



الأمانة العامة للجان الزكوية والضريبية والجمركية
General Secretariat of Zakat, Tax and Customs Committees

Compendium of Principles Derived from the Decisions of the Customs Appeal Committees For the Year 2025





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1447 AH - 2026 AD**



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For the Year 2025**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



Table of Contents

<u>Subject</u>	<u>Page No.</u>
Introduction	7
Speech of His Excellency the Secretary General of the Zakat, Tax and Customs Committees.....	8
Methodology.....	10
Procedural Principles Derived from the Custom Appeal Committees.....	11
Principle No. 1 Striking off the commercial registration of the importer	12
Principle No. 2 A petition for reconsideration is an exceptional method in the course of reviewing judgments	15
Principle No. 3 A ruling issued in one lawsuit does not constitute a judgment for another	18
Principle No. 4 The authority of <i>Res Judicata</i> in previously adjudicated lawsuits	20
Principle No. 5 Evidence in penal matters is not restricted to specific methods	23
Principle No. 6 Evidence relied upon in customs smuggling	27
Principle No. 7 Adopting the grounds of the decision subject to appeal	31
Principle No. 8 The finality of the appellate decision pursuant to the statutory periods	35
Principle No. 9 The establishment of litigation between the Claimant and the Respondent	38
Principle No. 10 The interruption of the statutory period	42
Principle No. 11 The right to file a petition for reconsideration for a party not joined in the lawsuit against whom the judgment is invoked	47
Principle No. 12 A claim not filed against the importer does not interrupt the statutory periods	51
Principle No. 13 The proper course of action upon the disclosure of documents during the proceedings of a lawsuit	54
Principle No. 14 The resolution entity is concerned with examining the fulfillment of procedural requirements prior to the merits	57
Principle No. 15 The failure to specify the date of receiving a decision issued in absentia affects the petition	60
Principle No. 16 A petition for reconsideration is based on grounds relating to the judgment itself	63
Subjective Principles Derived from the Decisions of the Customs Appeal Committees	66
Principle No. 17 Doubt is interpreted in favor of the accused	67
Principle No. 18 The expiration of the penal lawsuit upon establishing the issuance of a gracious Royal Pardon ...	71
Principle No. 19 The World Customs Organization is deemed the technical reference authority	75
Principle No. 20 Adopting the interpretation of facts in favor of the taxpayer	79
Principle No. 21 The penalty of imprisonment is among the custodial penalties	82
Principle No. 22 The discretionary power of the reviewing entity in characterizing the facts	85
Principle No. 23 The act constituting the offense of customs smuggling	88



Constraints	93
Principle No. 24 Determining the penalty for customs smuggling	94
Principle No. 25 Confiscation of seized items if their entry was not lawful	97
Principle No. 26 The effect of the objection on the execution of the decision	100
Principle No. 27 The absence of modifications to the means of transport invalidates its confiscation	103
Principle No. 28 What is deemed equivalent to customs smuggling	107
Principle No. 29 The possession of restricted goods without providing proof of their lawful importation is deemed equivalent to customs smuggling	110
Customs duties	113
Principle No. 30 Calculating the prescribed periods for the non-hearing of a lawsuit	114
Principle No. 31 Grievance against customs duty differences	118
Principle No. 32 Doubt is interpreted in favor of the taxpayer liable for customs duties	123
Principle No. 33 Disregarding internal correspondence in customs classification	126
Principle No. 34 The Customs Authority is the technical administration	131
Principle No. 35 The standard considered for the validity of actual imports in Customs	134
Principle No. 36 The purpose of the Harmonized System (HS) code for the customs tariff heading	138
Principle No. 37 Submitting technical explanations in the description	141
Principle No. 38 Discrepancy in laboratory results	144
Detailed Principles Index	147



Introduction

Praise be to Allah, the Lord of the Worlds, and prayers and peace be upon the most honorable messengers and the Last Prophet, our Prophet Muhammad, and upon his family, companions and followers.

Therefore:

In recent time the efforts made by the courts and judicial committees in various parts of the Kingdom of Saudi Arabia, and the rulings and decisions issued by them, constitute a priceless jurisprudential and judicial wealth, and a result that should be given attention and care. Considering the commercial and industrial revolution that Saudi Arabia is experiencing under Saudi Vision 2030, many people are facing numerous challenges in customs cases. From the perspective of social responsibility that the General Secretariat of the Zakat, Tax, and Customs Committees adopts, it has sought to establish a solid foundation and reference for committee members, taxpayers, and interested parties. This includes the publication of the "Principles Derived from the Decisions of the Customs Appeal Committees for 2025 AD," which effectively contributes to addressing customs disputes, thereby reducing the prolongation of litigation; as these documents clarify what the appeal committees have settled on in their decisions. This will reflect on shortening the duration of litigation for concerned parties, easing the burden on the judge, and achieving the principle of transparency that the General Secretariat pursues, in addition to providing practical aspects for the relevant authorities in legal and regulatory research, especially academic and training institutions, among others.

The Secretariat was keen to identify the principles settled in the Customs Appeals Committees in order to achieve the Secretariat's goals of reducing efforts and knowing the judicial precedents of the Appeals Committee, which will reduce the number of cases filed before it, if the parties to the case have previously informed the head of the Committee about the subject matter of the case they intend to file.

We ask Allah, the Almighty, to make our work purely for Him, and to support our efforts and endeavors for what is good, as He is indeed a gracious benefactor.



Speech of His Excellency the Secretary General of the Zakat, Tax and Customs Committees

Praise be to Allah alone. Therefore:

Based on the vision and values of the General Secretariat of the Zakat, Tax and Customs Committees, which has undertaken the commitment to excel in resolving zakat, tax, and customs disputes, adopting innovative and effective methods, promoting transparency and neutrality, fostering cooperation among the stakeholders of the zakat, tax, and customs ecosystem, and playing an active role in enhancing the efficiency of legal adjudication—contributing thereby to the realization of the goals of Saudi Vision 2030 through the promotion of swift procedures and efficient justice and the adoption of the values of transparency and innovation—by supporting the Zakat, Tax, and Customs Committees in the prompt adjudication of pending disputes, and providing support and assistance to the Committees at all stages through the conduct of studies and research, and by serving taxpayers through clarifying the applicable laws, regulations, and judicial precedents, and regularly updating them. Among these efforts is the Project on (the Principles Derived from the Decisions of the Customs Appeal Committees for the Year 2025).

The General Secretariat has given special importance to the decisions issued by the Appeal Committees and the principles they encompass, as they reflect the essence of well-established judicial reasoning. These principles are distinguished by their capacity for ongoing development and adaptation in light of emerging realities, given that they are formulated with the objective of resolving disputes brought before the judicial committees. Moreover, awareness of these principles contributes to reducing conflicts and disputes, thereby serving as a form of preventive guidance and protection for stakeholders' positions and offering them support in their proceedings before the committees.

This prestigious status of the principles of the Zakat, Tax, and Customs Committees calls for working to extract and disseminate them to the Public; in order to achieve the principle of transparency, highlight the ongoing efforts, and enrich the scientific arena; to make it a fertile ground for scholars, specialists, and research centers.

What the Secretariat is doing - in accordance with its role by disseminating these principles - is an affirmation of its relentless endeavor to achieve all that would raise the level of justice as befits it, thanks to the support and guidance of the blessed leadership, which spares no effort in its generous support for the legislative and regulatory framework. In conclusion, I would like to thank the Custodian of the Two Holy Mosques King Salman bin Abdulaziz and His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz, Prime Minister, for their unlimited care and support for judicial activities in various fields. I would also like to thank the staff of the General Secretariat for their



outstanding efforts in issuing this publication, which I hope will achieve its objectives and be a qualitative addition in the legal and accounting field.

Secretary-General

Abdullah bin Abdulrahman Al-Suhaibani



Methodology

The Secretariat was keen to select the established principles among the committees, which have a general character that applies to many issues and not just opinions related to a specific case, and it was not a legislative text. Given the various facts and circumstances of customs claims, they have been organized and classified by topics.

The project entailed a careful plan and methodology to bring it out in an easy and approachable manner. It has been divided into several stages as follows:

- A thorough inventory of the final decisions of the Appeals Committee.
- Distinguishing what is stated in the mentioned principles as a narrative from the parties to the lawsuit, and the principles that express the committee's opinion.
- Identifying the opinions of the committee often found in the reasons for the decision, which have a general nature, and express a rule that applies to similar cases.
- Registering the decision number of the appeal in which the principle was mentioned, even if it is repeated in multiple decisions.
- Merging the identical principles in their wording into one principle while mentioning the decisions that were included in them.
- Merging the principles that are identical in meaning and similar in formulation into one principle, while choosing the best, clearest, and broadest formulations, and merging the formulations in occasional instances.
- Tabulating principles by topics.
- Numbering the principles sequentially.
- Not to publish any principle that has currently been established in the applicable systems and any new circulars, unless there is a benefit in mentioning it.
- Facilitating understanding of the appellate decision, the decision of the Appeals Committee from which the principle was derived has been provided, by placing the Appeals Committee's decision on the analytical template, which highlighted the document of the decision, the facts, the reasons, and the text of the decision.
- If there is more than one decision through which the principle was derived, it is sufficient to include one decision, indicating the number and details of similar decisions if they exist.
- Ensuring the deletion of all data indicating the parties to the lawsuit or other parties without affecting the decision.



Procedural Principles Derived from the Custom Appeal Committees



The Customs Appeals Committee in Riyadh

Decision No. CR-2025-248201

Case No. PC-2025-248201

Principle No. 1

- Striking off the commercial registration of the importing establishment does not exempt it from its obligations prior to the date of striking off.

Facts



The Customs Appeals Committee in Riyadh held its hearing to consider the appeal submitted by/..., ID number (...), law license number (...), under the agency number (...) issued on 06/01/2025 AD, against the initial Decision number (CFR-2025-247381) issued by the 1st First Instance Customs Committee in Riyadh.

The facts of this case are summarized in that the appealing institution submitted a petition for reconsideration of the decision of the 1st First Instance Customs Committee in Riyadh number (CFR-2023-111685), which ruled to convict the importer of customs smuggling and impose the associated penalties as stated in the Grounds and ruling of the decision, which is referred to in order to avoid repetition. Accordingly, the First Instance Customs Committee issued its decision - subject of the appeal - whose ruling states the following: "Non-acceptance of the petition for reconsideration."

Upon reviewing the objection list submitted by the agent of the appealing institution, the Customs Appeals Committee found that it includes a summary stating the defense that the Committee did not verify the delivery of the notification to the appellant in the prescribed statutory manner, as the lawsuit arose after striking off the commercial registration of the institution and the legal termination of its owner's relationship with it.

The agent of the institution also argues that the Committee overlooked the fundamental defense represented in the absence of the act necessitating the established customs violation, considering that the case documents lacked any proof of the arrival of the shipment in question and its delivery to the institution. The list concluded with a request to overturn the initial decision, reconsider it, and suspend the execution of the decision issued against his client until legal procedures are taken against the person responsible.

Upon reviewing the response memorandum submitted by the appellee, the Customs Appeals Committee found that it includes a summary arguing that the ruling of the decision stated that it was issued in person, which proves that the importer was notified of the lawsuit. Furthermore, striking off the commercial registration does not exempt the



owner of the institution from responsibilities and obligations prior to the date of striking off. It concluded with a request to reject the appeal and uphold the initial decision in all its provisions.

On Wednesday, 18/03/1447 AH, corresponding to 10/09/2025 AD, at exactly (03:03) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... against the initial Decision number (CFR-2025-247381) dated 27/02/2025 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 24/03/2025 AD, and submitted the appeal against the Decision on 22/04/2025 AD, this entails the acceptance of the appeal procedurally as it was submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs law

Since there is no reproach against the reviewing authority for the appeal for taking the Grounds of the decision subject to the appeal without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in its support, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not affected by the appellant's defense regarding the non-arrival of the notifications; considering that it is established according to the Secretariat's regulations that the notification was made by statutory approved means, to the registered number of the owner of the institution, which is the same used subsequently in the petition lawsuit, and that the notification took place via (SMS) messages, which proves the validity and soundness of the notification.

Accordingly, none of the grounds for petition stipulated in Article (200) of the Law of Sharia Procedures is met. As for the appellant's defense regarding striking off the commercial registration and losing its legal status, it is rejected; considering that striking off the commercial registration of the importing establishment does not exempt it from its obligations prior to the date of striking off. Therefore, since the Grounds for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the Committee unanimously concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /....., commercial registration number (.....), owned by /....., national ID number (.....) against the initial Decision number (CFR-2025-247381) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.

Similar Decisions:

- Decision of the Appeals Committee in Riyadh No. (PC-2023-227970) dated 12/09/2025 AD.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-248201

Case No.

PC-2025-248201

Principle No. 2

- A petition for reconsideration is only permitted within narrow frameworks established by the regulator, within which the means of reviewing final judicial rulings or decisions are determined within the limits and scope of this matter. It is an exceptional path in the course of reviewing judicial rulings to rectify any errors or specific procedures that occurred contrary to the requirements of the Law.

Facts

This is to consider the petition submitted by/..., national ID number (...), in his capacity as the owner of..., commercial registration number (...), against the appellate Decision number (CR-2024-174684) issued by the Customs Appeals Committee in Riyadh, whose ruling states the following:

"1- Acceptance of the appeal procedurally from its presenter/..., commercial registration number (...), against the initial Decision number (1328) for the year 1439 AH, issued by the First Instance Customs Committee at the Al-Batha Customs.

2- Acceptance of the appeal on its merits, and the annulment of the initial Decision in all that it ruled against the appellant, for the reasons and grounds stated in this Decision.

3- Considering the importer's action regarding the two violating items as constituting the imposition of a customs violation fine in the amount of (1,000) one thousand riyals for each item, making the total amount claimed from the appellant an amount of (2,000) two thousand riyals, for the reasons and grounds stated in this Decision."

Upon reviewing the submitted petition list, the Customs Appeals Committee found that it includes a summary stating that the petition was submitted based on paragraphs (A, C) of Article (200/1) of the Law of Sharia Procedures, where the petitioner states that the judgment was based on documents whose forgery became apparent, confirming that the appellee filed several lawsuits with the same copy of the bond commitment presented in this lawsuit. He also reports the existence of fraud in the method of claiming, as the appellee claims against the petitioner in more than one lawsuit using the same copies of the analysis agency and the bond commitment. The petitioner argues the responsibility of the customs broker and requests the acceptance of the lawsuit and the reconsideration of the petitioned Decision.



On Wednesday, 05/02/1447 AH, corresponding to 30/07/2025 AD, at exactly (03:25) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the petition submitted by... against the Decision number (CR-2024-174684) dated 22/05/2024 AD, issued by the Customs Appeals Committee in Riyadh.

Grounds

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Law of Sharia Procedures issued by Royal Decree No. (M/1) dated 22/01/1435 AH, and after reviewing the Law of Criminal Procedures issued by Royal Decree No. (M/2) dated 22/01/1435 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws and their amendments.

Since it is statutorily established that a petition for reconsideration is an exceptional path in the course of reviewing judicial rulings to rectify any errors or specific procedures that occurred contrary to the requirements of the Law, provided that this is only permitted within narrow frameworks established by the regulator, within which the means of reviewing final judicial rulings or decisions are determined within the limits and scope of this matter, and since the request for a petition for reconsideration of final judgments is restricted to cases that, upon their completion, justify the implementation of a reconsideration, in light of adherence to the situations that permit the petitioner to request a reconsideration of final judgments without deviating from what is stated in paragraph (1) of Article (200) of the Law of Sharia Procedures, which stipulates that: "Any of the litigants has the right to petition for reconsideration of final judgments in the following cases: A- If the judgment was based on documents whose forgery became apparent after the judgment, or was based on testimony that was ruled - by the competent authority after the judgment - to be false testimony (perjury). B- If the petitioner obtains, after the judgment, conclusive documents in the lawsuit that he was unable to present prior to the judgment. C- If fraud occurred by the opponent that would affect the judgment. D- If the judgment ruled on something not requested by the litigants or ruled for more than what they requested. E- If the ruling of the judgment contradicts itself. F- If the judgment was issued in absentia. G- If the judgment was issued against someone who was not properly represented in the lawsuit."

Based on paragraphs (A, C/2) of Article (51) of the Implementing Regulations for Methods of Objecting to Judgments, which stipulated that: "2- The objection memorandum by petition for reconsideration must include - as the case may be - the following data and attachments: A- If the objection request is in accordance with case (A) of paragraph (1) of Article (200) of the Law, the request must be accompanied by proof of the forgery of the document or the judgment that the testimony is false. C- If the objection request is in accordance with case (C) of paragraph (1) of Article (200) of the Law, the request must clarify the incident of fraud and its impact", and since the petitioner did



not submit such, this Committee consequently concludes to report the non-acceptance of the petition for reconsideration request.

Based on the foregoing, and after deliberation, the Committee unanimously decided the following:

Decision

Non-acceptance of the petition for reconsideration.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-248201

Case No. PC-2025-248201

Principle No. 3

- Every lawsuit is based on its own facts, documents, and specific circumstances, and what is issued in others is not considered a conclusive proof to change the decision.

Facts



This is to consider the petition for reconsideration submitted by/..., national ID number (...), law license number (...), under the agency number (...) issued on 25/05/2025 AD, against the appellate Decision number (CR-2024-190849) issued by the Customs Appeals Committee in Riyadh, whose ruling states the following:

"1- Acceptance of the appeal procedurally from its presenter/..., commercial registration number (...), owned by/..., national ID number (...), against the initial Decision number (CFR-2022-2683) issued by the 1st First Instance Customs Committee in Riyadh.

2- Rejection of the appeal on its merits, and upholding the initial Decision regarding the conviction of the importer of customs smuggling and the decreed confiscation penalty, and amending the customs fine penalty by calculating it at twice the customs duties, making the total amount claimed from the importer for it an amount of (51,261) fifty-one thousand, two hundred and sixty-one riyals, for the reasons and grounds stated in this Decision."

Upon reviewing the submitted petition list, the Customs Appeals Committee found that it includes a summary stating the defense based on paragraph (B/200) of the Law of Sharia Procedures, considering the issuance of a number of decisions concluding with the Committee's lack of conviction regarding the statements issued by (...), and concluded with a request for a ruling to reconsider the decision subject of the petition, overturn the initial decision, and rule the non-conviction of the institution of what is attributed to it, On Wednesday, 12/02/1447 AH, corresponding to 06/08/2025 AD, at exactly (02:01) PM, the Customs Appeals Committee in Riyadh held its hearing



via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the petition submitted by... against the Decision number (CR-2024-190849) dated 05/03/2024 AD, issued by the Customs Appeals Committee in Riyadh. After reviewing the case file and the submitted petition, the Committee decided to close the pleadings.

Grounds

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

And whereas, upon the Customs Appeals Committee's review of the case file and the papers and documents it contained, and whereas the petitioner relies in his submitted petition on paragraph (200/B) of the Law of Sharia Procedures, which stipulated that: "1- Any of the litigants has the right to petition for reconsideration of final judgments in the following cases: ... B- If the petitioner obtains, after the judgment, conclusive documents in the lawsuit that he was unable to present prior to the judgment," and whereas what the petitioner has presented does not satisfy any of the grounds for a petition for reconsideration stipulated in Article (200) of the Law of Sharia Procedures, given that judicial judgments issued in other lawsuits are not considered conclusive documents in the subject matter of the lawsuit subject to the petition, nor do they constitute new evidence affecting the petitioned Decision; because every lawsuit is based on its own facts, documents, and specific circumstances, and what is issued in other lawsuits is not considered a conclusive proof to change the decision, furthermore, the petitioner did not indicate the date of his knowledge of these decisions nor the reason he was unable to present them, which deprives the submitted petition request of the statutory conditions stipulated in the Law of Sharia Procedures and the Implementing Regulations for Methods of Objecting to Judgments, which leads the Committee to conclude to report the non-acceptance of the petition for reconsideration request.

And since the matter is as stated, the Committee unanimously concluded to report the following:

Decision

Non-acceptance of the petition for reconsideration.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-248201

Case No. PC-2025-248201

Principle No. 4

- It is not permissible to consider a case that has been previously adjudicated by a final judgment once the judgment has acquired the force of res judicata and there is unity in the subject matter of the litigation, its cause, and the litigants and their capacities.

Facts



The facts of this case are summarized in that the Zakat, Tax and Customs Authority submitted a petition for reconsideration request against the Decision issued by the Third First Instance Customs Committee in Riyadh No. (CTR-2022-1479) for the year 2022 AD, and the First Instance Committee issued its decision - subject of the appeal - whose ruling states the following:

"Non-acceptance of the petition for reconsideration."

Upon reviewing the objection list submitted by the appellant, the Customs Appeals Committee found that it includes a summary arguing that it submitted the petition request in accordance with case (E) of Article (200/1) of the Law of Sharia Procedures, and that it became clear to the Authority the existence of a previous decision issued in Case No. (PC-2022-122612) for the same parties and the same import declaration number (.....) dated (16/10/1438 AH), and the ruling of the decision in the previous case concluded with non-conviction of customs smuggling, and obligating the importer to a customs fine in the amount of (500) riyals, which shows a contradiction between the rulings of the two decisions due to the difference in the customs fine amount, and that the case has been previously adjudicated, and it is inconceivable to consider the same case, facts, and subject matter, and adjudicate it again with a different ruling, in addition to the fact that this causes an imbalance in the execution of decisions, and it concluded with a request to annul the Decision (CFR-2024-239700) in all its rulings, and to rule the non-permissibility of considering Case No. (PC-2022-139479) due to its prior adjudication.



And requesting the response from the appellee on 08/09/2024 AD and enabling it to exercise its right to respond for a period of (45) days, it did not submit the required answer, and based on paragraph (1) of Article (35) of the rules of operation for the Zakat, Tax, and Customs Committees; the Committee decided to adjudicate the case in light of the documents available to it.

On Wednesday, 25/10/1446 AH, corresponding to 23/04/2025 AD, at exactly (03:12) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by the Zakat, Tax and Customs Authority against the Decision number (CFR-2024-239700) dated 14/08/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 29/08/2024 AD, and submitted the appeal against the Decision on 08/09/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs law.

Whereas upon the Customs Appeals Committee's review of the case file and its attachments, and whereas the Authority submitted the appeal request based on its submission of the petition according to paragraph (E) of Article (200/1) of the Law of Sharia Procedures; which leads the Committee to conclude to report the acceptance of the petition for reconsideration request, And as for the merits, whereas the appellant argues the existence of a previous decision in the case registered under No. (PC-2022-122612) where the case in which that decision was issued pertained to the same facts, the same import declaration, and the same violation as the case that was reviewed and adjudicated under the initial Decision - subject of the petition - No. (CTR-2022-1479), and whereas upon the Appeals Committee's review of the Decision subject to the petition and the previous decision No. (CTR-2022-1815) registered in Case No. (PC-2022-122612), it became clear to the Committee the validity of what the Authority argued, and since the examination of the jurisdiction to consider the case is a preliminary matter that must be



resolved before delving into the procedure of the case or considering its merits, once it is established that it is outside its jurisdiction, it must rule on its own accord that it is not permissible to consider it, and whereas Article (76) of the Law of Sharia Procedures states that: "... the plea of non-permissibility of considering the case due to prior adjudication; may be raised at any stage of the case and the court shall rule on it of its own accord...",

And since it has been established based on the above that it is not permissible to consider a case that has been previously adjudicated by a final judgment once the judgment has acquired the force of *res judicata* and there is unity in the subject matter of the litigation, its cause, and the litigants and their capacities, which was the case for the lawsuit for which the petitioned Decision was issued, Which leads the Committee to accept the appeal and annul the decision of the First Instance Customs Committee No. (CFR-2024-239700) dated 14/08/2024 AD, and to rule anew the acceptance of the petition for reconsideration request submitted by the Zakat, Tax and Customs Authority, and to amend the ruling of the initial Decision No. (CTR-2022-1479) dated 07/04/1444 AH to be the dismissal of the case due to prior adjudication. Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally from its presenter / the Zakat, Tax and Customs Authority, against the initial Decision No. (CFR-2024-239700), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** Acceptance of the appeal on its merits, and the annulment of the initial Committee's decision No. (CFR-2024-239700) dated 14/08/2024 AD, and ruling anew the acceptance of the petition for reconsideration request submitted by the Zakat, Tax and Customs Authority, and amending the ruling of the initial Decision No. (CTR-2022-1479) dated 07/04/1444 AH to be the dismissal of the case due to prior adjudication, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-247376

Case No. PC-2025-247376

Principle No. 5

- In penal matters, proof is not necessarily restricted to specific methods.

Facts



This is to consider the petition for reconsideration submitted by/..., in his capacity as the owner of the petitioning institution, against the appellate Decision number (CR-2024-174686) issued by the Customs Appeals Committee in Riyadh, whose ruling states the following:

"First: Acceptance of the appeal procedurally from its presenter/..., commercial registration number (...), owned by/..., national ID number (...), against the initial Decision number (1332) for the year 1439 AH, issued by the Customs Committee at the Al-Batha Customs.

Second: In the subject matter, its partial acceptance and ruling the following:

1/ Upholding the initial decision regarding its conclusion to convict the importer of customs smuggling, limiting it to the item (lamps), and obligating him to a customs fine in the amount of the value of the violating item and an allowance for confiscation, making the total amount claimed for the crime of customs smuggling an amount of (13,644) thirteen thousand, six hundred and forty-four riyals, for the reasons and grounds stated in this decision.

