

SUMMARY OF APPEAL DECISION

APPEAL NO. TRK (J) 1-2008

FACTS

The Appellant is a private limited company incorporated on 7 February 1996. The Appellant is a well known producer of beverages. One of the beverage produced by the Appellant is Daisy Multi Grain Milk. The Appellant had applied for a customs ruling under section 11B Sales Tax Act 1972. The Director General of Customs decided in Customs Ruling dated 11 December 2007 that MILK BEVERAGES products (Low Fat High Calcium Milk with Multi Grain) of DAISY brand be classified under tariff code 2202.90 000 which is subject to sales tax of 10%. The Appellant was aggrieved with the decision of the Director General of Customs on the classification and filed a Notice of Appeal at the Customs Appeal Tribunal on 17 January 2008.

ISSUE

The ground of appeal is that Daisy Multi Grain Milk which contains flavoured grains of oat, malt and barley is not suitable to be classified under tariff code 2202.90 000 because these cereals are not cocoa. According to the Appellant, the suitable tariff code for this product is 1901.90 930 which is subject to a sales tax of 5% because this product contains food materials which are suitable to be taken by consumers with cereals, tea and coffee as a nutritious food supplement.

(After the appeal was filed the parties negotiated for settlement as provided under section 141P Customs Act 1967, The Appellant withdrew the appeal. On the hearing date of 21 March 2008 the Appellant was not present but Respondent's representative was present)

DECISION

The appeal was dismissed.

21 March 2008