

# Law number 168-21 | Customs Law of the Dominican Republic

Enacted: August 9, 2021

Revised: September 20, 2021

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On August 9, 2021 the **Law number 168-21 which regulates Customs in the Dominican Republic** was enacted (“Customs Law”), invalidating the Law No. 3489 dated February 14, 1953. The Customs Law arises as a response to the urgent need that the Dominican Republic (“DR”) counts with a regulation that is organized, updated and re-oriented to new foreign trade trends that includes economic, legal, technological and institutional advances of the country and that is compatible with international agreements and commitments for the facilitation of trade, customs control and procedures. As indicated by our president: *“It has the purpose of recovering the economy and boosting trade through the simplification and elimination of bureaucratic procedures and legislative gaps, providing greater rationality to the national tax system and the regulatory framework of international trade [...] and increases legal certainty to promote local and foreign investment”*.

This is a step forward to turn the DR into the **logistic hub** or **regional connection center** for the Caribbean; a goal to capitalize the strategic location of the DR and place it within the global framework of international transport, for which we have the National Cargo Logistics Plan (“PNLOG”, for its acronym in Spanish) 2020-2032 that has the support of the Inter-American Development Bank (IDB), as well as the public-private and academic sectors of the logistics sector.

The Customs Law also establishes the **Logistics Community System** (“SLC”, for its acronym in Spanish), an electronic service tool that will allow actors in the logistics chain to carry out comprehensive services related to the logistics activities users and link directly with the Single Window for Foreign Trade (“VUCE”, for its acronym in Spanish) or another state digital platform to facilitate trade and speed up compliance with customs obligations.

The creation of the **National Trade Facilitation Committee** (“CNFC”, for its acronym in Spanish) is added, chaired by the General Customs Directorate (“DGA” for its acronym in Spanish), serving as a permanent dialogue table to generate greater trade facilitation in the country, in addition to applying the provisions of the Trade Facilitation Agreement of the World Trade Organization (WTO), and the figure of **the Authorized Economic Operator** is recognized, whose purpose is to ensure security in the logistics chain and help streamline international trade operations.

Finally, we highlight that pursuant to the mandate of the Customs Law the Executive Branch must dictate the regulations for the application of this legal text in a period not exceeding six (6) months as of its entry into force.

### **1. PURPOSE AND APPLICATION SCOPE**

The Customs Law establishes the legal framework of the customs regime in the DR to facilitate and streamline foreign trade operations, control and supervise the passage of goods through the customs territory, to collect the established taxes, to pursue illicit customs and foreign trade behaviors, to develop and manage the execution of legislation and international treaties of which the country is a signatory; and to generate customs and foreign trade statistics.

## **2. CUSTOMS AND CUSTOMS CONTROL**

The DGA is a public law entity with its own legal personality and administrative, technical, budgetary autonomy and its own assets, subject to the supervision of the Ministry of Finance<sup>1</sup>. This entity applies the following types of control:

<b>TYPE OF CONTROL</b>	<b>SCOPE</b>
<b>Permanent control</b>	Exercised on customs operators (operations, duties and obligations).
<b>Previous control</b>	Exercised on the merchandise before submitting to a customs regime.
<b>Immediate control</b>	Exercised when goods enter the customs territory or from the moment they are presented for their exit and until their release is authorized.
<b>Post-control</b>	Tests are carried out after release regardless of the customs regime or operation to which they have been subjected and is subject to a prescription period.

Control in primary customs area<sup>2</sup> is exercised by Customs Officials<sup>3</sup>. In case of customs crimes outside the primary zone, the Public Prosecutor will exercise control and in areas where the State exercises special jurisdiction, special customs controls will be carried out in accordance with public international law. In alignment with international standards for customs controls, risk analysis techniques will be applied to identify, prevent and confront risk threats. For the fulfillment of customs obligations, the DGA will supervise<sup>4</sup> the veracity of the content of customs declarations and the fulfillment of legal and operational formalities.

