Approved For Release 1999/09/10 : CIA-RDP83-00423R001700840005-6

25X1A9a [redacted] 25X1A2g

~~CONFIDENTIAL/US OFFICIALS ONLY~~

INFORMATION REPORT

PREPARED AND DISSEMINATED BY

CENTRAL INTELLIGENCE AGENCY

~~This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 739 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.~~

25X1A2g

COUNTRY: Colombia

REPORT NO.: [redacted]

SUBJECT: New Internal Consular Tax on Imports of Home Appliances/Payments of US Dollar Drafts

DATE DISTRIBUTED: 24 Jan 55

NO. OF PAGES: 1

NO. OF ENCLS.:

SUPPLEMENT TO REPORT #:

25X1A6a PROCESSED

PLACE ACQUIRED (By source): [redacted]

25X1A6a

RESPONSIVE TO: OO/C-

DATE ACQUIRED (By source): [redacted]

DATE OF INFORMATION (Date or dates, on or between which, events or conditions described in report existed): Nov-Dec 54

THIS IS UNEVALUATED INFORMATION

SOURCE [redacted]

25X1X6

1. The government has issued a new tax decree based only on imports. This tax is purely internal and is entitled "Consular Tax". Previously a "consular tax" of three percent was charged on all imports but now the rate has been increased to 83%. The tax is on the FAS value of the merchandise.

2. Import duties on such merchandise have not been altered as any change in the import routine might call for an investigation by shippers and this would be embarrassing to the government.

3. Because of this jump in the "Consular Tax", imports of refrigeration equipment (home and commercial), electric ranges, waterheaters, washers, and all small electrical home appliances, are impossible. Gas, kerosene or gasoline ranges are not included in the new edict.

4. This new rate of tax will practically force many importers out of business as the public will not pay the new compulsory increase in retail prices. The price increase of our net landed cost is two Colombian pesos for each US dollar on the FAS value. The old price could be figured at Colombian pesos 3.30 to US$1. net landed at Cartagena. The new price figures at 5.30 Colombian pesos for US$1. This is an increase of over 66% on the net landed cost and is much more than our gross profit based on the old import figures.

5. There are rumors that the new regulations insofar as refrigeration equipment is concerned, will be lowered when the import control board reopens on 10 Jan 55. It was closed in December 1954 for what was officially called a vacation for the employees.

6. While definite proof of government figures is difficult to obtain, we understand that about US$85 million is unpaid for imported merchandise. Nearly all of this merchandise has been paid for in Colombian pesos to the collecting banks but no foreign exchange has been made available to pay the drafts.

- end -

~~US OFFICIALS ONLY~~
~~CONFIDENTIAL~~

~~This unevaluated information for US Officials Only is supplied to the [illegible] for your analysis [illegible] dation by [redacted] TYPE [illegible] DATE INFO-REF DATE [illegible] Dissemi-~~

Subj: Import Tax

Area: Colombia

25X1A2g 54 1

30-46.2

040

16 FEB 1955

Approved For Release 1999/09/10 : CIA-RDP83-00423R001700840005-6

DISTRIBUTION

STATE	ARMY	NAVY	AIR	FBI