

➤ **Q: How to penalize those tax evaders by means of smuggling?**

A: Those smuggling goods and articles and evading taxes that constitutes an offence shall be penalized as follows:

- a. Those evading tax payable over 500000 yuan shall be imposed a penalty of minimum 10 years in jail or life imprisonment and a fine of 1 to 5 times the tax evaded or confiscation of property. In very serious cases, a penalty of life imprisonment or death penalty and confiscation of property shall be imposed.
- b. Those evading tax payable of 150000yuan to 500000 yuan shall be imposed a penalty of 3 to 10 years in jail and a fine of 1 to 5 times the tax evaded. In very serious cases, a penalty of minimum 10 years in jail or life imprisonment and a fine of 1 to 5 times the tax evaded or confiscation property shall be imposed.
- c. Those evading tax payable of 50000 yuan to 150000 yuan shall be imposed a penalty of maximum of 3 years in jail or provisional apprehension and a fine of 1 to 5 times the tax evaded.

Where the units commit the above offence, the units shall be impose fines and the chief person and other staff directly responsible for that shall be imposed a penalty of maximum 3 years in jail or provisional apprehension. In serious cases, a penalty of 3 to 10 years in jail shall be imposed, and in very serious cases, a penalty of minimum 10 ears in jail shall be imposed.

The smuggling for several times without treatment shall be penalized on basis of the accumulated amount of tax evaded on smuggling goods and articles.

Besides, the same penalty shall be imposed on those who, without permit by the customs and payment of the tax payable, sell at discretion in China for profits the bonded goods of the raw materials, part, products and equipment permitted for importation for contract processing, imported parts assembling and compensated trade, and the goods and articles imported at reduced tariff or free from tariff, which constitutes an offence.

For the above offences with small amount of tax or tariff involved, the customs shall confiscate the smuggled goods, articles and illegal profits, and may impose a fine.

The copyright and/or other intellectual property rights of China Business Engine including related text, images, charts, sound, animation, and videos, and their arrangement on the China Business Engine website, are protected by copyright and other protective laws.