## **3. PEOPLE LINKED TO CUSTOMS ACTIVITY**

The Customs Law recognizes **Customs Operators**<sup>5</sup> who must have a license issued by the corresponding authorities or an enabling title to exercise their functions<sup>6</sup>.

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- 1: The DGA is directed by a General Director and by six (6) deputy directors, to be appointed by the DR President.
  - 2: The customs jurisdiction zone is the geographic area within the aforementioned customs territory where a customs administration exercises its powers and is divided into two zones: a) primary customs jurisdiction zone: any area where services, controls or operations of customs character are performed, and b) zone of secondary customs jurisdiction: it is part of the national territory but not included within the primary zone and that corresponds to each Customs.
  - 3: The following are considered Customs Officers: the General Director, deputy directors, supervisory officers, supervisors and technicians of the special regimes, administrators and sub-administrators, the person in charge of the Customs Intelligence Department and its officers, the person in charge of the body of wardens, his assistants and the guards Customs; and, the gauges.
  - 4: Customs operators, the exporter or producer in foreign territory, in accordance with the commercial treaties and agreements signed by the country and other subjects that intervene in the process of arrival and dispatch of merchandise are subject to control.
  - 5: Customs operators: i) Importer and exporter, ii) consignor and consignee, iii) Customs agent, iv) Special Customs representatives, v) Transport agents or carrier representative, vi) Depositary of merchandise, vii) International consolidators and de-consolidators of cargo, viii) Postal and express mail companies, ix) Freight agent, x) Logistics operators, and, xi) Public or private port, airport or terminal operator.
  - 6: Natural persons must provide their identity card or passport, and legal persons their National Taxpayers Registration Certificate (Acta de RNC).

Operators are classified into:

TYPE OF OPERATOR	SCOPE
<b>Authorized persons</b>	They carry out the formalities, procedures and other operations before the DGA, being the consignors, consignees or owners, importers or exporters or their authorized representatives.
<b>Special proxies</b>	Natural person in charge of exclusively managing the dispatch of goods in all types of customs regime or destination, on behalf of his/her employer, who will be the licensee.
<b>Customs agents</b>	Their license enables them before Customs to provide services to third parties as managers in all types of customs destinations.

Transport Agents or Representative of the Carrier, Depository of Goods and Logistics Operators, companies of fast delivery shipping services (Couriers), and International Cargo Consolidators have a different registration procedure before DGA.

#### **4. CUSTOMS TAX OBLIGATION**

<b>Birth of the tax obligation and tax base</b>	<ul style="list-style-type: none"> <li>• The generating event of the customs tax obligation<sup>7</sup> determines the classification of tax, rate, tariff or contribution for which the tax obligation arises from the entry or exit of goods from the DR.</li> <li>• Customs tax obligation is generated since the DGA accepts the processing declaration, which will be notified to the taxpayer through the mechanism to be established by the Customs Law Regulations. The declaration will be considered as not accepted for processing in case of inconsistencies between the advance declaration, the merchandise and the taxes generated.</li> <li>• To calculate taxes<sup>8</sup>, values expressed in foreign currency will be converted to Dominican pesos using the official sales exchange rate published by the Central Bank of the DR on the date the tax event occurred.</li> </ul>
<b>General privileges</b>	<ul style="list-style-type: none"> <li>• Except for alimony and salaries, the DGA has privilege over the credits for taxes, surcharges, interests and pecuniary penalties generated on all the debtor's assets, including in cases of bankruptcy or liquidation. This privilege extends to goods that have not completed the import or admission formality, except for force majeure.</li> </ul> <p>In case of seizure of merchandise under a special customs regime (temporary, suspensive, release, exemptions, franchises), the customs certification, which includes the taxes that affect said merchandise, must be filed with the Judge from whom the seizure order is requested.</p>

• 7: Customs tax obligation: it is the legal link between the State, including other public entities, and whoever is legally responsible for paying generated taxes.

• 8: Ad-valorem taxes are those established in Article VII of the WTO Value Agreement and national legislation.

• 9: Self-determination: it is the presentation in good faith of the customs declaration made by the consignee, importer or agent, which establishes the value to be paid for the merchandise.

