

Regulations of the People's Republic of China on Import and Export Duties

Chapter I General Provisions

Article 1. This set of regulations is formulated in line with the related provisions of the Customs Law of the People's Republic of China (hereinafter referred to as the Customs Law) to implement the policy of opening up and promote the development of the country's foreign economy and trade and national economy.

Article 2. The Customs shall levy import and export duties in accordance with the provisions of this set of regulations on goods that are allowed to be imported into or exported from the People's Republic of China and on articles entering into China, unless otherwise specified in laws and administrative regulations.

Article 3. Tariff headings, tariff lines and tariff rates specified in the Customs Import and Export Tariff of the People's Republic of China (hereinafter referred to as the Customs Tariffs) and Table of Tariff Rates of Import Duties of the People's Republic of China of Entry Articles (hereinafter referred to as the Table of Tariff Rates of Import Duties of Entry Articles) drafted by the State Council are an integral part of this set of regulations.

Article 4. The State Council establishes a Tariff Commission, responsible for the following matters: handling the adjustment made to and interpretation of tariff headings, tariff lines and tariff rates of the Customs Tariffs and the Table of Tariff Rates of Import Duties of Entry Articles, and the implementation, subject to approval by the State Council; making decisions on goods on which temporary tariff rates are to be applied, the tariff rates to be applied, and period of application of the temporary tariff rates; determining tariff rate quota; determining whether or not to levy anti-dumping duties, countervailing duties, safeguard duties, retaliatory duties, and other measures with regard to duties; determining the application of tariff rates under exceptional circumstances; and other roles specified by the State Council.

Article 5. The Consignee of imported goods, consignor of export goods, and owner of entry articles are parties held liable for paying customs duties.

Article 6. Customs and its staff shall implement the duty of collection of customs duties in line with their delegated power and legal procedures, protect the national interests, safeguard the lawful benefits of taxpayers, and accept supervision according to laws.

Articles 7. Taxpayers are entitled to the right of requesting the customs to treat their business secrets as confidential, and the customs shall implement the duty of confidentiality for taxpayers in accordance with the law.

Article 8. Customs shall grant rewards to units and individuals reporting of or assisting in the 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.

investigation of acts in violation of the provisions of this set of regulations and be responsible for maintaining confidentiality.

Chapter II Establishment and Application of Tariff Rates of Import and Export Goods

Article 9. Import duties are categorised as Most Favoured Nation (MFN) tariff rate, contractual tariff rate, preferential tariff rate, normal tariff rate, TRQ rate and others. Temporary tariff rate may be applied to imported goods within a specified period of time.

Export duties are in the form of export tariff rate, and temporary tariff rate may be applied to export goods within a specified period of time.

Article 10. MFN tariff rate shall be applied to imported goods originated from other WTO members who are applicable to MFN treatment in a collective manner, to imported goods originated from countries or regions with which the People's Republic of China has signed bilateral trade agreements containing provisions of granting mutual MFN status, and to imported goods originated from within the People's Republic of China.

Contractual tariff rate is applicable to imported goods originated from countries or regions with which the People's Republic of China has signed regional treatment agreements containing provisions of preferential tariff rates.

Preferential tariff rate is applicable to imported goods originated from countries or regions with which the People's Republic of China has a signed trade agreement containing provisions on special preferential tariff rates.

Normal tariff rate is applied to imported goods originated from countries or regions not listed in paragraphs 1, 2, and 3 of this article and to imported goods for which the place of origin is unclear.

Article 11. In cases where imported goods, to which MFN tariff rate is applicable, are subject to temporary tariff rates, the temporary tariff rate shall apply. In cases where imported goods, to which contractual tariff rate or preferential tariff rate is applicable are subject to temporary rate, the lower tariff rate shall apply. Imported goods subject to normal tariff rate are not subject to temporary tariff rate.

In cases where export goods, to which export tariff rates are applicable are subject to temporary tariff rate, the temporary tariff rate shall apply.

Article 12. For import goods subject to TRQ administration as specified by the State, the TRQ rate will be applied within the tariff rate quota, and the provisions of article 10 and 11 of this set of regulations shall come into play in terms of the application of tariff rate of imported goods going beyond the tariff rate quota allowed.

