

Government of Nepal
Notice of Ministry of Finance

In exercise of the powers conferred by sub-section (3) of section 9 of the Customs Act 2064 (2007), Government of Nepal has issued this **notice regarding baggage rules**, laying out the provisions pertaining to goods that are allowed to be brought or taken by passengers for personal use. This notice shall come into force from Jesth 15, 2076 (29th May 2016).

Chapter 1

Concerning Nepali Passengers

1. Exemption of customs duty for Nepali passengers returning from abroad:

- (1) Full exemption of customs duty shall be granted on all or any personal effects mentioned below, brought together (accompanied) or sent either before or after arriving in Nepal (unaccompanied), by permanent resident Nepali citizen returning from a foreign country.
 - (a) Used clothes, bed and beddings and old articles for household use;
 - (b) Medicine brought by patients returning after a medical treatment;
 - (c) Items used as support by a physically frail person;
 - (d) Gold ornaments up to fifty gram, silver ornaments up to five hundred gram and ornaments of gold or silver mounted with precious stone worth up to Rs. one hundred thousand;
 - (e) One piece each of tablets or laptop or desktop computer, watch, still camera, video camera, cellular mobile phone and pen drive;
 - (f) One pieces each of children's perambulator and tri-cycle;
 - (g) One piece each of used professional goods of general type used by a professional passenger (for example, stethoscope, instruments for testing blood pressure for medical doctors; sports item like football, volleyball, badminton set for players; ordinary musical instruments like guitar, harmonium, tambourine etc. for musicians);
 - (h) Up to 7 kilograms of foodstuff;
 - (i) One bottle of liquor up to 1 liter
- (2) If a passenger imports goods in excess of the quantities specified in subsection (1), excepting those mentioned in clause (d) and (i) of the subsection, the chief of the customs office may allow the goods to be cleared, if deemed reasonable, after taking into consideration the

passenger's condition, number of family members, country of residence and the period of stay.

- (3) Permanent resident Nepali citizen returning from a foreign country can bring all or any personal effects mentioned below by paying customs duty at the flat rate in accordance with the prevailing Financial Act.
 - (a) One set each of television, music system, refrigerator, washing machine, fan, radio.
 - (b) Up to 15 items of clothes, shoes, cosmetics etc.;
 - (c) Two sets each of ordinary domestic utilities (such as mixer, juicer, sewing machine, gas table, iron, rice cooker etc.);
 - (d) Up to 10 kilograms of food stuff;
 - (e) Two items each of instruments required to enhance the skills of professional passengers (like doctor, engineer);
 - (f) Except for the goods mentioned in clause (a) to (e), up to two units each of other household goods for entirely domestic use.
- (4) Notwithstanding anything contained in subsection (3); if a passenger brings goods in quantities in excess of that specified in subsection (3), the chief of customs may allow the goods to be cleared, if deemed reasonable, after taking into consideration the passenger's condition, number of family members, country of residence, and the period of stay and by collecting the applicable flat rate of duty.
- (5) If the goods as per subsection (3) have been dispatched either before or after the arrival of the concerned passenger, such goods should be submitted in the customs go down within 3 months from the date of arrival in Nepal.
- (6) Notwithstanding anything contained in subsection (3), if a passenger upon his/her return after having stayed abroad for a period of more than 6 months, brings or sends, either before or after arrival, goods specified in subsection (3), from such place, such goods shall be cleared without collecting any duty for goods of value as specified below and by keeping a separate record without filling a declaration form and for goods of value exceeding the exemption limit, flat rate of duty shall be applied in accordance with the prevailing Financial Act.
 - (a) Up to Rs 15000 if having returned after staying for more than 6 months and up to a year.
 - (b) Rs. 25000 if having returned after staying for any length over a year.
- (7) Passengers below the age of 16 shall be accorded only 50% of the exemption facility as specified in subsection (6).

(8) Notwithstanding anything else contained in this rule, the following shall apply in the following circumstances:

(a) Used clothes sent by Nepali passengers residing abroad through a courier shall be exempted from customs duty.

(b) Of the goods specified in subsection (3) sent by a person residing abroad to relatives and family members in Nepal, goods of up to \$ 350 may be cleared by taking into consideration the quantity sent and collecting the applicable flat rate of duty.