2/ Considering the importer's action regarding the two items (wax heater device - nail care device) subject of the violation as constituting the imposition of a customs procedure violation fine in the amount of (1,000) one thousand riyals for each item, making the total amount claimed an amount of (2,000) two thousand riyals, for the reasons and grounds stated in this decision."



Upon reviewing the submitted petition list, the Customs Appeals Committee found that it includes a summary stating the defense based on paragraphs (A, C) of Article (200/1) of the Law of Sharia Procedures, considering that the judgment was based on documents whose forgery became apparent after the judgment; given that the petitioner argues that several lawsuits were filed against the petitioning institution with the same copy of the bond commitment presented in this lawsuit.

He also argues the existence of fraud in the method of claiming, considering that the appellee claimed against the petitioner in more than one lawsuit using the same copies of the analysis agency and the bond commitment.

The owner of the institution also denies submitting the bond commitment subject of the lawsuit and argues the responsibility of the customs broker for the violations and crimes of customs smuggling, and the responsibility of the customs port in the method of receiving the shipment documents.

The list concluded with a request to accept the lawsuit, reconsider the petitioned Decision, request the original bond commitment and analysis agency, examine the forgery of the bond commitment subject of the lawsuit, submit proof of notifying the institution of the lawsuit, submit proof of customs communication with the institution, restore correct representation, and hold the customs broker responsible for tampering with the shipment subject of the lawsuit.

On Thursday, 08/01/1447 AH, corresponding to 03/07/2025 AD, at exactly (01:22) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the petition submitted by (...) Trading Establishment against the Decision number (CR-2024-174686) dated 05/03/2024 AD, issued by the Customs Appeals Committee in Riyadh. After reviewing the case file and the submitted petition, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

And whereas upon the Customs Appeals Committee's review of the case file and its attachments, and whereas based on paragraphs (2/A, C) of Article (51) of the Implementing Regulations for Methods of Objecting to Judgments,



which stipulated that: "2. The objection memorandum by petition for reconsideration must include - as the case may be - the following data and attachments: A- If the objection request is in accordance with case (A) of paragraph (1) of Article (200) of the Law, the request must be accompanied by proof of the forgery of the document or the judgment that the testimony is false. C- If the objection request is in accordance with case (C) of paragraph (1) of Article (200) of the Law, the request must clarify the incident of fraud and its impact".

And whereas the petitioner did not submit such, there is therefore no reproach against the reviewing authority for the petition for adopting the Grounds of the decision subject to the petition without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not affected by the petitioner's defense regarding the responsibility of the customs broker, since the customs broker is a subordinate to the owner of the goods pursuant to the authorization issued by him, and whereas the relationship between the importer and the customs broker is a contractual relationship between them where each has the right of recourse against the other, and whereas the shipment subject of the lawsuit is imported in the name of the institution, and the commitment submitted for its temporary clearance includes its stamp and the authentication of the Chamber of Commerce, therefore all the data included therein and the responsibility of verifying its validity falls on the petitioner.

As for the petitioner's challenge to the validity of the commitment, and whereas what is relied upon in penal matters - of which customs smuggling violations and crimes are of the same nature - is that proof is not necessarily restricted to specific methods, and it is also not necessary that the evidence relied upon by the customs smuggling conviction decision be based on the conclusiveness of each piece of evidence in every particular of the lawsuit, considering that the principle in establishing such facts is that the evidence concerning them should be mutually supportive, complementing each other, and collectively forming the conviction of the authority reviewing the case,

Consequently, the approach of discussing each piece of evidence individually, isolated from the rest of the documents, evidence, and presumptions, is not sound; rather, the reliance lies in the sufficiency of the evidence and presumptions as a whole leading to forming the conviction of that authority and the completion of its orientation in establishing its firm belief and satisfaction, this is because the criminalized act is not in reality holding the importer accountable for violating the commitment taken from him; because the act constituting the crime of customs smuggling is embodied in the introduction or attempted introduction of the shipment without completing its clearance from the competent authority, which leads the Committee to conclude to report the non-acceptance of



the petition for reconsideration request. Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /....., commercial registration number (.....), owned by /....., national ID number (.....) against the initial Decision number (CFR-2025-247381) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-246786

Case No. PC-2025-246786

Principle No. 6

- It is not necessary that the evidence relied upon by the customs smuggling conviction decision be based on the conclusiveness of each piece of evidence in every particular of the lawsuit, considering that the principle in establishing such facts is that the evidence concerning them should be mutually supportive, complementing each other, and collectively forming the conviction of the authority reviewing the case. Consequently, the approach of discussing each piece of evidence individually, isolated from the rest of the documents, evidence, and presumptions, is not sound; rather, the reliance lies in the sufficiency of the evidence and presumptions as a whole leading to forming the conviction of that authority and the completion of its orientation in establishing its firm belief and satisfaction; this is because the criminalized act is not in reality holding the importer accountable for violating the commitment taken from him.

Facts



The facts of this case are summarized in that the appealing institution submitted a petition for reconsideration request against the Decision issued by the 1st First Instance Customs Committee in Riyadh No. (CFR-2022-106986), and the First Instance Committee issued its decision - subject of the appeal - whose ruling states the following: "Non-acceptance of the petition for reconsideration request."

Upon reviewing the submitted objection list, the Customs Appeals Committee found that it includes a summary stating the defense of not being properly notified of the initial lawsuit due to the invalidity of the affiliation of the addresses attached to the bond commitment to the institution and its owner, The owner of the institution also argues the unavailability of the analysis agency among the case attachments, and that the bond commitment is forged considering that customs filed different lawsuits with the same copy of the bond commitment, and that the



responsibility lies with the customs broker, and it concluded with a request to accept the appeal, reconsider the case, prove the forgery of the bond commitment and the analysis agency, and overturn the initial decision in what it ruled.

Upon reviewing the response memorandum submitted by the appellee, the Customs Appeals Committee found that it includes a summary arguing the validity of what the First Instance Customs Committee's decision - subject of the appeal - concluded, furthermore, the shipment was imported in the name of the institution, and it is responsible before customs, as the customs declaration is registered in its name. It concluded with a request to reject the appeal, and uphold the initial decision in all that it ruled.

Upon the Customs Appeals Committee's review of the appellant's commentary on what was stated in the response memorandum submitted by the appellee, it became clear that it did not deviate from what was presented in the appeal list, and concluded by adhering to the requests submitted in the basic lawsuit.

On Wednesday, 01/12/1446 AH, corresponding to 28/05/2025 AD, at exactly (01:42) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (...) Trading Establishment against the Decision number (CFR-2024-246327) dated 08/12/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 22/12/2024 AD, and submitted the appeal against the Decision on 26/12/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs law.

And whereas upon the Customs Appeals Committee's review of the case file and the papers it contained, and the decision of the First Instance Committee, and whereas there is no reproach against the reviewing authority for the appeal for adopting the Grounds of the decision subject to the appeal without addition whenever it sees in these



Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not affected by the appellant's defense regarding the responsibility of the customs broker; since the customs broker is a subordinate to the owner of the goods pursuant to the authorization issued by him, and whereas the relationship between the importer and the customs broker is a contractual relationship between them where each has the right of recourse against the other, and whereas the shipment subject of the lawsuit is imported in the name of the institution, and the commitment submitted for its temporary clearance includes its stamp and the authentication of the Chamber of Commerce, therefore all the data included therein and the responsibility of verifying its validity falls on the appellant himself.

As for the appellant's challenge to the validity of the commitment, and whereas what is relied upon in penal matters - of which customs smuggling violations and crimes are of the same nature - is that proof is not necessarily restricted to specific methods, and it is also not necessary that the evidence relied upon by the customs smuggling conviction decision be based on the conclusiveness of each piece of evidence in every particular of the lawsuit, considering that the principle in establishing such facts is that the evidence concerning them should be mutually supportive, complementing each other, and collectively forming the conviction of the authority reviewing the case. Consequently, the approach of discussing each piece of evidence individually, isolated from the rest of the documents, evidence, and presumptions, is not sound; rather, the reliance lies in the sufficiency of the evidence and presumptions as a whole leading to forming the conviction of that authority and the completion of its orientation in establishing its firm belief and satisfaction; this is because the criminalized act is not in reality holding the importer accountable for violating the commitment taken from him; because the act constituting the crime of customs smuggling is embodied in the introduction or attempted introduction of the shipment without completing its clearance from the competent authority, and since the Grounds for the decision subject to appeal are sufficient to support its ruling; it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. And since the matter is as stated, the Committee unanimously concluded to report the following:

Decision

1. **First:** Acceptance of the appeal procedurally, submitted by /....., commercial registration number (.....), owned by /....., national ID number (.....) against the initial Decision number (CFR-2024-246327) issued by the 1st First Instance Customs Committee in Riyadh.



2. **Second:** The appeal is rejected on the merits, and the initial decision is upheld, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-247470

Case No. PC-2025-247470

Principle No. 7

- There is no reproach against the reviewing authority for the appeal for adopting the Grounds of the decision subject to the appeal without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained.

Facts



The facts of this case are summarized by the arrival of a shipment (footwear) belonging to the defendant through the Al-Batha customs under import declaration number (.....) dated 15/03/1436 AH, which was cleared based on a commitment not to dispose of it until the result of the competent authority appears. Upon presenting the sample to the laboratory, the response was received in report number (S-15-00234) dated 19/01/2015 AD, which included non-compliance in terms of abrasion resistance. The importer was contacted, but he did not respond to customs. Accordingly, the 1st First Instance Customs Committee in Riyadh issued its Decision number (CFR-2023-109248), whose ruling states the following:

"1- Conviction of the importer... commercial registration number (...) owned by/... - Saudi national - national ID number (...) in person for customs smuggling.

2- Obliging him to a customs fine equivalent to twice the customs duties for the violating item in the amount of (2,284) two thousand two hundred and eighty-four riyals.

3- Obliging him to pay an amount equivalent to the value of the violating item as a confiscation substitute amounting to (22,834) twenty-two thousand eight hundred and thirty-four riyals, making the total amount claimed an amount of (25,118) twenty-five thousand one hundred and eighteen riyals."



The institution submitted an appeal against the Decision before the Customs Appeals Committee in Riyadh, and the Committee issued its Decision number (CR-2024-229354), whose ruling states the following:

"First: Acceptance of the appeal procedurally, from its presenter/ institution....., commercial registration number (.....), owned by/....., civil registry number (.....), against the initial Decision number (CFR-2023-109248) issued by the First Instance Customs Committee in Riyadh.

Second: In the subject matter, the annulment of the initial Decision, and remanding the case to the First Instance Customs Committee to consider its merits, for the reasons and grounds stated in this Decision."

Upon presenting the case before the First Instance Customs Committee in Riyadh, it issued its Decision - subject of the appeal - number (CFR-2024-243578), whose ruling states the following: "Considering the case as if it never existed; due to its failure to meet the statutory requirements."

Upon reviewing the submitted objection list, the Customs Appeals Committee found that it includes a summary stating the defense that this case was previously considered by the First Instance Committee according to its previous rules of operation and in accordance with the established practice of accepting the request to initiate the penal lawsuit according to the list deposited in the case file which was previously archived at the Secretariat, and it is not subject to the rules of operation for the committees issued on 08/04/1445 AH.

Furthermore, it is established that the importer did not return the violating shipment to customs, which clarifies his disposal of it, and it concluded with a request to accept the appeal, overturn the Decision, and rule anew the conviction of the institution of customs smuggling, obligating it to a customs fine equivalent to three times the value of the goods, and confiscating the goods or ruling for an amount equivalent to their value if they are not seized.

And requesting the response from the appellee and enabling it to exercise its right to respond, it did not submit the required answer, and based on paragraph (1) of Article (35) of the rules of operation for the Zakat, Tax, and Customs Committees; the Committee decided to adjudicate the case in light of the documents available to it.

On Thursday, 08/01/1447 AH, corresponding to 03/07/2025 AD, at exactly (01:25) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by the Zakat, Tax and Customs Authority against the Decision number (CFR-2024-243578) dated 08/12/2024 AD,



issued by the First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 29/12/2024 AD, and submitted the appeal against the Decision on 28/01/2025 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs law.

And whereas there is no reproach against the reviewing authority for the appeal for adopting the Grounds of the decision subject to the appeal without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained, and this is not affected by the appellant's defense regarding the non-applicability of the rules of operation for the committees issued on 08/04/1445 AH, since the case subject to the appeal was remanded by the Customs Appeals Committee under Decision No. (CR-2024-229354) dated 09/10/2024 AD, i.e., at a date subsequent to the issuance of the new rules, in addition to the fact that the appellant was requested by the Secretariat for the Customs Committees on 11/11/2024 AD to draft the lawsuit, and the appellant attached the same list submitted in the adjudication lawsuit dated 27/11/2023 AD, which necessitates stating that the defenses presented do not affect the outcome of the Decision, rendering the appeal unsupported and thus must be rejected.

The Appeals Committee also noted that the 1st First Instance Customs Committee in Riyadh issued its Decision - subject of the appeal - No. (CFR-2024-243578), whose ruling states "Considering the case as if it never existed; due to its failure to meet the statutory requirements", and whereas paragraph (1) of Article (Seventy-Six) of the Law of Sharia Procedures states that: "The plea of lack of jurisdiction of the court due to the absence of its jurisdiction or because of the type of case or its value, or the plea of non-acceptance of the case due to lack of capacity, eligibility, or interest, or for any other reason, as well as the plea of non-permissibility of considering the case due to prior adjudication; may be raised at any stage of the case and the court shall rule on it of its own accord", which



necessitates amending the ruling of the Decision subject to the appeal to be the non-acceptance of the case due to its non-drafting.

Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by/ the Zakat, Tax and Customs Authority, against the initial Decision No. (CFR-2024-243578), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, with the amendment of the ruling of the initial Decision No. (CFR-2024-243578) to be the non-acceptance of the case due to its non-drafting, for the reasons and grounds stated in this Decision.

Similar Decisions:

- Decision of the Appeals Committee in Riyadh No. (PC-2024-227970) dated 15/08/2025 AD.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-240750

Case No. PC-2025-240750

Principle No. 8

- The Customs Committee's decision was not announced to have been issued in accordance with the statutory requirement, and that the announcement was only a request to attend a hearing; which affects the fortification of the issued decision in terms of the statutory periods for objection.

Facts



The facts of this case are summarized in that (.....) submitted a petition for reconsideration of the Decision issued by the First Instance Customs Committee in Riyadh No. (1/1933) for the year 1442 AH, and the Customs Committee issued its decision - subject of the appeal - whose ruling states the following: "Non-acceptance of the petition for reconsideration submitted by..... Establishment, commercial registration number (.....), for what is explained in the Grounds."

Upon reviewing the submitted objection list, the Customs Appeals Committee found that it includes a summary stating the defense that the decision subject of the petition was issued upholding the initial decision in absentia, and that the initial decision fortified by the appeal decision ruled on something not requested by the litigants, and that the hearing minutes included the name of a different institution that has no relation to the appealing institution; which makes it clear that the Committee made an error as it did not study the case carefully and fairly.

Furthermore, the First Instance Committees have no jurisdiction over petition requests, and it concluded with a request to accept the objection procedurally and on the merits, and to overturn the initial decision and the petition decision.

Upon reviewing the response memorandum submitted by the appellee, the Customs Appeals Committee found that it includes a summary arguing the validity of what the initial decision - subject of the appeal - concluded, and that



what was stated in the appellant's memorandum is nothing but an obstruction of the course of justice and an attempt to evade the proven penalty as stipulated by the regulations. It concluded with a request to reject the appeal, and uphold the initial decision in all that it ruled.

On Wednesday, 11/10/1446 AH, corresponding to 09/04/2025 AD, at exactly (02:24) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... against the Decision No. (CFR-2024-238480) dated 16/07/2024 AD, issued by the First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings

Grounds

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 19/07/2024 AD, and submitted the appeal against the Decision on 17/08/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs law.

And whereas, after reviewing the petition file and the papers and documents it contained, it is established from the submitted petition list that the petitioner argues based on paragraphs (1/F, D) of Article (200) of the Law of Sharia Procedures, which stipulated that "1. Any of the litigants has the right to petition for reconsideration of final judgments in the following cases: A- If the judgment was based on documents whose forgery became apparent after the judgment, or was based on testimony that was ruled - by the competent authority after the judgment - to be false testimony (perjury). B- If the petitioner obtains, after the judgment, conclusive documents in the lawsuit that he was unable to present prior to the judgment. C- If fraud occurred by the opponent that would affect the judgment. D- If the judgment ruled on something not requested by the litigants or for more than what they requested. E- If the ruling of the judgment contradicts itself. F- If the judgment was issued in absentia. G- If the judgment was issued against someone who was not properly represented in the lawsuit. Anyone against whom the judgment is considered an



argument, and who was not joined or did not intervene in the lawsuit, has the right to petition for reconsideration of final judgments,"

And whereas Article (201) of the Law of Sharia Procedures states that "The period for a petition for reconsideration is thirty days starting from the day it is proven that the petitioner knew of the forgery of the documents or the ruling that the testimony is false, or when the documents stipulated in paragraph (B) of Article Two Hundred of this Law appear, or when fraud appears, and the period begins in the cases stipulated in paragraphs (D, E, F, G) of Article (Two Hundred) of this Law from the time of notification of the judgment, and the period begins with respect to paragraph (2) of Article (Two Hundred) of this Law from the date of knowledge of the judgment", And whereas the Appeals Committee was not satisfied with the conclusion reached by the decision subject of the appeal; given that it is established from the attached documents that the Customs Committee's decision was not announced to have been issued in accordance with the statutory requirement, and that the announcement was only a request to attend a hearing; which affects the fortification of the issued decision in terms of the statutory periods for objection. Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, from its presenter/..... in his capacity as the owner of/....., commercial registration number (.....), against the initial Decision No. (CFR-2024-238480), issued by the First Instance Customs Committee in Riyadh.
- 2- **Second:** In the subject matter, the annulment of the initial Decision, and ruling anew the acceptance of the petition for reconsideration request submitted by/....., and remanding the case to the First Instance Customs Committee to complete its review, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-234839

Case No. PC-2025-234839

Principle No. 9

- The litigation is not established between the plaintiff and the defendant except after notification by statutory methods.

Facts



The facts of this case are summarized in that the appellant submitted before the First Instance Committee a petition for reconsideration request against the initial Decision issued against it No. (CFR-2023-105128), and the First Instance Committee issued its decision - subject of the appeal - whose ruling states the following: Non-acceptance of the petition for reconsideration for what is explained in the Grounds.

Upon reviewing the submitted appeal list, the Customs Appeals Committee found that it includes a summary stating that the initial decision was received on 06/12/2023 AD and the petition against it was submitted on 24/06/1445 AH, and that customs did not submit a report of the value of the violating items and the violation was calculated on the entire shipment, which is contrary to the Law. Also, the case file lacks the laboratory letter, in addition to the fact that the shipment consists of large-sized car engines, so how can samples of them be sent and a non-compliant result be obtained? It is noted that the instructions communicated to customs stipulate the return or destruction of the violating items (dynamo - starter - belts) and the clearance of non-violating items, confirming that the concerned party is still waiting for the committee to go out for inspection and sorting of the violating item from the engines.

Upon reviewing the response memorandum submitted by the appellee (the Zakat, Tax and Customs Authority), the Customs Appeals Committee found that it includes a summary adhering to what the decision subject of the appeal concluded, considering that the petition request and its justifications do not meet the cases stipulated in Article (200) of the Law of Sharia Procedures, and that the case is based on the appellant's submission of a written commitment not to dispose of the imported goods, which are (refurbished car engines), and it became clear after inspection and



examination that they contain parts whose importation is prohibited, which are (dynamo - starter - belts), and it became evident that it is impossible to remove and dismantle the violating parts inside the customs precinct.

Accordingly, the importer submitted a bond commitment and an obligation to dismantle them in his private warehouses by specialized technicians and bring the violating parts to the customs precinct, but the goods are still with the importer and have not been returned to customs to date, The Authority confirms that the importer was previously contacted to submit a request for destruction, and upon verification with the concerned department, it was found that the destruction request has not been submitted to date. The response memorandum concluded with a request to reject the submitted appeal and uphold the initial decision in all that it ruled.

On Thursday, 30/07/1446 AH, corresponding to 30/01/2025 AD, at (03:11) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... Establishment against the Decision number (CFR-2024-230259) dated 29/02/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 12/03/2024 AD, and submitted the appeal against the Decision on 08/04/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs law.

And after reviewing the case file and the papers it contained, and the decision of the First Instance Committee, and whereas the applicant appeals the decision issued by the First Instance Committee regarding the petition for reconsideration request, and since it is established from the petition list submitted before the First Instance Committee that the petitioner argues based on paragraph (1/F) of Article (200) of the Law of Sharia Procedures



which states that: "1- Any of the litigants has the right to petition for reconsideration of final judgments in the following cases: F- If the judgment was issued in absentia",

And whereas Article (201) of the Law of Sharia Procedures states that: "The period for a petition for reconsideration is thirty days starting from the day it is proven that the petitioner knew of the forgery of the documents or the ruling that the testimony is false, or when the documents stipulated in paragraph (B) of Article Two Hundred of this Law appear, or when fraud appears, and the period begins in the cases stipulated in paragraphs (D, E, F, G) of Article (Two Hundred) of this Law from the time of notification of the judgment, and the period begins with respect to paragraph (2) of Article (Two Hundred) of this Law from the date of knowledge of the judgment",

And whereas the appellant's defenses came to confirm that he was notified of the petitioned decision on 06/12/2023 AD, and whereas there is nothing in the case file that proves otherwise, and whereas an inquiry was made from the concerned department in the Secretariat regarding notifications, and their response was received via email on 04/07/2024 AD, which shows that the case file is devoid of the defendant's notification in accordance with the notification mechanism stipulated in Article (9) of the rules of operation for the Customs Committees, such that the statutory effects of the notification are not realized, which results in the invalidity of the notification procedures due to the failure to achieve their purpose as stated in the aforementioned Article, and whereas Article (5) of the Law of Sharia Procedures states that: "The procedure shall be void if the Law stipulates its invalidity, or if it is tainted by a defect due to which the purpose of the procedure is not achieved, and invalidity shall not be ruled - despite being stipulated - if it is proven that the purpose of the procedure has been achieved",

And whereas customs jurisprudence has established that the litigation is not established between the plaintiff and the defendant except after notification by statutory methods, and whereas it was established according to the records of the electronic case file that the date of submitting the petition is 06/01/2024 AD, which falls on an official public holiday,

And based on Article (46) of the rules of operation for the Zakat, Tax, and Customs Committees which states that: "1- If the last day of any procedure stipulated in the rules coincides with an official public holiday, the period of the procedure shall be extended to the first working day immediately following the holiday",

Therefore, the petition request was submitted within the statutory period in accordance with what is stipulated in Article (201) of the Law of Sharia Procedures, which necessitates the annulment of the initial decision, and remanding the case to the First Instance Customs Committee to consider its merits. Accordingly, the Committee concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, from its presenter/ Establishment, commercial registration (...), owned by/....., national ID number (.....), against the initial Decision No. (CFR-2024-230259) issued by the First Instance Customs Committee in Riyadh.
- 2- **Second:** In the subject matter, the annulment of the initial Decision, and remanding the case to the First Instance Customs Committee to consider its merits, for the reasons and grounds stated in this Decision.

Similar Decisions:

- Decision of the Appeals Committee in Riyadh No. (PC-2024-227970) dated 12/09/2025 AD.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-234169

Case No. PC-2025-234169

Principle No. 10

- Interruption of statutory periods by filing before an incompetent court.

Facts



The facts of this case are summarized in that the appellee company filed its lawsuit before the Customs Committees to object to the Zakat, Tax and Customs Authority's refusal of the request to refund the customs duties tied to security, relating to the shipments of milk powder (.....) imported by it during the period from 27/10/1433 AH to 30/11/1433 AH, amounting to (43,700,000) forty-three million seven hundred thousand riyals.

Accordingly, the 2nd First Instance Customs Committee in Riyadh issued its Decision - subject of the appeal - No. (CFR-2024-239899), whose ruling states the following:

"First: Acceptance of the lawsuit procedurally. Second: Acceptance of the plaintiff's lawsuit regarding the request to refund the customs duties tied to security in the amount of (43,700,000) forty-three million seven hundred thousand riyals for the customs declarations during the period from 27/10/1433 AH to 30/11/1433 AH."

Since the initial Decision was not accepted by the appellant (the Zakat, Tax and Customs Authority), it submitted its objection list before the Customs Appeals Committee in Riyadh. Upon reviewing it, the Committee found that it includes a summary stating that the First Instance Committee based its decision on Article (97) of the Unified Customs Law, whereas this article has no bearing on the facts of the case and cannot be applied thereto. The company's claim is summarized in its demand to refund the duties tied to security for the shipments of milk powder (.....) imported by it during the period from 27/10/1433 AH to 30/11/1433 AH, due to its claim that they are covered by the exemption under the Economic Agreement between the GCC countries. Consequently, the subject matter of the lawsuit does not relate to the claim for refunding customs duties for the re-exportation of imported



goods, which is regulated by Article (97) of the Unified Customs Law. Therefore, the Authority considers that the First Instance Committee did not base its decision on a valid supporting ground and failed to correctly understand the facts of the case.

