

# REPRINT

## CUSTOMS VALUATION ACT 2009

**As in force at: 5 February 2024**

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For details see Endnotes

**AN ACT TO PROVIDE FOR A PROCEDURE TO BE APPLIED TO DETERMINE THE CUSTOMS VALUE OF IMPORTED GOODS AND TO ESTABLISH A RANGE OF CUSTOMS OFFENCES AND RELATED MATTERS.**

# CUSTOMS VALUATION ACT 2009

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# CUSTOMS VALUATION ACT 2009

As in force at: 5 February 2024

## PART 1 PRELIMINARY

### 1 Short title and commencement

- (1) This Act may be cited as the *Customs Valuation Act 2009*.
- (2) This Act commences on a date appointed by the Minister, by notice in the *Gazette*.

### 2 Interpretation

- (1) In this Act, unless the context otherwise requires:

**“computed value”** in relation to imported goods has the meaning given by section 12;

**“customs laws”** means this Act, the *Customs and Excise Act* and any other Act relating to the customs or excise, and includes any subsidiary legislation made under such an Act;

**“customs officer”** means a person employed as a customs officer to perform duties and exercise powers under a customs law;

**“customs value”** in relation to imported goods has the meaning given by section 5(1);

**“deductive value”** in relation to imported goods has the meaning given by section 11;

**“fall-back value”** in relation to imported goods has the meaning given by section 13;

**“family”**, in relation to a natural person, means the husband or wife of that person, a relative of that person, and a relative of that person’s husband or wife;

**“identical goods”** in relation to imported goods has the meaning given by section 8;

**“relative”** means mother, father, child, brother, sister, or other ancestor or lineal descendant and for the purposes of this definition, a legally or customarily adopted child is treated as a natural child by, or as a sibling to, the natural person;

**“similar goods”** in relation to imported goods has the meaning given by section 9;

**“transaction value”** in relation to imported goods has the meaning given by section 7;

- (2) For the purposes of this Act, two persons are deemed to be related to each other if:
- (a) both being natural persons:
    - (i) they are members of the same family; or
    - (ii) one of them is an officer or director of a body corporate controlled, directly or indirectly, by the other;
  - (b) both being bodies corporate:
    - (i) both of them are controlled, directly or indirectly, by a third person (whether or not a body corporate);
    - (ii) both of them together control, directly or indirectly, a third body corporate; or
    - (iii) the same person (whether or not a body corporate) is in a position to cast, or control the casting of, five percent or more of the maximum number of votes that might be cast at a general meeting of each of them;
  - (c) one of them, being a body corporate, is, directly or indirectly, controlled by the other (whether or not a body corporate);
  - (d) one of them, being a natural person, is an employee, officer or director of the other (whether or not a body corporate); or

- (e) they are members of the same partnership.
- (3) A person, whether or not a body corporate, is taken to control another body corporate for the purposes of subsection (2) if that person has the capacity to impose any restraint or restrictions upon, or to exercise any direction over, that other body corporate.
- (4) Unless the contrary intention appears, any word or phrase used in this Act and not defined in this Act and used in the *Customs and Excise Act* (Cap. 121) has the same meaning in this Act as in the *Customs and Excise Act* (Cap. 121).

### **3 Objects**

- (1) The objects of this Act are:
  - (a) to set out a mechanism consistent with Article VII of The World Trade Organisation General Agreement on Tariffs and Trade to determine the value of imported goods for the purposes of imposing import duty; and
  - (b) to establish a range of Customs offences that will operate as a substitute to bringing proceedings under the *Customs and Excise Act* (Cap. 121) in respect of serious breaches.
- (2) In interpreting this Act, a construction that promotes the objects of this Act under subsection (1) is preferred to a construction that does not promote those objects.

### **4 Act binds Crown**

This Act binds the Crown

## **PART 2 CUSTOMS VALUE OF IMPORTED GOODS**

### **5 Customs value of imported goods**

- (1) In a customs law the value of imported goods for the purposes of imposing import duty is the customs value of those goods and the Comptroller shall determine that customs value in accordance with this Act.

