

TITLE 26 - INTERNAL REVENUE CODE**Subtitle F - Procedure and Administration****CHAPTER 78 - DISCOVERY OF LIABILITY AND ENFORCEMENT OF TITLE****Subchapter D - Possessions****§ 7653. Shipments from the United States****(a) Tax imposed****(1) Puerto Rico**

All articles of merchandise of United States manufacture coming into Puerto Rico shall be entered at the port of entry upon payment of a tax equal in rate and amount to the internal revenue tax imposed in Puerto Rico upon the like articles of Puerto Rican manufacture.

(2) Virgin Islands

There shall be imposed in the Virgin Islands upon articles imported from the United States a tax equal to the internal revenue tax imposed in such islands upon like articles there manufactured.

(b) Exemption from tax imposed in the United States

Articles, goods, wares, or merchandise going into Puerto Rico, the Virgin Islands, Guam, and American Samoa from the United States shall be exempted from the payment of any tax imposed by the internal revenue laws of the United States.

(c) Drawback of tax paid in the United States

All provisions of law for the allowance of drawback of internal revenue tax on articles exported from the United States are, so far as applicable, extended to like articles upon which an internal revenue tax has been paid when shipped from the United States to Puerto Rico, the Virgin Islands, Guam, or American Samoa.

(d) Cross reference

For the disposition of the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in Guam and transported into the United States or its possessions, or consumed in Guam, see the Act of August 1, 1950 (48 U.S.C. 1421h).

(Aug. 16, 1954, ch. 736 68A Stat. 908; Pub. L. 86–70, § 22(f), June 25, 1959, 73 Stat. 146; Pub. L. 86–624, § 18(h), July 12, 1960, 74 Stat. 416; Pub. L. 94–455, title XIX, § 1906(a)(56), Oct. 4, 1976, 90 Stat. 1832.)

References in Text

Act of August 1, 1950, referred to in subsec. (d), is act Aug. 1, 1950, ch. 512, 64 Stat. 384, as amended, known as the Organic Act of Guam, which is classified principally to chapter 8A (§ 1421 et seq.) of Title 48, Territories and Insular Possessions. For complete classification of this Act to the Code, see Short Title note set out under section 1421 of Title 48 and Tables.

Amendments

1976—Subsec. (d). Pub. L. 94–455 struck out “ch. 512, 64 Stat. 392, section 30” after “August 1, 1950”.

1960—Subsec. (d). Pub. L. 86–624 substituted “or its possessions” for “, its possessions or the Territory of Hawaii”.

1959—Subsec. (d). Pub. L. 86–70 substituted “its possessions or the Territory of Hawaii” for “its Territories or possessions”.

Effective Date of 1960 Amendment

Amendment by Pub. L. 86–624 effective Aug. 21, 1959, see section 18(k) of Pub. L. 86–624, set out as a note under section 3121 of this title.

NB: This unofficial compilation of the U.S. Code is current as of Jan. 4, 2010 (see <http://www.law.cornell.edu/uscode/uscpri.html>).

Effective Date of 1959 Amendment

Amendment by Pub. L. 86-70 effective Jan. 3, 1959, see section 22(i) of Pub. L. 86-70, set out as a note under section 3121 of this title.