It adds that the First Instance Committee erred due to the deficiency of its grounds by failing to discuss the Authority's plea regarding the expiry of the statutory period for requesting a refund of customs duties. Given that it is established that the fact of the dispute between the two parties to the lawsuit consists of the taxpayer submitting a request to refund the customs duties tied to security, and in accordance with Article (174) of the Unified Customs Law, which stipulates: "No claim or lawsuit for the refund of customs duties shall be accepted after the lapse of more than three years from the date of payment," the list added that the plaintiff company did not submit a request to refund the duties for the customs declarations - subject of the lawsuit - to the Authority except on 19/09/1438 AH, which it confirmed and admitted in the chronological sequence of the claim contained in its statement of claim, which means that the acceptance of its lawsuit was incorrect from the outset due to the lapse of more than three years from the payment of the duties.

In addition, the company's product - subject of the lawsuit - does not comply with the Gulf Standard Specification No. (9) regarding the labeling of prepackaged food products, which was the basis of the decision of the Financial and Economic Cooperation Committee in its (ninety-seventh) meeting, and it did not acquire the status of origin - the United Arab Emirates - due to the absence of any manufacturing process that alters the original nature of the product. It states that there is an error in the application of the Economic Agreement between the GCC countries. The appeal list concluded with a request to annul the initial Decision and to rule to uphold the validity of the Authority's course of action in refusing to refund the customs duties for the customs declarations during the period from 27/10/1433 AH to 30/11/1433 AH in the amount of (43,700,000) riyals.

Upon presenting the appeal list to the appellee (.....), it submitted a response memorandum reviewed by the Committee, which was found to include a summary stating that the origin of the dispute lies in the company's claim to recover the customs duties previously paid and tied to security as per the directives of the Director General of Customs in Circular No. 11/751/M dated 28/10/1433 AH, which ordered the clearance of the shipments and the binding of their duties to security until a decision is made on the matter of customs duty exemption by the Financial and Economic Cooperation Committee at the General Secretariat of the Gulf Cooperation Council, and the failure to return those duties tied to security despite the issuance of the Circular of the Director General of Saudi Customs No. 35/65/M dated 25/01/1435 AH.



Furthermore, the subject matter of the lawsuit is not a refund of duties within the scope of Article (174) of the Unified Customs Law, as the root of the dispute is a request to return duties tied to the security account; therefore, the claim does not fall under the scope of Article (174). It states that it submitted its letter to the Director General of Customs, registered with Customs under No. 84660 dated 19/09/1438 AH, to claim the recovery of financial amounts tied to security for imports of milk powder brand ".....".

Accordingly, the letter of the Advisor to the Director General of Customs No. 184-38-006625 dated 23/12/1438 AH was issued to the company (.....) in response to the company's petition dated 06/09/1438 AH submitted to the Director General of Customs and registered under No. 84660 dated 19/09/1438 AH regarding the claim to recover financial amounts tied to security for imports of milk powder brand "....." from the United Arab Emirates for the company's account, stating textually: "We would like to inform you that directives have been issued by His Excellency the Director General approving that the company is not entitled to recover the customs duties tied to security and that they shall be transferred to the final account, in application of what was approved by the Financial and Economic Cooperation Committee in the minutes of its sixty-fifth meeting on 09/09/1435 AH, with the endorsement of all GCC countries to impose customs duties on milk powder, while preserving the company's right to appeal to the competent authorities if it wishes to do so." The response memorandum concluded with a request for the non-acceptance of the appeal and to uphold the decision of the First Instance Committee.

On Wednesday, 05/02/1447 AH, corresponding to 30/07/2025 AD, at exactly (02:00) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by the Zakat, Tax and Customs Authority against the Decision number (CFR-2024-239899) dated 17/11/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 03/12/2024 AD, and submitted the appeal against the Decision on 02/01/2025 AD, this entails the acceptance of the appeal procedurally for being submitted by a person



with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And after reviewing the case file and the papers it contained, and the decision of the First Instance Committee, and whereas there is no reproach against the reviewing authority for the appeal for adopting the Grounds of the decision subject to the appeal without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained,

and this is not affected by the appellant's defense that Article (97) of the Unified Customs Law, which stipulates: "Customs taxes (duties) collected on foreign goods shall be refunded wholly or partially in the event of their re-exportation, in accordance with the regulations and conditions specified by the Implementing Regulations," has no bearing on the facts of the case and cannot be applied thereto, given that upon reviewing the decision subject to the appeal, it is clear that the First Instance Committee's reasoning, analysis, and characterization of the facts of the case did not address re-exportation, but rather revolved around the customs duties tied to security, which clearly shows that the said article did not affect what the First Instance Committee concluded in its decision, thereby necessitating disregarding this defense.

As for the Authority's plea that the First Instance Committee erred due to the deficiency of its grounds by failing to discuss the Authority's defense regarding the expiry of the statutory period for requesting a refund of customs duties, upon reviewing the sequence of the prominent dates affecting the facts of the case contained in the lawsuit attachments and the parties' defenses, it appears that the registration periods of the lawsuit were interspersed with a number of procedures that interrupted the statutory periods of limitation. This includes the fact that the fate of the customs declarations was linked to awaiting the issuance of the decision of the Financial and Economic Cooperation Committee, in addition to what the appellee raised regarding its previous registration of lawsuits with the Board of Grievances and before the committees, the issuance of decisions of lack of jurisdiction, and the Conflict of Jurisdiction Committee issuing its decision establishing jurisdiction in favor of the Customs Committees.

Since the Customs Appeals Committee has broad authority in evaluating the facts and giving them the proper characterization in implementation of the rules of justice in light of its settled conviction and the state of the evidence and presumptions derived therefrom, it is therefore decided to bypass the procedural defense relating to the expiry of the statutory periods raised by the appellant for the reasons explained above. Since the Grounds for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect



the outcome of the decision, rendering the appeal unsupported and thus must be rejected. Based on the foregoing, and after deliberation, the Committee unanimously decided the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, from its presenter / the Zakat, Tax and Customs Authority, against the initial Decision No. (CFR-2024-239899) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-247122

Case No. PC-2025-247122

Principle No. 11

- Anyone against whom the judgment is considered an argument, and who was not joined or did not intervene in the lawsuit, has the right to petition for reconsideration of final judgments.

Facts



The facts of this case are summarized in that the appealing institution submitted a petition for reconsideration request against the Decision issued by the Third First Instance Customs Committee in Riyadh No. (CTR-2023-106160), and the First Instance Committee issued its decision - subject of the appeal - whose ruling states the following: "Non-acceptance of the petition for reconsideration submitted by/.... (commercial registration number...)."

Upon reviewing the submitted objection list, the Customs Appeals Committee found that it includes a summary stating the defense of not being properly notified of the initial lawsuit due to the invalidity of the affiliation of the addresses attached to the bond commitment to the institution and its owner.

The owner of the institution also argues the unavailability of the analysis agency among the case attachments, and that the bond commitment is forged considering that customs filed different lawsuits with the same copy of the bond commitment, and that the responsibility lies with the customs broker. It concluded with a request to accept the appeal, reconsider the case, prove the forgery of the bond commitment and the analysis agency, and overturn the initial decision in what it ruled.

Upon reviewing the response memorandum submitted by the appellee, the Customs Appeals Committee found that it includes a summary arguing that all customs and commercial papers and transactions received by the Authority are in the name, signature, and stamp of the institution, and that what the appellant argues is merely an evasion of



his responsibility and an unsubstantiated statement that cannot be relied upon. It concluded with a request to reject the appeal, and uphold the initial decision in all that it ruled.

Upon the Customs Appeals Committee's review of the appellant's commentary on what was stated in the response memorandum submitted by the appellee, it became clear that it did not deviate from what was previously presented in the appeal list, and the commentary concluded by adhering to the requests submitted in the basic lawsuit.

On Wednesday, 19/02/1447 AH, corresponding to 13/08/2025 AD, at exactly (02:37) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... Establishment, owned by.... against the Decision No. (CSR-2024-246406) dated 18/12/2024 AD, issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 09/01/2025 AD, and submitted the appeal against the Decision on 12/01/2025 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And whereas there is no reproach against the reviewing authority for the appeal for adopting the Grounds of the decision subject to the appeal without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained,

and this is not affected by the appellant's defense regarding the responsibility of the customs broker, since the customs broker is a subordinate to the owner of the goods pursuant to the authorization issued by him, and whereas the relationship between the importer and the customs broker is a contractual relationship between them where each has the right of recourse against the other, and whereas the shipment subject of the lawsuit is imported in the



name of the institution, and the commitment submitted for its temporary clearance includes its stamp and the authentication of the Chamber of Commerce, therefore all the data included therein and the responsibility of verifying its validity falls on the appellant.

As for the appellant's challenge to the validity of the commitment, and whereas what is relied upon in penal matters - of which customs smuggling violations and crimes are of the same nature - is that proof is not necessarily restricted to specific methods, and it is also not necessary that the evidence relied upon by the customs smuggling conviction decision be based on the conclusiveness of each piece of evidence in every particular of the lawsuit, considering that the principle in establishing such facts is that the evidence concerning them should be mutually supportive, complementing each other, and collectively forming the conviction of the authority reviewing the case. Consequently, the approach of discussing each piece of evidence individually, isolated from the rest of the documents, evidence, and presumptions, is not sound; rather, the reliance lies in the sufficiency of the evidence and presumptions as a whole leading to forming the conviction of that authority and the completion of its orientation in establishing its firm belief and satisfaction; this is because the criminalized act is not in reality holding the importer accountable for violating the commitment taken from him; because the act constituting the crime of customs smuggling is embodied in the introduction or attempted introduction of the shipment without completing its clearance from the competent authority.

As for his defense of not being notified of the initial lawsuit, upon reviewing the notifications via the HAYAD system for the initial lawsuit, the notification of the hearing date and the decision via text messages and email is clear.

As for his reliance on paragraph (2) of Article (200) of the Law of Sharia Procedures which stipulated that: "2- Anyone against whom the judgment is considered an argument, and who was not joined or did not intervene in the lawsuit, has the right to petition for reconsideration of final judgments," therefore, the petitioned case applies to someone against whom the judgment is an argument and who was not joined in the lawsuit, whereas the lawsuit is filed against the appealing institution, and consequently it is considered a party to it.

And since the Grounds for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the Committee unanimously concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /....., commercial registration number (.....), owned by /....., national ID number (.....) against the initial Decision number (CFR-2025-148296) issued by the Second First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-245956

Case No. PC-2025-245956

Principle No. 12

- The letter addressed to the Authority is not considered a claim that interrupts the limitation period; given that the claim must be directed against the importer.

Facts



This is to consider the petition for reconsideration request submitted by/ the Zakat, Tax and Customs Authority, against the appellate Decision number (CR-2024-227691) issued by the Customs Appeals Committee in Riyadh, whose ruling states the following: "First: Acceptance of the appeal procedurally, from its presenter/..... commercial registration number (...), against the initial Decision number (CTR-2023-107083), issued by the Third First Instance Customs Committee in Riyadh. Second: In the subject matter, the annulment of the initial Decision, for the reasons and grounds stated in this Decision."

Upon reviewing the submitted petition list, the Customs Appeals Committee found that it includes a summary stating the defense based on paragraph (E/1/200) of the Law of Sharia Procedures, and that the Committee erred in its decision by considering the incident among the violations mentioned in Article (141) and applying the limitation periods for customs violations to it without considering the nature of the incident and the reason for non-conviction, despite the fact that the incident is an attempted customs smuggling in accordance with Article (142) of the Unified Customs Law.

Furthermore, the Committee also erred when it accepted the registration date of the lawsuit in the HAYAD system without taking into account that this lawsuit is among the lawsuits whose files were previously sent for archiving at the General Secretariat for the purpose of registering the lawsuit before the committees, in addition to the fact that the case file contains sufficient presumptions indicating that the request to initiate the lawsuit was in the year 1439



AH, and it concluded with a request to accept the petition, annul the Customs Appeals Committee's decision No. (CR-2024-227691) in all that it ruled, and to rule anew rejecting the appeal on the merits.

On Wednesday, 09/11/1446 AH, corresponding to 07/05/2025 AD, at exactly (02:59) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the petition submitted by the Zakat, Tax and Customs Authority against the Decision No. (CR-2024-227691) dated 18/09/2024 AD, issued by the Customs Appeals Committee in Riyadh. After reviewing the case file and the submitted petition, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Law of Sharia Procedures issued by Royal Decree No. (M/1) dated 22/01/1435 AH, and after reviewing the Law of Criminal Procedures issued by Royal Decree No. (M/2) dated 22/01/1435 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws and their amendments.

Since it is statutorily established that a petition for reconsideration is an exceptional path in the course of reviewing judicial rulings to rectify any errors or specific procedures that occurred contrary to the requirements of the Law, provided that this is only permitted within narrow frameworks established by the regulator, within which the means of reviewing final judicial rulings or decisions are determined within the limits and scope of this matter, and since the request for a petition for reconsideration of final judgments is restricted to cases that, upon their completion, justify the implementation of a reconsideration, in light of adherence to the situations that permit the petitioner to request a reconsideration of final judgments without deviating from what is stated in paragraph (1) of Article (200) of the Law of Sharia Procedures, which stipulates that: "Any of the litigants has the right to petition for reconsideration of final judgments in the following cases:

A- If the judgment was based on documents whose forgery became apparent after the judgment, or was based on testimony that was ruled - by the competent authority after the judgment - to be false testimony (perjury).

B- If the petitioner obtains, after the judgment, conclusive documents in the lawsuit that he was unable to present prior to the judgment.



C- If fraud occurred by the opponent that would affect the judgment.

D- If the judgment ruled on something not requested by the litigants or ruled for more than what they requested.

E- If the ruling of the judgment contradicts itself.

F- If the judgment was issued in absentia.

G- If the judgment was issued against someone who was not properly represented in the lawsuit,"

And whereas it became clear to the Committee that all that the petitioner mentions in its list lacks the statement of the statutory basis for requesting the review of its petition as a result of the non-applicability of any of the statutorily stipulated cases with which it is valid to review the decision by way of a petition for reconsideration as determined by the Law of Sharia Procedures in that regard, as the content of the submitted petition included nothing but a substantive argument from the concerned party based on disputing the Committee that issued the decision regarding its settled conviction and the conclusion it reached after having weighed the evidence and presumptions it relied upon to form its firm belief and adjudicate the case in the manner it concluded, given that what the Authority mentioned regarding the existence of presumptions for initiating the lawsuit in the year 1439 AH cannot be relied upon in light of the established fact represented by the absence of the submission date on the statement of claim, in addition to the fact that the registration of the lawsuit with the First Instance Committee took place on 25/08/1443 AH, and that what the Authority relies upon regarding the letter addressed to His Excellency the Governor from the Director General of the Al-Batha Customs is not considered a claim that interrupts the limitation period, given that the claim must be directed against the importer. And since the matter is as stated, the Committee unanimously concluded to report the following:

Decision

Rejection of the petition for reconsideration.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-263693

Case No. PC-2025-263693

Principle No. 13

- If the documents were revealed or known during the pleading, the correct path is to submit them by way of defenses and pleading, not by way of a petition for reconsideration; because the petition is an exception to the rule of the authoritativeness of judgments. It is judicially established that the fraud or deceit necessitating a petition must be hidden and unknown to the petitioner when considering the case, and he was unable to defend against it or uncover it at the time.

Facts



The facts of this case are summarized in that..... submitted a petition for reconsideration request of the decision of the 1st First Instance Customs Committee in Riyadh No. (CFR-2022-2809), whose ruling states the following:

- "1- Conviction of the importer company....., commercial registration number (.....) in person for customs smuggling.
- 2- Obliging it to pay a customs fine equivalent to the value of the violating item in the amount of (244,270) two hundred forty-four thousand two hundred and seventy riyals.
- 3- Obliging it to pay an amount equivalent to the value of the violating item as a confiscation fee amounting to (244,270) two hundred forty-four thousand two hundred and seventy riyals, making the total amount (488,540) four hundred eighty-eight thousand five hundred and forty riyals."

Accordingly, the 1st First Instance Customs Committee in Riyadh issued its decision - subject of the appeal - whose ruling states: "Non-acceptance of the petition for reconsideration request."

Upon reviewing the appeal list submitted by the agent of the appellant, the Customs Appeals Committee found that it includes a summary stating that the initial decision subject to the petition was issued in absentia against the



appellant company; which entails the acceptance of its petition, the appellant's agent also argues that the Authority did not clarify to the First Instance Committee that the tested item is (children's clothing) despite the absence of the aforementioned item within the shipment, the appellant's agent also argues the absence of a lawsuit initiation letter from the Authority, and the appellant's agent concluded her list with a request to overturn the decision subject to appeal, acquit the company, and dismiss the case.

And requesting the response from the appellee and enabling it to exercise its right to respond, it did not submit the required answer, and based on paragraph (1) of Article (35) of the rules of operation for the Zakat, Tax, and Customs Committees; the Committee decided to adjudicate the case in light of the documents available to it.

On Thursday, 26/03/1447 AH, corresponding to 18/09/2025 AD, at exactly (02:02) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... Company against the Decision No. (CFR-2025-246684) dated 02/03/2025 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 24/03/2025 AD, and submitted the appeal against the Decision on 16/04/2025 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And whereas upon the Customs Appeals Committee's review of the case file and its attachments, it is established from the submitted appeal list that the appellant argues based on paragraphs (C/200) and (F/200) of the Law of Sharia Procedures, which stipulated: "1. Any of the litigants has the right to petition for reconsideration of final judgments in the following cases: (C- If fraud occurred by the opponent that would affect the judgment.) and (F- If the judgment was issued in absentia),"



And whereas there is no reproach against the reviewing authority for the appeal without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained,

And since the Grounds for the decision subject to appeal are sufficient to support its ruling, it is necessary to state that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection,

And this is not affected by the appellant's agent's defense of fraud by the Authority, since the documents were attached to the case file and during the pleading, and even if they were defended or revealed during litigation, the correct path is to submit them by way of defenses and pleading, not by way of a petition for reconsideration; because the petition is an exception to the rule of the authoritativeness of judgments, and it is judicially established that the fraud or deceit necessitating a petition must be hidden, unknown to the petitioner when considering the case, and he was unable to defend against it or uncover it at the time, which was not the case here; which leads to deciding the rejection of the submitted appeal and upholding the initial decision in what it ruled. And since the matter is as stated, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /....., commercial registration number (.....) against the initial Decision No. (CFR-2025-246684), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-265094

Case No. PC-2025-265094

Principle No. 14

- The adjudicating authority is initially concerned with examining the fulfillment of the procedural restriction as a condition for the procedural acceptance of the lawsuit, before proceeding to examine the existence of the right on the merits.

Facts



The facts of this case are summarized in considering the objection submitted by..... (commercial registration number.....) under No. (144605021002045) dated 06/11/2024 AD, against the decision issued by the Zakat, Tax and Customs Authority under No. (144409003040282) dated 11/06/2023 AD, which ruled to reject the refund request submitted by the plaintiff relating to the customs declaration No. (.....) dated 21/01/1443 AH.

Upon the First Instance Committee's consideration of the lawsuit, it issued its decision - subject of the appeal - whose ruling states the following: "Non-acceptance of the lawsuit procedurally, due to the lapse of the statutory period."

Upon reviewing the appeal list submitted by the appellant's agent, the Customs Appeals Committee found that it included a summary stating that the appellant presented a set of defenses regarding the issuance of an exemption decision from the Ministry of Industry and Mineral Resources addressed to the Zakat, Tax and Customs Authority to amend the exemption period to include the appellant's importation period from 01/08/2020 AD to 30/08/2023 AD; given that the ministerial decision was issued to include the appellant's imports for the importation period falling within the dates (from 28/06/2022 AD) to (27/06/2025 AD), which does not cover the appellant's importation period.



The appellant's agent concluded her list with a request to overturn the initial decision and accept the lawsuit regarding the refund of the disputed duties and amend the applicability of the decisions in accordance with the Ministry's letters.

Upon reviewing the response memorandum submitted by the appellee, the Customs Appeals Committee found that it included a summary arguing that its decision to reject the refund request was issued on 07/06/2023 AD, whereas the appellant submitted her objection on 06/11/2024 AD, and accordingly, the appealed decision becomes fortified by the lapse of the statutory period. It added that the customs declaration subject to the refund request bears a date prior to the exemption decision, which proves that it does not apply to what the appellant claims. The appellee concluded its memorandum with a request to reject the appeal, and uphold the Authority's course of action in rejecting the refund of the customs duties.

Upon the Customs Appeals Committee's review of the appellant's agent's commentary on what was stated in the response memorandum submitted by the appellee, it became clear that it did not deviate from what was presented in the appeal list. The appellant's agent concluded her commentary with a request to overturn the initial decision and accept the lawsuit regarding the refund of the disputed duties and amend the applicability of the decisions in accordance with the Ministry's letters.

On Thursday, 26/03/1447 AH, corresponding to 18/09/2025 AD, at exactly (02:59) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) Commercial Company against the Decision No. (CFR-2025-197) dated 01/05/2025 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 19/05/2025 AD, and submitted the appeal against the Decision on 31/05/2025 AD, this entails the acceptance of the appeal procedurally for being submitted by a person



with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law,

And after reviewing the case file and the appeal submitted by the appellant, and whereas the appellant did not adhere to the periods stipulated in the text of Article Five of the rules of operation for the committees in submitting the objection to the refund decision subject of the dispute, and whereas the lawsuit for refunding customs duties is subject to two statutory restrictions: one represented in the necessity of filing a grievance within the statutorily specified periods, and the other represented in that the claim must not exceed three years from the date of payment, and whereas the adjudicating authority is initially concerned with examining the fulfillment of the procedural restriction as a condition for the procedural acceptance of the lawsuit, before proceeding to examine the existence of the right on the merits; therefore, the lapse of the grievance period warrants the rejection of the lawsuit procedurally without considering its merits.

Which leads to deciding the rejection of the submitted appeal, the annulment of the initial decision, and ruling anew the non-acceptance of the lawsuit procedurally. And since the matter is as stated, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /....., commercial registration number (.....) against the initial Decision No. (CFR-2025-197) issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-236536

Case No. PC-2025-236536

Principle No. 15

- Deficiency in reasoning that leads to a failure in demonstrating the path to reaching the conclusion results in the annulment of the initial decision.

Facts



The facts of this case are summarized in that the appellant submitted a petition for reconsideration request against the Decision No. (1/254) for the year 1440 AH, which ruled to convict it in absentia of customs smuggling, and the First Instance Committee issued its decision - subject of the appeal - whose ruling states the following:

"Non-acceptance of the petition for reconsideration submitted by..... Establishment for what is explained in the Grounds."

Upon reviewing the submitted appeal list, the Customs Appeals Committee found that it includes a summary stating that the decision subject to the appeal contented itself with mentioning the lapse of the statutory period without providing the date the importer became aware of the decision, confirming that the in absentia decision petitioned against was received on 01/11/2023 AD and the petition request was submitted on 07/11/2023 AD, and that the statement of claim is unstatutory and must be rejected because it was not initiated based on a written request from the Director General, and because it does not include the signature of the plaintiff or its representative, and it also did not include an accurate description of the crime, the evidence of accusation, and the statutory articles to be applied, and the claiming entity did not prove the importer's receipt of any notification regarding the laboratory result or the return of the shipment, and the burden of proving the receipt of those notifications falls upon it as long as they were issued by it, in addition to the fact that the merchant is a Saudi citizen who has a national address and holds a national ID, and it is easy to notify him; however, customs relied on notifying the customs broker, whereas



it knew how to reach him when the claim materialized. Therefore, the pretext of notifying the importer through the customs broker cannot be relied upon in judicial matters.

Furthermore, any request from the Authority's representative that was not included in the statement of claim shall not be considered due to lack of jurisdiction, pursuant to Article (150) of the Customs Law which restricted lawsuit requests to the Director General (Governor), in addition to the fact that the in absentia judgment was based on the breach of the commitment, which the importer denies entirely; because what was submitted is a copy and not the original, and the claiming entity bears the burden of proving its authenticity. The appeal list concluded with a request to accept the petition for reconsideration request procedurally and on the merits, and to reconsider the case.

Upon reviewing the response memorandum submitted by the appellee (the Zakat, Tax and Customs Authority), the Customs Appeals Committee found that it includes a summary stating that the commitment is signed by the owner of the institution, stamped with its seal, and authenticated by the Al-Ahsa Chamber, and that the appealing institution was notified via several letters to its addresses registered with the Authority regarding the non-compliance of the shipment and that it must return it within seven days in accordance with the commitment signed by it, in addition to the fact that the release of the shipment under a commitment guarantees its non-disposal, and violating the commitment by disposing of these items is considered customs smuggling according to Article (142) of the Unified Customs Law. The memorandum concluded with a request to rule to reject the submitted appeal and uphold the initial decision.

On Wednesday, 08/07/1446 AH, corresponding to 08/01/2025 AD, at (03:38) PM, the Customs Appeals Committee held its hearing to consider the appeal submitted by..... against the Decision No. (CFR-2024-234118) dated 17/04/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 22/04/2024 AD, and submitted the appeal against the Decision on 18/05/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person



with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And after reviewing the case file and the papers it contained, and the defenses presented by the parties, and whereas it was established that the decision subject to the appeal concluded with the non-acceptance of the petition for reconsideration based on the lapse of the statutory period for its submission in accordance with the provisions of Article (201) of the Law of Sharia Procedures, and whereas it was established through the narration of the facts and grounds of the appealed decision that the First Instance Committee did not clarify in its decision how it reached this conclusion in light of its failure to specify the date of receipt of the in absentia decision subject to the petition, which necessitates deciding the annulment of the initial decision, and remanding the case to the First Instance Customs Committee to consider it anew. Accordingly, the Committee concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /....., commercial registration number (.....) against the initial Decision No. (CFR-2025-246684), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** In the subject matter, the annulment of the initial Decision, and remanding the case to the First Instance Customs Committee to consider it anew, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-265232

Case No. PC-2025-265232

Principle No. 16

- A petition for reconsideration shall only be based on grounds relating to the judgment itself, not on what was not ruled upon.

