

N° 1082.

FRANCE ET COMMISSION
DE GOUVERNEMENT DU
TERRITOIRE DE LA SARRE

Convention tendant à empêcher les
fraudes en matière d'impôts de
consommation, signée à Paris, le
15 janvier 1925.

FRANCE AND SAAR
TERRITORY GOVERNING
COMMISSION

Agreement for the prevention of
Frauds in Regard to Excise Duties,
signed at Paris, January 15, 1925.

¹ TRADUCTION. — TRANSLATION.

No. 1082. — AGREEMENT² BETWEEN FRANCE AND THE SAAR TERRITORY GOVERNING COMMISSION FOR THE PREVENTION OF FRAUDS IN REGARD TO EXCISE DUTIES, SIGNED AT PARIS, JANUARY 15, 1925.

French official text communicated by the Prime Minister, Minister for Foreign Affairs of the French Republic. The registration of this Agreement took place February 6, 1926.

THE GOVERNMENT OF THE FRENCH REPUBLIC and THE GOVERNING COMMISSION OF THE SAAR TERRITORY, being desirous of bringing about the abolition of the customs frontier between France and the Saar Territory and, as far as possible, of preventing fraudulent practices in regard to excise duties arising out of the application as from January 10, 1925, of the customs regulations provided for in paragraph 31 of Annex I (B) to the Treaty of Versailles, have for that purpose concluded a Convention and agreed on the following provisions :

Article 1.

Each of the Contracting Parties undertakes to use all means in its power to prevent infringements of the legal regulations of the other Party in respect of the import of, traffic in, and taxation imposed upon, goods subject to internal taxes, to communicate immediately to the administrative authorities of the other Party any infringement of the regulations of which they may be aware, and to supply all necessary information for the detection of offences.

Article 2.

Where it is recognised that habitual contraband traffic on a large scale is being carried on in one of the categories of goods referred to in Article 1, each of the Contracting Parties shall render those persons whose profession it is to manufacture such goods or to trade in them subject to excise inspection ; if necessary, the Contracting Parties shall decree :

(1) That certain commercial transactions may only be carried out in premises which have been registered or which the fiscal administration has authorised to be used for that purpose ;

(2) That special regulations shall be enforced in respect of the storage, packing and designation of the goods manufactured ;

¹ Traduit par le Secrétariat de la Société des Nations.

¹ Translated by the Secretariat of the League of Nations.

² The exchange of ratifications took place at Saarbruck, August 19, 1925. The Agreement came into force October 1, 1925.

(3) That a record of the supply, manufacture and sale of the goods manufactured shall be duly kept, and that goods remaining in stock shall also be shown on the books kept for the purpose ;

(4) That in businesses subject to inspection all information for the assessment and the levying of the duty shall be supplied to the fiscal authorities.

The same measures may be applied individually to any person guilty of fraudulent practices.

Article 3.

In respect of the export of goods from its territory each of the Contracting Parties shall :

- (a) Forbid it, if their importation is forbidden in the territory of the other Party ;
- (b) Only authorise it under official supervision and on presentation of a special licence, should the import of the goods into the territory of the other Contracting Party be subject to any restriction ;
- (c) Only authorise it under official supervision, should the import of the goods in question in the territory of the other Contracting Party be subject to fiscal supervision or to compliance with transport formalities.

Article 4.

(1) In respect of the manufacture of tobacco a system of rationing shall be introduced, based on the average consumption for the financial years 1922 and 1923 amounting to 3 kilogrammes of manufactured products per head of population, it being understood that cigars are reckoned as weighing 4 grammes and cigarettes as weighing 1 gramme, in accordance with the provisions contained in the Convention concluded to that effect.

Stocks existing at the time of the coming into force of the present Convention, of which the Governing Commission undertakes to take a census, shall be reckoned in the annual ration supply in so far as not exported.

(2) Should the annual consumption of spirits in the Saar Territory exceed 3 litres 50 of pure alcohol per head of population, the Governing Commission shall, as from the next season, ration the quantities of alcohol put into circulation for sale in the interior of the Territory. The methods according to which such a ration shall be fixed, particularly as regards the taking over of stocks, shall be determined by decree of the Chairman of the Governing Commission.

(3) In respect of matches it is agreed that the boxes for matches manufactured in the Saar Territory shall be clearly distinguishable from the match-boxes reserved for French consumption ; they must bear an obvious sign of their origin ; the inspection of factories shall be made stricter for the enforcement of this regulation.

