0.50¢ per stick
	Vape	5%	0%	0%	100%
	Vape Juice	0%	0%	0%	100%
	Smoking Pipe	10%	0%	0%	100%
	Fireworks	30%	0%	0%	30%
<b>Plastic and Plastic Product</b>		0%	0%	0%	3%
<b>Rubber Products</b>	Rubber products	0%	0%	0%	5%
	Rubber mats	10%	0%	0%	0%
<b>Watches and spare parts for</b>	Watch strap made of metal	0%	0%	0%	10%
	Watches including spare parts and accessories	5%	0%	0%	10%

<b>watches</b>	Glass surface for watches	10%	0%	0%	10%
<b>Wooden matches</b>		10%	0%	0%	0%
<b>Umbrella and spare parts</b>		10%	0%	0%	0%
<b>Proximity card and tags</b>		20%	0%	0%	0%
<b>Instant coffee and tea</b>		5%	0%	0%	5%
<b>Cosmetic, beauty and perfumery products</b>		5%	0%	0%	5%
<b>Carpets and flooring made from textile</b>		5%	0%	0%	5%
<b>Photography and cinematography, chemical for film processing</b>		5%	0%	0%	5%
<b>Headgear</b>		10%	0%	0%	10%
<b>Lighter and decorative hairpin</b>		10%	0%	0%	10%

**Ministry of Finance  
Negara Brunei Darussalam**