Facts



This is to consider the petition for reconsideration submitted by/....., national ID number (.....), in his capacity as the Chairman of the Board of Directors - as apparent in the Articles of Association -, against the appellate Decision number (CR-2024-204383) issued by the Customs Appeals Committee in Riyadh, whose ruling states the following:

"Non-acceptance of the appeal procedurally submitted by/....., commercial registration number (.....), for the reasons and grounds stated in this Decision."

Upon reviewing the submitted petition list, the Customs Appeals Committee found that it included a number of substantive defenses related to the collection decision subject of the lawsuit, through which the petitioning company argues the absence of any new customs differences giving rise to the collection decision. It concluded with a request to accept the petition, and annul the customs differences subject of the lawsuit.

On Wednesday, 09/04/1447 AH, corresponding to 01/10/2025 AD, at exactly (03:04) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the petition submitted by (.....) Company against the Decision No. (CR-2024-204383) dated 05/03/2024 AD, issued by the Customs Appeals Committee in Riyadh. After reviewing the case file and the petition submitted by the petitioner, the Committee decided to close the pleadings.



Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

And whereas the submitted petition was not linked to any of the petition cases stipulated in Article (200) of the Law of Sharia Procedures which stated that: "1- Any of the litigants has the right to petition for reconsideration of final judgments in the following cases: A- If the judgment was based on documents whose forgery became apparent after the judgment, or was based on testimony that was ruled - by the competent authority after the judgment - to be false testimony. B- If the petitioner obtains, after the judgment, conclusive documents in the lawsuit that he was unable to present prior to the judgment. C- If fraud occurred by the opponent that would affect the judgment. D- If the judgment ruled on something not requested by the litigants or ruled for more than what they requested. E- If the ruling of the judgment contradicts itself. F- If the judgment was issued in absentia. G- If the judgment was issued against someone who was not properly represented in the lawsuit,"

And based on paragraph (1) of Article (202) of the same Law which stipulated that: "The petition for reconsideration shall be filed by a statement of claim deposited with the court that issued the judgment, and the statement must include a description of the judgment petitioned for reconsideration, its number and date, and the grounds for the petition, and the court administration shall register the statement on the day of its deposit in the special register for that...,"

And based on Article (40) of the rules of operation for the Zakat, Tax, and Customs Committees which stipulated that: "2- The petition for reconsideration request shall be filed through the electronic system of the General Secretariat - in accordance with the requirements specified by the General Secretariat - provided that the request includes the data of the decision requested for reconsideration, and the grounds for the request,"

And whereas upon reviewing the appellate decision, it became clear through its ruling that it concluded with the non-acceptance of the appeal procedurally, and whereas a petition shall only be based on grounds relating to the judgment itself, not on what was not ruled upon; which leads the Committee to conclude to report the non-acceptance of the petition for reconsideration request. Accordingly, and since the matter is as stated, the Committee unanimously concluded to report the following:



Decision

Non-acceptance of the petition for reconsideration request.



Subjective Principles Derived from the Decisions of the Customs Appeal Committees



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-242184

Case No.

PC-2025-242184

Principle No. 17

- Doubt shall be interpreted in favor of the accused, and judgments are based on certainty and conclusiveness, not on doubt.

Facts



The facts of this case are summarized by the arrival of a shipment (clothing) belonging to the defendant through the Al-Batha customs under import declaration number (.....) dated 11/05/1437 AH, which was cleared based on a commitment not to dispose of it until its clearance by the competent authority.

Upon presenting the sample to the laboratory, the response was received pursuant to report number (.....), stating that the sample failed in terms of examining the explanatory data, quantitative and qualitative analysis examination, color fastness to washing examination, and pH determination examination.

And whereas the importer was notified of the result via several letters but did not respond. Accordingly, the First Instance Customs Committee at the Al-Batha customs issued its Decision number (707) for the year 1440 AH, whose ruling states the following:

"First) - Conviction of the importer/..... - Saudi national - under national ID number (.....) issued by the Hafr Al-Batin Civil Affairs, owner of/ Establishment, commercial registration number (.....) on 21/03/1436 AH issued in Hafr Al-Batin, in absentia - of customs smuggling.

Second) - Fining him an amount equivalent to the value of the violating shipments subject of the case, numbering (480) cartons (clothing), amounting to (196,983) one hundred ninety-six thousand nine hundred and eighty-three riyals. Due to the impossibility of confiscation, the importer is obligated to pay an amount equivalent to its value as a confiscation substitute amounting to (65,661) sixty-five thousand six hundred and sixty-one riyals, making the total amount claimed from the owner of (.....) Establishment an amount of (262,644) two hundred sixty-two thousand six hundred and forty-four riyals.

Third) - Imprisonment of the owner of the institution for a period of six months from the date of execution."



And since this Decision was not accepted by the importing institution, it submitted a petition for reconsideration request before the First Instance Customs Committee, and the Committee issued its decision of the non-acceptance of the petition submitted by the institution,

Accordingly, the importing institution submitted an appeal against the initial decision ruling the non-acceptance of the petition before the Customs Appeals Committee in Riyadh, which issued its decision number (CR-2023-205578), which concluded in its ruling to report the acceptance of the appeal on the merits, the annulment of the initial decision issued with the non-acceptance of the petition submitted by the appellant, and ruling to remand the case to the First Instance Customs Committee to consider its merits.

Upon presenting the case before the 1st First Instance Customs Committee in Riyadh, it issued its decision - subject of the appeal - number (CFR-2024-239009), whose ruling states the following: "Non-acceptance of the petition for reconsideration."

Upon reviewing the submitted objection list, the Customs Appeals Committee found that it includes a summary stating the defense that the case file was devoid of any documents or papers concerning the decision petitioned against, also, the facts of the in absentia decision subject of the petition did not include any real information related to notifying the importer of the laboratory result and the return of the shipment to customs. Furthermore, the plaintiff bears the burden of proof regarding the institution's receipt of the laboratory result and the shipment return notice.

The institution also reserves the right to submit further defenses and proofs confirming its non-conviction of customs smuggling. It concluded with a request to accept the appeal procedurally and on the merits, annul the decision subject to appeal which ruled the non-acceptance of the petition against the initial Decision number (707) for the year 1440 AH, and report the acceptance of the petition for reconsideration against the initial Decision number (707) for the year 1440 AH procedurally and on the merits, and to rule the non-conviction of the importer of customs smuggling.

Upon reviewing the response memorandum submitted by the appellee, the Customs Appeals Committee found that it includes a summary arguing that all documents are attached to the case file, and the concerned party may request them from the General Secretariat for the Customs Committees, furthermore, the institution did not commit to returning the problematic goods to customs. Therefore, their entry into the country is prohibited, rendering the appellant's action customs smuggling in accordance with the provisions of Article (142) of the Unified Customs Law. It concluded with a request to rule to reject the appeal, and uphold the initial decision in all that it ruled.

Upon the Customs Appeals Committee's review of the appellant's commentary on what was stated in the response memorandum submitted by the appellee, it became clear that it included a summary affirming its adherence to what was previously presented in the appeal list, and that the Authority is responsible for submitting the documents related to the lawsuit, and that it is not sound to consider the case without the existence of the supporting



documents. The commentary concluded with a request to accept the appeal procedurally, adjudicate the subject matter of the lawsuit substantively, and rule the non-conviction of the institution of customs smuggling.

On Thursday, 26/10/1446 AH, corresponding to 24/04/2025 AD, at exactly (01:31) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... against the Decision number (CFR-2024-239009) dated 15/08/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to postpone the hearing for further study.

On Wednesday, 29/12/1446 AH, corresponding to 25/06/2025 AD, at exactly (12:58) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... Establishment against the Decision number (CFR-2024-239009) dated 15/08/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. Accordingly, the Committee decided to postpone the hearing for further study.

On Thursday, 01/01/1447 AH, corresponding to 26/06/2025 AD, at exactly (01:09) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) Commercial Establishment against the Decision number (CFR-2024-239009) dated 15/08/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 29/08/2024 AD, and submitted the appeal against the Decision on 12/09/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And whereas upon the Customs Appeals Committee's review of the case file and its attachments, and whereas the appellant argues the absence of the essential papers decisive in the subject matter of the case from the case file,



And whereas the General Secretariat for the Customs Committees requested on 04/05/2025 AD from the appellee, the Zakat, Tax and Customs Authority, to attach a copy of the commitment not to dispose, the laboratory result, and the notifications sent to the appellant,

And whereas the appellee exhausted the period granted to it without submitting what was requested from it; accordingly, and since these papers and documents are decisive in the subject matter of the case, and the appellant was not enabled to review them and present its defenses,

And since doubt shall be interpreted in favor of the accused, and since judgments are based on certainty and conclusiveness, not on doubt. Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, from its presenter/....., commercial registration number (.....) owned by/....., national ID number (.....), against the initial Decision number (CFR-2024-239009), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** Acceptance of the appeal on its merits, and the annulment of the initial decision issued by the 1st First Instance Customs Committee in Riyadh No. (CFR-2024-239009), for the reasons and grounds stated in this decision.
- 3- **Third:** The annulment of the initial decision issued by the First Instance Customs Committee at the Al-Batha customs No. (707) for the year 1440 AH, and ruling the non-conviction of....., commercial registration number (.....) of customs smuggling, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-246935

Case No. PC-2025-246935

Principle No. 18

- The confiscation penalty shall not be imposed on the importer except after the materialization of the smuggling crime and his conviction thereof.

Facts

The facts of this case are summarized by the arrival of a shipment (mobile cover - wired headphone - sticker -- sim card slot) belonging to..... Establishment, commercial registration number (.....) through the Jeddah Islamic Port customs, under customs declaration number (.....) dated 07/04/1441 AH, numbering (896) cartons, and valued at (101,633) riyals, where an incorrect certificate of conformity carrying the number (.....) was submitted among the required customs documents for clearing the customs declaration, and accordingly, the seizure report number (.....) was prepared on 20/08/1443 AH, and the First Instance Committee issued its decision - subject of the appeal - whose ruling states the following:

"1- Establishing the expiration of the public penal lawsuit.

2- Confiscation of the seized items subject of the smuggling."

Upon reviewing the objection list submitted by the appellant, the Customs Appeals Committee found that it includes a summary stating the defense that the case is covered by the generous Royal Pardon number (61877) dated 27/10/1442 AH, and that the responsibility lies with the Customs Department and its employees as they are responsible for verifying the certificates and their validity prior to the clearance of the goods.

The appellant also argues the absence of the customs smuggling crime and that the case documents are devoid of any proof or evidence establishing the crime of customs smuggling against the institution.



He also argues the non-availability of any of the forms of customs smuggling and the absence of criminal intent in the penal liability, and it concluded with a request to accept the appeal, annul the decision and consider it as if it never existed, and to rule anew the absence of the institution's liability and its release from this case.

And requesting the response from the appellee and enabling it to exercise its right to respond, it did not submit the required answer, and based on paragraph (1) of Article (35) of the rules of operation for the Zakat, Tax, and Customs Committees; the Committee decided to adjudicate the case in light of the documents available to it.

On Wednesday, 29/12/1446 AH, corresponding to 25/06/2025 AD, at exactly (02:01) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... against the Decision number (CFR-2024-239536) dated 24/11/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 05/12/2024 AD, and submitted the appeal against the Decision on 01/01/2025 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And whereas it is established through the papers that the importer submitted an incorrect certificate of conformity and attached it among the required customs documents for clearance, and upon sending the certificate of conformity to the Saudi Standards, Metrology and Quality Organization, the response was received stating that it is incorrect,

And whereas the submission of false documents is considered in the judgment of customs smuggling based on paragraph (11) of Article (143) of the Unified Customs Law, which stipulated that: "The following is specifically included in the judgment of smuggling:



11- Submitting false, forged, or fabricated documents or lists, or placing false marks with the intent of evading the payment of customs taxes (duties) wholly or partially, or with the intent of bypassing the provisions of prohibition or restriction."

And whereas the First Instance Committee established the filing of the public penal lawsuit against the defendant due to his inclusion in the Royal Pardon, therefore, there is no reproach against the reviewing authority for the appeal for upholding the appealed decision, based on its Grounds, without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained in this regard.

And whereas it became clear to the Appeals Committee that the First Instance Committee that issued the decision subject to the appeal erred in its ruling imposing the penalty mentioned in paragraph (5) of Article (145) of the Unified Customs Law in light of the establishment of his inclusion in the generous Royal Pardon,

And whereas the shipment subject to the lawsuit is not in itself a subject for confiscation, considering that the First Instance Committee's conclusion to apply what is stated in paragraph (3) of Article (10) of the Implementing Regulations of the Law of Criminal Procedures, which stipulated that: "3- The expiration of the public penal lawsuit does not prevent proceeding with the procedures for confiscating what is considered its possession a subject for confiscation," is misplaced,

And whereas it was not proven through the papers that the shipment was seized at customs, nor was its specific existence with the importer proven in order for the procedure of confiscating it as a precaution and preventing its entry into the circle of dealing to be valid, which makes the First Instance Committee's decision to rule for confiscation in realization of the prosecuting authority's claim to rule for confiscation in accordance with paragraph (5) of Article (145) of the Unified Customs Law not based on a valid ground from reality and the Law, considering that the application of the ruling of paragraph (5) of Article (145), which the Public Prosecution requests to be implemented against the importer, requires initially the materialization of the smuggling crime and attributing it to the importer, which is something that cannot be attributed to him in light of the expiration of the lawsuit against him by the issuance of the Royal Pardon that covers the facts of the lawsuit, which leads the Committee to conclude to report the acceptance of the appeal procedurally, and on the merits, upholding the initial decision in what it ruled in its paragraph No. (1), and annulling paragraph No. (2) thereof relating to confiscation. And since the matter is as stated, the Committee unanimously concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by/....., national ID number (...), director of Establishment, commercial registration number (.....), against the initial Decision No. (CFR-2024-239536), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** In the subject matter, upholding the initial decision in what it ruled in its paragraph No. (1), and annulling paragraph No. (2) thereof relating to confiscation, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-240288

Case No. PC-2025-240288

Principle No. 19

- The World Customs Organization is considered the qualified and technically competent authority to determine the correct classification of goods, and its opinion must be taken into account regarding the classification of goods in the Harmonized System.

Facts



The facts of this case are summarized in that the appellant submitted an objection before the First Instance Committee against the Zakat, Tax and Customs Authority, which issued a collection decision against it No. (1443/341/19335) dated 26/07/1443 AH, resulting in customs differences totaling (6,038,793) six million thirty-eight thousand seven hundred and ninety-three Saudi riyals.

The collection decision was issued based on what became clear to the Authority regarding the company's failure to adhere to the customs policies and procedures related to the customs declaration concerning the applicable customs tariff classification, which led to the reclassification of the customs items and the existence of duties owed to the state treasury. After the First Instance Committee studied the case, it issued its decision - subject of the appeal - whose ruling states the following:

- 1- Acceptance of the lawsuit procedurally.
- 2- On the merits, ruling the validity of the course of action of the Zakat, Tax and Customs Authority in collecting the customs duty differences specified under the collection decision.

Since the aforementioned decision was not accepted by the appealing company, it submitted an appeal list which the Committee reviewed, and it was found to include a summary stating that the company classifies the goods according to the customs classifications contained in the Harmonized System.



Furthermore, electrical substations are an integrated operational system consisting of numerous components; however, each part is imported separately from the other and from different suppliers and countries such that they are installed in projects separately, and they are not remote control devices per se subject to a (12%) duty rate.

Rather, they are separate parts subject to the rates prescribed in the Harmonized System, confirming that any electrical system is based on a set of elements that complement one another, and they are absolutely never supplied as a single part, but rather each part is independent in itself. The list concluded with a request to accept the objection and reconsider the initial decision.

And requesting the response from the appellee (the Zakat, Tax and Customs Authority), it submitted a response memorandum which the Committee reviewed, and it was found to include a summary adhering to what the initial decision concluded, considering that the product's technical bulletin clarifies that the imported item consists of switches (gas-insulated switchgear), which are the following:

(A) High voltage circuit breakers insulated with (SF6) gas, used in electrical power transmission and distribution substations to intercept current and voltage in the event their values rise above the previously inputted values as settings in their respective protection and control devices located in the control building within the electrical power transmission substations.

(B) These circuit breakers require auxiliary components consisting of voltage transformers, current transformers, lightning arresters, disconnecting and isolating switches, earthing switches, and gas for insulation purposes. The aforementioned system is considered a single, indivisible unit to perform its primary function, which is the disconnection and connection of electrical circuits.

The memorandum added that the appellant acknowledged that all components integrate with one another and that no part works independently on its own. This confirms the correctness of the Authority's approach in its classification of the imported items, which the item is subject to the classification to which the principal character of the imported item applies, which is control devices. This is consistent with what is stipulated in Interpretative Rule (2/A) of the General Rules for the Interpretation of the Harmonized System.

Furthermore, the opinion of the World Customs Organization was that the assembly of the circuit breaker, switches, transformers, etc., mounted on a metal enclosure is excluded from heading (8535) and is classified in heading (8537) at a duty rate of (12%). The response memorandum concluded with a request to rule to reject the submitted appeal and uphold the initial decision in all that it ruled.



The appellant submitted a commentary memorandum to respond to what was stated in the Authority's memorandum, which the Committee reviewed, and it was found that it did not deviate from the previous defenses presented.

On Wednesday, 26/09/1446 AH, corresponding to 26/03/2025 AD, at exactly (02:01) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by..... against the Decision number (CTR-2024-235055) dated 02/01/1446 AH, issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings

Grounds



After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 10/07/2024 AD, and submitted the appeal against the Decision on 04/08/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And whereas there is no reproach against the reviewing authority for the appeal for adopting the Grounds of the decision subject to the appeal without addition whenever it sees in these Grounds what suffices to avoid presenting anything new; because in upholding it, based on its Grounds, it indicates that it did not find in the objections raised against it anything that deserves a response beyond what those Grounds contained.

This is not affected by the appellant's defense considering that the World Customs Organization has explicitly clarified its exclusion of the disputed items from heading (8535) to heading (8537). Given that the World Customs Organization is considered the qualified and technically competent authority to determine the correct classification of goods, its opinion must be taken into account regarding the classification of goods in the Harmonized System.

And whereas the Committee did not observe anything requiring rectification or commentary in light of the raised defenses presented, which leads it to conclude to report their lack of impact on the outcome of the decision,



especially since the appellant did not deviate in its totality of defenses from what was previously raised before the Committee issuing the decision, which undertook to respond to them within the narration of the Grounds of the decision subject to the appeal. Accordingly, the Committee unanimously concluded to report the following

Decision

- 1- **First:** Acceptance of the appeal procedurally, from its presenter/....., commercial registration number (.....), against the initial Decision No. (CTR-2024-235055) issued by the Third First Instance Customs Committee in Riyadh.
- 2- **Second:** Rejection of the appeal on its merits, and upholding the initial decision in all that it ruled.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-234473

Case No. PC-2025-234473

Principle No. 20

- The fundamental principle in customs jurisprudence is to interpret facts in favor of the taxpayer.

Facts



The facts of this case are summarized in that the Company submitted before the First Instance Customs Committee a request to object to the collection decision issued against it by the Zakat, Tax and Customs Authority under No. (1444/16367) dated 20/04/1444 AH, which included the calculation of customs differences against the Company in the amount of (8,249,716.57) eight million two hundred forty-nine thousand seven hundred and sixteen Saudi riyals and fifty-seven halalas. The First Instance Committee issued its decision - subject of the appeal - whose ruling states the following:

Non-acceptance of the lawsuit procedurally, due to its non-submission within the statutory period.

Based on the fact that the Company submitted its lawsuit before the committees after the lapse of more than three months from the date of its objection before the Authority, and the plaintiff should have, in the event the Authority did not respond within (30) days from its objection, submitted its statement of claim to the Customs Committees, considering that the Authority's failure to respond is considered an implicit rejection of the objection in accordance with Article (147) of the Unified Customs Law, and Article (5) of the rules of operation for the Customs Committees.

Upon reviewing the submitted appeal list, the Customs Appeals Committee found that it includes a summary stating that after the Company submitted its objection to the collection decision before the Zakat, Tax and Customs Authority on 21/05/1444 AH corresponding to 15/12/2022 AD, the Authority undertook several procedures to study the submitted objection, such as holding meetings and communicating to request a number of documents (email copy attached), which makes it clear that the Authority did not reject the Company's objection nor did it



remain silent in a way that could be interpreted as an implicit rejection, but rather placed the collection decision under scrutiny and review. The submitted list concluded with a request to accept the appeal procedurally and on the merits, annul the decision of the Third First Instance Customs Committee, consider the lawsuit on the merits in accordance with what is stated in the statement of claim and its attachments, and annul the collection decision subject of the lawsuit.

Upon reviewing the response memorandum submitted by the appellee (the Zakat, Tax and Customs Authority), the Customs Appeals Committee found that it includes a summary adhering to what the initial decision concluded; because the determining factor is the date of submitting the grievance before the Authority and not the outcome of the grievance. The memorandum also included other substantive defenses and concluded with a request to rule to reject the appeal submitted by... Company.

On Thursday, 23/07/1446 AH, corresponding to 23/01/2025 AD, at (09:04) AM, the Customs Appeals Committee held its hearing to consider the appeal submitted by..... against the Decision No. (CTR-2024-189505) dated 17/08/1445 AH, issued by the Third First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the unified customs law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the rules of operation for the zakat, tax, and customs committees issued by Royal Decree No. (25711) dated 08/4/1445 AH, and the relevant regulations and laws.

Since the appellant was notified of the initial Decision on 05/03/2024 AD, and submitted the appeal against the Decision on 02/04/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

And after reviewing the case file and the papers it contained, and considering the defenses presented by the parties, and whereas it is established that the collection decision No. (16367/1444) dated 20/04/1444 AH was notified to the Company on 16/11/2022 AD, and whereas it is established that the collection decision - subject of the lawsuit - was grieved against before the Authority on 15/12/2022 AD in accordance with what is established in the notice of rejection of the objection request, which clarifies that the objection was submitted within the statutory period for objection pursuant to the text of Article (147/B) of the Unified Customs Law,



And whereas it is established that the Authority's decision to reject the objection request was issued on 19/02/2023 AD in accordance with the date established in the notice of rejection of the objection request, and whereas the appellant submitted its lawsuit before the First Instance Customs Committee on 19/03/2023 AD in accordance with the date established in the (HAYAD) system,

And whereas Article (Five) of the rules of operation for the Customs Committees stipulated that: ".. and in the event the Authority responds to the grievance by upholding, amending, or annulling the decision, the concerned party may file an objection lawsuit with the First Instance Committee within the same time limit from the date of the Authority's response, and in the event the period expires without a response from the Authority, this shall be considered an implicit rejection by it",

And whereas appellate customs jurisprudence has established that the fundamental principle is to presume the interpretation of facts in favor of the taxpayer, especially since the administrative authority issued its decision after the expiration of the period prescribed for deciding on it, which infers that it was continuing to consider the grievance presented before it by taking a positive approach in considering the objection.

Consequently, the date of issuance of its decision regarding the taxpayer's grievance concerning the collection decision is the one considered for starting the calculation of the period for considering the grievance in the decisions issued by the Authority pursuant to Article (Five) of the rules of operation for the committees, which necessitates deciding the annulment of the initial decision, and remanding the case to the First Instance Customs Committee to consider its merits. Accordingly, the Appeals Committee concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally from its presenter/....., commercial registration number (.....), against the initial Decision No. (CTR-2024-189505) issued by the Third First Instance Customs Committee in Riyadh.
- 2- **Second:** In the subject matter, the annulment of the initial Decision, and remanding the case to the First Instance Customs Committee to consider its merits, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-267951
Case No. PC-2025-267951

Principle No. 21

- The penalty of imprisonment is a liberty-depriving penalty, and its effects extend to others. Consequently, this requires the Appeals Committee to disregard the Public Prosecution's request due to its lack of objective grounds to examine and investigate the Public Prosecution's request for the imprisonment of the defendant.

Facts

The facts of this case are summarized by the arrival of the defendant at Al-Ruqai customs, driving a vehicle of type (.....) manufactured in the year (2021). Upon its inspection, a number of (910) undeclared packets of cigarettes were found inside clothing bags placed in the back seats. Accordingly, seizure report No. (.....) dated 03/10/1446 AH was prepared. The Customs Committee issued its decision - subject to appeal - which ruled as follows:

First: Conviction of the defendant / (Identity No.) for customs smuggling.

Second: Obliging him to pay a fine in the amount of (7,280) seven thousand two hundred and eighty riyals, equivalent to twice the customs duties for the seized items.

Third: Confiscation of the seized items subject to smuggling.

Fourth: Dismissal of all other requests.