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Article 13. In cases where anti-dumping, countervailing or safeguard measures are used against imported goods according to the provisions of related laws or administrative regulations, the application of tariff rate shall be determined in line with the relevant provisions of the Regulations of the People's Republic of China on Anti-dumping, Regulations of the People's Republic of China on Countervailing Measures, and the Regulations of the People's Republic of China on Safeguard Measures.

Article 14. In cases where any country or region violates the provisions of trade agreements and related legal instruments signed with China or to which it and China are parties by adopting prohibitive, restrictive or levying extra tariff duties or other measures affecting normal trade against the People's Republic of China, retaliatory customs duties may be levied on imported goods originated from the said country or region and the retaliatory tariff rate will be used.

Measures governing goods subject to retaliatory customs duties, country or region of application, tariff rate, period, and method of levy shall be determined and published by the State Council Tariffs Commission.

Article 15. Imported and exported goods are subject to the tariff rate applied on the day when the customs accepts declaration for import or export of the goods.

The tariff rate applied on the day when the vehicles transporting imported goods declare for entry will be used in cases where the customs approves that customs declaration could be made before the arrival of imported goods.

Date of application of tariff rate for transit goods will be worked out by the Customs General Administration separately.

Article 16. In cases where duties are to be paid under any of the following circumstances, the tariff rate applied on the day when the customs accepts declaration for handling of formalities related to the payment of duties shall be used:

1. bonded goods are not transported away from the country after obtaining approval;
2. goods enjoying duty reduction or exemption are transferred to others or for other uses upon approval;
3. goods that are allowed to be transported into the country temporarily are not transported away from the country after obtaining approval, and goods that are allowed to be transported away from the country temporarily are not transported into the country any longer after obtaining approval to do so;
4. in the case of paying duty in stages for importation of leased goods.

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Article 17. In the case of levying and returning duty for import and export goods, the provisions of article 15 or 16 of this set of regulations shall be used to determine the tariff rate applicable.

Chapter III Determination of Customs Value of Import and Export Goods

Article 18. Customs value of imported goods is determined by the customs according to the transaction value conforming to the terms and conditions in article 3 of this set of regulations and on the basis of the transportation and related fees and insurance of the goods up to the point they are to be unloaded at the destination within the People's Republic of China.

Transaction value of imported goods refers to the total amount of money paid or to be paid by the buyer to the seller for the importation of the goods into the People's Republic of China, and having being adjusted in line with the provisions of articles 19 and 20 of this set of regulations, including both directly paid amount and indirectly paid amount.

Transaction value of imported goods shall conform to the following terms and conditions:

1. no limits on the disposal or use of the goods by the buyer, except restrictions specified by the law and administrative regulations, restrictions on the areas where the goods mentioned could be resold, and restrictions having no material influence on the price of goods;
2. transaction value of the goods not identifiable due to bundle sales or other factors;
3. seller is not allowed to obtain any benefits generated from the resale after importation, disposal or use of the goods directly or indirectly, or in cases where there are benefits, the benefits have been undergoing adjustment in line with the provisions of articles 19 and 20 of this set of regulations;
4. there is no special relationship between the seller and buyer, or the existing special relationship between the two parties exercises no influence on the transaction price;

Article 19. The following fees shall be included in the customs value of imported goods:

1. commission and brokerage fee except purchase commission to be borne by the buyer;
2. fees for containers borne by the seller that are considered to be an integral part of the goods sold in the course of examining and identifying customs value of the goods;
3. expenses of packaging materials and packaging labour fees borne by the seller;
4. money for parts, tools, moulds, consuming materials and similar goods provided by the seller free of charge or below the cost and capable of being amortized with appropriate percentages, which are 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.

related to the production of the goods and to the sales of the goods within the People's Republic of China, as well as expenditure incurred for the related services of overseas development and design;

5. royalties related to the goods and to be borne by the seller, which serves as a condition for the sale of the goods within the People's Republic of China;

6. benefits obtained by the seller from the buyer directly or indirectly from the resale, disposal, or use of goods after importation.

Article 20. The following taxes and fees clearly specified in the price of goods for importation are not included in the customs value of the goods:

1. fees with regard to the construction, installation, assembling, servicing and technical services provided to goods, such as workshops, machinery, equipment etc., after importation;

2. transportation fees and related fees and insurance of imported goods that have arrived at the destination within China and have been unloaded;

3. import duties and domestic taxes.

