

WORLD TRADE ORGANIZATION

RESTRICTED

G/SCM/Q2/VEN/4

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Committee on Subsidies and Countervailing Measures

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SUBSIDIES

Questions from CANADA Regarding the New and Full Notification of VENEZUELA¹

The following communication, dated 7 October 1996, has been received from the Permanent Mission of Canada.

Questions

I. Income Tax Exemption for Export Profits:

In point 8 (Duration of the subsidy), Venezuela's notification indicates that the income tax exemption programme "... is to run 10 years from the entry into force of the Law (1991), but the National Executive may extend or shorten the period or modify the measure as it deems fit. For legal entities established after the entry into force of the Law, the ten-year period will run from the beginning of their operations".

1. Is the Income Tax Exemption for Export Profits offered to all economic sectors including agriculture? Does Venezuela have any intention of extending the programme to cover new products?
2. Does Venezuela have any plans to phase out this programme given that there is no scheduled termination date?

¹G/SCM/N/3/VEN.