- (2) Where the Comptroller can determine the transaction value of imported goods, the customs value of those goods is the transaction value of those goods.
- (3) Where the Comptroller cannot determine the transaction value of imported goods, the customs value of those goods is determined in accordance with the following methods, applied in the order set out below:
  - (a) the transaction value of identical goods as determined under section 8;
  - (b) the transaction value of similar goods as determined under section 9;
  - (c) the deductive value of the goods determined under section 11;  
or
  - (d) the computed value of the goods determined under section 12.
- (4) An importer may apply, in writing, to the Comptroller for the order of consideration of the methods in sections 11 and 12 to be reversed.
- (5) An application under subsection (4) shall be made before the Comptroller commences to determine that customs value of the imported goods.
- (6) If the customs value of imported goods cannot be determined using the valuation methods described in subsection (3), the customs value is the fall-back value of those imported goods.

**6 Inability to determine value of imported goods by reason of insufficient or unreliable information**

- (1) Where the Comptroller is not satisfied that there is sufficient reliable information available to the Comptroller to enable him or her to determine a value of imported goods in accordance with a particular provision of this Act, the Comptroller may determine in writing, that he or she is not so satisfied and the Comptroller is then taken to be unable to determine that first-mentioned value.
- (2) Where under subsection (1) the Comptroller is taken to be unable to

determine a customs value of imported goods, the importer shall produce further relevant documentation in order that the Comptroller is able to make such a determination of customs value.

## **7 Transaction value of imported goods**

- (1) The transaction value of imported goods is the price actually paid or payable for the goods at the time they are sold for export to Solomon Islands adjusted by the amounts specified in subsections (2) and (3) or any other prescribed amount.
- (2) For the purposes of determining the transaction value of imported goods, the price actually paid or payable for the goods is increased by the sum of the following amounts paid or payable, directly or indirectly, by or on behalf of the purchaser in respect of the goods to the extent that the amount is not already included in the price:
  - (a) commission and brokerage in relation to the imported goods other than fees paid or payable by the buyer to the buyer's agent for the service of representing the buyer overseas in respect of the purchase of the goods;
  - (b) packing costs, including labour and material costs;
  - (c) the cost of containers that are treated as being as one with the imported goods;
  - (d) royalties and licence fees, including payments for patents, trademarks, and copyrights in respect of the imported goods that the buyer shall pay, directly or indirectly, as a condition of the sale of the goods for export to Solomon Islands, other than for the right to reproduce the goods in Solomon Islands;
  - (e) the costs of transportation and insurance of, and the loading, unloading, and handling charges and other charges and expenses associated with the transportation of the goods until the goods have been imported into Solomon Islands;
  - (f) the value of any part of the proceeds of any subsequent resale, disposal, or use of the goods by the buyer that accrues or is to accrue, directly or indirectly, to the seller; and

- (g) the value of any of the following goods and services supplied, directly or indirectly, by the purchaser free of charge or at a reduced cost for use in connection with the production and sale for export of the imported goods, apportioned to the goods in a reasonable manner and in accordance with generally accepted accounting principles:
  - (i) materials, components, parts, and other goods incorporated in the production of the imported goods;
  - (ii) tools, dies, moulds, and other goods utilised in the production of the imported goods;
  - (iii) materials consumed in the production of the imported goods; and
  - (iv) engineering work, development work, art work, or design work, plans or sketches undertaken outside Solomon Islands and necessary for the production of the goods.
  
- (3) For the purposes of determining the transaction value of imported goods, the price actually paid or payable for the imported goods is decreased by the sum of the following amounts to the extent that the amount is otherwise included in the price paid or payable for the goods and separately identified in the price:
  - (a) expenditure incurred in the construction, erection, assembling or maintenance of, or technical assistance provided in respect of the goods after importation;
  - (b) the cost of transportation (including loading, unloading, handling and other expenses associated with transportation) of the goods after importation, and the cost of any insurance relating to such transportation;
  - (c) customs duties or other taxes payable in Solomon Islands by reason of the importation or sale of the goods; and
  - (d) the costs or charges related to the purchase of the finance for the imported goods and paid or payable to the supplier.