Upon reviewing the objection list submitted by the appellant, the customs appeals committee found that its summary included a defense stating that the smuggled quantity is very large and contradicts the defendant's argument that it is for personal use, as such a quantity requires a long residency to be consumed as he claims. It concluded with a request to rule in accordance with the requests contained in the public prosecution's indictment to imprison him pursuant to paragraph (1) of Article (145) of the Unified Customs Law, and to obligate him to pay



an amount equivalent to the value of the vehicle used in smuggling, amounting to (82,300) eighty-two thousand three hundred riyals.

Upon reviewing the response memorandum submitted by the appellee, the customs appeals committee found that its summary included a defense stating that he is satisfied with the decision issued against him, did not submit an appeal against the decision, and never refused a settlement. He also argues that he did not intentionally violate the regulations or evade statutory procedures; rather, this was a result of his ignorance of the established procedures and poor knowledge of electronic transactions. The memorandum concluded with a request to understand his circumstances and to consider the incident subject to the lawsuit from a humanitarian perspective.

On Thursday, 05/03/1447 AH, corresponding to 28/08/2025 AD, at 01:40 PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by the Public Prosecution against Decision No. (CSR-2025-264865) dated 05/08/2025 AD, issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the initial decision was notified on 14/08/2025 AD, and the appeal against the decision was submitted on 26/08/2025 AD, this entails the acceptance of the appeal procedurally as it was submitted by a person with standing within the time frame established by Article (163) of the Unified Customs Law.

Whereas, upon the Customs Appeals Committee's review of the case file, the conclusions of the initial decision, the penalties adjudged against the defendant, and the appeal submitted by the Public Prosecution—through which it requests a ruling in accordance with the requests contained in the public prosecution's indictment to imprison the defendant pursuant to paragraph (1) of Article (145) of the Unified Customs Law, And whereas the penalty of imprisonment is a liberty-depriving penalty, and its effects extend to others, this consequently requires the Appeals Committee to disregard the Public Prosecution's request due to its lack of objective grounds to examine and



investigate the Public Prosecution's request for the imprisonment of the defendant; As for the Public Prosecution's request to rule for an amount equivalent to the value of the vehicle used in smuggling, amounting to (82,300) eighty-two thousand three hundred riyals, related to the facts of the smuggling offense for which the defendant is held accountable, that which is legally relied upon to determine this is intrinsically linked to the extent to which the means of transport itself was used to smuggle the seized items, such as preparing secret compartments or pockets inside the means of transport for use in smuggling. Accordingly, and whereas it has not been proven that any alteration was made to the means of transport, the Committee concludes to disregard the Public Prosecution's request due to its lack of a valid statutory basis as previously set forth; Therefore, there is no reproach against the reviewing authority for taking the grounds of the decision subject to the appeal without adding anything whenever it sees in these reasons what suffices to omit any new submissions, because in its support, based on its reasons, it indicates that it did not find in the challenges raised against it anything that deserves a response beyond what those reasons contained. This is not undermined by the defenses submitted by the Public Prosecution, which do not alter the outcome concluded by the decision subject to appeal. Since the reasons for the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the defenses presented do not affect the outcome of the decision, which makes the appeal unsupported and necessitates its rejection. Accordingly, the Committee unanimously concluded to decide the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally submitted by the Public Prosecution against the initial decision No. (CSR-2025-264865), issued by the Second First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and upholding the initial decision in all its rulings, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-114

Case No.

PC-2025-244508

Principle No. 22

- The correct application of the law is a duty incumbent upon the case-reviewing authority, which it shall rule upon its own motion without the necessity of a request from the litigants. Consequently, the case-reviewing authority has broad discretion in assessing the facts, giving them their due description and proper characterization, without being bound by the characterization of the prosecution or its adversary. This is in light of its established conviction and the state of the evidence and presumptions inferred therefrom, relying on them and adopting them as a basis for its ruling, as long as the relevant papers within the case file do not contradict what has been inferred and what its belief and conviction have settled upon to resolve the dispute, provided that its deduction is sound, permissible, and leading to the conclusion it has reached.

Facts

The facts of this case are summarized by the defendant establishment submitting a petition for reconsideration against the decision issued by the Third First Instance Customs Committee in Riyadh No. (CTR-2022-1620). The First Instance Committee issued its decision - subject to appeal - whose ruling states the following:

"Accepting the petition for reconsideration submitted by Establishment (Identification Number), revoking the decision of the Third First Instance Customs Committee in Riyadh No. (CTR-2022-1620), and ruling to acquit.... Establishment (Identification Number) of customs smuggling."

Upon reviewing the objection memorandum submitted by the appellant, the Customs Appeals Committee found that its summary included a plea of procedural inadmissibility of the lawsuit, on the grounds that the petitioner did not specify the decisive document in the lawsuit, thereby violating the provisions of Article (200) of the Law of Sharia Procedure. The Authority also argues that the Committee's decision was defective due to insufficient reasoning, as the Committee failed to state the reason for accepting the petition procedurally despite the Authority's representative raising this plea. Furthermore, the correct laboratory result indicating the non-conformity of the shipment was attached, and the exclusion of the laboratory result might have been due to an archiving or registration



error by the General Secretariat for the Customs Committees. It concluded with a request to accept the appeal, revoke First Instance Decision No. (CSR-2024-238992), and rule anew for the procedural inadmissibility of the petition for reconsideration.

Upon requesting a response from the appellee and enabling its right to reply, it did not submit the required answer. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to adjudicate the case in light of the available documents.

On Thursday, 03/11/1446 AH, corresponding to 01/05/2025 AD, at 09:45 AM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by the Zakat, Tax and Customs Authority against Decision No. (CSR-2024-238992) dated 16/09/2024 AD, issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 29/09/2024 AD, and submitted an appeal against the decision on 29/10/2024 AD, this entails the acceptance of the appeal procedurally as it was submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

Whereas, upon the Customs Appeals Committee's review of the case file and its attachments, and whereas, upon the Committee's review of the decision subject to appeal and the texts regulating the consideration of the petition, Article (202/1) of the Law of Sharia Procedure provides that: "1...., and the court—as the case may be—shall prepare a decision accepting or rejecting the petition. If it accepts it, the court that issued the judgment shall consider the lawsuit, and it must notify the parties to the lawsuit thereof. If it does not accept it, the petitioner may object to the non-acceptance in accordance with the prescribed procedures for objection, unless the decision was issued by the Supreme Court," which proves that the First Instance Committee is not obligated to notify the respondent to the



petition of the acceptance of the petition request. Based on the foregoing, it is established in the rules of litigation that the correct application of the law is a duty incumbent upon the case-reviewing authority, which it shall rule upon *of its own accord* without the necessity of a request from the litigants. Consequently, the case-reviewing authority has broad discretion in assessing the facts, giving them their due description and proper characterization, without being bound by the characterization of the prosecution or its adversary. This is in light of its established conviction and the state of the evidence and presumptions inferred therefrom, relying on them and adopting them as a basis for its ruling, as long as the relevant papers within the case file do not contradict what has been inferred and what its belief and conviction have settled upon to resolve the dispute, provided that its deduction is sound, permissible, and leading to the conclusion it has reached. And whereas it has been proven to the Appeals Committee that the appellant has submitted new documents, which in turn are considered substantial and influential documents in the lawsuit, and whereas it has settled in the Committee's conviction the necessity of reviewing the lawsuit by the decision-issuing committee to achieve an expeditious adjudication thereof, the Committee has unanimously concluded to decide the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally submitted by the Zakat, Tax and Customs Authority against the initial decision No. (CSR-2024-238992), issued by the Second First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, annulment of the initial Decision and remanding the case to the First Instance Customs Committee to consider it anew, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-264629

Case No. PC-2025-264629

Principle No. 23

- The act constituting the offense of customs smuggling is manifested in the importation or attempted importation of a shipment without completing its clearance by the competent authority.

Facts

The facts of this case are summarized in the receipt of the memorandum submitted by the Zakat, Tax and Customs Authority, which states that a shipment (searchlight) belonging to the defendant arrived at the Al-Batha customs port under import declaration No. (.....) dated 10/07/1436 AH. It was cleared under an undertaking of non-disposal pending the results from the competent authority. The laboratory report was subsequently received, indicating non-conformity. The importer was contacted but failed to respond when requested to return the non-conforming items.

Upon presenting the case before the 1st First Instance Customs Committee in Riyadh, it issued its decision No. (1/1111) for the year 1441 AH, ruling as follows: "1- Convicting - Commercial Registration No. (....), owned by National ID No. (.....) *in absentia* of customs smuggling. 2- Obliging the establishment to pay a customs fine equivalent to the value of the disposed item that was not approved for clearance by the competent authority, amounting to (38,788) thirty-eight thousand seven hundred and eighty-eight Riyals. 3- Obliging the establishment to pay an amount equivalent to the value of the disposed item as a confiscation substitute amounting to (38,788) thirty-eight thousand seven hundred and eighty-eight Riyals, bringing the total amount claimed from the importer to (77,576) seventy-seven thousand five hundred and seventy-six Riyals."

The appellant establishment objected to the decision of the 1st First Instance Customs Committee in Riyadh No. (1/1111) for the year 1441 AH, which was issued convicting it *in absentia* of customs smuggling. The 1st First



Instance Customs Committee in Riyadh issued its decision No. (CFR-2024-148389), ruling as follows: "Procedural inadmissibility of the objection due to the expiration of the statutory period."

Accordingly, the appellant establishment filed an objection against the aforementioned initial decision before the Appeals Committee. Consequently, the Customs Appeals Committee in Riyadh issued its decision No. (CR-2024-232422), ruling as follows: "First: Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CFR-2024-148389) issued by The 1st First Instance Customs Committee in Riyadh. Second: On the merits, annulment of the initial decision and remanding the case to the First Instance Customs Committee for reconsideration, for the reasons and grounds stated in this Decision."

Upon presenting the case to the Second First Instance Customs Committee in Riyadh after it was remanded, it issued its decision - subject to appeal - the operative part of which ruled: "1- Convicting the defendant / of customs smuggling. 2- Obligating him to pay a customs fine equivalent to twice the customs duties subject to smuggling. 3- Confiscating the seized items subject to smuggling."

Upon reviewing the appeal memorandum submitted, the Customs Appeals Committee found that its summary included that the facts of the case resemble the facts in which the customs decision No. (CFR-2025-246927) was issued, which ruled that customs smuggling was not proven. The owner of the appellant establishment also pleads the non-fulfilment of both the material and mental elements of the crime of smuggling regarding the shipment. He also pleads the nullity or invalidity of the documentary undertaking, which is considered the legal responsibility for the shipment. Furthermore, he pleads that the non-essential non-conformity constitutes a procedural violation that does not amount to a crime of customs smuggling. The owner of the appellant establishment concluded his memorandum requesting the reversal of the decision subject to appeal and a ruling that the conviction of customs smuggling is not proven.

Upon requesting a response from the appellee and enabling its right to reply, it did not submit the required answer. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to adjudicate the case in light of the available documents.

On Thursday, 26/03/1447 AH, corresponding to 18/09/2025 AD, at 02:34 PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) Establishment against Decision No. (CFR-2025-246928) dated 23/03/2025 AD, issued by The 1st First



Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the initial decision was notified on 20/04/2025 AD, and the appeal against the decision was submitted on 18/05/2025 AD, this entails the acceptance of the appeal procedurally as it was submitted by a person with standing within the time frame established for its execution as stipulated in Article (163) of the Unified Customs Law.

Whereas, upon reviewing the case file and its attachments by the Customs Appeals Committee; and whereas there is no reproach on the reviewing authority for upholding the appealed decision based on its grounds without any addition whenever it deems these grounds sufficient to preclude the need for presenting anything new, because its endorsement, being carried upon its grounds, indicates that it found nothing in the challenges directed against it that deserves a response beyond what those grounds contained; and since the grounds of the decision subject to appeal are sufficient to sustain its ruling, it is necessary to determine that the submitted defenses have no effect on the outcome of the decision, whereby the appeal is left without any supporting basis and must be rejected.

This is not undermined by what the owner of the appellant establishment pleaded regarding the non-fulfilment of both the material and moral elements, and the liability of the customs broker to the exclusion of the establishment's liability; this is because the established principle is that the body adjudicating the merits of the case has the right to deduce from its facts what is sufficient to rely upon to reach the conclusion it arrived at in its decision, as long as its deduction is plausible and does not contradict the facts or what is established in the records; as it is evident that the committee issuing the decision scrutinized the facts of the case, comprehended them with full insight and clarity, and relied, to reach its conclusions, on valid and dependable evidence and presumptions for the outcomes it determined, without any arbitrariness in deduction or divergence from what is reasonable and acceptable under sound judgment, wherein the decision set forth the acts and material facts constituting the material element of the crime of customs smuggling, which is generally manifested in the non-compliance with the obligations and duties prescribed under the customs law for handling goods within customs zones for the purpose of importing goods into or exporting them out of the country.



Furthermore, customs have no concern when applying the customs law regarding the clearance of shipments with respect to the relationship between the importer and the customs broker, as long as the import declaration for those shipments has been prepared in the name of the importer, whether this resulted in an incident of smuggling concerning the violating shipment or was related to the shipment through a violation of customs procedures when the importer breached the undertaking taken upon him in its regard and disposed of the shipment that had not been cleared by the competent authority; and it is within the appellant's right to seek recourse against whomever he claims caused him damage by exploiting an alleged authorization whereby the customs clearance office exceeded what was agreed upon with him. Moreover, the plea raised by the owner of the appellant establishment regarding the absence of the Bond Commitment and data from the case file is refuted, as it is established from the case file that all its documents are complete.

And whereas, in criminal matters—of which customs smuggling offenses and violations are of the same nature—the rule is that proof is not restricted to specific methods, nor is it necessary that the evidence relied upon for a smuggling conviction be based on the competence of each piece of evidence to conclusively address every detail of the case, considering that the original premise in proving those facts is that the evidence regarding them should be supportive of one another, complementing each other, and collectively forming the conviction of the adjudicating body; thus, it is not appropriate to discuss each piece of evidence separately, isolated from the rest of the documents, evidence, and presumptions; rather, it becomes sufficient that the evidence and presumptions collectively lead to forming the conviction of that body and completely establishing its settled belief and reassurance. This is because the punishable act is not, in fact, holding the importer accountable for violating the undertaking taken upon him; rather, the act constituting the crime of customs smuggling is manifested in the importation or attempted importation of the shipment without completing its clearance by the competent authority, and the Bond Commitment is merely a document among the shipment's papers to prepare for the commencement of its customs clearance, serving to remind the importer to comply with the general and necessarily known duty of the importer not to dispose of the shipment except after being authorized to do so; accordingly, it is decided to reject the submitted appeal and uphold the initial decision, with the customs fine set at twice the customs duties, amounting to an amount of (3,878) Riyals. And since the matter is as stated, the Committee unanimously concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /, Commercial Registration No. (.....), against the initial decision No. (CFR-2025-246928) issued by The 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and upholding the initial decision with the customs fine set at twice the customs duties, amounting to an amount of (3,878) Riyals, for the reasons and grounds stated in this Decision.



Constraints



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-247146

Case No.

PC-2025-247146

Principle No. 24

- The determination of the penalty of confiscation of the means of transport is contingent upon whether the transport vehicle itself has been specifically prepared for smuggling the seized materials, such as the arrangement of hidden compartments or secret pockets within the vehicle for smuggling purposes accordingly.

Facts

The facts of this case are summarized by the arrival of the appellant , ..., National ID No. (.....), at Al-Khafji customs driving a vehicle of type (...../ double-cabin pickup) bearing plate No. (...). Upon being asked about what he wished to declare, he stated the presence of (20 cigarette packets). Upon inspecting the vehicle, and as he stepped down towards the front of the vehicle holding a colourless plastic bag, he dropped the bag in front of the vehicle and kicked it with his right foot with the intention of hiding the seized items underneath the vehicle, where he was spotted via local surveillance. Accordingly, a number of (23 cigarette packets) were found hidden underneath the vehicle, bringing the total to (43 cigarette packets). Pursuant to this, seizure report no. (.....) dated 26/11/1445 AH was prepared.

Upon presenting the case before the Second First Instance Customs Committee in Riyadh, it issued its decision—subject to appeal—No. (CSR-2024-244465), whose ruling states the following:”

First: Conviction of the defendant /..... For customs smuggling.

Second: Obligating the defendant /..... To pay a fine equivalent to twice the customs duties for the seized items.

Third: Confiscation of the means of transport used and prepared for smuggling.

Fourth: Confiscation of the seized items subject to smuggling.



Fifth: Dismissal of all other requests.”

Upon reviewing the submitted appeal memorandum, the Customs Appeals Committee found that its summary included that the means of transport was not prepared or equipped for smuggling, as there is no cutting or cavity within it. Furthermore, the seized items were not found hidden underneath the car, but were rather on the ground under the car and not concealed. The appellant argued that liability cannot be established under any circumstances in this case due to the small quantity, and because this quantity—notwithstanding its minor amount—was not hidden, nor were the items seized hidden inside the car. He emphasized that all the seized items were for personal use. The memorandum concluded with a request to accept the appeal procedurally, revoke the contested decision, and rule against the confiscation of the car.

Upon requesting a response from the appellee (the Public Prosecution) and enabling its right to reply, it did not submit the required answer. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to adjudicate the case in light of the available documents.

On Wednesday, 21/01/1447 AH, corresponding to 16/07/2025 AD, at 02:49 PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) against Decision No. (CSR-2024-244465) dated 22/12/2024 AD, issued by the First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 09/01/2025 AD, and submitted an appeal against the decision on 13/01/2025 AD, this entails the acceptance of the appeal procedurally as it was submitted by a person with standing within the time frame prescribed for its execution pursuant to Article (163) of the Unified Customs Law.



After reviewing the case file and its contents, and considering the defenses presented by the appellant; whereas with respect to the conclusions reached in the contested decision in its paragraphs (First, Second, Fourth, and Fifth), there is no reproach against the reviewing authority for taking the grounds of the decision subject to appeal without adding anything—in relation to those paragraphs—whenever it sees that these reasons suffice to omit any new submissions, because its endorsement, being carried upon its reasons, indicates that it found nothing in the challenges directed against it that deserves a response beyond what those reasons contained. This necessitates a determination that the submitted defenses have no effect on the outcome of the decision with respect to the referred paragraphs, whereby the appeal is left without any supporting basis and must be rejected. With respect to paragraph (Third) contained in the operative part of the contested decision regarding the confiscation of the means of transport; and whereas the determination of this penalty is contingent upon whether the transport vehicle itself has been specifically prepared for smuggling the seized materials, such as the arrangement of hidden compartments or secret pockets within the vehicle for smuggling purposes accordingly ; and whereas it has not been proven that any alteration was made to the means of transport as previously set forth, paragraph (Third) of the operative part of the contested decision must be revoked. Furthermore, the Appeals Committee noted that the amount adjudged under the customs fine penalty in paragraph (Second) of the operative part of the appealed decision was not specified. Upon reviewing the case records and the value estimation report prepared by the Zakat, Tax and Customs Authority, it became clear that the amount of the adjudged fine is (344) three hundred and forty-four Saudi Riyals.

Based on the foregoing, and after due deliberation, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /, National ID No. (....), against the initial decision No. (CSR-2024-244465) issued by the Second First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, upholding the initial decision in its rulings contained in paragraphs (1, 2, 4, 5), while revoking paragraph (3) thereof, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR--2025-240195

Case No.

PC--2025-240195

Principle No. 25

- Seized items shall be confiscated if imported unlawfully, even if their ownership or criminal liability for the act related to them is not established.

Facts

The facts of this case are summarized as follows: upon the arrival of the defendant driving a vehicle of type (.....) bearing plate No. (...), it was suspected by automated means. Upon its inspection by the passenger customs officer, a number of (150) cartons of cigarettes and (24) cartons of molasses tobacco were found hidden in a technical manner by fabricating a locked compartment inside the luggage area and a fabricated compartment behind the restroom that are difficult to discover, as well as inside the side beams of the bus, taking advantage of the difficulty of dismantling and accessing them. Accordingly, seizure report No. (.....) dated 12/06/1445 AH was prepared. The First Instance Committee issued its decision—subject to appeal—whose ruling states the following:

1. Conviction of the defendant / *in person* for customs smuggling.
2. Obligating him to pay a fine equivalent to twice the customs duties for the seized items subject of the lawsuit.
3. Confiscation of the seized items subject of the lawsuit.
4. Confiscation of the means of transport prepared and equipped for smuggling, or a confiscation substitute equivalent to its value in the event that confiscation is impossible."

Upon reviewing the objection memorandum submitted by the appellant's agent, the Customs Appeals Committee found that its summary included a plea stating that the defendant is merely a driver working in public transport (passenger transport), and that the presence of contraband in the vehicle does not necessarily imply that his client smuggled it. He added that it is impossible to declare something whose existence he did not have sufficient



knowledge of, which makes the Committee's reliance on the provisions of Article (143/6/12/13) completely inapplicable to his client. Furthermore, the Committee did not establish the validity of his client's connection to or knowledge of the seized items. He concluded his defenses by stating that the Customs Committee did not take into account that the vehicle is used for public transport, and that it was neither leased nor prepared for smuggling. He argued that the Committee's reliance on the fact that the contraband was inside a fabricated compartment in the luggage area or the restroom contains nothing that definitively proves these compartments were fabricated for the purpose of smuggling. The memorandum concluded with a request to accept the appeal procedurally and on its merits, revoke the decision regarding its rulings in paragraphs (1, 2, 4), and rule to acquit the appellant of the charge attributed to him.

Upon requesting a response from the appellee and enabling its right to reply, it did not submit the required answer. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to adjudicate the case in light of the available documents.

On Thursday, 06/09/1446 AH, corresponding to 06/03/2025 AD, at (02:00) PM, the Customs Appeals Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (...) against Decision No. (CFR-2024-233996) dated 03/07/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 09/07/2024 AD, and submitted an appeal against the decision on 31/07/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the time frame established by Article (163) of the Unified Customs Law.

Whereas it is established in the rules of litigation that the proper application of the law is an obligation on the authority examining the case, and it must do so on its own without the need for a request from the parties. Consequently, the authority examining the case has broad discretion in assessing the facts, giving them the



appropriate description, and providing the correct classification without being bound by the classification of the prosecution or its opponent, in light of what it is convinced of and the state of the evidence and the inferences drawn from it, relying on it and using it as a basis for its ruling, as long as the documents related to it within the case file do not contradict what has been inferred and what its conviction and belief have settled on to resolve the dispute, and that its inference is sound, reasonable, and leads to the result it has reached. This is in accordance with what is stated in Article (153) of the Law of Criminal Procedures, which stipulates that "the court is not bound by the description contained in the indictment, and it must give the act the description it deserves, even if it contradicts the description contained in the indictment..." And whereas it has become clear to the Appeals Committee, after reviewing the case file and the decision subject to appeal, that the appellant's connection to the seized items subject of the lawsuit is not proven, in addition to the lack of proof of his ownership of the means of transport (the bus) designated for passenger transport, which leads the Committee to conclude that he is not convicted of customs smuggling due to insufficient evidence. However, this does not prevent the confiscation of the seized items subject of the lawsuit, as they were not introduced in accordance with statutory procedures. Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, from the applicant /, against the initial Decision No. (CFR-2024-233996), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, upholding the initial decision regarding its ruling in paragraph no. (3) Concerning the confiscation of the seized items, and revoking what the initial decision ruled in its paragraphs (1, 2, 4), for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-246951

Case No.

PC-2025-246951

Principle No. 26

- Objecting to the method of executing the customs decision issued by the Customs Committee does not affect the acceptance or non-acceptance of the petition for reconsideration.

Facts

The facts of this case are summarized in that the appellant company filed a petition for reconsideration regarding the decision issued by the 1st First Instance Customs Committee in Riyadh under No. (CFR-2023-104324). The First Instance Committee issued its decision - subject to the appeal - ruling in its operative part as follows:

"Inadmissibility of the petition for reconsideration."

Upon the Customs Appeal Committee's review of the submitted objection list, it was found to include a summary asserting that Decision No. (AC-2022-104324) dated 14/08/2023 AD was issued *in person* convicting the importer, (.....) Establishment, Commercial Registration No. (.....), owned by, of customs smuggling. The execution of the decision was initiated against the appellant based on the Commercial Registration No. (.....) belonging to the Company, rather than the Civil Registry No. of the importer who owns (.....) Establishment and who committed the act for which the adjudged fine was imposed. Furthermore, he received a notification to pay the fine on 28/08/2024 AD via his personal mobile number in his capacity as the owner of the Commercial Registration No. (.....), whereas the fine ought to be issued against the owner of the establishment. He also argued that the petition was submitted pursuant to Article (2/200) of the Law of Sharia Procedure.

The list concluded with a request to accept the appeal, overturn the decision, rule to cancel the fine imposed on the Company's commercial registration, and amend it to the importer's identity card number.

Upon the Customs Appeal Committee's review of the response memorandum submitted by the appellee, it was found to include a summary asserting the validity of the conclusion reached in the decision of the initial Customs



Committee subject to appeal. It concluded with a request to rule to reject the appeal and uphold the initial decision in all that it ruled.

Upon the Customs Appeal Committee's review of the appellant's counter-memorandum in reply to the response memorandum submitted by the appellee, it was found not to deviate from what was previously presented in the appeal list. The counter-memorandum concluded with a request to accept the appeal and transfer the fine from the Commercial Registration No. (.....) Belonging to the Company to the holder of the National Identity Card No. (.....).

On Wednesday, 19/02/1447 AH, corresponding to 13/08/2025 AD, at exactly 01:37 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) Company against Decision No. (CFR-2024-243127) dated 24/11/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 03/12/2024 AD, and filed an appeal against the decision on 02/01/2025 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to the provisions of Article (163) of the Unified Customs Law.