Matches coming from territories other than the Saar Territory may be imported into the Saar Territory without restriction and be used there on condition, however, that the boxes in which they are contained comply with the regulations in force in respect of matches manufactured in the Territory.

The two Governments reserve the right to issue other regulations should experience show that the measures provided for are inadequate to prevent fraud on a large scale.

Article 5.

In respect of the tax on business turnover, the French regulations with regard to the import duty being applicable, under the Customs union, as from January 10, 1925, on the northern frontier

of the Saar Territory, the equality provided for in Article 7 of the Convention¹ of July 5, 1922, shall be regarded as having been brought about in respect of the internal tax by the regulations in force with regard to this matter in the two countries on December 1, 1924.

Article 6.

(1) The Government of the French Republic shall not enforce import prohibitions or restrictions in the case of the importation into the Saar Territory of the following goods : playing-cards, tobacco, matches, spirits, articles worked in precious metals not complying with the conditions as to the standard fixed by French legislation. In the case of unspecified compounded drugs other than contraceptive products and medicaments, exceptions to the import prohibition may be allowed by the Governing Commission.

These provisions shall not affect agreements which have been or may be entered into in respect of a prohibition or restriction affecting goods with which the fiscal authorities have no concern.

(2) In the case of imports into the Saar Territory, the Government of the French Republic shall not, save in the case of a special agreement entered into on the initiative of the Saar Finance Department, levy taxes which have the character of internal taxes and which under legal regulations are additional, in the case of the import of certain goods, to the customs duties properly so called.

Article 7.

The two Governments undertake to consider any measures capable, without interfering with trade, of allowing a fair division of the yield of internal taxation fixed at uniform rates for both countries, which would be levied solely by the Customs Administration on the import of the goods. Such division shall be carried out in a manner to be settled by decrees issued by the Finance Ministers of the two countries.

Article 8.

Each of the Contracting Parties shall recognise as official the transport documents drawn up for the purpose of checking the goods referred to in Article 3. Each Contracting Party shall issue regulations for the handing-over of the said documents and the winding-up of the transaction to which they refer by means of the delivery of the goods according to the regulations applicable to transport documents in its own country. The transport documents shall show the names and addresses of the consignor and the consignee of the goods, the method of despatch, the date of despatch, the time within which the goods must be carried to their destination and the number of packets, the manner in which they are packed and the marks and numbers on them, and a description of the goods in accordance with the regulations in force in the country into which the goods are imported.

Article 9.

Saar identity-cards shall be valid for travelling by bicycle within 50 kilometres of the frontier, and reciprocally, French official number-plates shall be valid throughout the territory of the Saar Basin.

Article 10.

As from the putting into force of the present Convention, motor vehicles, including motor-cycles, shall be allowed to cross the Franco-Saar frontier in either direction without being subject to the formality of " laissez-passer " and without paying a " taxe de séjour " of any kind, so long as their drivers are able to show either a driving-licence issued by the French indirect taxation authorities, or a number-plate, or the police permit issued by the Saar Administration.

¹ Vol. XXVII, page 265 of this Series.

Article 11.

Should the need therefor arise, the Saar Government shall consider the setting-up of an office for the control of articles and objects worked in precious metals. In the meantime the Customs Administration shall not forbid the import, when consigned to persons domiciled in the territory of the Saar Basin, of articles which do not comply with the conditions as to standard required by French legislation. Articles complying with the French legal standard, when introduced into the Saar Territory, may, at the request of those concerned, be despatched by the Customs Administration to the guarantee office at Strasburg, where they shall be marked with the import stamp.

Article 12.

The Contracting Parties shall enforce the observance of the regulations issued in virtue of the present Agreement, subject to the same penalties imposed in respect of corresponding offences against their own legislation. Should there be no corresponding offence, a breach of the regulations which may be established by any means of proof shall be subject to the highest penalties laid down by the legislation of each country in respect of offences connected with the article which gave rise to the said offence.

Sentences given in fiscal cases in France or in the Saar Territory may be executed in either country in the manner laid down by the legislation of each country.

Article 13.

