

14  
~~14~~  
4

9B

DRAFT: 8/5/74

CUSTOMS AND EXCISE TAXES

Section \_\_\_\_ (a) The Northern Mariana Islands shall not be included within the customs territory of the United States.

(b) The Northern Mariana Islands may, in a manner consistent with the international obligations of the United States, levy duties on goods imported into its territory [ALT. 1: from any area other than the United States, its territories or its possessions.] [ALT. 2: from any area outside the customs territory of the United States.] [ALT. 3: , provided, that such duties shall not discriminate against imports from the United States, its territories and possessions.] [ALT. 4: provided, that such duties shall not discriminate against imports from the customs territory of the United States.]

(c) The Northern Mariana Islands shall have the exclusive authority to impose duties on exports from its territory.

(d) Exports from the Northern Mariana Islands into [ALT. 1: the United States, its territories and possessions] [ALT. 2: the customs territory of the United States] shall be subject to the same treatment as those from the Territory of Guam. [Notwithstanding the treatment of such exports from Guam, exports from the Northern Mariana Islands shall enter [ALT. 1: the United States, its territories and possessions] [ALT. 2: the customs territory of

the United States] free of any import duty; provided, however, that if more than 50 per cent of the value of a product is derived from foreign materials, such product shall not be considered an export from the Northern Mariana Islands for purposes of this Section, but shall not be subject to duty in excess of the duty imposed on like products entering the United States from non-communist countries.] The United States shall, if necessary to make its international obligations consistent with this Subsection, endeavor to obtain appropriate alterations in the General Agreement on Tariffs and Trade.

(e) The United States shall seek to obtain from foreign countries favorable treatment for exports from the Northern Mariana Islands, and shall encourage other countries to consider the Northern Mariana Islands a developing territory.

Section \_\_\_\_\_. The Northern Mariana Islands shall have the exclusive authority to impose excise taxes upon goods manufactured or sold within its territory or upon goods imported into its territory, provided, that such excise taxes as are imposed on goods imported into its territory shall be consistent with the international obligations of the United States.