<b>Determination and settlement of customs tax obligation and review procedure</b>	<ul style="list-style-type: none"> <li>• This occurs by self-determination<sup>9</sup> or through the DGA, the value of the taxes to be paid for the merchandise is set.</li> <li>• The DGA will determine the taxes value (prudential amount) for merchandise under special customs regimes, located outside the primary zone and that at the time of the DGA's review are not found, destroyed or hidden by any fraudulent means, or the essential factors to determine the customs tax obligation are not available.</li> </ul> <p>The DGA has the faculty to review the customs tax obligation determination for goods in the primary customs zone. The determination is provisional and may be modified within the established deadlines and will be definitive<sup>10</sup> when the revision process has concluded or by a judgement with the irrevocable judge thing authority.</p>
<b>Inspection of goods</b>	<p>The DGA will verify the declaration and documents that support it and will physically inspect the merchandise, when appropriate, to conclude with the corresponding liquidation. In case the physical inspection proceeds, the DGA will notify the importer, consignee or exporter requiring their presence.</p>

## **5. PAYMENT AND DISPATCH OF MERCHANDISE**

STEPS	SCOPE
<b>Payment report (administrative act)</b>	Establishes the amount of the customs tax obligation, including surcharges and interests when applicable as a result of the determination <sup>11</sup> .
<b>Withdrawal of goods from Customs</b>	Requires that the taxpayer has paid the entire determination of the customs tax obligation unless there is an equivalent guarantee <sup>12</sup> .
<b>Account adjustment</b>	Applicable in case of differences in the payment of taxes <sup>13</sup> .

- 10: Definitive determination: determination made by the DGA once the review process has been completed or by judicial decision with the irrevocably judged thing authority. The provisional determination will become final with the prescription.
- 11: This report is extensive to merchandise with exemptions and waivers and is subject to modifications by DGA. The modifications will be notified to the declarant.
- 12: The DGA will execute the guarantee with the resolution of the objection through administrative channels when the taxpayer has not appealed the objections through courts or when the judgement is obtained with the irrevocably judged thing authority.
- 13: If the payment is less than what was determined, Customs will generate a charge for the difference and sanctions may be applied; if the payment is higher, a refund will be made to the taxpayer.

## 6. EXTINCTION OF THE CUSTOMS TAX OBLIGATION

EXTINGUISHING MEDIUM	FEATURES
<b>Payment</b>	Payment is the fulfillment of the taxes owed by the taxpayer <sup>14</sup> to the DGA by any means established by monetary and financial legislation. In case of self-determination, payment must be made prior to dispatch the merchandise. If the DGA notifies the liquidation, the payment must be made within 10 days otherwise an interest of 30% of the average effective market rate will be generated, as determined by the DGA for each month or fraction.
<b>Compensation</b>	Compensation occurs when the DGA (or the Tax Administration) and taxpayer (importer, consignee, exporter, agent) have reciprocal debts. Compensation can be total or partial and must be requested in writing to the General Director of the DGA <sup>15</sup> .
<b>Prescription</b>	Both the collection of taxes by the DGA as well as the action of the taxpayer to claim the restitution of the taxes unduly paid to the DGA prescribe 3 years as of the date on which the obligation should have been determined or satisfied or in case of the taxpayer's action, from the day following the payment date <sup>16</sup> . The suspension of the prescription begins with an administrative or jurisdictional appeal until the irrevocably judged thing authority has been obtained, or with the notification of the DGA to the taxpayer or person responsible for starting an audit, up to 2 years. Prescription will be interrupted <sup>17</sup> : (i) by the notice of DGA in claiming the taxes, (ii) recognition of the obligation or penalty by the taxpayer, (iii) administrative or judicial act in claiming the debt, (iv) notice of DGA to the taxable person regarding the modification to the liquidation, (v) notice of the DGA regarding the administrative act or judgement confirming or establishing the debt or sanction.
<b>Acceptance of voluntary abandonment of goods</b>	A merchandise is abandoned <sup>18</sup> when its real owner, consignee or shipper express their resignation to it.
<b>Loss, decrease or destruction of goods due to force majeure</b>	Customs tax obligation for the consignee will be extinguished in the same proportion with the destruction or loss, provided that said loss is demonstrated and verified by the corresponding customs authority.
<b>Confiscation</b>	Customs tax obligation is extinguished when a confiscation occurs as a criminal sanction or by mandate of law.