The Contracting Parties shall communicate to each other the legal provisions and regulations which have already been or may be issued in respect of the import of, traffic in, and taxation of, the goods mentioned in Article 3, and the regulations issued under the present Agreement. Official correspondence connected with the execution of the present Agreement and exchanged between the Saar Finance Department, the Chief Directorate of Indirect Taxation, and the Directorate of Indirect Taxation in the Department of the Moselle, and *vice versa*, shall be sent post free.

Article 14.

The present Convention shall contain as an Annex a schedule of indirect taxes levied in the Saar Territory. It shall only come into force after ratification by the respective Governments, and at earliest on the date of the abolition of the cordon of supervision established on the southern frontier of the Saar.

The present Convention shall be revised should any important alterations be made in the Customs system of the Saar Territory or in the regulations with regard to the system of internal taxation in the territory of either of the Contracting Parties. Any difficulties which may arise out of the execution of the Convention shall, if necessary, be settled by decree of the President of the French Republic or of the Chairman of the Governing Commission.

In faith whereof the respective Plenipotentiaries have signed the present Convention and have thereto affixed their seals.

(Signed) CLÉMENTEL.

(Signed) RAULT.

TARIFF OF INDIRECT TAXATION IN THE SAAR TERRITORY.

No.	Goods taxed.	Rate of taxation.	Taxed on.	Remarks.
1.	<p><i>Beer :</i> The tax on beer is charged on each hectolitre of ordinary beer produced by each brewery during the financial year :</p> <p>For the first 10,000 hectolitres</p> <p>» » next 15,000 »</p> <p>» » 20,000 »</p> <p>» » 25,000 »</p> <p>For production above that figure and for beer imported into the Saar</p>	<p>Frs.</p> <p>8.—</p> <p>9.—</p> <p>10.—</p> <p>11.—</p> <p>12.—</p>	<p>Per hectol.</p>	<p>There is, furthermore, a communal tax of 2.50 frs. per hectolitre.</p> <p>These rates are reduced by half in respect of small beer, and are increased by half in respect of strong beer.</p>
2.	<p><i>Spirits</i></p> <p>The tax is reduced to :</p> <p>(a) In respect of distilleries whose annual production does not exceed :</p> <p>500 hectolitres</p> <p>400 »</p> <p>300 »</p> <p>(b) In respect of agricultural distilleries and fruit distilleries whose annual output does not exceed :</p> <p>200 hectolitres</p> <p>100 »</p> <p>30 »</p> <p>10 »</p> <p>(c) In respect of home distillers distilling their own fruit only and not making more than 50 litres of pure alcohol during a season</p>	<p>12.—</p> <p>10.—</p> <p>9.50</p> <p>9.—</p> <p>8.50</p> <p>8.—</p> <p>7.—</p> <p>6.—</p> <p>5.—</p>	<p>Per litre of pure alcohol.</p> <p>Per litre of pure alcohol.</p> <p>Per litre of pure alcohol.</p>	
3.	<p><i>Acetic Acid</i></p>	<p>1.60</p>	<p>Per kg. of pure acetic acid.</p>	
4.	<p><i>Colonial Products :</i></p> <p>Coffee (beans and skins)</p> <p>Roasted or ground coffee</p> <p>Cocoa (beans and skins)</p> <p>Ground cocoa and cocoa-butter</p> <p>Chocolate containing more than 55 % of cocoa</p> <p>Chocolate containing 55 % or less of cocoa</p>	<p>90.—</p> <p>114.—</p> <p>48.—</p> <p>62.40</p> <p>62.40</p> <p>33.60</p>	<p>Per 100 kg.</p>	

