

(5) The term “foreign country” means any country or territory, excluding the United States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, American Samoa, Guam, the Virgin Islands, and other territories or possessions of the United States.

(6) The term “personal property” means any item of personal property, including automobiles, computers, boats, audio and video equipment, and any other items acquired for personal use, but excluding items of minimal value as determined by regulation or policy issued pursuant to section 4343 of this title.

(7) The term “profit” means any proceeds (including cash and other valuable consideration but not including amounts of such proceeds given as charitable contributions) for the sale, disposition, or assignment of personal property in excess of the basis for such property. For purposes of this chapter, basis shall include initial price, inland and overseas transportation costs (if not reimbursed by the United States Government), shipping insurance, taxes, customs fees, duties or other charges, and capital improvements, but shall not include insurance on an item while in use, or maintenance and related costs. For purposes of computing profit, proceeds and costs shall be valued in United States dollars at the time of receipt or payment, at a rate of exchange as determined by regulation or policy issued pursuant to section 4343 of this title.

(Aug. 1, 1956, ch. 841, title III, § 301, as added Pub. L. 100-204, title I, § 186(a), Dec. 22, 1987, 101 Stat. 1366; amended Pub. L. 109-435, title VI, § 604(f), Dec. 20, 2006, 120 Stat. 3242.)

#### AMENDMENTS

2006—Par. (1)(B). Pub. L. 109-435 substituted “Postal Regulatory Commission” for “Postal Rate Commission”.

#### EFFECTIVE DATE

Pub. L. 100-204, title I, § 186(b), Dec. 22, 1987, 101 Stat. 1368, provided that: “This section [enacting this chapter] shall take effect 180 days after the date of enactment of this Act [Dec. 22, 1987].”

#### TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

### § 4342. Limitations on disposition of personal property

#### (a) General rule

Except as authorized under subsection (b), employees or members of their family shall not sell, assign, or otherwise dispose of personal property within a foreign country which was imported into or purchased within that foreign country and which, by virtue of the official status of the employee, was exempt from import limitation, customs duties, or taxes which would otherwise apply.

#### (b) Approval by chief of mission

The chief of mission to a foreign country, or a designee of such chief of mission, is authorized

to approve within that foreign country sales, assignment, or other dispositions of property by employees under the chief of mission’s jurisdiction (as described in section 3927 of this title) to the extent that such sale, assignment, or other disposition is in accordance with regulations and policies, rules, and procedures issued pursuant to section 4343 of this title.

#### (c) Violation

Violation of this section, or other importation, sale, or other disposition of personal property within a foreign country which violates its laws or regulations or governing international law and is prohibited by regulations and policies, rules, and procedures issued pursuant to section 4343 of this title, shall be grounds for disciplinary action against an employee.

(Aug. 1, 1956, ch. 841, title III, § 302, as added Pub. L. 100-204, title I, § 186(a), Dec. 22, 1987, 101 Stat. 1368.)

#### EFFECTIVE DATE

Section effective 180 days after Dec. 22, 1987, see section 186(b) of Pub. L. 100-204, set out as a note under section 4741 of this title.

### § 4343. Regulations

#### (a) Issuance; purpose

The Secretary of State may issue regulations to carry out the purposes of this chapter. The primary purpose of such regulations and related policies, rules, and procedures shall be to assure that employees and members of their families do not profit personally from sales or other transactions with persons who are not themselves entitled to exemption from import restrictions, duties, or taxes.

#### (b) Contractors

Such regulations shall require that, to the extent contractors enjoy importation or tax privileges in a foreign country because of their contractual relationship to the United States Government, after the effective date of this chapter contracting agencies shall include provisions in their contracts to carry out the purpose of this chapter.

#### (c) Chief of mission

In order to ensure that due account is taken of local conditions, including applicable laws, markets, exchange rate factors, and accommodation exchange facilities, such regulations may authorize the chief of mission to each foreign country to establish more detailed policies, rules, or procedures for the application of this chapter within that country to employees under the chief of mission’s jurisdiction.

(Aug. 1, 1956, ch. 841, title III, § 303, as added Pub. L. 100-204, title I, § 186(a), Dec. 22, 1987, 101 Stat. 1368.)

#### REFERENCES IN TEXT

For the effective date of this chapter, referred to in subsec. (b), as being 180 days after Dec. 22, 1987, see section 186(b) of Pub. L. 100-204 set out as an Effective Date note under section 4341 of this title.

#### EFFECTIVE DATE

Section effective 180 days after Dec. 22, 1987, see section 186(b) of Pub. L. 100-204, set out as a note under section 4741 of this title.