- 14: Third parties can make the payment on behalf of taxpayers with prior authorization of the DGA.
- 15: Requirements for compensation are: Debt and credit are true, liquid, and enforceable; the taxable person is an importer; the taxes, interests or fines have not prescribed; these are taxes that apply to foreign trade; it is the same taxable person.
- 16: The same statute of limitations applies to free zones or other liberalization regimes, counted as of the declaration of merchandise to the mentioned regime. For suspensive customs regimes, the prescription will be counted as of the expiration of the term established in the aforementioned regime.
- 17: As a result of the interruption the term will run again from the beginning, counted as of the date on which the prescription occurred.
- 18: There is express abandonment (when whoever exercises the legal authority of the merchandise waives to it) and de facto abandonment (when whoever exercises the legal authority of the merchandise does not withdraw it from Customs).

## **7. CUSTOMS PLEDGE AND OTHER SECURITIES**

All imported merchandise is considered a customs pledge. The debt certificate issued by the DGA for the unresolved part of a customs tax obligation shall have the character of an executive and enforceable title sufficient to exercise the applicable actions and procedures. This type of security is given at the request of the interested party to the customs authorities to cover various operations that generate a customs debt.

## **8. GOODS AUCTION**

Unless it is a corruptible merchandise, lacking commercial value or its value is insufficient to cover the costs of the auction, the seized merchandise will be sold in public auction to cover the total of the duties and taxes when the law provides so. In the event that said merchandise is worthless, it will be sold grade by grade.

<b>AUCTION MODALITIES<sup>19</sup></b>	<b>FEATURES</b>
<b>Restricted merchandise auction</b>	Only people who can legally import such merchandise may participate as these are merchandise that require a special permit for importation.
<b>Goods in poor condition, useless or prohibited</b>	Its destruction will be ordered or it will be delivered to the customs authority and any other competent authority.
<b>Direct sale</b>	Goods that are easily or quickly decomposed will be the purpose of direct sale by DGA.

Whoever results as the successful bidder must remove the merchandise after making the payment of the value for which it is awarded within a period of 72 hours, otherwise it will be considered a false auctioneer and the security deposited will be affected by the compliance with the new call for auction of the lot or lots awarded. For the merchandise not awarded, the DGA will give any of the following courses: (a) to be donated free of taxes to state institutions or public charities; (b) to be submitted to another public auction process (bidding); (c) To award them; or, (d) To destroy them.

## **9. TRANSPORT MEANS TO AND FROM THE NATIONAL TERRITORY**

The entry, arrival or departure of goods, vehicles and transport units from the national territory must be carried out through the places, routes and at the authorized times.

<b>Formalities</b>	<p><b>Entry / Reception</b></p> <ul style="list-style-type: none"> <li>• Legal reception of the transport means<sup>20</sup>;</li> <li>• Presentation of goods by transmitting the general cargo manifest<sup>21</sup>.</li> <li>• Passengers and crew members who enter and leave the country, when carrying merchandise not included as baggage, must present it to Customs within the primary jurisdiction and will remain subject to its authority until it authorizes their departure.</li> </ul>
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• 19: Treatment of goods from shipwrecks or other accidents or without a known owner: Goods from shipwrecks, other accidents or that are found without a known owner will be placed under customs control.

• 20: Includes the review of documents required by the DGA.

• 21: The transmission of the information contained in the manifest and other transport documents prior to their arrival or departure is incorporated, leaving the applicable verification method to each case under the control and official selection.