## 8 Transaction value of identical goods

- (1) For the purposes of this Act, **“identical goods”**, in relation to imported goods, means goods that the Comptroller is satisfied:
- (a) are the same in all material respects, including physical characteristics, quality and reputation, as the imported goods;
  - (b) were produced in the same country as the imported goods; and
  - (c) were produced by or on behalf of the producer of the imported goods,

but not being goods in relation to which:

- (aa) art work, design work, development work, engineering work undertaken, or substantially undertaken, in Solomon Islands; or
- (bb) models, plans or sketches prepared, or substantially prepared, in Solomon Islands,

was or were supplied directly or indirectly by or on behalf of the purchaser free of charge or at a reduced cost for use in relation to their production.

- (2) Where the Comptroller after reasonable inquiry is not aware of any goods that may be treated under subsection (1) as identical goods in relation to the goods to be valued, the Comptroller may disregard the requirement in paragraph (1)(c) for the purpose of treating goods as identical goods in relation to the imported goods.
- (3) If the customs value of imported goods cannot be determined under section 7, the customs value of those goods is the transaction value of identical goods in respect of a sale of those goods for export to Solomon Islands if:
- (a) the transaction value of the identical goods is the customs value of those goods; and
  - (b) the identical goods were exported to Solomon Islands at the same or substantially the same time as the imported goods

being valued and were sold to a buyer at the same or substantially the same trade level as the buyer of the goods being valued; and in the same or substantially the same quantities as the goods being valued.

- (4) Where the Customs value of imported goods cannot be determined under subsection (3) because identical goods were not sold under the conditions described in paragraph (3)(b), the customs value of those goods may be determined by reference to the transaction value of identical goods in respect of a sale of those goods for export to Solomon Islands if the identical goods were sold under any of the following conditions:
  - (a) to a buyer at the same or substantially the same trade level as the buyer of the imported goods being valued but in quantities different from the quantities in which the imported goods were sold;
  - (b) to a buyer at a trade level different from that of the buyer of the imported goods being valued but in the same or substantially the same quantities as the quantities in which those imported goods were sold;
  - (c) to a buyer at a trade level different from that of the buyer of the goods being valued and in quantities different from the quantities in which those goods were sold; or
  - (d) any other prescribed conditions.
- (5) For the purposes of determining the customs value of imported goods under this section, the transaction value of identical goods is adjusted to take account of:
  - (a) commercially significant differences in the cost of transportation and insurance of, and the loading, unloading, and handling charges, and other charges and expenses associated with the transportation of, the identical goods until the goods have left the country of export and those costs, charges and expenses in respect of the imported goods being valued that are attributable to differences in distances and modes of transport;

- (b) where subsection (4) applies, differences in the trade levels of the buyers of the identical goods and the goods being valued or the quantities in which the identical goods and the goods being valued were sold or both, as the case may be; and
  - (c) any other prescribed matter.
- (6) If there is insufficient information to determine an amount under subsection (5), the customs value of the imported goods cannot be determined under this section.
- (7) Where, in relation to imported goods being valued, there are two or more transaction values of identical goods that meet all the requirements set out in this section, the customs value of the imported goods shall be determined on the basis of the lowest of those transactions values.

## **9 Transaction value of similar goods**

- (1) For the purposes of this Act, “**similar goods**”, in relation to imported goods, means goods that the Comptroller is satisfied:
- (a) closely resemble the imported goods in respect of component materials and parts and in respect of physical characteristics;
  - (b) are functionally and commercially interchangeable with the imported goods having regard to the quality and reputation (including any relevant trade marks) of each lot of goods;
  - (c) were produced in the same country as the imported goods; and
  - (d) were produced by or on behalf of the producer of the imported goods,

but not being goods in relation to which:

- (aa) art work, design work, development work or engineering work undertaken, or substantially undertaken, in Solomon Islands; or
- (bb) models, plans or sketches prepared, or substantially prepared, in Solomon Islands,

was or were supplied directly or indirectly by or on behalf of the purchaser free of charge or at a reduced cost for use in relation to their production.

- (2) Where the customs value of imported goods cannot be determined under section 7 or 8, the customs value of those goods is the transaction value of similar goods in respect of a sale of those goods for export to Solomon Islands if:
  - (a) the transaction value of the similar goods is the customs value of those goods; and
  - (b) the similar goods were exported to Solomon Islands at the same or substantially the same time as the imported goods being valued and were sold to a buyer at the same or substantially the same trade level as the buyer of the goods being valued, and in the same or substantially the same quantities as the goods being valued.
- (3) Subsections 8(4) to (7) apply to this section as if every reference in those subsections to “identical goods” is a reference to “similar goods”.