Article 21. In cases where the transaction value of the imported goods does not conform to the terms and conditions specified in paragraph 3 of article 18 of this set of regulations, or the transaction value is not able to be identified, the customs shall, after acquiring the relevant information and consulting with the taxpayer on the value, evaluate the customs value of the goods in line with the following sequencing:

1. transaction value of the same goods that are sold into the People's Republic of China at the same time or at approximately the same time;

2. transaction value of similar goods that are sold into the People's Republic of China at the same time or at approximately the same time.

3. unit price of the said imported goods, same goods or similar goods that are sold to buyers without a special relationship with the seller in the maximum quantity at the first level of sales links, which occurred at the same time or approximately at the same time as the importation of the goods; however, items stipulated in article 22 of this set of regulations shall be deducted;

4. calculating the price according to the summation of the following items: cost of materials used to produce the goods and processing fee, profits and normal expenses of selling the same grade or same type of goods into the People's Republic of China, transportation, related fees and insurance fees of the goods after arriving at the destination within China but before unloading;

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5. price valued using reasonable methods.

Taxpayers, after providing related materials to the customs, may apply to reverse the order of application of items 3 and 4 of this article.

Article 22. Items that are deducted as specified in item 3 of paragraph 1 of article 21 of this set of regulations in determining the customs value refer to:

1. normal profits and fees of the same grade or same type of goods sold within the People's Republic of China at the first level of sales links, and commission paid under normal conditions;
2. transportation and related fees and insurance incurred after the unloading of imported goods that have arrived at their destination within China;
3. import duties and domestic taxes.

Article 23. In terms of goods imported by means of leasing, the customs value will be the rental of the goods examined and identified by the customs.

In cases where the taxpayer requests to pay the duties in one go; he may choose to evaluate the customs value in line with the provisions of article 21 of this set of regulations, or take the total rental identified by the customs as the customs value.

Article 24. For goods that are transported overseas for processing and have been declared to the customs, specifying that the goods would be transported into the country within the period set by the customs, the customs value of the goods will be identified on the basis of the overseas processing fees, cost of materials, transportation cost and related fees and insurance fees incurred during the course of transporting the said goods back into the country.

Article 25. For machinery and devices, transportation vehicles, or other goods that are transported out from the country to undergo reparation and have been declared to the customs that they would be transported back into the country within the period of time specified by the customs, the customs value will be identified on the basis of the overseas reparation fees and cost of materials.

Article 26. Customs value of export goods will be identified by the customs on the basis of the transaction value of the goods and the transportation, related fees and insurance fees of the goods arriving at the departure point within the People's Republic of China but before loading.

Transaction value of export goods refers to the total amount of money charged by the seller to the buyer directly or indirectly for the exportation of the goods at the time of exportation.

Export duties are not included in the customs value.

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Article 27. In cases where the transaction value of export goods cannot be identified, the customs, after acquiring the relevant information and consulting with the taxpayer on the value, shall evaluate the customs value of the goods in line with the following sequence:

1. transaction value of the same goods that are exported to the same country or region at the same time or at approximately the same time;
2. transaction value of similar goods that are exported to the same country or region at the same time or at approximately the same time;
3. calculating the price according to the summation of the following items: cost of materials used to produce the goods and processing fee for the same or similar goods produced within China, normal profits and expenses, transportation, related fees and insurance fees of the goods occurred within China;
4. price valuated using reasonable methods.

Article 28. Cost, fees and taxes that are included or not included in the customs value as stipulated in this set of regulations shall be based on objective and quantifiable data.

Chapter IV Levy of Duties of Import and Export Goods

Article 29. Taxpayers of import goods shall, within 14 days of the declaration of entry of transportation vehicles, declare to the custom. Taxpayers that export goods shall declare to the customs after the arrival of the goods at the area under the customs supervision and 24 hours before the loading, except taxpayers of export goods who have been approved by the customs.

In cases where the export goods are to be transported from one customs area to another, the provisions of the Customs General Administration shall be followed.

Before the arrival of the imported goods, taxpayers, upon ratification by the customs, may declare beforehand. The detailed measures will be worked out by the Customs General Administration.