And whereas upon the Customs Appeal Committee's review of the case file and the documents and records contained therein; and whereas it is established from the petition for reconsideration and the submitted appeal list that the appellant relies on paragraph (2/200) of the Law of Sharia Procedure, which stipulates that: *"2- Anyone against whom a judgment is deemed an argument (a binding precedent/res judicata), and who was not joined or did not intervene in the lawsuit, shall have the right to petition for a reconsideration of the final judgments;"* and whereas the objection submitted by the appellant stated that Decision No. (AC-2022-104324) dated 14/08/2023 AD was issued in the presence of the judgment convicting the importer, ..., of customs smuggling, and the execution



of the decision was initiated against the appellant based on the Commercial Registration No. (...) belonging to his company, rather than the Civil Registry No. of the importer who owns (.....) Establishment and who committed the act for which the adjudged fine was imposed; and that he received a notification to pay the fine on 28/08/2024 AD via his personal mobile number in his capacity as the owner of the Commercial Registration No. (.....), whereas the fine ought to be issued against the owner of the establishment; And whereas what the appellant company has presented pertains to its objection against the method of executing the decision, and not against the decision itself; and whereas the defenses it has submitted do not affect the outcome of the contested decision; accordingly, the Committee has unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by /..... Against the initial decision no. (CFR-2024-243127), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-247620

Case No. PC-2025-247620

Principle No. 27

- If it is not proven that an alteration was made to the means of transport in customs smuggling, this invalidates the confiscation of the means of transport if it is seized.

Facts

The facts of this case are summarized by the arrival of the appellant (...) at the Al-Batha customs, driving a vehicle of type (.....) bearing plate number (...). Upon being asked whether he had anything he wished to declare, he answered in the negative. Upon inspecting the vehicle, (27) bags wrapped in brown adhesive tape were found containing wrought gold with a total weight of (7,582 grams), which were found hidden inside parts of the vehicle (the front differential - inside the carrier). Accordingly, seizure report No. (.....) dated 14/11/1445 AH was prepared.

Upon presenting the case before the 2nd First Instance Customs Committee in Riyadh, it issued its decision - subject to the appeal - No. (CSR-2024-243527), which ruled as follows:

First: Conviction of the defendant/ (...) for customs smuggling.

Second: Obliging the defendant/ (...) to pay a fine equivalent to the value of the seized items subject to smuggling.

Third: Confiscation of the means of transport used, prepared, and equipped for smuggling.

Fourth: Confiscation of the seized items subject to smuggling.

Fifth: Dismissal of all other requests.



Upon the Customs Appeal Committee's review of the appeal list submitted by the appellant's attorney, it was found to include a summary stating that the contested decision was issued hastily in a single session, without researching or investigating the defendant's defenses. Furthermore, the grounds of the decision failed to address any of the defendant's requests, which renders the decision null and void, particularly since the defense was material. The defendant had presented several material defenses, including: the non-existence of the crime of customs smuggling, the absence of criminal intent, and that storing the seized items in the vehicle was out of fear of theft and not for the purpose of smuggling. Additionally, he argued that he declared the seized items at the customs zone immediately upon arrival. The list concluded with a request to accept the objection procedurally and hear it in oral pleadings, overturn the contested decision, and rule anew to acquit the defendant of the charges against him, and alternatively, reduce the amount of the fine to the minimum limit in consideration of the circumstances of the defendant and his family.

Upon requesting a response from the respondent (the Public Prosecution) and enabling it to exercise its right to reply, it did not submit the required answer. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to consider the case in light of the documents available to it. On Wednesday, 05/02/1447 AH, corresponding to 30/07/2025 AD, at exactly 03:38 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (...) against Decision No. (CSR-2024-243527) dated 17/12/2024 AD, issued by the Second First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 09/01/2025 AD, and filed an appeal against the decision on 09/02/2025 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to Article (163) of the Unified Customs Law.



Upon reviewing the case file and the documents contained therein, and considering the defenses presented by the appellant; and whereas, regarding what the decision subject to appeal concluded in its paragraphs (First, Fourth, and Fifth), there is no reproach against the reviewing authority for the appeal for adopting the grounds of the decision subject to appeal without addition—with respect to those paragraphs—whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it based on its grounds indicates that it did not find any of the challenges directed against it worthy of a response beyond what those grounds contained, which necessitates ruling that the submitted defenses have no effect on the outcome of the decision regarding the aforementioned paragraphs, thereby rendering the appeal without supporting grounds and must be rejected; And regarding paragraph (Second) set forth in the operative part of the decision subject to appeal, whereas it appeared to the Committee that the seized material is "wrought gold" pursuant to the contents of the seizure report subject of the lawsuit; and whereas paragraph (2) of Article (145) of the same Law stipulates that: "As for other goods, the penalty shall be a fine of not less than double the customs tax (duties) due, and not exceeding the value of the goods, and imprisonment for a period of not less than one month and not exceeding one year, or either of these two penalties," accordingly, the Committee decides to amend the amount of the adjudged fine to be equivalent to twice the customs duties, amounting to (210,185.928) two hundred ten thousand one hundred eighty-five Riyals, ninety-two Halalas, and eight parts of a Halala; And regarding paragraph (Third) set forth in the operative part of the decision subject to appeal concerning the confiscation of the means of transport, whereas the determination of this penalty is conditionally linked to the extent to which the means of transport itself was used to smuggle the seized materials, such as arranging secret compartments or pockets inside the means of transport to be used for smuggling accordingly; and whereas it has not been proven that an alteration was made to the means of transport in the manner described above, it is necessary to invalidate paragraph (Third) of the operative part of the decision subject to appeal concerning the confiscation of the means of transport.

Based on the foregoing, and after deliberation, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by proxy on behalf of / against the initial decision No. (CSR-2024-243527) issued by the Second First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, upholding the initial decision in what it ruled in its paragraphs (First, Fourth, and Fifth), and amending paragraph (Second) so that the adjudged fine shall be equivalent to twice the customs duties, amounting to (210,185.928) two hundred ten thousand one hundred eighty-five Riyals, ninety-two Halalas,



and eight parts of a Halala, and invalidating paragraph (Third) thereof concerning the confiscation of the means of transport, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-246443

Case No.

PC-2025-246443

Principle No. 28

- The possession of restricted goods without providing evidence supporting their lawful importation is deemed tantamount to customs smuggling.

Facts

The facts of this case are summarized in that, based on information indicating the arrival of a number of smugglers of (.....) nationality carrying contraband and entering a house in the village of (Marah Al-Thi'ab) belonging to the defendant; by moving to the location of the house, the defendant stated the presence of a modern building adjacent to his house within the same courtyard, which might contain "Shamlan" tobacco in the amount of (780 cartons). He also stated the presence of an external majlis connected to his house containing tobacco, inside of which (580 cartons of Shamlan tobacco) were found. Upon a thorough search of the house, a bag was found in the inner room on one of the chairs, containing (15) tablets suspected to be Captagon. Accordingly, seizure report No. (.....) dated 15/10/1445 AH was prepared. The First Instance Committee issued its decision - subject to the appeal - ruling in its operative part as follows:"

First: Conviction of the defendant/ ... for customs smuggling with respect to the tobacco.

Second: Obliging the defendant/ ... to pay a fine equivalent to twice the customs duties for the seized tobacco.

Third: Confiscation of the seized contraband tobacco subject to smuggling.

Fourth: Lack of subject-matter jurisdiction of the Committee to consider the case regarding the Captagon tablets.

Fifth: Dismissal of all other requests."



Upon the Customs Appeal Committee's review of the appeal list submitted by the appellant's attorney, it was found to include a summary stating: a defense asserting the invalidity of the charge attributed to his client in whole and in detail, as well as a defense asserting the existence of a system malfunction which prevented access to the case file and the submission of a response thereto; that a support ticket was submitted through the system, and the system issue was not resolved until (5) days after the hearing; that this lawsuit is an offshoot of the criminal case registered with the Public Prosecution in Jazan under No. (...), where the 6th Circuit of the Criminal Court in Jazan issued a judgment acquitting his client of the original lawsuit and dismissing the case based on the contradiction of the witnesses' testimonies with what was stated in the arrest report; subsequently, the judgment was overturned by the Court of Appeal pursuant to judgment No. (4630113725) dated 09/02/1446 AH, wherein he was convicted; following this, a petition for cassation No. (4610339658) dated 23/02/1446 AH was filed, and the case remains pending before the Supreme Court and has not yet been adjudicated by a final judgment, as it is still active; moreover, the decision-issuing Committee relied on the seizure report despite his client's denial. The list concluded with a request to accept the objection in form and substance, overturn the appealed decision, stay the proceedings until the primary case is adjudicated, and rule to dismiss the case.

Upon requesting a response from the appellee and enabling it to exercise its right to reply, it did not submit the required answer. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to adjudicate the case in light of the documents available to it.

On Wednesday, 19/09/1446 AH, corresponding to 19/03/2025 AD, at exactly 02:36 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (...) against Decision No. (CSR-2024-239799) dated 30/10/2024 AD, issued by the 2nd First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.



Whereas the appellant was notified of the initial decision on 19/11/2024 AD, and filed an appeal against the decision on 30/11/2024 AD, this entails the acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to Article (163).

Upon reviewing the case file and the documents contained therein, there is no reproach against the reviewing authority for the appeal for adopting the grounds of the initial decision without addition whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it based on its grounds indicates that it did not find any of the challenges directed against it worthy of a response beyond what those grounds contained. Furthermore, the appellant's defense that this lawsuit is an offshoot of the original criminal case registered with the Public Prosecution in Jazan does not undermine the decision, as the customs committees hold original jurisdiction to consider this case pursuant to paragraph (1) of Article (162) of the Unified Customs Law, which stipulates: *"The First Instance Customs Committee shall have the following jurisdictions: 1- Considering all smuggling crimes and offenses deemed tantamount thereto,"* and paragraph (2/b) of Article (3) of the Rules of Operation for the Zakat, Tax, and Customs Committees, which stipulates: *"The circuits of the First Instance Customs Committee shall have jurisdiction over applying the provisions of the Unified Customs Law and its Implementing Regulations, as follows: b- Considering all customs smuggling crimes and offenses deemed tantamount thereto."* Whereas the possession of restricted goods without providing evidence supporting their lawful importation is deemed tantamount to customs smuggling pursuant to paragraph (12) of Article (143) of the Unified Customs Law; particularly since the quantity seized with the appellant is of a commercial nature, and the failure to provide proof of its lawful importation confirms that it is smuggled.

As the grounds of the decision subject to appeal are sufficient to support its ruling, it is determined that the submitted defenses have no effect on the outcome of the decision, thereby rendering the appeal without supporting grounds and must be rejected. Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CSR-2024-239799), issued by the 2nd First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-246443

Case No.

PC--2025-246443

Principle No. 29

- With respect to restricted goods, if the quantity seized with a person is of a commercial nature and no evidence supporting its lawful importation is provided, this confirms that it is smuggled.

Facts

The facts of this case are summarized in that, based on information indicating the arrival of a number of smugglers of (.....) nationality carrying contraband and entering a house in the village of (Marah Al-Thi'ab) belonging to the defendant; by moving to the location of the house, the defendant stated the presence of a modern building adjacent to his house within the same courtyard, which might contain "Shamlan" tobacco in the amount of (780 cartons). He also stated the presence of an external majlis connected to his house containing tobacco, inside of which (580 cartons of Shamlan tobacco) were found. Upon a thorough search of the house, a bag was found in the inner room on one of the chairs, containing (15) tablets suspected to be Captagon. Accordingly, seizure report No. (.....) dated 15/10/1445 AH was prepared. The First Instance Committee issued its decision - subject to the appeal - ruling in its operative part as follows:

"First: Conviction of the defendant/ ... for customs smuggling with respect to the tobacco.

Second: Obliging the defendant/ ... to pay a fine equivalent to twice the customs duties for the seized tobacco.

Third: Confiscation of the seized contraband tobacco subject to smuggling.

Fourth: Lack of subject-matter jurisdiction of the Committee to consider the case regarding the Captagon tablets.

Fifth: Dismissal of all other requests."

Upon the Customs Appeal Committee's review of the appeal list submitted by the appellant's attorney, it was found to include a summary stating: a defense asserting the invalidity of the charge attributed to his client in whole and in detail, as well as a defense asserting the existence of a system malfunction which prevented access to the case file



and the submission of a response thereto; that a support ticket was submitted through the system, and the system issue was not resolved until (5) days after the hearing; that this lawsuit is an offshoot of the criminal case registered with the Public Prosecution in Jazan under No. (...), where the 6th Circuit of the Criminal Court in Jazan issued a judgment acquitting his client of the original lawsuit based on the contradiction of the witnesses' testimonies with what was stated in the arrest report; subsequently, the judgment was overturned by the Court of Appeal pursuant to judgment No. (4630113725) dated 09/02/1446 AH, wherein he was convicted; following this, a petition for cassation No. (4610339658) dated 23/02/1446 AH was filed, and the case remains pending before the Supreme Court and has not yet been adjudicated by a definitive judgment, as it is still active; moreover, the decision-issuing Committee relied on the seizure report despite his client's denial. The list concluded with a request to accept the objection in form and substance, overturn the appealed decision, stay the proceedings until the primary case is adjudicated, and rule to dismiss the lawsuit.

Upon requesting a response from the appellee and enabling it to exercise its right to reply, it did not submit the required answer. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to adjudicate the case in light of the documents available to it.

On Wednesday, 19/09/1446 AH, corresponding to 19/03/2025 AD, at exactly 02:36 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (...) against Decision No. (CSR-2024-239799) dated 30/10/2024 AD, issued by the First Instance Customs Committee in Riyadh.

After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 19/11/2024 AD, and filed an appeal against the decision on 30/11/2024 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person



with standing within the prescribed period for its execution pursuant to the provisions of Article (163) of the Unified Customs Law.

Upon reviewing the case file and the documents contained therein, and the decision of the First Instance Committee; and whereas there is no reproach against the reviewing authority for the appeal [for adopting the grounds of the initial decision] without addition whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it based on its grounds indicates that it did not find any of the challenges directed against it worthy of a response beyond what those grounds contained. Furthermore, the appellant's defense that this lawsuit is an offshoot of the original criminal case registered with the Public Prosecution in Jazan does not undermine the decision, as the customs committees hold an original jurisdiction to consider this case pursuant to paragraph (1) of Article (162) of the Unified Customs Law, which stipulates that: *"The First Instance Customs Committee shall have the following jurisdictions: 1- Considering all smuggling crimes and offenses deemed tantamount thereto,"* and paragraph (2/b) of Article (3) of the Rules of Operation for the Zakat, Tax, and Customs Committees, which stipulates: *"The circuits of the First Instance Customs Committee shall have jurisdiction over applying the provisions of the Unified Customs Law and its Implementing Regulations, as follows: b- Considering all customs smuggling crimes and offenses deemed tantamount thereto."* Whereas the possession of restricted goods without providing evidence supporting their lawful importation is deemed tantamount to customs smuggling pursuant to paragraph (12) of Article (143) of the Unified Customs Law, Particularly since the quantity seized with the appellant is of a commercial nature, and the failure to provide proof of its lawful importation confirms that it is smuggled. As the grounds of the decision subject to appeal are sufficient to support its ruling, it is determined that the submitted defenses have no effect on the outcome of the decision, thereby rendering the appeal without supporting grounds and must be rejected. Accordingly, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CSR-2024-239799), issued by the 2nd First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.



Customs duties



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-246308

Case No. PC-2025-246308

Principle No. 30

- The calculation of the prescribed statutory periods for the time-barring of a lawsuit, and the determination of the specific event upon which the expiration period is calculated, are considered matters of substance. The adjudicating body possesses the absolute right to assess and deduce the facts of the case to infer the event from which the calculation of the period commences, upon the expiration of which the prescribed period for time-barring an objection against a collection decision lapses, given that this falls under the evaluation of factual matters.

Facts



The facts of this case are summarized in that the appellant filed an objection before the First Instance Committee against the collection decision issued against it by the Zakat, Tax and Customs Authority under No. (1444/53430) dated 21/12/1444 AH, resulting in customs discrepancies amounting to a total value of (1,096,321.69) one million ninety-six thousand three hundred twenty-one Riyals and sixty-nine Halalas. The First Instance Committee issued its decision - subject to the appeal - ruling in its operative part as follows:

"Non-acceptance of the lawsuit procedurally, for failure to submit it within the statutory period."

This was based on the grounds that the plaintiff filed its objection against the collection decision before the Authority on 07/08/2023 AD, and subsequently filed its lawsuit before the Committee on 25/11/2023 AD. In the event that the Authority failed to respond within (30) days from the date of the objection, the plaintiff was required to submit its statement of claim to the Customs Committees, considering that the Authority's non-response constitutes an implicit rejection of the objection pursuant to Article (147) of the Unified Customs Law and Article (5) of the Rules of Operation of the Customs Committees.

Upon the Customs Appeal Committee's review of the submitted appeal list, it was found to include a summary emphasizing that the company did not violate the procedural requirements; because the Authority rejected the



objection on 05/11/2023 AD, and the lawsuit was submitted to the General Secretariat on 25/11/2023 AD, which means the duration between the two dates is only (20) days.

Upon the Customs Appeal Committee's review of the response memorandum submitted by the appellee (the Zakat, Tax and Customs Authority), it was found to include a summary adhering to the conclusion of the initial decision, on the grounds that the baseline is the date of filing the grievance before the Authority and not the outcome of the grievance. The response memorandum also included several substantive defenses to confirm the soundness of the Authority's course of action in issuing the contested collection decision. The response memorandum concluded with a request to reject the submitted appeal and uphold the initial decision in all that it ruled.

The appellant submitted a counter-memorandum to reply to the Authority's memorandum, which was reviewed by the Committee and found to include adherence to what was previously stated in the appeal list, in addition to a number of substantive defenses to confirm the invalidity of the collection decision issued against the company.

On Wednesday, 13/08/1446 AH, corresponding to 12/02/2025 AD, at exactly 02:55 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) Trading Company (a single-shareholder company) against Decision No. (CTR-2024-226823) issued by the First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 25/04/2024 AD, and filed an appeal against the decision on 12/05/2024 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to the provisions of Article (163) of the Unified Customs Law.

Upon reviewing the case file and the documents contained therein, and the defenses presented by the parties; and whereas it is established through the documents that the notice of rejection of the objection request was issued by



the Zakat, Tax and Customs Authority on 05/11/2023 AD, which means that throughout the period spanning from the date of filing the grievance against the collection decision before it on 07/08/2023 AD, the Authority was in the process of reviewing and examining the subject matter of the grievance, as evidenced by its issuance of the notice rejecting the grievance request on the aforementioned date. This implies that the Authority waived its right to benefit from the presumption of implicit rejection that would normally arise upon the expiration of the statutory period granted to it for reviewing the grievance, since it chose to issue a notice expressing its explicit intent to reject it on the date sent to the importer. Consequently, it is impossible to disregard the legal position created by such a notice issued by the Authority for the taxpayer before it regarding the payment of the customs duty discrepancies subject to the collection decision. And whereas it is established that the calculation of the prescribed statutory periods for the time-barring of a lawsuit (statute of limitations), and the determination of the specific event upon which the expiration period is calculated, are considered matters of substance. The adjudicating body possesses the right to evaluate and understand the facts of the case to infer the event from which the calculation of the period commences, upon the expiration of which the prescribed period for time-barring an objection against a collection decision lapses, given that this falls under the evaluation of factual matters, whereby the Authority's waiver of its right to infer its implicit rejection of the grievance by the lapse of the prescribed period for concluding such without a response from it, was undermined by its action of notifying the importer of the rejection of its objection and grievance against the collection decision before it. Consequently, the resulting effect is that the prescribed period for admitting the lawsuit objecting to the collection decision shall be calculated as commencing from the date on which its notice was served to the importer regarding the non-acceptance of its grievance. Whereas it is established from the documents that the importer filed its lawsuit objecting to the collection decision on 25/11/2023 AD, and that its notification of the rejection of the objection and grievance request by the Authority was on 05/11/2023 AD; and whereas Article (147) of the Unified Customs Law provides that the prescribed period for admitting an objection against collection decisions shall be within thirty days from the date of notification thereof, this implies that the importer's submission of its objection before the First Instance Committee was within the legally prescribed period for considering its objection as previously established. Thus, relying on the direct application of the text of Article (5) of the Rules of Operation of the Customs Committees to such an event does not align with the surrounding facts and circumstances, under which the established original principle must be maintained, namely, that the interpretation and construction of the texts governing the relationship between the taxpayer and the Customs Administration must be carried out in a manner that achieves the taxpayer's interest. Accordingly, it is decided to overturn the initial decision and remand the case to the First Instance Customs Committee to consider its merits. Consequently, the Appeals Committee unanimously concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CTR-2024-226823) issued by the 3rd First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, overturning the initial decision and remanding the case to the First Instance Customs Committee to consider its merits, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-230838

Case No. PC-2025-230838

Principle No. 31

- The stability of statutory positions and the preservation of the administrative and financial statuses sought from prescribing a specific period for filing a grievance against collection decisions before the Authority and objecting thereto before the customs judiciary, must be applied pursuant to the provisions of the governing texts in cases where the text applies to circumstances that fall under its parameters and conditions for enforcement. This is represented either by the Authority's issuance of a decision rejecting the objection and calculating the thirty-day period based thereon, or by its failure to issue any decision regarding the fate of the grievance submitted before it concerning the disputed customs duty discrepancies, thereby deeming it an implicit rejection on its part. This was not the case regarding how the Authority handled the grievance and decided on its determination.

Facts

The facts of this case are summarized in the issuance of the collection decision by the Zakat, Tax and Customs Authority under No. (1444/341/6561) against the appellant (..., Commercial Registration No.) for an amount of (125,951.44) one hundred twenty-five thousand nine hundred fifty-one Saudi Riyals and forty-four Halalas. Accordingly, the establishment filed its objection before the Authority on 21/09/2022 AD, and was notified by the Authority of the rejection of the objection on 04/12/2022 AD. Consequently, the establishment filed its lawsuit before the First Instance Customs Committee on 14/12/2022 AD, which issued its decision declaring non-acceptance of the lawsuit procedurally for failure to submit it within the statutory period, on the grounds that in the event that the Authority failed to respond within (30) days from the date of its objection, the plaintiff was required to submit its statement of claim to the Customs Committees, considering that the Authority's non-response constitutes an implicit rejection of the objection pursuant to Article (147) of the Unified Customs Law and Article (5) of the Rules of Operation of the Customs Committees. Therefore, the company's failure to file its lawsuit before the



Customs Committees within thirty days from the date of submitting its objection to the Authority entails the inadmissibility of the lawsuit due to the expiration of the statutory period prescribed for that purpose.

Upon the Customs Appeal Committee's review of the submitted appeal list, it was found to include a summary stating that the establishment was notified of the collection decision on 15/02/1444 AH (corresponding to 11/09/2022 AD), and that it filed a grievance against the collection decision on 25/02/1444 AH (corresponding to 21/09/2022 AD). It also stated that the decision-issuing Committee subject to appeal based its decision on Article Five of the old Rules of Operation of the Committees, even though the year of this system mentioned in the grounds is 1441 AH, and that compliance with the periods is a discretionary matter rather than a mandatory requirement for the procedural acceptance of the objection. Furthermore, Articles Two and Three of the Rules of Operation of the Committees issued on 08/05/1441 AH provided that: *"The taxpayer may, within (thirty) days from the date of being notified of the rejection of their objection before the Authority or the lapse of a period of (ninety) days without a determination thereon..."* Accordingly, the establishment submitted its objection before the Authority within the statutory period and submitted its objection before the Committee within the statutory period. Moreover, the new Rules of Operation of the Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH have supported the periods stipulated above. Therefore, the appellant requests the overturning of the decision of the initial Committee subject to appeal and the cancellation of the collection decision.

Upon reviewing the case file and the appeal submitted by the appellant, it appeared to the Committee that the case has become ready for adjudication in its current state, following the Committee's review of the facts of the case and the sufficiency of what was submitted to form its conviction and adjudicate it in light of the grounds upon which the appeal was based.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 26/12/2023 AD, and filed an appeal against the decision on 21/01/2024 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to Article (163) of the Unified Customs Law.



Whereas the subject matter of the lawsuit between the Authority and the Company consists of the appellant's dispute over the collection decision issued against it regarding the customs duty discrepancies due—the documentation data of which was referred to above—after it had filed its grievance before the Authority on 21/09/2022 AD; and whereas it is established through the documents that the Company was notified of the Authority's response rejecting the objection on 04/12/2022 AD, pursuant to the document issued by the Authority on that date and addressed to it, which states: "Notice of Rejection of the Objection Request"; and whereas the importer filed the lawsuit objecting to the collection decision issued by the Authority before the First Instance Customs Committee by submitting its lawsuit to that Committee and registering it on 14/12/2022 AD; and the First Instance Committee issued its decision declaring non-acceptance of the lawsuit procedurally, on the grounds that a lawsuit objecting to a collection decision is governed by specific periods that cannot be exceeded for the objection lawsuit to be admitted, because the purpose thereof is the stability of statutory positions and the preservation of administrative and financial statuses, and that the plaintiff's submission of its objection against the decision by registering its lawsuit with the Customs Committees on 14/12/2022 AD caused it to miss the statutory period within which the objection was supposed to be filed; and whereas the importer's appeal was based on the invalidity of the Committee's decision to adjudicate the subject matter of its objection, which was based on that decision's premise that its objection was not filed within the statutory periods, considering that it submitted the grievance within the designated period prescribed therefor, and that after being notified of the rejection of the objection request by the Authority, it filed the lawsuit before the First Instance Committee prior to the expiration of the prescribed period for objecting to the collection decision following the Authority's rejection of its grievance, as previously set forth.