## **10 Transaction value not to apply**

- (1) The transaction value of imported goods will not determine the customs value of imported goods if the following circumstances apply:
  - (a) there are restrictions on the disposition of the imported goods other than:
    - (i) restrictions imposed or required by, or by any public officer or authority acting in accordance with a law in force in Solomon Islands;
    - (ii) restrictions that limit the geographical area in which the goods may be resold; or
    - (iii) restrictions that do not substantially affect the value of the imported goods;

- (b) the sale of the imported goods is subject to some condition or consideration in respect of which a value cannot be determined;
  - (c) part of the proceeds of any disposal, use or resale of the goods by the purchaser accrues, directly or indirectly, to the vendor, unless an appropriate adjustment can be made;
  - (d) the buyer and seller of the goods are related at the time the goods are sold for export except in the situation:
    - (i) where the Comptroller is satisfied that the relationship did not influence the price paid or payable for the goods; or
    - (ii) where the importer demonstrates to the satisfaction of the Comptroller that the transaction value of the goods closely approximates the transaction value, deductive value, or computed value of identical or similar goods sold at comparable trade and quantity levels to unrelated buyers in Solomon Islands at or about the same time as the goods to be valued; or
  - (e) any other prescribed circumstances.
- (2) In a sale between related persons, for the purposes of showing that the relationship did not influence the transaction value, the importer shall produce such evidence or information as is prescribed or which the Comptroller otherwise requests.

## **11 Deductive value**

- (1) Subject to section 5, if the customs value of imported goods cannot be determined under section 7, 8 or 9, the customs value of the imported goods is the deductive value of the goods.
- (2) Subject to subsection (3), where the imported goods being valued or identical goods or similar goods are sold in Solomon Islands in the condition in which they were imported at or about the time of importation, the deductive value of the goods being valued is the price per unit of the imported goods, or identical or similar goods as the case may be, at which the greatest number of the goods are sold, reduced on a per unit basis by the amounts specified in subsection

- (4).
- (3) Subsection (2) will only apply if the Comptroller is satisfied:
- (a) that the purchaser is not related to the importer;
  - (b) that, in relation to the imported goods to be valued, the purchaser did not supply free of charge or at a reduced cost for use in connection with the production and sale for export of the imported goods, the goods, material and services referred to in section 7(2)(h); and
  - (c) with any other prescribed matter.
- (4) For the purposes of subsection (2), the value of the imported goods to be valued is reduced on a per unit basis by:
- (a) the amount of any commission;
  - (b) an amount for profit and general expenses, including all costs of marketing the goods based on sales in Solomon Islands of goods of the same class or kind as the goods sold;
  - (c) reasonable costs, charges, and expenses that are incurred in respect of the transportation and insurance of the goods within Solomon Islands, to the extent that those costs and charges have not already been deducted under paragraph (b);
  - (d) customs duties or other taxes payable in Solomon Islands by reason of the importation or sale of the goods; and
  - (e) any other prescribed matter.
- (5) If the imported goods being valued or identical goods or similar goods are not sold in Solomon Islands at or about the time of importation but are sold in the condition in which they were imported within ninety days after the time of importation and subsection (3) is satisfied, the deductive value is determined by reference to the later sale.
- (6) Subject to subsection (7), if the imported goods being valued or identical goods or similar goods are not sold in the condition in which they were imported in Solomon Islands at or about the time of

importation or within ninety days after the time of importation but:

- (a) the goods, after being assembled, packaged, or further processed, are sold within ninety days after the time of importation; and
- (b) subsection (3) is satisfied,

the deductive value of the imported goods may be determined at the request of the importer by reference to that sale after reduction on a per unit basis for the value added attributable to the assembly, packaging or further processing of the goods in Solomon Islands.

- (7) Subsection (6) will not apply if the Comptroller has insufficient information to determine the amount of the value added attributable to the assembly, packaging or further processing of the goods in Solomon Islands.