Article 30. Taxpayers shall declare to the customs according to the facts in line with laws and provide materials needed in the identification of customs value, commodities categorisation, place of origin, and initiation of anti-dumping, countervailing and safeguard measures as requested in the provisions of the customs. In cases of necessity, the customs may request the taxpayers to make up for the declaration.

Article 31. Taxpayers shall categorise the goods declared for import and export in line with the articles of the catalogue of the Customs Tariffs, and the general provisions, category explanatory note, chapter explanatory note, sub-item explanatory note, and other categorisation explanatory notes of 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.

categorisation, and list the goods under the corresponding tariff lines, and the customs shall check and verify the commodities categorisation of the goods in question in accordance with the law.

Article 32. Customs may request the taxpayers to provide related materials needed to identify the commodities categorisation. In cases of necessity, the customs may organise testing and inspection, and hold results of testing and inspection recognized by the customs as a basis for commodities categorisation.

Article 33. The customs may consult and make copies of contracts, invoices, account books, certificate of foreign exchange settlement and payment, bills, business letters and telegraphs, voice and image recording products, and other materials reflecting the relationship and transaction activities of buyers and sellers in order to examine the authenticity and accuracy of the declared value.

In cases where the customs is skeptical of the value declared by the taxpayer and the amount of duties involved is huge, the customs may, subject to the approval from the governor of customs directly subordinated to the Customs General Administration, or from the authorized governor of the customs subordinate to the customs directly subordinated to the Customs General Administration, consult the capital transactions of the institutional bank accounts opened by the taxpayer in question with banks or other financial institutions, on the strength of the letter of notice soliciting assistance in enquiring into bank accounts made by the Customs General Administration in a unified manner and the working identity certificates of the related working staff, and notify the banking regulatory authority of the relevant information.

Article 34. In cases where the customs is skeptical of the value declared by the taxpayers, it shall notify the taxpayer in writing of its reasons for being skeptical, and request the taxpayer to make written explanation and provide related materials within the specified period of time.

In cases where the taxpayer fails to give explanations and related materials within the specified period of time, or the customs still has reason to question the authenticity and accuracy of the declared value, the customs may refuse to accept the declared value and evaluate the customs value in line with the provisions of Chapter III of this set of regulations.

Article 35. In cases where the customs examines and identifies the customs value of the import and export goods, the taxpayer may, in writing, request the customs to provide written explanation concerning how it identifies the customs value of the import and export goods, the customs shall make such written explanations to the taxpayers.

Article 36. Customs duties of import and export goods may be levied by means of ad valorem, specific duties, or otherwise specified by the State.

Calculating formula for ad valorem is: duty payable = customs value x tariff rate;

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Calculating formula for specific duty is: duty payable = quantity of goods x unit tariff

Article 37. Taxpayers shall pay duties to the designated banks within 15 days starting from the day when the customs issues the letter of payment of duty.

In cases where the taxpayers fail to pay the duties within the specified period of time, a late fee of 5/10,000 of the amount of duty which has failed to be paid will be charged on a daily basis, starting from the first day of delay.

The customs may publish the failure of taxpayers to pay duty.

In levying customs duties, late fees, and others, the customs shall print and issue a certificate of payment of duties and the pattern of the certificate will be specified by the Customs General Administration.

Article 38. In levying customs duties, late fees and others, the customs shall collect them in RMB.

In cases where the transaction value and the related fees of the import and export goods are calculated with foreign currencies, the value will be converted into RMB customs value based on the standard base foreign exchange rate published by the People's Bank of China.

In cases where the foreign currency used is not the type specified in the standard base foreign exchange rate, the value will be converted into RMB customs value by means of cross-conversion in line with the related provisions of the State. The date of foreign exchange applicable will be specified by the Customs General Administration.

Article 39. In cases where the taxpayer fails to pay the duties within the specified period of time due to force majeure or under the circumstances where the State is adjusting its taxation policies, they may delay their payment of duties, subject to the approval by the Customs General Administration, with the longest delay of no more than 6 months.

Article 40. In cases where the taxpayers of import and export goods are found to have obvious traces of transferring or concealing dutiable goods and other properties within the period of duty payment, the customs may request the taxpayers to provide guarantee.

In cases where the taxpayers are not able to provide guarantee, the customs may, in line with the provisions of article 61 of the Customs Law, adopt duty safeguard measures.