(c) Cigarettes up to 200 sticks or cigar up to 50 sticks shall be allowed to be brought by collecting the applicable rate of duty,

However, if cigarettes or cigars are brought in excess of the aforementioned quantities, it may be cleared after collecting 100 percent additional duty applicable for such excess quantities in addition to the applicable duty for such excess quantities.

(d) 100 percent duty exemption shall be accorded for one time where household goods of personal use (except for vehicles, arms and ammunitions and other prohibited items) of up to Rs 50 thousand are brought, while returning to Nepal, by personnel of Indian army or police upon retirement with pension benefits, upon submission of documents related to retirement from service.

(e) Upon certification of death of a Nepali citizen during his/her stay abroad, 100 percent duty exemption shall be accorded to old goods of personal use (except for vehicles) of the concerned person or his/her family members brought back to Nepal.

(f) Where the Ministry of Industry, Commerce and Supplies specifies through a notice in the Nepal Gazette, goods of personal use that can be imported into Nepal but that have not been covered by this notice, such goods shall be cleared by collecting the applicable duty.

However, value exemption facility under subsection (6) shall not be accorded in respect of such goods.

(g) Goods brought by passengers returning from abroad shall not be allowed to be deposited in another person's name or be cleared by transferring its ownership in the name of another person.

(h) Gold of up to 100 grams brought by passengers returning from abroad can be cleared by collecting duty as prescribed below and gold brought in excess of the aforementioned quantity shall be seized:

- (1) Rs six thousand two hundred per 10 grams for the initial 50 grams,
 - (2) Rs seven thousand two hundred per 10 grams for the next 50 grams in excess of the initial 50 grams.
- (i) In case of ornaments of gold brought by passengers returning from abroad, no duty shall be levied on the ornaments of gold up to fifty grams, duty of Rs. seven thousand two hundred per ten grams for the additional hundred grams exceeding the initial fifty grams and Rs. nine thousand per ten grams shall be levied for the additional hundred grams exceeding the prescribed quantity mentioned above. The importation of gold and gold ornaments in quantities greater than those allowed as mentioned above shall be seized.

2. Duty exemption for Nepali passengers travelling abroad:

- (1) 100 percent duty exemption shall be granted for all or any of the goods prescribed by subsection (1) of section 1 taken abroad by a passenger for personal use.
- (2) No duty shall be levied on goods produced in Nepal with value of up to Rs. 50 thousand (except those goods prohibited for export by prevailing law) taken as a souvenir.

However, the limitation on value of goods as prescribed by this subsection shall not apply if tax invoice with respect to goods on which Value Added Tax (VAT) is applicable and invoice with Permanent Account Number (PAN) with respect to goods on which VAT is not applicable is presented.

- (3) Goods bought in the Nepali market (except for those goods prohibited or controlled for export by prevailing law) up to the weight limit permitted to be taken by the concerned airline shall be allowed to be taken by presenting the required documents and payment of fees and duty as prescribed by law. Proof of advance payment or letter of credit is not required while taking goods in the aforementioned way.

3. Facility available to Non-Resident Nepali (NRN) passengers:

Facilities as prescribed by subsection (1), (2) & (3) of section 1, and section 2 respectively shall be accorded upon submission of evidence of Non-Resident Nepali status by a Nepali passenger.

4. Goods shall not be allowed to be brought by crew member: Crew members shall not be allowed to bring any goods other than goods of personal use.

5. Facility shall not be granted to cross-border traveler:

- (1) Cross-border travelers shall not be accorded any of the facilities prescribed by this notice.

However, the chief of customs, if deemed reasonable, may release goods with value of up to Rs. 100 brought or taken for personal use without collecting duty.

- (2) Notwithstanding anything contained in subsection (1), any one unit of either tablet or laptop or computer brought or taken by Nepali students studying in India shall not be liable to any duty.