## **12 Computed value**

- (1) If the customs value of imported goods cannot be determined under section 7, 8, 9 or 11, the customs value of the imported goods is the computed value of the goods.
- (2) The computed value of imported goods is such part of the sum of the following amounts as the Comptroller considers should be apportioned to the production of those goods:
  - (a) the cost or value of materials used in producing the goods;
  - (b) the cost of manufacture or processing to produce the goods;
  - (c) the cost of containers that are treated as being as one with the imported goods;
  - (d) the cost of transportation and insurance of, and the loading, unloading, and handling charges, and other charges and expenses associated with the transportation of, the imported goods until the goods have left the country of export if such costs, charges, and expenses are paid or payable by the buyer, directly or indirectly, to or for the benefit of the seller as a condition of the transaction;

- (e) the value of any part of the proceeds of any subsequent resale, disposal, or use of the goods by the buyer that accrues or is to accrue, directly or indirectly, to the seller;
- (f) the value of any goods, material and services referred to in section 7(2)(h); or
- (g) an amount for profit and general expenses equal to that generally applicable in sales of goods of the same class or kind as the imported goods, which are made by producers in the country of exportation and are the exporter's goods.

### **13 Fall-back value**

The fall-back value of imported goods is the value that the Comptroller determines having regard to the other methods of valuation under this Act in the order in which those methods would ordinarily be considered under section 5 and such other matters as the Comptroller considers relevant but not having regard to any of the following matters:

- (a) the selling price in Solomon Islands of the goods produced in Solomon Islands;
- (b) any system that provides for the acceptance for valuation purposes of the higher of two alternative values;
- (c) the price of the goods on the domestic market of the country from which the imported goods were exported;
- (d) the cost of production of the goods, other than the computed value of identical goods or similar goods;
- (e) the price of the goods sold for export to a country other than Solomon Islands and not imported into Solomon Islands;
- (f) any system that provides for minimum values for Customs purposes;
- (g) arbitrary or fictitious values; or
- (h) any other prescribed matter.

**14 Importer advised of method of determination**

The Comptroller shall, upon written request, advise the importer, by notice in writing, of the method used to determine the customs value of imported goods.

**15 Values of goods to be declared in the currency of Solomon Islands**

- (1) The customs value shall be expressed in a customs declaration in Solomon Islands currency.
- (2) Where the conversion of currency is necessary for the determination of the customs value, the rate of exchange to be used is the rate published for the relevant country of export by the Central Bank of Solomon Islands as last notified before the goods were entered.

**16 Review of determinations and other decisions**

- (1) At any time after the making of a determination or other decision under this Act in relation to imported goods, the Comptroller may review the determination or other decision and may:
  - (a) affirm the determination or other decision;
  - (b) vary the determination or other decision; or
  - (c) revoke the determination or other decision and make any other determination or decision that is required to be made for the purpose of determining the customs value of the goods in accordance with this Act.
- (2) Where, by reason that the Comptroller, under subsection (1), has varied or revoked a determination or other decision or has made a determination or other decision that is required to be made by reason of the revocation of a determination or other decision:
  - (a) an amount of duty that was levied is less than the amount that should have been levied; or
  - (b) an amount of duty that was refunded is greater than the amount that should have been refunded,

the amount of duty that is unpaid or the amount of refund that was overpaid is a debt due to the Crown and is payable by the owner of the goods.

- (3) Where a customs value has been reviewed and a re-determination made under this section, the re-determined customs value is taken to be the correct customs value for the purposes of this Act.

## **PART 3            CUSTOMS OFFENCES**

### **17            False information**

A person who knowingly gives to any customs officer false information relating to the customs value or the tariff classification of imported goods commits an offence and is liable upon conviction:

- (a) in the case of a natural person:
- (i) for a first offence, to a fine not exceeding treble the value of the goods or 50,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding five years, or both; and
  - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 100,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding ten years, or both; and
- (b) in the case of a company or other entity:
- (i) for a first offence, to a fine not exceeding treble the value of the goods or 500,000 penalty units whichever is the greater; and
  - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 1,000,000 penalty units whichever is the greater.

### **18            Obstruction of customs officers**

A person who intentionally obstructs a customs officer exercising powers under a customs law commits an offence and is liable upon

conviction:

- (a) in the case of a natural person:
  - (i) for a first offence, to a fine not exceeding 50,000 penalty units or to a term of imprisonment not exceeding five years, or both; and
  - (ii) for a second or subsequent offence, to a fine not exceeding 100,000 penalty units or to a term of imprisonment not exceeding ten years, or both; and
- (b) in the case of a company or other entity:
  - (i) for a first offence, to a fine not exceeding 500,000 penalty units; and
  - (ii) for a second or subsequent offence, to a fine not exceeding 1,000,000 penalty units.