In cases where the taxpayers or guarantors fail to pay duties after three months upon the expiration of the duty payment period, the customs may, in line with the provisions of article 60 of the Customs Law, adopt compulsory measures.

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Article 41. In cases where the imported materials for processing trade are bonded imported as per the State regulations, and the products manufactured with the materials or imported materials fail to be exported within the specified period of time, the customs shall impose import duties as requested.

In cases where the import duties have been levied on imported materials according to the State regulation for processing trade when they enter into China, and the products manufactured with the imported materials or imported materials are exported within the specified period of time, the customs shall return the duties levied at the time of entry according to the relevant regulations.

Article 42. For the following goods allowed by the customs for temporary entry or exit, the taxpayer shall, at the time of entry or exit, pay a deposit of an equivalent amount to the duty payable or provide other types of guarantee to the customs, without paying duties temporarily; however, the goods shall be transported out of or into the country within 6 months, starting from the day of entry or exit.

In cases where the taxpayer files an application, the customs may, in accordance with the provisions of the Customs General Administration, extend the period of transportation out of or into the country of the goods:

1. goods displayed or used in exhibitions, fairs, meetings or similar activities;
2. articles for performance or contests used in cultural or sports exchanges;
3. devices, equipment or articles used in news reporting, or the shooting of films or television programmes;
4. devices, equipment or articles used in scientific, education, and medical activities;
5. transportation vehicles and special types of vehicles used in activities listed in items 1 to 4 of this article.
6. samples;
7. instruments and tools used in the installation, debugging and testing of equipment;
8. containers for holding goods;
9. other goods not for commercial purposes.

In cases where goods allowed temporary entry as specified in the first paragraph fail to be transported out of the country within the specified period of time, or goods allowed temporary exit fail to be transported into the country within the specified period of time, the customs shall levy duties on them in accordance with the law.

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For other goods allowed temporary entry except those listed in paragraph 1 of this article that are exempted from paying customs duties temporarily, import duties shall be calculated and levied on the basis of the customs value of the goods and the percentage between the time they were detained in China to the time of depreciation. Detailed measures governing this will be worked out by the Customs General Administration.

Article 43. Import duties will not be levied on export goods that are returned without changing state due to quality or specification problems within one year, starting from the day of exportation of the goods.

Export duties will not be levied on imported goods that are transported out of China without changing state due to quality or specification problems within one year, starting from the day of importation of the goods.

Article 44. In cases where the consignor, carrier or insurance company of the import and export goods offers to compensate free of charge for, or change goods that are the same with those which are found to have been damaged, short of the standard, inferior in quality or not conform with specifications, no customs duties are levied on them in the import and export.

In cases where the original import goods to be changed free of charge are not transported out of China or the original export goods are not transported into China, the customs shall levy customs duties on the original import and export goods in line with regulations.

Article 45. Import and export goods listed as follows are exempted from customs duties:

1. a bill of goods for which the customs duty is less than RMB50;
2. advertisement articles and samples without commercial value;
3. materials donated free of charge by foreign governments and international organisations;
4. goods lost before being granted access by the customs;
5. fuels, materials and food and drinks necessary in the course of transportation carried by the entry and exit transportation vehicles.

For goods incurring losses before being granted access by the customs, customs duties may be reduced on the goods on the basis of the damages recognized by the customs.

For goods over which customs duties are exempted or reduced as specified by laws, the customs will grant duty exemptions or reduction in line with the regulations.

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Article 46. The related laws of the State Council shall be followed in reducing or exempting import and export goods of special regions, enterprises or of special uses from paying customs duties either temporarily or otherwise.

Article 47. The provisions of related laws and administrative regulations shall be followed when exempting import goods from taxes of domestic links levied by the customs on the behalf of others or reducing the said taxes.

Article 48. In cases where the taxpayers import or export goods, on which customs duties are exempted or reduced, they shall, unless otherwise specified, go to the customs with the related documents as specified to handle the examination and approval formalities related to the customs exemption and reduction, before the importation and exportation of the goods.

Customs duty exemption or reduction will be granted by the customs upon finding conformity with the competent provisions.

Article 49. In cases where import goods, entitled to duty exemption or reduction whose use is under the supervision of the customs, are transferred or used for other purposes for which customs duties shall be paid, the customs shall calculate the value of the imported goods according to the time of depreciation after importation, and levy import duties on them.