<b>Formalities</b>	<p>Boarding and departure abroad</p> <ul style="list-style-type: none"> <li>• Inspection of the merchandise, within a period of no more than 48 hours;</li> <li>• Request for entry authorization of cargo to the port, airport or land border crossing;</li> <li>• Validation by DGA that the quantity and number of containers or packages coincide with the entry request, as well as the date and time of entry, and verify that the seals have not been altered<sup>22</sup>.</li> <li>• Once the entry to the primary zone is authorized, the transport company will make the shipment request, containing a list of the containers to be shipped, the manifest number and the respective export declarations;</li> <li>• Shipment period will be 20 calendar days<sup>23</sup>, counted as of the date of acceptance of the Export Declaration;</li> <li>• Goods may be exported by a customs administration other than the one that received the declaration and carried out the gauging act;</li> <li>• An export declaration may cover partial or fractional shipments, provided that these are made from the same exporter to a single consignee, that the goods coincide in quantity, and that the shipments are made within 20 days of the declaration.</li> </ul>
	<p><b>Temporary deposit</b></p> <p>Goods are stored by port authorities or concessionaires of port or airport operation services, in a place duly authorized by the competent authority, without payment of duties and taxes, until their customs destination.</p>

## 10. PROCEDURES COMMON TO ALL CUSTOMS REGIMES

The DGA has access to the new applications of information technology for the monitoring of customs procedures through electronic and computer means, a possibility not reflected or contemplated in the previous customs legislation. The operations included in customs dispatch<sup>24</sup> are common to all customs regimes. They are: (i) Presentation of customs declaration of the goods, (ii) Acceptance for processing by Customs; (iii) Verification (Capacity); and, (iv) Pick up of the merchandise.

TYPES OF CUSTOMS REGIMES <sup>25</sup>	FEATURES
<b>Definitive</b>	Entails the total extinction of the customs tax obligation in import and export.

- 22: In case of verification at origin, that deadline for shipment of the goods is in force.
- 23: Shipment period may be extended up to 10 more calendar days, at the request of the interested party and after evaluation by the administrator of the Customs departure office.
- 24: Merchandise leaving the customs territory will be considered dispatched when the means of transport in which they were shipped has left with destination abroad by sea or air; while, by land, once the means of transport has crossed the last national control of the border Customs, that is, once it crosses the exit door of the Dominican territory.
- 25: Customs Regime: is the legal treatment applicable to merchandise subject to Customs control, according to the destination that the consignor or consignee decides to give them.

<b>Suspensory or Temporary<sup>26</sup></b>	In the event of the introduction of goods in the DR for a specified period of time without payment of rights.
<b>Refund of Rights<sup>27</sup></b>	In the event of total or partial reimbursement of taxes and customs duties paid for the definitive importation of supplies, containers or packaging incorporated into export products, provided that the export is carried out within a period of twelve (12) months.
<b>Release of Rights</b>	Free zones and duty free shops.

## **11. CUSTOMS OPERATIONS**

<b>CLASSIFICATION</b>	<b>FEATURES</b>
<b>International Transit</b>	It is the passage of foreign goods in the country as part of a journey that begins and ends abroad.
<b>Internal Transit</b>	Foreign goods subject to Customs control are transported within the same customs territory. This operation requires a guarantee.
<b>Transshipment</b>	Consists in the transfer of goods under the control of the same Customs from one means of transport to another, or to the same means on a different journey, including their discharge to land, in order to continue to their place of destination.
<b>Coasting</b>	Consists in the traffic that is carried out directly by sea or river between the ports of the country, even if it is outside the territorial waters, under the control of Customs.

Logistics Centers, Logistics Center Operators and Logistics Operators may operate under the ordinary tax regime or under the free zone regime and will be enabled by means of a license issued by the DGA for a renewable period of 15 years.

The Customs Law regulates **special customs treatments**, these being (a) postal shipments, (b) express dispatch of shipments, (c) urgent shipments, (d) border traffic, (e) travelers' luggage, and, (f) On-board supply and supplies.

## **12. SANCTIONING REGIME, CUSTOMS CRIMES, CUSTOMS TAX MISCONDUCT AND CUSTOMS MISCONDUCT**

Sanctioning regime includes:

- 1. Customs illicit:** actions or omissions that affect the control over imports and exports of merchandise and any other legal asset protected in favor of the DGA as established by law. These crimes will be subject to a fine. Aggravating circumstances increase the fine by 30% with a maximum of 100% of the total debt.