No.	Goods taxed.	Rate of taxation.	Taxed on.	Remarks.
		Frs.		
4.	<i>Colonial Products</i> (continued) : Milk-chocolate containing not more than 10 % of cocoa Pepper, Guinea pepper, and imitations containing pepper or Guinea pepper Amoma and cardamoma, cinnamon, cloves, <i>cassia lignea</i> and nutmegs in their shells. Nutmegs without their shells, and mace Vanilla Vanilla substitutes (vanilline) Tea, including flowers and buds	6.24 249.60 96.— 144.— 192.— 20.— 96.—	} } } } per 100 kg. } per kg. } per 100 kg.	
5.	<i>Petrol and Mineral Oils</i>	24.—	} per hectolitre	Under the same conditions as the French tax, with the exception of benzol.
6.	<i>Mineral Waters and Artificially-prepared Drinks</i> : (a) Mineral waters (b) Lemonades and other artificially-prepared drinks (c) Concentrated artificial lemonades (d) Ingredients for the manufacture of concentrated lemonades	0.05 0.10 1.— 20.—	} per litre.	
7.	<i>Salts</i>	10.—	} per 100 kg.	
8.	<i>Playing Cards</i> : (a) Packs of not more than 36 cards (b) Packs of more than 36 cards	1.— 1.50	} per pack.	
9.	<i>Saccharine</i>	480.—	} per kg.	
10.	<i>Tobacco and Tobacco Substitutes</i> : (a) Cigars. — Retail price : A. Up to 65 frs. B. Over 65 frs. up to 75 frs. C. " 75 " " 130 " D. " 130 " " 200 " E. " 200 " " 320 " F. " 320 " " 520 " G. " 520 " " 800 " H. " 800 " " 1300 " J. " 1300 " " 2100 " K. " 2100 " " 3400 " L. " 3400 " " 5500 " M. " 5500 "	2.50 5.— 7.50 12.50 20.— 32.50 52.50 85.— 137.50 222.50 360.— 582.50	} per thousand	
	(b) Cigarettes. — Retail Price : A. Up to 35 frs. B. Over 35 frs. up to 50 frs. C. " 50 " " 75 " D. " 75 " " 125 " E. " 125 " " 190 " F. " 190 " " 300 " G. " 300 " " 450 " H. " 450 " " 750 " J. " 750 " " 1200 " K. " 1200 " " 1950 " L. " 1950 " " 3150 " M. " 3150 "	2.50 5.— 7.50 12.50 20.— 32.50 52.50 85.— 137.50 222.50 360.— 582.50	} per thousand.	

No.	Goods taxed.	Rate of taxation.	Taxed on.	Remarks.
	<i>Tobacco and tobacco Substitutes (continued):</i>			
	<i>(c) Pipe tobacco, chewing tobacco, and snuff. Retail price:</i>			
	A. Up to 8 frs.	0.25	} per kg.	
	B. Over 8 frs. up to 12 frs.	0.50		
	C. " 12 " " 17 "	0.75		
	D. " 17 " " 27 "	1.25		
	E. " 27 " " 39 "	2.—		
	F. " 39 " " 52 "	3.25		
	G. " 52 " " 90 "	5.25		
	H. " 90 " " 140 "	8.50		
	J. " 140 " " 230 "	13.75		
	K. " 230 " " 370 "	22.25		
	L. " 370 " " 600 "	36.—		
	M. " 600 "	58.25		
	<i>(d) Pipe tobacco (fine cut) — Retail price:</i>			
	A. Up to 8 frs.	0.50	} per kg.	
	B. Over 8 frs. up to 12 frs.	1.—		
	C. " 12 " " 17 "	1.50		
	D. " 17 " " 27 "	2.50		
	E. " 27 " " 39 "	4.—		
	F. " 39 " " 52 "	6.50		
	G. " 52 " " 90 "	10.—		
	H. " 90 " " 140 "	17.—		
	J. " 140 " " 230 "	27.50		
	K. " 230 " " 370 "	44.50		
	L. " 370 " " 600 "	72.—		
	M. " 600 "	160.—		
	<i>(e) Tobacco substitutes</i>	30.—		per 100 kg. ready for handling.
11.	<i>Wines, Musts and similar Drinks:</i>			
	A. Sparkling wines and similar drinks:			
	(1) Wine from the grape	5.—	} per bottle.	
	(2) Other	2.—		
	B. Still wines:			
	(1) Wine from the grape	15.—	} per hectolitre.	
	(2) Other	7.50		
12.	<i>Sugar and Syrups:</i>			
	(a) Glucose	15.—	} Per 100 kg.	
	(b) Other sugar (sugar cane and beetroot).	50.—		
	(c) Syrup containing at least 70 % sugar.	35.—		
13.	<i>Matches:</i>			
	<i>(a) Wooden matches, kindling wood and kindling in the form of straw, cardboard or other products in boxes or packets of:</i>			
	(1) less than 30	1 c.	} per box or pkt. per 60 or fraction thereof.	
	(2) From 30 to 60	1 c. 5		
	(3) More than 60	1 c. 6		
	<i>(b) Matches made of stearine, wax or similar material in boxes or packets containing:</i>			
	(1) At least 20	5 c.	} per box or pkt. per 20 or fraction thereof.	
	(2) More than 20	5 c.		