## **19 Smuggling**

(1) A person who knowingly:

- (a) smuggles;
- (b) unlawfully conveys smuggled goods; or
- (c) has in his or her possession smuggled goods,

commits an offence and is liable upon conviction:

- (aa) in the case of a natural person:
  - (i) for a first offence, to a fine not exceeding treble the value of the goods or 50,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding five years, or both; and
  - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 100,000 penalty units, whichever is the greater, or to a term

of imprisonment not exceeding ten years, or both;  
and

(bb) in the case of a company or other entity:

- (i) for a first offence, to a fine not exceeding treble the value of the goods or 500,000 penalty units whichever is the greater; and
- (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 1,000,000 penalty units whichever is the greater.

(2) A person who knowingly offers for sale smuggled or unlawfully imported goods whether or not customs duty or excise tax was payable on those goods, commits an offence and is liable upon conviction:

(a) in the case of a natural person:

- (i) for a first offence, to a fine not exceeding treble the value of the goods or 50,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding five years, or both; and
- (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 100,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding ten years, or both; and

(b) in the case of a company or other entity:

- (i) for a first offence, to a fine not exceeding treble the value of the goods or 500,000 penalty units whichever is the greater; and
- (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 1,000,000 penalty units whichever is the greater.

(3) In this section, “**smuggle**” means the importation or exportation of goods with the intention to defraud the revenue.

## 20 Prohibited imports or exports

- (1) A person who imports or exports or causes to be imported or be exported prohibited goods commits an offence and is liable upon conviction:
  - (a) in the case of a natural person:
    - (i) for a first offence, to a fine not exceeding treble the value of the goods or 50,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding five years, or both; and
    - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 100,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding ten years, or both; and
  - (b) in the case of a company or other entity:
    - (i) for a first offence, to a fine not exceeding treble the value of the goods or 500,000 penalty units whichever is the greater; and
    - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 1,000,000 penalty units whichever is the greater.
- (2) A person who knowingly offers for sale prohibited goods commits an offence and is liable upon conviction:
  - (a) in the case of a natural person:
    - (i) for a first offence, to a fine not exceeding treble the value of the goods or 50,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding five years, or both; and
    - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 100,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding ten years, or both; and

- (b) in the case of a company or other entity:
  - (i) for a first offence, to a fine not exceeding treble the value of the goods or 500,000 penalty units whichever is the greater; and
  - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 1,000,000 penalty units whichever is the greater.
- (3) A person who receives goods knowing or believing them to be prohibited goods commits an offence and is liable upon conviction:
  - (a) in the case of a natural person:
    - (i) for a first offence, to a fine not exceeding treble the value of the goods or 50,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding five years, or both; and
    - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 100,000 penalty units, whichever is the greater, or to a term of imprisonment not exceeding ten years, or both; and
  - (b) in the case of a company or other entity:
    - (i) for a first offence, to a fine not exceeding treble the value of the goods or 500,000 penalty units whichever is the greater; and
    - (ii) for a second or subsequent offence, to a fine not exceeding treble the value of the goods or 1,000,000 penalty units whichever is the greater.
- (4) In this section, ***“prohibited goods”*** means goods that under a customs law are prohibited or restricted to be imported or exported.

## 21 **Unauthorised movements**

- (1) A person involved in any unauthorised movement, alteration or interference with goods that are subject to customs control commits

an offence and is liable upon conviction:

- (a) in the case of a natural person:
    - (i) for a first offence, to a fine not exceeding 50,000 penalty units or to a term of imprisonment not exceeding five years, or both; and
    - (ii) for a second or subsequent offence, to a fine not exceeding 100,000 penalty units or to a term of imprisonment not exceeding ten years, or both; and
  - (b) in the case of a company or other entity:
    - (i) for a first offence, to a fine not exceeding 500,000 penalty units; and
    - (ii) for a second or subsequent offence, to a fine not exceeding 1,000,000 penalty units.
- (2) For the purposes of this section, goods are subject to customs control if a customs law provides that those goods are under the control of customs until released in accordance with that customs law.