- 26: Divided into: temporary admission for inward processing, temporary departure for outward processing, temporary admission without transformation, temporary admission under lease, and temporary departure.
- 27: Divided into franchise and refund.

**2. Customs crimes:** Public crimes involving multiple victims and are classified as:

CRIME TYPE	SANCTION
<b>Smuggling</b>	3 to 5 years of prison and a fine equal to 5 times the value of the illegally smuggled merchandise. In case of aggravating circumstances, the penalty will be from 3 to 10 years of prison.
<b>Customs fraud</b>	Fine of 5 times the value of the unpaid taxes, plus a compensation interest of 2% per month <sup>28</sup> .
<b>Customs pledge theft</b>	3 to 5 years of prison, with the compensation of damages and the restitution of the merchandise or its equivalent in favor of the consignee or owner, including the payment of customs taxes.
<b>Documents falsification</b>	3 to 6 years of prison and a fine equivalent to 5 times the value of the unpaid taxes, plus compensation interest of 2% per month, when the amount evaded does not exceed the amount of DOP\$2,000,000.00.
<b>Customs Falsehood</b>	3 to 6 years of prison.
<b>Bribery</b>	3 to 10 years of prison and a fine of twice the rewards received, requested or promised.
<b>Functions usurpation</b>	2 to 3 years of prison.
<b>Customs criminal association</b>	3 to 6 years of prison.
<b>Influence Peddling</b>	3 to 6 years of prison without prejudice of the administrative sanctions that may arise.
<b>Corruption</b>	This crime will be classified and punished in accordance with current criminal legislation.

**3. Tax and customs offenses:** customs tax offenses are any action or omission of non-compliance with the tax obligations from which the responsibility for the payment of the tax debt and/or for the corresponding administrative or pecuniary sanctions arises<sup>29</sup>. Customs offenses, on their behalf constitute violations or transgressions of the administrative order. Any customs or customs tax offense will be sanctioned with a fine, which will accrue interest on the total sum and a moratorium according to the failure of the customs operator to comply with its obligation.

- 28: If the amount evaded exceeds the amount of DOP\$2,000,000 or that are prohibited, restricted, controlled, falsified, adulterated merchandise or regulated products, linked to illicit trade, crimes of money laundering, financing of terrorism or the proliferation of massive destruction weapons that threaten national security, defense, health or the environment, will also be punishable by imprisonment ranging from 3 to 6 years and a fine equal to 5 times the value of the unpaid taxes.
- 29: The natural or legal person will be sanctioned with the imposition of a fine of twice the value of unpaid taxes. In the event of supplying oral or written information of a fraudulent nature, the natural or legal person will be sanctioned with a fine of twice the value of the goods.

### **13. ADMINISTRATIVE SANCTIONING PROCEDURE**

Faults will be sanctioned in the administrative way with the following procedure:

<b>Opening of the procedure</b>	It is formalized by means of an act of agreement to open a sanctioning administrative procedure that will be notified, in a reasoned manner, to the alleged offender.
<b>Term</b>	The alleged offender will have a period of 5 business days, extendable to a maximum of 10 business days, to present their allegations. After this period, the customs authority will apply the sanction or discharge, as applicable.
<b>Provisional Measures</b>	Temporary closure of the operations of the company or operator, intervention and inspection, suspension of access to the customs system, among others; these must be motivated through a resolution.
<b>Recourses</b>	The affected party may file the corresponding appeals before the local Administrative Court.
<b>Reductions applicable to fines for commission of tax offenses</b>	The DGA may apply reductions in fines applied to customs operators or authors of tax offenses under the conditions established in the Customs Law <sup>30</sup> . In the event that the party affected by the sanction requests a payment agreement, the DGA may make the same without exceeding the installments that exceed the maximum term of 1 year.
<b>Responsibilities</b>	In principle, responsibilities for the illicit are personal, unless this law or any other legal provision provides otherwise. These are classified as: direct responsibility, responsibility of those who act on behalf and representation, responsibility for sanctions to dependent employees or representatives, responsibility of accomplices, and responsible for the fines of drivers.