And whereas it is established through the documents that the notice of rejection of the objection request was issued pursuant to the Authority's notification to the importer on 04/12/2022 AD, which means that throughout the period spanning from the date of filing the grievance before it on 21/09/2022 AD, the Authority was in the process of reviewing and examining the subject matter of the grievance, as evidenced by its issuance of the notice rejecting the grievance request on the aforementioned date. This implies that the Authority waived its right to benefit from the presumption of implicit rejection that would normally arise upon the expiration of the statutory period granted to it for reviewing the grievance, since it chose to issue a notice expressing its explicit intent to reject it on the date sent to the importer. Consequently, it is impossible to disregard the legal position created by such a notice issued by the Authority for the taxpayer before it regarding the payment of the customs duty discrepancies subject to the contested collection decision. And whereas it is established that the calculation of the prescribed statutory periods for the time-barring of a lawsuit (statute of limitations), and the determination of the specific event upon which the expiration period is calculated, are considered matters of substance. The adjudicating body possesses the absolute right to



assess and understand the facts of the case to infer the event from which the calculation of the period commences, upon the expiration of which the prescribed period for time-barring an objection against a collection decision lapses, given that this falls under the evaluation of factual matters (*questions of fact*). Accordingly, the Authority's waiver of its right to infer its implicit rejection of the grievance by the lapse of the prescribed period for concluding such without a response from it, was undermined by its action of notifying the importer of the rejection of its objection and grievance against the collection decision before it. Consequently, the resulting effect is that the prescribed period for admitting the lawsuit objecting to the collection decision shall be calculated as commencing from the date on which its notice was served to the importer regarding the non-acceptance of its grievance. This is because the stability of statutory positions and the preservation of the administrative and financial statuses sought from prescribing a specific period for filing a grievance against collection decisions before the Authority and objecting thereto before the customs judiciary, must be applied pursuant to the provisions of the governing texts in cases where the text applies to circumstances that fall under its parameters and conditions, which are represented either by the Authority's issuance of a decision rejecting the objection and calculating the thirty-day period based thereon, or by its failure to issue any decision regarding the fate of the grievance submitted before it concerning the disputed customs duty discrepancies, thereby deeming it an implicit rejection on its part. This was not the case regarding how the Authority handled the grievance and decided on its determination. As it is established from the documents that the importer filed its lawsuit objecting to the collection decision on 14/12/2022 AD, and that its notification of the rejection of the objection and grievance request by the Authority occurred on 04/12/2022 AD; and whereas Article (147) of the Unified Customs Law provides that the prescribed period for admitting an objection against collection decisions shall be within thirty days from the date of notification thereof, this implies that the importer's submission of its objection before the First Instance Committee on 14/12/2022 AD—after being notified by the Authority of the rejection of its objection on 04/12/2022 AD—occurred within the legally prescribed period for considering its objection as previously established. Thus, relying on the direct application of the text of Article Five of the Rules of Operation of the Customs Committees, as was the case in the appealed decision of the First Instance Committee, without giving effect to the legal positions generated by inferring the Authority's waiver of its right to consider its non-response as an implicit rejection, does not align with the factual circumstances and the context surrounding the objection before it. Under these circumstances, the established original principle must be maintained, namely, that the interpretation and construction of the texts governing the relationship between the taxpayer and the Customs Administration must be carried out in a manner that achieves the taxpayer's interest. Accordingly, the Appeals Committee decided to overturn the initial decision and remand the case anew to the First Instance Committees to consider its merits. Based on the foregoing, the Appeals Committee concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CTR-2023-164380) issued by the 3rd First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, overturning the initial decision and remanding the case to the First Instance Customs Committee to consider its merits, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-243153

Case No.

PC-2025-243153

Principle No. 32

- The taxpayer obligated to pay customs duties shall have any doubt interpreted in their favour in their lawsuit.

Facts



The facts of this case are summarized in that (.....) filed an objection before the First Instance Customs Committee in Riyadh against the collection decision issued by the Zakat, Tax and Customs Authority under No. (1445/31499) for the year 1445 AH, resulting in customs discrepancies amounting to a total value of (1,039,026.30) one million thirty-nine thousand twenty-six Riyals and thirty Halalas. After reviewing the establishment's objection list and all the attached documents, the Committee issued its decision - subject to the appeal - ruling in its operative part as follows:

"Non-acceptance of the lawsuit procedurally, for being filed prematurely."

Upon the Customs Appeal Committee's review of the submitted appeal list, it was found to include a summary asserting that the lawsuit satisfied all procedural acceptance requirements; as the objection against the decision issued by the Authority was filed on 05/09/1445 AH (corresponding to 14/03/2024 AD), and the lawsuit was filed before the Customs Committees on 01/04/2024 AD, which means it was submitted after the Authority rejected the objection filed by the establishment. The list concluded with a request to accept the appeal, overturn the appealed decision, and remand the case to the First Instance Committee to consider its merits. Upon the Customs Appeal Committee's review of the response memorandum submitted by the appellee, it was found to include a summary asserting the validity of the decision subject to appeal. It concluded with a request to reject the appeal and uphold the initial decision in all that it ruled.

A counter-memorandum was received from the appellant in reply to the response memorandum submitted by the appellee, and it was found not to deviate from what was previously presented in the appeal list. The counter-



memorandum concluded with a request to overturn the appealed decision and remand the case to consider its merits.

On Wednesday, 27/08/1446 AH, corresponding to 26/02/2025 AD, at exactly 12:56 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) against Decision No. (CFR-2024-234350) dated 15/08/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 11/09/2024 AD, and filed an appeal against the decision on 26/09/2024 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to the provisions of Article (163) of the Unified Customs Law.

Whereas the crux of the dispute consists of the appellant's challenge against the ruling that the lawsuit was filed prematurely to consider the subject matter of its request objecting to the customs duty discrepancies claimed by the Authority; and whereas the statutory period for filing an objection is considered a preliminary matter that must precede the consideration of the merits to verify whether the objection is procedurally admissible or not; and whereas, upon examining the case file, it was found that the appellant had attached the acknowledgment of receipt of the objection sent by the Authority (the appellee) via text messages and email, which stated in its content: *"Dear Importer, ... Establishment, please be informed that your objection No. (144509010968) dated 05/09/1445 AH regarding the customs discrepancies has been received. You will be notified of the outcome of the objection within (15) days. In the event that the aforementioned period expires without notification from the Authority, it shall be deemed an implicit rejection of the objection. You may also pursue the objection against the Authority's decision before the General Secretariat of the Zakat, Tax and Customs Committees within 15 days from the date of being notified of the outcome of the objection or the expiration of the period without a response from the Authority,*



pursuant to the Rules of Operation of the Customs Committees. Thank you. This contradicts the ruling of the First Instance Committee and the Authority's claim that the lawsuit was filed prematurely; as the collection decision was issued on 25/01/2024 AD, and the objection was submitted to the Authority on 15/03/2024 AD. Based on the above-mentioned acknowledgment of receipt of the objection and its content, the appellant filed its lawsuit with the General Secretariat of the Zakat, Tax and Customs Committees on 01/04/2024 AD, i.e., after the expiration of the period specified in the notification. Whereas the Authority submitted a response memorandum—before the Adjudication Committee—and did not address the procedural defense; and whereas it notified the appellant of the rejection of its objection filed before it on 21/05/2024 AD, i.e., during the review of the initial lawsuit; and whereas the original principle is to adhere to the Rules of Operation for the Zakat, Tax, and Customs Committees; and given that this document, at the very least, casts doubt on whether the grievance was submitted to the General Secretariat prior to the issuance of the objection's outcome and the expiration of the statutory period prescribed in the regulatory texts; Consequently, since the established principle is that doubt is interpreted in favor of the taxpayer obligated to pay the duties; and pursuant to paragraph (3) of Article (37) of the Rules of Operation for the Zakat, Tax, and Customs Committees, which stipulates that: *"If the Appeal Committee decides to overturn the decision of the First Instance Committee issued regarding lack of jurisdiction, or accepting an interlocutory defense that resulted in barring the proceedings of the case, or the inadmissibility of reviewing it due to prior adjudication, or time-barring due to the expiration of the period, or procedural inadmissibility (in form), or the inadmissibility of the lawsuit for failure to be properly drafted, it shall remand the case to the First Instance Committee that issued the decision to consider the merits, unless the circumstances of the case are ripe for adjudication, or the circumstances of the case necessitate an expedited adjudication, or its subject matter is one where the decisions or principles of the Appeal Committee have been established on the permissibility of adjudicating it without remand,"* and whereas the matter stands as mentioned, the Committee has established the appellant's right to have its objection against the disputed decision reviewed on its merits.

Accordingly, the Appeals Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CFR-2024-234350), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, overturning the initial decision and remanding the case to the First Instance Customs Committee to consider its merits, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-246982

Case No. AC-2025-246982

Principle No. 33

- In the customs classification of tariff items, there is no consideration for reviewing the original internal correspondences between the Authority's departments to verify and confirm the validity of the statement, provided that it is issued by the same entity; Customs is deemed the technical administration concerned with customs classification.

Facts

The facts of this case are summarized in that the plaintiff filed an objection before the First Instance Customs Committee against the collection decision issued by the Zakat, Tax and Customs Authority under No. (1444/341/13164) for the year 1444 AH, resulting in customs discrepancies amounting to a total value of (1,154,879) one million one hundred fifty-four thousand eight hundred seventy-nine Riyals. Accordingly, the 2nd First Instance Customs Committee in Riyadh issued its decision - subject to the appeal - ruling in its operative part as follows:

"Dismissal of the lawsuit filed by the plaintiff / Against the defendant / Zakat, Tax and Customs Authority."

Upon the Customs Appeal Committee's review of the appeal list, it was found to include a summary asserting that the decision relied on a document that was not submitted in the lawsuit and was not reviewed by the Committee to satisfy itself of the grounds upon which the decision to withhold the exemption was based, and thus ensure its proper reasoning; which is a defect that voids the decision and renders it subject to being overturned. This is because the decision subject to appeal merely sufficed with the admission of the Authority's representative in the response memorandum that the withholding of the exemption for items imported from the State of (.....) from..... Was executed based on the correspondence of the General Department of International Cooperation No. (.....) dated (.....), without requesting the Authority to submit the original copy of that letter.

Furthermore, a distinction must be made between the right to conduct a post-clearance audit and the statutory effect regarding the validity of the rules of origin issued by Decision No. 3852 dated 22/11/1442 AH, whose effective date



commences from its issuance date on 22/11/1442 AH as stipulated in the Rules of Origin Decision. The Authority maintains the right to audit and review the past five years, but in accordance with the regulatory controls prescribed at the time of entry of the products, and not under another system. In addition, the tariff item under which the plaintiff registers, No. (9011100000) and No. (9011100003), is the correct item designated for coffee beans or roasted ground coffee; which is French coffee composed of roasted and ground coffee with added hazelnut flavour, and it is a non-instant, unsweetened coffee. Therefore, the request to register French coffee under tariff item No. (200819120001) designated for sweetened instant coffee is an incorrect request and does not apply to French coffee, given that it is regular, unsweetened coffee and is not instant. The attorney for the appellant company also argued that products enjoy exemption from customs duties pursuant to Article (9) of the Unified Customs Law of the GCC Countries and Article (1) of the Economic Agreement between the GCC Countries. The list concluded with a request to accept the appeal, overturn the initial decision, and rule anew to cancel the collection decision subject of the lawsuit.

Upon the Customs Appeal Committee's review of the response memorandum submitted by the appellee, it was found to include a summary emphasizing that it had sent the initial audit report to the company on (11/08/2021 AD), which included the results of the post-clearance audit conducted on the company during the audit period. It received all clarifications submitted by the company and examined a sample of the establishment's customs entries to verify the validity of the customs declaration and the establishment's compliance with customs policies and procedures. The audit team reviewed and examined the records and documents provided and submitted by the establishment, whereby it was revealed that the company failed to comply with the customs policies and procedures related to the applicable customs tariff item, and that the GCC exemption for (55) customs declarations was invalid, as it obtained an exemption from customs duties pursuant to an inapplicable GCC Agreement. Furthermore, it selected a tariff item with a duty rate lower than the correct duty rate, which resulted in customs duty discrepancies that led to the issuance of the disputed collection decision.

The Authority also emphasizes that the company is not entitled to the GCC exemption based on the correspondence issued by the General Department of International Cooperation No. (184-42-093634) dated 16/12/1442 AH, which states that the GCC exemption is withheld from items imported from the State of (.....) from, on the grounds that they involve activities that do not rely on a genuine manufacturing process, such as (packing, packaging, and assembly) in the customs declarations under audit from the date of (29/04/1441 AH); consequently, the GCC exemption was withheld therefrom. As for the appellant's defense regarding the correctness of the customs classification, upon reviewing the ingredients of the items, it was revealed that the appellant's claim is incorrect,



thereby rendering the items subject of the lawsuit subject to tariff item (210112110000) at a duty rate of (5%) as instant preparations, based on the correspondence issued by the Customs Tariff Department No. (.....) dated (11/08/1442 AH), which stated that the applicable tariff item is (210112110000) at a duty rate of (5%). It concluded with a request to rule to reject the appeal and uphold the initial decision in all that it ruled. Upon the Customs Appeal Committee's review of the appellant's counter-memorandum in reply to the response memorandum submitted by the appellee, it was found to include a summary asserting the appellant company's adherence to its previously submitted defenses and documents. Furthermore, the sent report failed to clarify whatsoever that the reason for withholding the exemption was the correspondence issued by the General Department of International Cooperation, and that the Authority had previously committed the exact same error by deeming French coffee as sweetened instant coffee. The counter-memorandum concluded with a request to accept the appeal, overturn the initial decision, and rule anew to cancel the collection decision subject of the lawsuit.

On Wednesday, 28/01/1447 AH, corresponding to 23/07/2025 AD, at exactly 02:23 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by ... against Decision No. (CSR-2024-242418) dated 19/11/2024 AD, issued by the 2nd First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the initial decision was notified on 08/12/2024 AD, and the appeal against the decision was filed on 05/01/2025 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to the provisions of Article (163) of the Unified Customs Law.

Whereas, upon the Appellate Customs Committee's review of the case file and its attachments, and whereas the core of the dispute lies in the Appellant company's objection to the collection decision subject of the lawsuit No. (1444/341/13164) for an amount of (1,154,879) Riyals; and whereas the Appellee argues that the company failed



to comply with the customs policies and procedures related to the applicable customs tariff item, and that the GCC exemption for (55) customs declarations was invalid, as it obtained an exemption from customs duties pursuant to an inapplicable GCC Agreement. Furthermore, it selected a tariff item with a duty rate lower than the correct duty rate, which resulted in customs duty discrepancies that led to the issuance of the disputed collection decision. The Authority also emphasizes that the company is not entitled to the GCC exemption based on the correspondence issued by the General Department of International Cooperation No. (.....) dated 16/12/1442 AH, which states that the GCC exemption is withheld from items imported from the State of Kuwait from on the grounds that they involve activities that do not rely on a genuine manufacturing process, such as (packing, packaging, and assembly) in the customs declarations under audit from the date of (29/04/1441 AH); consequently, the GCC exemption was withheld therefrom. In addition, the items subject of the lawsuit are subject to tariff item (210112110000) at a duty rate of (5%) as instant preparations, based on the correspondence issued by the Customs Tariff Department No. (.....) dated 11/08/1442 AH, which stated that the applicable tariff item is (210112110000) at a duty rate of (5%).

Whereas the appellant company argues that it was not granted access to the correspondences carried out by the Authority, under which the GCC exemption was withheld from the imported items; and whereas the approach of the Appeals Committee in this regard is based on the premise that there is no need to review the original internal correspondences between the Authority's departments to verify and confirm the validity of the statement, provided that it is issued by the same entity. As for its defense regarding the correctness of the tariff classification, it is refuted on the grounds that Customs is the technical body competent with the classification of items pursuant to Principle No. (16) extracted from the decisions of the Customs Appeal Committees in Decision No. (595) dated 05/04/1444 AH, which stipulated that: *"The Customs authority is deemed the technical administration qualified to determine the imported item; consequently, the classification is not affected by a mere objection filed against it or by requesting an expert opinion from another entity."* Accordingly, there is no reproach against the reviewing authority for the appeal for adopting the grounds of the decision subject to appeal without addition whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it based on its grounds indicates that it did not find any of the challenges directed against it worthy of a response beyond what those grounds contained. As the grounds of the decision subject to appeal are sufficient to support its ruling, rendering the appeal without supporting grounds and must be rejected. Consequently, the Committee unanimously concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CSR-2024-242418), issued by the 2nd First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-265232

Case No. PC-2025-265232

Principle No. 34

- If the taxpayer fails to provide the supporting documents that substantiate the classification of the tariff items subject of the lawsuit, such classification shall not be deemed effective. The Customs authority is deemed the technical administration qualified to determine the imported item; consequently, the classification is not affected by a mere objection filed against it.

Facts



The facts of this case are summarized in that the plaintiff filed an objection before the First Instance Customs Committee against the collection decision issued by the Zakat, Tax and Customs Authority under No. (1443/341/21455) for the year 1443 AH, resulting in customs discrepancies in addition to value-added tax (VAT) discrepancies amounting to a total value of (660,219) six hundred sixty thousand two hundred nineteen Riyals. Accordingly, the 2nd First Instance Customs Committee in Riyadh issued its decision - subject to the appeal - ruling in its operative part as follows:

"Dismissal of the lawsuit filed by the plaintiff / Against the defendant / Zakat, Tax and Customs Authority."

Upon the Customs Appeal Committee's review of the appeal list submitted by the appellant company's attorney, it was found to include a summary asserting that the decision is marred by numerous deficiencies, given that merely relying on it violates fundamental legal principles, namely the principle of justice and equality between the parties to the lawsuit. Furthermore, nothing within the Rules of Operation of the Customs Committees obligates the Committee to accept the technical opinion without seeking the assistance of a specialized expert who issues accurate laboratory results. Each lawsuit has its own specificity and considerations that must be examined prior to issuing a decision, rather than solely relying on the defendant's opinion, especially since the selection of the tariff item was



made after the issuance of certified technical laboratory reports from the Saudi Standards, Metrology and Quality Organization (SASO), which confirmed the validity of his client's conclusions that the items were classified under the correct rate in compliance with the Customs Law, and not as alleged by the defendant. In addition, the technical opinion relied upon does not contain reasoning or a detailed basis through which the items were classified and a customs duty rate was determined for them. The list concluded with a request to accept the objection in form and substance, overturn the initial decision and remand the case to the 3rd First Instance Customs Committee, and alternatively, overturn the initial decision and rule in favor of the company regarding the requests set forth in the statement of claim. Upon the Customs Appeal Committee's review of the response memorandum submitted by the appellee, it was found to include a summary asserting the soundness of the Authority's course of action in classifying the disputed items, which consequently entails the soundness of its course of action in collecting the customs duties due to the state treasury by issuing the collection decision subject of the lawsuit, thereby proving the validity of the conclusion reached by the First Instance Committee in its appealed decision. It concluded with a request to rule to reject the appeal and uphold the initial decision in all that it ruled. Upon the Customs Appeal Committee's review of the appellant's counter-memorandum in reply to the response memorandum submitted by the appellee, it was found not to deviate from what was previously presented in the appeal list. The counter-memorandum concluded with a request to rule in favor of the requests set forth in the objection list.

On Wednesday, 19/02/1447 AH, corresponding to 13/08/2025 AD, at exactly 01:53 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by against Decision No. (CSR-2024-242415) dated 19/11/2024 AD, issued by the First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.



Whereas the initial decision was notified on 08/12/2024 AD, and the appeal against the decision was filed on 02/01/2025 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period pursuant to the provisions of Article (163) of the Unified Customs Law.

Whereas upon the Customs Appeal Committee's review of the case file and its attachments; and whereas it is revealed through the documents that the report of the Customs Tariff Department was attached, from which it is clear that the imported items subject of the lawsuit were declared under a customs tariff duty rate lower than what is mandatory and correct to be declared, resulting in a loss of customs duties due to the State; and whereas the appellant failed to provide the documents or detailed descriptions for the imported fabrics that prove that the consignment is subject to the tariff item listed under the (5%) duty rate, given that it failed to provide the supporting documents that substantiate the correctness of its claims regarding the classification of the tariff items subject of the lawsuit. Whereas pursuant to Principle No. (16) Extracted from the decisions of the Customs Appeal Committees in Decision No. (595) dated 05/04/1444 AH, which stipulated that: *"The Customs authority is deemed the technical administration qualified to determine the imported item; consequently, the classification is not affected by a mere objection filed against it or by requesting an expert opinion from another entity."* Accordingly, there is no reproach against the reviewing authority for the appeal for adopting the grounds of the decision subject to appeal based on its own reasoning whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it implies the adoption of what those grounds contained. This conclusion is not undermined by the defenses submitted by the appellant company, which do not alter the outcome reached in the appealed decision. As the grounds of the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the submitted defenses have no effect on the outcome of the decision, rendering the appeal without supporting grounds and must be rejected. Consequently, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CSR-2024-242415), issued by the 2nd First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-246970

Case No.

PC-2025-246970

Principle No. 35

- The determining factor for the validity or invalidity of the actual imported goods is the consignment identifier (item code/ID), and not the description.

Facts



The facts of this case are summarized in that the plaintiff filed an objection before the First Instance Customs Committee against the decision issued by the Zakat, Tax and Customs Authority rejecting the refund request submitted by the plaintiff regarding customs declaration No. (.....) dated 22/10/1445 AH for an amount of (600,772.78) six hundred thousand seven hundred seventy-two Riyals and seventy-eight Halalas. Accordingly, the First Instance Customs Committee in Riyadh issued its decision - subject to the appeal - ruling in its operative part as follows:

"First: Procedurally: Acceptance of the lawsuit in form.

Second: On the Merits: Dismissal of the lawsuit filed by the plaintiff (....), pursuant to Commercial Registration No. (....), regarding the refund of customs duties for customs declaration No. (.....) dated 22/10/1445 AH for an amount of (600,772.78) six hundred thousand seven hundred seventy-two Riyals and seventy-eight Halalas, subject of the lawsuit."

Upon the Customs Appeal Committee's review of the submitted appeal list, it was found to include a summary asserting that the details stated in the customs declaration and the invoice are fully identical to those stated in the exemption decision. The list concluded with a request to accept the appeal in form and substance, overturn the initial decision, cancel the Authority's decision, refund the customs duties subject of the lawsuit, and exempt the company therefrom.



Upon the Customs Appeal Committee's review of the response memorandum submitted by the appellee, it was found to include a summary asserting that the invoices submitted to the Authority during the processing of the customs declaration differed in their data from those available in the exemption decision, in terms of the mismatch between the descriptions of the items in the invoice and the descriptions of the items in the exemption decision, in addition to the lack of clarity regarding the imported quantity in the import declaration invoice. The importer subsequently amended the invoices and requested the Authority to apply the industrial exemption and refund the customs duties. Whereas it is established that the taxpayer submitted invoices carrying data that contradict those stipulated in the exemption decision requested to be applied, it is clear that the Authority's course of action in rejecting the refund request due to the mismatch of the information contained in the customs declaration and the invoice with the exemption decision subject of the lawsuit is correct. The memorandum concluded with a request to rule to reject the appeal.

Upon the Customs Appeal Committee's review of the appellant's counter-memorandum in reply to the response memorandum submitted by the appellee, it was found not to deviate from what was previously presented in the appeal list. The counter-memorandum concluded with a request to overturn the initial decision, cancel the Authority's decision, refund the customs duties subject of the lawsuit, and exempt the company therefrom.

On Wednesday, 28/01/1447 AH, corresponding to 23/07/2025 AD, at exactly 01:52 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) Company Limited against Decision No. (CFR-2024-240402) dated 24/11/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the initial decision was notified on 05/12/2024 AD, and the appeal against the decision was filed on 03/01/2025 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period pursuant to the provisions of Article (163) of the Unified Customs Law.