## **22 Corruption**

- (1) A customs officer who unlawfully requests or accepts directly or indirectly any money, goods, or services:
- (a) in exchange for that officer performing a customs services;
  - (b) in exchange for the non-performance of that officer's official duties; or
  - (c) otherwise in connection with the officer's official duties,
- commits an offence and is liable upon conviction to a fine not exceeding 100,000 penalty units or to a term of imprisonment not exceeding ten years, or both.
- (2) A person (including a public officer) who, directly or indirectly, provides money, goods, services to or induces or causes, a customs

officer to commit an offence under subsection (1) commits an offence and is liable to the penalties set out in that subsection.

**23 Offences under more than one Act**

Where an act or omission constitutes an offence under this Act and the *Customs and Excise Act* (Cap. 121), the offender is liable to be prosecuted and punished under either or any of those Acts, but is not liable to be punished twice for the same act or omission.

**24 Alternative offences**

- (1) This section applies if, in a prosecution for an offence, a court is not satisfied that the defendant is guilty of the offence, but is satisfied beyond reasonable doubt that the defendant is guilty of another offence (the alternative offence) under this Act or under the *Customs and Excise Act* (Cap. 121).
- (2) The court may find the defendant not guilty of the prosecuted offence but guilty of the alternative offence, so long as the defendant has been accorded procedural fairness in relation to that finding of guilt.

**25 Vicarious liability**

A person is liable for an offence committed by an employee of the person acting in the course of the employee's employment, or by an agent of the person acting within the scope of the agent's authority, whether or not the employee or agent who actually committed the offence is identified or proceeded against in accordance with this Act.

**PART 4 MISCELLANEOUS**

**26 Authorisation**

A customs officer who has been authorised by the Comptroller to do so may exercise the powers of the Comptroller under this Act.

**27 Application**

This Act applies to goods imported into Solomon Islands after the commencement date.

## **28 Regulations**

- (1) The Minister may make regulations prescribing matters:
  - (a) required or permitted by this Act to be prescribed; or
  - (b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.
- (2) Without limiting the generality of subsection (1), regulations may be made:
  - (a) prescribing fines and penalties not exceeding 10,000 penalty units or imprisonment for a term not exceeding 12 months, or both, for offences against the regulations;
  - (b) prescribing information or material that shall be provided by an importer in respect of the valuation of imported goods;
  - (c) prescribing accounting principles or standards that shall be complied with in relation to information or material to be submitted to the Comptroller by an importer in respect of the valuation of imported goods; and
  - (d) within a reasonable time, of a savings or transitional nature consequent upon the amendments of the *Customs and Excise Act* (Cap. 121) made by this Act.

## **29 Consequential amendments**

The *Customs and Excise Act* (Cap. 121) is amended by repealing sections 13, 80 and 265.

## ENDNOTES

### 1 KEY

amd = amended	Pt = Part
Ch = Chapter	rem = remainder
Div = Division	renum = renumbered
exp = expires/expired	rep = repealed
GN = Gazette Notice	Sch = Schedule
hdg = heading	Sdiv = Subdivision
ins = inserted	SIG = Solomon Islands Gazette
lt = long title	st = short title
LN = Legal Notice	sub = substituted
nc = not commenced	

### 2 LIST OF LEGISLATION

#### ***Customs Valuation Act 2009 (No. 19 of 2009)***

Assent date	28 August 2009
Gazetted	2 September 2009
Commenced	1 January 2011

#### ***Customs Valuation (Amendment) Act 2010 (No. 8 of 2010)***

Assent date	1 October 2010
Gazetted	6 October 2010
Commenced	1 January 2011

#### ***Legislation Amendment, Repeal and Validation Act 2023 (No. 17 of 2023)***

Assent date	29 December 2023
Gazetted	29 December 2023
Commenced	5 February 2024

### 3 LIST OF AMENDMENTS

s 7	amd by Act No. 8 of 2010
s 8	amd by Act No. 8 of 2010
s 10	amd by Acts No. 8 of 2010; No. 17 of 2023
s 11	amd by Act No. 8 of 2010
s 13	amd by Act No. 8 of 2010