



Black Marketing



What Is Black Marketing?

Black marketing is the illegal transfer of duty-free goods to unqualified people. It's a rule implemented by USFK in part to comply with our Status of Forces Agreement with Korea, which requires us to make reasonable and practical efforts to prevent unqualified people from obtaining duty-free goods.

What's a transfer? A sale or gift. *What are duty-free goods?* Goods imported into Korea or purchased in Korea free of duty (tax-free). For instance, it's applesauce at the commissary, a television from the P/X/, and your car that was shipped from California. *Who's unqualified?* Anyone not covered by the Status of Forces Agreement. This means, practically, anyone who's not able to walk onto post and buy stuff at the commissary by himself or herself. So it includes Korean civilians who don't work for the U.S. government, Filipino dancers, and your cousin who's visiting from Barstow.

Does This Mean That All My Gifts To Korean Friends Must Be Bought On The Local Economy?

Nearly. There's a limited exception to the above prohibition for some gifts under \$50 in value. But this limited exception doesn't apply to anything purchased from a DoD commissary, cigarettes, duty-free goods purchased from a NAF alcoholic beverage outlet, subsistence items (meat, dairy, vegetables, water, bread...) from AAFES, and firearms. The exception does, however, apply to meals, so you can buy inexpensive, infrequent lunches for friends or co-workers.

Don't let this discourage you from being a generous guest. That is, giving your Korean host or hostess a box of candy is probably not black-marketing. Just don't run away with it. Purchasing ten bags of candy to give to ten different Korean hosts or hostesses is probably not acceptable, and it very likely would lead to an investigation to determine whether you are black-marketing duty-free goods.

Why is Black Marketing Such a Big Deal?

Several reasons. First, it reduces the amount of goods available for fellow service members in Korea. Second, the U.S. government subsidizes those goods to get them here and provide them to you at duty-free prices, and taxpayers don't mean for anyone other than you to take advantage of that. Third, it reduces Korea's tax revenue.

What Should I Do If Someone Asks Me To Help Him or Her Black-Market?

First, refuse the person's request. Then, report known or suspected black-marketing activity to the manager of the AAFES facility, the installation law enforcement office or call the Black Marketing Hot Line at DSN—730-5118 or COM 02-7918-5118.

Where Can I Get Information Concerning The Proper Way To Transfer Goods Here In Korea?

You should contact the ration control office at Camp Casey (730-3424) or Camp Red Cloud (732-6508) for information regarding the proper way to transfer duty-free goods to those who do not have access to such goods.

	Camp Casey Legal Maude Hall Rm. 235, 730-3660	
<i>This information paper is one of a series of informative handouts containing general information on topics that legal assistance attorneys frequently advise on. Information provided is general in nature and does not constitute legal advice. Consult an attorney for specific legal advice for your particular situation. This information paper is distributed to persons eligible for legal assistance under 10 USC 1044.</i>		