Product	Type of Restriction	Estimated Impact on U.S. Trade	Trade Agreement Status	Remarks
Valuation and Taxes (Continued)				
Automobiles	Annual Usage Tax	Significant, 1966 imports from U.S. $7.9 million. Est. of increase not possible	Legal and negotiable, item bound	Amount of tax depends on fiscal horsepower & age of vehicle. Standard U.S. cars fall in the highest "special rate" bracket. Highly progressive rates seriously restrict sales of larger U.S. cars.
Most Imports	"Value Added Tax"(TVA) Standard rate: 25% of duty paid value. Rate will become 20% as of Jan. 1, 1968 following Gvt. reform of TVA.	Believed to be severe, but estimate of increase not possible	Legal 1/ and negotiable	Tax intended to compensate for taxes levied on similar goods when produced and sold domestically. Inclusion of duty in value base inflates tax.
All Imports	Customs Stamp Tax, 2% of customs charges	Not significant	Legal - affects bound items	Tax is levied by French customs on duty plus taxes-excluding TVA tax. As result of U.S. representations, tax was reduced from 3 to 2 percent as of 1/1/61, a level consistent with GATT.
Health, Sanitary and Safety Restrictions				
Pharmaceutical products	Approval of French Ministry of Public Health required on both domestic and imported items	Significant, 1966 imports from U.S. $1.8 million. Est. of increase not possible	Legal but not negotiable	Purpose of the regulation is to protect the public health.

1/ There are some features of this tax which may conflict with GATT provisions.