### **14. CUSTOMS TAX CRIMINAL PROCEDURE**

Among the new features of the Customs Law, a Special Prosecutor's Office or Unit for the Prevention and Persecution of Smuggling and Illicit Traffic of Cultural Goods is created for the investigation and prosecution of customs crimes and offenses. Processing of criminal proceedings for customs crimes will be governed by the rules established in the Code of Criminal Procedure. Customs criminal action is of public order and will be exercised ex officio by the Public Prosecutor, with the participation of the DGA, creditor of the customs tax debt as victim, who may become the plaintiff. The exercise of customs criminal action may not be suspended, interrupted or made to cease, except in the cases provided for in the Code of Criminal Procedure. All criminal courts of the judicial order will be competent to hear and instruct criminal proceedings of a customs nature.

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- 30: Conditions are: the defendant voluntarily repairs his/her breach, omissions or deficiencies in which he/she has incurred, without mediating any action by Customs to obtain this retraction. In this case, the fine will be reduced by 75% of the total amount implied by the sanction; The defendant repairs his/her breach after the Customs action before the notice of the act of agreement to open the administrative sanctioning procedure, in which case the sanction will be reduced by 50%; The defendant accepts the facts raised in the opening act and remedies the breach; the penalty will be reduced by 30%.

<b>Personal precautionary measures</b>	They will be subject to the provisions and rules of the Criminal Procedure Code. These may be of a real nature or with release of the payment of values, rights and storage that may exist in the respective registries and public institutions, and with deferral of payment in the case of private institutions.
<b>Conditional suspension of the process</b>	It will proceed under the terms established in the Criminal Procedure Code with the following particularities: <ul style="list-style-type: none"> <li>• For the crimes of tax fraud, customs fraud or falsification of customs documents: By paying the customs tax debt and the fine established for the corresponding crime; and,</li> <li>• For crimes of smuggling or theft of customs pledged: By means of the resignation in favor of the Customs Administration of all the smuggled or stolen merchandise; in case the merchandise has not been confiscated, the payment of 100% of its value. Carrier for its part must make the payment of 50% of the value of the merchandise in substitution of the confiscation of the means or transport unit.</li> </ul>
<b>Guilty judgement</b>	It may consist in: deprivation of liberty; definitive confiscation of the merchandise in favor of the State; definitive confiscation of means and units of transport; fines and penalties; payment of the tax debt in liquid and enforceable sum; compensation for civil damages caused to the DGA, for the use of customs warehouses and other expenses, as well as court costs.
<b>Public auction</b>	The Dominican State may submit the retained goods of free commercial circulation to public auction, which by their nature can be conserved until the termination of the criminal process, when the conviction that orders their confiscation has acquired the irrevocably judged thing authority. If the defendant is released from criminal liability, the retained goods will be returned to whoever proves their ownership.
<b>Administrative confiscation</b>	This proceeds against products derived from tobacco, alcoholic beverages, hydrocarbons and illicit medicines, even in the absence of a material or intellectual author of the illicit activities, after the verification of the illicit origin of the regulated products, their adulteration or falsification, regardless of the initiation of an administrative sanctioning process.

## **15. RECOURSES AGAINST CUSTOMS DECISIONS**

Any administrative act dictated by Customs including the result of the tax determination, may be subject to administrative appeals, as well as contentious appeals before the Contentious Administrative Jurisdiction, in the manner and terms contemplated in Law No. 107-13 dated August 8, 2013, on the Rights of People in their Relationships with the Administration and Administrative Procedure and the Law No. 13-07 of February 5, 2007, which creates the Tax and Administrative Litigation Court, respectively.

## **16. ENFORCEMENT PROCEDURES**

Conservative and enforceable measures, as well as all actions related to the compulsory collection procedure of customs tax debt and accessory charges, including fines, interest and surcharges, will be governed by the provisions of the Tax Code and its amendments.





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