

## **PROPOSED CUSTOMS RULE**

### **INTERPRETING “TRANSACTION VALUE”**

Agency: U.S. Customs and Border Protection,  
Department of Homeland Security  
Action: Proposed interpretation; Comment request  
Comment deadline: March 24, 2008  
Federal Register: [January 24, 2008 \(Vol.73 No.16\)](#)  
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“Transaction value” is the primary method of appraising imported merchandise and is defined in 19 U.S.C. 1401a as “the price actually paid or payable for merchandise when sold for exportation to the United States,” plus specified additions to that amount. U.S. Customs and Border Protection (CBP) proposes a new interpretation of the phrase “sold for exportation to the United States” for purposes of applying the transaction value method of valuation in a scenario that entails a series of sales.

CBP proposes that in a transaction involving a series of sales, the price actually paid or payable for the imported goods when sold for exportation to the United States is the price paid in the last sale occurring prior to the introduction of the goods into the United States, instead of the first (or earlier) sale. Under this proposal, transaction value will normally be determined on the basis of the price paid by the buyer in the United States. This proposed interpretation reflects the conclusions of the Technical Committee on Customs Valuation as set forth in Commentary 22.1, entitled “Meaning of the Expression ‘Sold for Export to the Country of Importation’ in a Series of Sales.”