Whereas upon the Customs Appeal Committee's review of the case file and its attachments; and whereas the appellant filed a request for a refund of an amount of (600,772.78) six hundred thousand seven hundred seventy-two Riyals and seventy-eight Halalas, which was rejected by the Authority due to the mismatch of the information contained in the customs declaration and the invoice with the exemption decision No. (.....) dated (.....); and whereas the appellant requests the acceptance of its submitted refund on the grounds that the customs declaration displays the description of the item, in addition to the exemption reference number (tariff item), which is the determining factor as to whether the exemption is applicable or not, and which matches the details stated in the exemption decision and the invoice; and whereas the appellant attached the translated invoices along with the original copy displaying the description, and the customs declaration includes the reference number for the goods subject to exemption; And whereas upon the Customs Appeal Committee's review of the documents submitted by the parties to the lawsuit, it was revealed that the exemption decision issued by the Ministry of Industry and Mineral Resources stipulated that the exemption covers "raw materials, packing, and packaging materials for national factories." Whereas by looking at the reference number of the disputed goods, it is clear that the tariff number is identical between the decision and the documents submitted by the importer, and that the discrepancy was in the description of the tariff items rather than their numbers. Upon reviewing the tariff items, it is clear that item (8422400000) was described in the invoice and the customs declaration as (carton packing unit) and was described in the exemption certificate as (carton boxes packing unit); whereas item (903180900000) was described in the invoice and the customs declaration as (filling packing [unit]), and was described in the exemption certificate as (filling level inspection machine); while item (8422301000) matches what is contained in the declaration and the invoice with the exemption certificate. Based on the foregoing regarding the description, these are similar descriptions for the actual imported goods alongside identical tariff item numbers, considering that the Harmonized System (HS Code) is the consignment identifier, which is the determining factor for the validity or invalidity of the actual imported goods. Whereas the taxpayer attached the final customs declaration requested by the 1st First Instance Customs Committee in Riyadh, which had based its rejection decision on the taxpayer's failure to submit it; and whereas upon the Customs Appeal Committee's review of the declaration, it was found that the product was classified as stated in the initial declaration and the issued invoices, as the tariff item listed in the invoice submitted by the taxpayer is the exact same one listed in the exemption decision and in both the initial and final customs declarations; and whereas the exemption request is based on the information registered in the initial and final customs declarations as they are identical; and whereas the taxpayer diligently amended the invoices after the rejection of the duty refund request; and since the Authority did not prove the invalidity of the taxpayer's action in classifying the disputed goods; accordingly, the Committee has unanimously concluded to report the following:



Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CFR-2024-240402), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** On the merits, overturning the initial decision and obligating Customs to refund the customs duties related to customs declaration No. (.....) dated 22/10/1445 AH, amounting to (600,772.78) six hundred thousand seven hundred seventy-two Riyals and seventy-eight Halalas to Company, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-243545

Case No.

PC-2025-243545

Principle No. 36

- The ultimate objective centers on the Harmonized System for the customs tariff item being a single, identical number matching its customs duty rate; as for the method of description, it may carry a similar meaning while deviating from the precise wording, and this does not invalidate the appellant's right to a duty refund as long as all information is identical.

Facts

The facts of this lawsuit are summarized in that the appellant filed an objection before the First Instance Committee against the decision of the Zakat, Tax and Customs Authority regarding the rejection of the refund request for customs duties pertaining to customs declarations No. (.....) dated 04/02/1437 AH and No. (.....) dated 18/02/1437 AH. After reviewing the case, the First Instance Committee issued its appealed decision, ruling in its operative part as follows:

"First: Acceptance of the lawsuit procedurally.

Second: Dismissal of the plaintiff's lawsuit regarding its request for the refund of customs duties for customs declarations No. (.....) dated 04/02/1437 AH and No. (.....) dated 18/02/1437 AH, subject of the lawsuit."

Whereas the aforementioned decision of the First Instance Committee was not accepted by the appellant, it submitted an appeal list which was reviewed by the Appeals Committee, and was found to include a summary asserting that the First Instance Committee rejected the representation of the company by its manager, Mr. (...), in violation of paragraph (b) of Article (18) of the Code of Law Practice and paragraph (1) of Article (162) of the Companies Law.

Furthermore, the Committee proceeded to close the pleadings in the first hearing on an expedited basis, despite the litigants not having concluded their arguments. The appellant also argued that the First Instance Committee erred in characterization of the facts, as it stated that the cause of the dispute was the mismatch of the description attached



in the exemption list and the customs declaration, which is incorrect; as the description of the items pursuant to tariff item No. (842230100000) was stated as "machines for carton packing, packaging, and palletizing" under exemption No. (10611), based on the Ministerial Exemption Decision No. (5387), and the tariff item came identical to what was stated in customs declaration No. (.....) and declaration No. (.....). In addition, the Committee erred in its reliance on Circular No. (M /325/63) dated 26/07/1439 AH, given that the circular was issued subsequent to the facts of the lawsuit, and therefore may not be applied retroactively. The appeal list concluded with a request to accept the appeal in form, overturn the appealed initial decision, and issue a decision obligating the appellee to refund the customs duties for customs declarations No. (.....) and No. (.....) for a total amount of (672,047) Riyals. Upon requesting a response from the appellee and enabling it to exercise its right to reply to the submitted appeal, it failed to provide the required response. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to consider the lawsuit in light of the documents available to it.

On Thursday, 28/08/1446 AH, corresponding to 27/02/2025 AD, at exactly 09:45 AM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by against Decision No. (CFR-2024-234532) issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 09/09/2024 AD, and filed an appeal against the decision on 08/10/2024 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to Article (163) of the Unified Customs Law.

Upon reviewing the case file and the records contained therein, and considering the defenses submitted by the appellant; whereas by reviewing the case file, it is revealed that the customs tariff item listed in the industrial exemption license matches the tariff item declared in the final customs clearance declaration, which is item No. (842230100000). The discrepancy appears only in the description, as the product description according to the



customs declaration is (apparatus for filling, closing, or sealing bottles), while the product description in the exemption decision is (machines for carton packing, packaging, and palletizing). Consequently, since the customs tariff item is identical, this indicates the validity of the appellant's declaration of the actual imported goods. This is because the ultimate objective centers on the Harmonized System (HS Code) for the customs tariff item being a single, identical number matching its customs duty rate; as for the method of description, it came carrying a similar meaning while deviating from the precise wording. This does not invalidate the appellant's right to a duty refund, given that all information is identical and the actual imported goods consist of a packaging apparatus. This conclusion is not undermined by the First Instance Committee's reliance on Circular No. (63/325/M) dated 26/07/1439 AH, as it was issued subsequent to the two consignments subject of the lawsuit imported on 04/02/1437 AH and 18/02/1437 AH. Accordingly, the Committee has unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally.
- 2- **Second:** On the merits, overturning the initial decision and ruling to obligate the Zakat, Tax and Customs Authority to refund the customs duties related to customs declarations No. (.....) dated 04/02/1437 AH and No. (.....) dated 18/02/1437 AH to the importer, ... Factory, amounting to (672,047) Riyals, for the reasons and grounds stated in this Decision.



The Customs Appeals Committee in Riyadh

Decision No.

CAR-2025-238257

Case No.

PC-2025-238257

Principle No. 37

- If the appellant fails to provide the technical descriptions through which it is proven that the imported goods are different from the Customs' characterization, this shall entail the rejection of the appeal.

Facts

The facts of this case are summarized in that (...) filed an objection before the 3rd First Instance Customs Committee in Riyadh against the collection decision issued by the Zakat, Tax and Customs Authority under No. (1445/8853) for the year 1445 AH, resulting in customs discrepancies amounting to a total value of (898,260) eight hundred ninety-eight thousand two hundred sixty Riyals. After reviewing the company's objection list and all the attached documents, the Committee issued its decision - subject to the appeal - ruling in its operative part as follows:"

1. Acceptance of the lawsuit procedurally.
2. On the merits, upholding the Customs' course of action in recovering the customs duty discrepancies set forth in the collection decision, in accordance with the stated reasoning."

Upon the Customs Appeal Committee's review of the submitted appeal list, it was found to include a summary asserting that the initial decision subject to appeal was incorrect, given that the Committee incorrectly defined the semicolon with respect to the disputed tariff item. It argued that the semicolon is not used to separate two sentences that share no relation; rather, the correct rule is that a semicolon does not separate two sentences but links them together.

Consequently, the restriction stated at the end of the tariff item restricts all types mentioned therein. Furthermore, the disputed product consists of (spools/bobbins), and the decision-making Committee failed to consider the notes of Chapter (48) issued by the defendant, whereas the Committee ought to have first verified the components of the product, as it is not subject to tariff item No. (48194000000) but is rather subject to tariff item No. (48220000000).



The list concluded with a request to accept the objection, overturn the contested decision, and rule to cancel the defendant's decision regarding the recovery of the customs duty discrepancies set forth in the collection decision.

Upon the Customs Appeal Committee's review of the response memorandum submitted by the appellee, it was found to include a summary asserting non-acceptance of the lawsuit procedurally, and its adherence to what it previously presented before the First Instance Committee. It further argued that the appellant company failed to comply with the customs policies and procedures related to customs declarations concerning the applicable customs tariff item, by selecting a tariff item with a duty rate lower than the correct customs duty rate for the imported items, which resulted in a partial loss of the customs duties due to the state treasury. The Authority also argued that no productive addition was introduced by the appellant, which proves the validity of the conclusion reached by the initial decision subject to appeal. It concluded with a request to rule the inadmissibility of the lawsuit in form, and alternatively, to reject the appeal on its merits (*in substance*) and uphold the initial decision in all that it ruled. A counter-memorandum was received from the appellant company in reply to the Authority's response memorandum, which included a reiteration of what was previously presented in the appeal list. The counter-memorandum concluded with a request to accept the objection, overturn the contested decision, and rule to cancel the defendant's decision regarding the recovery of the customs duty discrepancies set forth in the collection decision.

On Wednesday, 20/08/1446 AH, corresponding to 19/02/2025 AD, at exactly 01:06 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) against Decision No. (CTR-2024-228171) dated 26/10/1445 AH, issued by the First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds

After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 09/05/2024 AD, and filed an appeal against the decision on 05/06/2024 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person



with standing within the prescribed period for its execution pursuant to the provisions of Article (163) of the Unified Customs Law.

And whereas there is no reproach against the reviewing authority for the appeal for adopting the grounds of the decision subject to appeal without addition whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it based on its grounds indicates that it did not find any of the challenges directed against it worthy of a response beyond what those grounds contained. This conclusion is not undermined by the defense raised by the appellant company's attorney asserting that the imported goods consist of spools/bobbins; as upon the Committee's review of the attached documents, it was revealed that the tariff item entered by the company does not apply to the description used. It is evident from the invoices and shipping documents that the imported goods consist of empty bags for packing cement. Since the appellant company's attorney failed to provide the technical descriptions through which it is proven that the imported goods consist of spools/bobbins and not bags, the Committee thereby concludes to uphold the initial decision in all that it ruled. As the grounds of the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the submitted defenses have no effect on the outcome of the decision, rendering the appeal without supporting grounds and must be rejected. Consequently, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CTR-2024-228171), issued by the 3rd First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.



The Customs Appeals Committee in Riyadh

Decision No. CAR-2025-237410

Case No. PC-2025-237410

Principle No. 38

- The discrepancy in laboratory results does not affect the fact that the percentage of diesel exceeded the permissible limit of (5%).

Facts

The facts of this case are summarized in that the appellant establishment exported a consignment declared as (soda lime prepared by impregnating pure lime) through the Al-Raqi Customs outpost pursuant to export customs declaration No. (.....) dated 24/02/1444 AH. Upon referring the first sample to (.....) Laboratory, the result was issued via report No. (.....) dated 27/09/2022 AD, indicating that it contained diesel at a percentage of (99.08%). The exporter objected to the first result, and another sample was sent to (SGS) Laboratory. The result was issued via report No. (.....) dated 28/11/2022 AD, indicating that it contained diesel at a percentage of (99.62%). According to the fuel marker indicator, this exceeds the permissible limit of (5%). Accordingly, seizure report No. (.....) dated 27/05/1444 AH was prepared, and the First Instance Committee issued its decision ruling in its operative part as follows:"

1. Conviction of (.....) in the presence of the judgment) for customs smuggling.
2. Obliging it to pay a fine equivalent to the value of the undeclared diesel, amounting to an amount of (109,293) one hundred nine thousand two hundred ninety-three Riyals.
3. Obliging it to pay an amount equivalent to the value of the undeclared diesel as a substitute for confiscation, amounting to an amount of (109,293) one hundred nine thousand two hundred ninety-three] Riyals, bringing the total claimed amount to (218,586) two hundred eighteen thousand five hundred eighty-six Riyals."

Upon the Customs Appeal Committee's review of the submitted objection list, it was found to include a summary asserting that the establishment commenced its chemical export activity on 19/07/2022 AD and ceased exporting



on 21/09/2022 AD, and that all tankers were sound except for the consignment subject of the lawsuit, which confirms the occurrence of an error. Furthermore, the appellant argued that the Committee imposed the maximum penalty without providing grounds for doing so, whereas it ought to have imposed the minimum fine, given that the laboratory results showed a discrepancy in the diesel percentage. Consequently, the lower percentage should have been adopted when determining the fine, as it is in the interest of the accused. The appellant also argued that the suspicion of smuggling is precluded in the incident subject of the lawsuit; because the high percentage stated in the analysis result—if correct—could easily be detected by the inspector examining the shipment, whether by sight or smell, considering that smuggling can only occur in the event of concealment. The list concluded with a request to accept the appeal, overturn the decision, and rule anew to acquit the establishment.

Upon requesting a response from the appellee on 04/08/2024 AD and enabling it to exercise its right to reply for a period of (45) days, it failed to provide the required response. And based on paragraph (1) of Article (35) of the Rules of Operation for the Zakat, Tax, and Customs Committees, the Committee decided to adjudicate the lawsuit in light of the documents available to it.

On Thursday, 14/08/1446 AH, corresponding to 13/02/2025 AD, at exactly 03:35 PM, the Customs Appeal Committee in Riyadh held its hearing via Video conferencing in accordance with remote visual litigation procedures; based on what was stated in item number (1) of Article fifteen of the rules of operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH; to consider the appeal submitted by (.....) against Decision No. (CFR-2024-230029) dated 25/04/2024 AD, issued by the 1st First Instance Customs Committee in Riyadh. After reviewing the case file and the appeal submitted by the appellant, the Committee decided to close the pleadings.

Grounds



After reviewing the Unified Customs Law of the Gulf Cooperation Council countries approved by Royal Decree No. (M/41) dated 03/11/1423 AH, and after reviewing the Rules of Operation for the Zakat, Tax, and Customs Committees issued by Royal Decree No. (25711) dated 08/04/1445 AH, and the relevant regulations and laws.

Whereas the appellant was notified of the initial decision on 29/04/2024 AD, and filed an appeal against the decision on 25/05/2024 AD, this entails the Acceptance of the appeal procedurally for being submitted by a person with standing within the prescribed period for its execution pursuant to the provisions of Article (163) of the Unified Customs Law.



And whereas there is no reproach against the reviewing authority for the appeal for adopting the grounds of the decision subject to appeal without addition whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it based on its grounds indicates that it did not find any of the challenges directed against it worthy of a response beyond what those grounds contained. This conclusion is not undermined by the defenses submitted by the appellant establishment, which do not alter the outcome reached in the appealed decision. This is because the discrepancy in laboratory results does not affect the fact that the percentage exceeded the permissible limit of (5%). As the grounds of the decision subject to appeal are sufficient to support its ruling, it is necessary to determine that the submitted defenses have no effect on the outcome of the decision, rendering the appeal without supporting grounds and must be rejected. Consequently, the Committee unanimously concluded to report the following:

Decision

- 1- **First:** Acceptance of the appeal procedurally, submitted by / against the initial decision No. (CFR-2024-230029), issued by the 1st First Instance Customs Committee in Riyadh.
- 2- **Second:** The appeal is rejected on the merits, and the initial decision is upheld in all that it ruled, for the reasons and grounds stated in this decision.



Detailed Principles Index

Principle No.	The subject	The principle
Procedural Principles		
1	Cancellation of the Importer's Commercial Registration	The cancellation of the commercial registration of the importing establishment does not exempt it from its obligations prior to the date of cancellation.
2	Petition for Reconsideration as an Exceptional Course in the Review of Judgments	A petition for reconsideration shall only be filed within narrow frameworks observed by the regulator, within which the methods for reviewing definitive judicial judgments or decisions are determined within the limits and scope of this matter. It is deemed an exceptional course in the path of reviewing judicial judgments to rectify errors or specific procedures executed non-compliantly with the Law.
3	What is Issued in a Lawsuit Does Not Constitute a Ruling on Another	Each lawsuit is founded upon its own facts, documents, and specific circumstances; what is issued in another lawsuit shall not be deemed a ground for altering the decision.
4	Res Judicata Effect in Previously Adjudicated Lawsuits	A lawsuit that has been previously adjudicated by a final judgment may not be considered once the judgment acquires the force of <i>res judicata</i> , provided there is identity in the subject matter, cause of action, litigants, and their capacities.
5	Admissibility of Evidence in Criminal Matters is Not Restricted to Specific Methods	In criminal matters, evidence is not required to be restricted to specific methods.
6	Evidentiary Basis Relied Upon in Customs Smuggling	It is not necessary for the evidence upon which a conviction decision for smuggling is based to conclusively determine every single detail of the lawsuit independently. This is because the established rule in proving such facts is that the evidence must be corroborative and mutually reinforcing, collectively forming the conviction of the body adjudicating the lawsuit.



		Consequently, it is improper to dispute each piece of evidence individually in isolation from the remaining documents, evidence, and presumptions; rather, it suffices for the evidence and presumptions in their entirety to lead to forming the conviction of that body, establishing its certainty and reassurance. This is because the criminalized act, in its reality, does not merely constitute holding the importer liable for violating the undertaking made by it.
7	Adopting the Grounds of the Decision Subject to Appeal	There is no reproach against the reviewing authority for the appeal for adopting the grounds of the decision subject to appeal without addition whenever it deems these grounds sufficient to dispense with introducing anything new; because upholding it based on its grounds indicates that it did not find any of the challenges directed against it worthy of a response beyond what those grounds contained.
8	Immunity of an Appellate Decision and Statutory Limitations	A Customs Committee's decision that has not been announced as issued pursuant to the statutory requirement—where the announcement was limited to a request to attend a hearing only—precludes the decision from attaining immunity with respect to the statutory periods prescribed for filing objections.
9	Joinder of Issue Between Plaintiff and Defendant	Issue is not joined between the plaintiff and the defendant except after notification is served through statutory methods.
10	Interruption of the Statute of Limitations	Statutory limitation periods are interrupted if the filing period of the lawsuit is interspersed with a series of procedural actions.
11	The Right to File a Petition for Reconsideration for a Person Not Joined in the Lawsuit Where the Judgment Constitutes Res Judicata Against Them	Any person against whom a judgment constitutes <i>res judicata</i> , and who was not joined or did not intervene in the lawsuit, has the right to file a petition for reconsideration against final judgments.
12	Claims Not Directed Face-to-Face Against the Importer Do Not Interrupt Limitation Periods	A letter addressed to the Authority is not deemed a claim that interrupts the statute of limitations; this is because a claim must be directed face-to-face against the importer.



13	The Correct Course of Action Upon Discovering Documents During the Course of Pleading	If documents are discovered or identified during the course of pleading, the correct course of action is to present them through defenses and oral arguments, and not by means of a petition for reconsideration. This is because a petition is an exception to the rule of <i>res judicata</i> of judgments; and it is legally established that the fraud or misrepresentation justifying a petition must be hidden and unknown to the petitioner during the consideration of the lawsuit, and could not have been refuted or uncovered by them at the time.
14	The Adjudicating Body Centers on Examining Compliance with Procedural Restrictions Before the Merits	The adjudicating body is concerned, in the first instance, with examining compliance with procedural restrictions, as it is a condition for the procedural acceptance of the lawsuit (<i>in form</i>), prior to moving forward to examine the existence of the right on the merits (<i>in substance</i>).
15	Failure to Determine the Receipt Date of a Default Judgment Affects the Petition	If the initial decision fails to determine the date of receipt of the default judgment subject to the petition for reconsideration, the initial decision shall be overturned.
16	A Petition for Reconsideration is Founded Exclusively Upon Grounds Pertaining to the Judgment Itself	A petition for reconsideration shall only be founded upon grounds pertaining to the judgment itself, and not upon what has not been adjudicated.
Substantive Principles		
17	Doubt is Interpreted in Favor of the Accused	Doubt is interpreted in favor of the accused, and judgments are built upon absolute certainty and conviction, not upon doubt.
18	Lapse of Criminal Lawsuit in Light of Proven Royal Amnesty	The penalty issued by the Committee against the accused in criminal cases lapses in light of the verification that they are covered by the Royal Amnesty.
19	The World Customs Organization (WCO) is Deemed the Technical Reference Body	The World Customs Organization (WCO) is deemed the qualified and competent technical body to determine the correct tariff item for commodities; consequently, its opinion



		must be adopted regarding the classification of goods under the Harmonized System (HS).
20	Presumption of Interpreting Facts in Favor of the Taxpayer	The established rule in customs adjudication is the presumption of interpreting facts in favor of the taxpayer.
21	Imprisonment Penalty as a Custodial Penalty	Imprisonment is deemed a custodial penalty whose effects extend beyond the convicted person; consequently, this entails that the Appeals Committee shall disregard the Public Prosecution's request due to its lack of substantive grounds necessary to examine and investigate the Public Prosecution's request to imprison the accused.
22	Authority of the Adjudicating Body in the Characterization of Facts	The proper application of the Law is a mandatory duty upon the body adjudicating the lawsuit, which it shall rule upon <i>sua sponte</i> (of its own motion) without requiring a request from the litigants. Therefore, the adjudicating body maintains broad discretion in assessing the facts, assigning them their proper description, and legally characterizing them correctly without being bound by the characterization of the prosecution or the adversary. This is executed in light of its established conviction and the state of the evidence and inferences deduced therefrom, relying on them and adopting them as a foundation for its ruling, provided that the relevant records within the case file do not contradict the conclusions reached and upon which its conviction was established to settle the dispute, and that its inference is sound and leads to the concluded outcome.
23	The Act Constituting the Crime of Customs Smuggling	The act constituting the crime of customs smuggling is manifested in the importation or attempted importation of a consignment without completion of its clearance by the competent authority.
Restrictions / Qualifying Conditions		
24	Imposition of Penalty in Customs Smuggling	The imposition of this penalty is linked, in its existence or non-existence, to the extent to which the means of transport itself



		was utilized to smuggle the seized materials, such as modifying hidden compartments or pockets within the means of transport to be used for smuggling based thereon.
25	Confiscation of Seized Goods if Entry is Non-Statutory	The confiscation of seized goods shall not be precluded for any person who failed to import them through statutory methods.
26	Effect of Objection on the Execution of a Decision	An objection directed against the method of executing a customs decision issued by the Customs Committee, rather than against the decision itself, does not nullify the fine imposed thereunder.
27	Absence of Alterations to the Means of Transport Nullifies its Confiscation	If it is not proven that an alteration was made to the means of transport for customs smuggling, this shall nullify the confiscation of the means of transport if it is seized.
28	What is Deemed Equivalent to Customs Smuggling	Possession of restricted goods without providing supporting evidence substantiating their lawful importation is deemed equivalent to customs smuggling.
29	Possession of Restricted Goods Without Providing Proof of Lawful Importation is Deemed Equivalent to Customs Smuggling	Regarding restricted goods, if the quantity seized with a person is of a commercial nature and they fail to provide proof of its lawful importation, this confirms that it is smuggled.
30	Calculation of the Prescribed Periods for the Inadmissibility of a Lawsuit	The calculation of the prescribed periods for the inadmissibility of a lawsuit (<i>due to the lapse of time</i>), and the determination of the event upon which the limitation period is calculated, are deemed substantive matters. The body adjudicating the lawsuit maintains the right to assess and deduce the understanding of its facts to determine the event from which the calculation of the period commences, upon the expiration of which the prescribed period for the inadmissibility of a lawsuit objecting to a collection decision lapses, as this constitutes a question of fact.

Customs Duties



31	Grievance Against Customs Duty Discrepancies	The stabilization of legal positions and the preservation of the administrative and financial conditions intended by prescribing a specific period for filing a grievance against collection decisions before the Authority, and objecting to them before the customs judiciary, must be applied pursuant to the organizing texts. This applies in cases where the text is enforced upon situations matching its parameters and conditions, which are manifested in the Authority's issuance of a decision rejecting the objection and calculating the thirty-day period based thereon, or its complete failure to issue a decision regarding the fate of the grievance submitted before it concerning the disputed duty discrepancies, thereby constituting an implicit rejection. This was not the case regarding how the Authority handled the grievance and decided its fate.
32	Doubt is Interpreted in Favor of the Person Liable for Payment of Customs Duties	Doubt is interpreted in favor of the person liable for the payment of customs duties in their lawsuit.
33	Irrelevance of Internal Correspondences in Customs Classification	In the customs classification of tariff items, there is no consideration for reviewing the original internal correspondences between the Authority's departments to verify and confirm the validity of the statement, provided that it is issued by the same entity; Customs is deemed the technical administration concerned with customs classification.
34	The Customs Authority is Deemed the Technical Administration	If the taxpayer fails to provide the supporting documents that substantiate the correctness of the classification of the tariff items subject of the lawsuit, such classification shall not be deemed effective. The Customs authority is deemed the technical administration qualified to determine the imported item; consequently, the classification is not affected by a mere objection filed against it.



35	The Determining Factor for the Validity of the Actual Imported Goods	The determining factor for the validity or invalidity of the actual imported goods is the consignment identifier (item code/ID), and not the description.
36	The Ultimate Objective for the Harmonized System Tariff Item	The ultimate objective centers on the Harmonized System (HS Code) for the customs tariff item being a single, identical number matching its customs duty rate; as for the method of description, it may carry a similar meaning while deviating from the precise wording, and this does not invalidate the appellant's right to a duty refund as long as all information is identical.
37	Submission of Technical Descriptions in Characterization	If the appellant fails to provide the technical descriptions through which it is proven that the imported goods are different from the Customs' characterization, this shall entail the rejection of the appeal.
38	Discrepancy in Laboratory Results	The discrepancy in laboratory results does not affect the fact that the percentage of diesel exceeded the permissible limit of (5%).