Chapter 2 Concerning Foreign Passengers

6. Facility available to foreign passengers travelling by an international flight:

- (1) Duty exemption shall be granted to any or all of the following old goods of personal use brought or taken together (accompanied) or brought or sent either prior to or post the arrival (unaccompanied) of a foreign passenger arriving or departing by an international flight:
 - (a) One unit of binocular,
 - (b) One unit each of tablet or laptop, video camera and camera,
 - (c) One unit of portable music system,
 - (d) Apparels, bed and beddings, old household items,
 - (e) One unit each of perambulator and tri-cycle,
 - (f) One unit of cycle,
 - (g) One unit of watch,
 - (h) One unit of cellular mobile phone,
 - (i) Ornaments of gold of up to 50 grams and ornaments of silver of up to 100 grams,
 - (j) Following equipment brought by professionals:-
 - (1) Up to one unit of tools brought by a professional to continue his/her work.
 - (2) General tools, equipment and medicines brought by a doctor or a '*baidhya*' to carry out work in line with his/her profession, as well as the required equipment of concerned specialist,

- (3) Musical instruments and other required tools brought by a singer or a musician,
 - (4) Sports' equipment brought by sports person.
 - (5) Fishing rod.
- (2) If a foreign passenger brings ornaments of gold or silver in excess of quantities specified in clause (i) of subsection (1) and declares it to be a transit deposit in the customs office, the customs office should keep the ornaments securely and provide the passenger concerned a paper of the same. The customs office should return the deposited ornaments to the concerned passenger in his/ her return from Nepal.
- (3) Where a foreign passenger declares at the customs point any gold or silver ornaments brought for personal use exceeding the limit prescribed by clause (i) of subsection (1), and as to be taken back on return, such declared excess ornaments shall be cleared after examining the ornaments and upon making a deposit of an amount equivalent to twenty percent of value of such excess ornaments. During the departure of the foreign passenger, ornaments brought as mentioned above shall be allowed to be taken back and the deposit made shall be returned after examination of the ornaments at the customs point. Upon examination, if any discrepancy is proved with respect to the quantity and quality declared, it shall be deemed to be an offence under section 57, subsection (1) of Customs Act, 2064 B.S. and shall be punishable accordingly.
- (4) In addition to the goods specified in subsection (1), goods, other than those that have been prohibited or controlled for export or import by prevailing law or goods for commercial use, to be exported or imported by a foreign passenger may be allowed by the chief of customs, if deemed reasonable, to be brought or taken without collecting any duty or by collecting duty as applicable by law.
- (5) No customs duty shall be levied on the following articles brought by foreign passengers arriving or departing with a passport:-
 - (a) One bottle of alcohol of up to 1 liter or up to 12 cans of beer,
 - (b) Up to 200 sticks of cigarettes, 25 sticks of cigars, 250 grams of tobacco,
 - (c) Medicine with value of up to Rs.10000 (except those medicines prohibited to be imported by prevailing law),
 - (d) Food items with value of up to Rs. 5000 (including tin packed food),
 - (e) Fresh fruits with value of up to Rs. 2000.

- (6) With respect to souvenirs allowed to be taken by foreign passengers, such passengers may, take or send goods (except for those goods prohibited for export by prevailing law) bought in the Nepali market, without any letter of permission to the extent of proof that the concerned passenger had exchanged foreign currency through a bank conducting business related to foreign exchange or through a dealer authorized to exchange such currency.
- (7) In addition to the goods specified in subsection (6), foreign passengers may take or send goods with value of up to Rs. 50 thousand (except those that have been prohibited for export by prevailing law) that have either been manufactured in Nepal or bought in the Nepali market.

However, the limitation on value of goods as prescribed by this subsection shall not apply if tax invoice with respect to goods on which Value Added Tax (VAT) is applicable and invoice with Permanent Account Number (PAN) with respect to goods on which VAT is not applicable is presented.

7. **Goods to be seized:** If any passenger attempts to bring or send any goods clandestinely without making a declaration at the customs office or tries to bring or send any goods in contravention of this notice, such goods shall be seized and action in accordance with prevailing law shall be taken.
8. **Decision to be made by Director General:** The Director-General shall make a decision in the event of a dilemma in the implementation of this notice and such decision shall be final.
9. **Repealed:** The notice issued by Ministry of Finance published in Nepal Gazette part 5, section 66, publication 10, dated 2073/02/25 (7th June, 2016) has been repealed.

By the order of,
Lal Shankar Ghimire
Secretary of Government of Nepal