Period of supervision of special goods entitled to duty exemption or reduction will be specified by the Customs General Administration.

Article 50. A taxpayer may apply for return of customs duties within one year upon the payment of customs duties under any of the following circumstances, notify the customs in writing of its reasons, and provide the original certificate of duty payment and related materials:

1. goods for which import duties have been paid are transported out of China without changing state due to quality or specification problems;
2. goods for which export duties have been paid are transported into the country without changing state due to quality or specification problems, and for which taxes of domestic links returned upon exportation have been paid;
3. goods for which export duties have been paid fail to be exported due to certain reasons, and an application has been filed for customs declaration back into the country.

The customs shall verify and notify the taxpayer to handle the return formalities within 30 days upon accepting the application for return of tax.

The taxpayer shall handle the related tax refund formalities within 3 months, starting from the day of 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.

receiving the notice.

In cases where provisions of other related laws and administrative regulations provide for refund of customs duties, the customs shall return the customs duties in line with the competent provisions.

Article 51. In cases where after granting access to import and export goods, the customs discovers that duties are not levied or levied not in its entirety, it shall levy duties on the taxpayer within one year, starting from the day of duty payment or access being granted to goods.

However, if the failure to levy duties partially or entirely is caused by the violation of competent provisions on the part of taxpayers, the customs may pursue and levy duties on the taxpayers within three years, starting from the day of duty payment or access being granted to goods; the customs may also levy a late fee of 5/10,000 of the amount not levied, starting from the day of duty payment or access being granted to goods.

In cases where the customs discovers that duties are not levied at all or only partially on goods under the customs supervision due to the violation of regulations on the part of taxpayers, it shall pursue and levy duties on the taxpayers within three years, starting from the day of duty payment, and also levy a late fee of 5/10,000 of the amount not levied, starting from the day of duty payment.

Article 52. In cases where the customs discovers that it has surcharged duties, it shall notify the taxpayer to handle the related formalities of duty refund.

In cases where a taxpayer discovers overpayment of duties, it may, within one year starting from the day of duty payment, request the customs in writing to return the overpaid duty together with interests accruing on the same amount of current deposits in banks.

The customs shall verify and notify the taxpayer to handle the formalities related to the refunding of the overpaid part within 30 days upon accepting the application for duty refund.

The taxpayer shall handle the related duty refunding formalities within three months upon receiving the notice.

Article 53. In cases where refunding of duty or interest as specified in articles 50 and 52 of this set of regulations involves withdrawing money from the State Treasury, provisions of laws and administrative regulations on the administration of State Treasury shall be followed.

Article 54. In cases where a customs clearing company is commissioned by the taxpayer to handle formalities related to customs declaration and payment of duties and in its own name violates competent regulations and causes the occurrence of not levying customs duties at all or they are not levied in entirety on behalf of the customs, the customs clearing company is held for related liability for payment of duties together with the taxpayer for duties and late fees not levied at all or not levied in its entirety.

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In cases where a customs clearing company accepts the commission of a taxpayer and handles formalities related to the customs clearing and duty payment in its own name, it is held liable for duty payment together with the taxpayer.

With the exception of force majeure, in cases where goods that are under the supervision of safekeeping by customs incur damages or losses, persons held liable for safekeeping of the goods under supervision shall be responsible for the corresponding liability of duty payment.

Article 55. In cases where taxpayers having payable duty undergo merger or division, they shall report to the customs before the merger or division and pay the duty payable.

In cases where taxpayers fail to pay the duty overdue at the time of merger, the juridical person or other organisation formed after merger shall continue to pay the overdue duties.

In cases where the taxpayers fail to pay the overdue duty at the time of division, the juridical person or other organisation formed after the division shall be held liable for the related responsibility for the payment of overdue duty.

In cases where taxpayers undergo merger, division or regrouping of assets during the period when the bonded goods or goods entitled to duty exemption or reduction are under supervision, they shall report to the customs.

In cases where duty is to be paid in line with regulations, they shall pay the duty. In cases where the regulations specify that they are entitled to the treatment of duty exemption or reduction or bonded duty, they shall go to the customs to handle the formalities related to the changing of taxpayers.

In cases where taxpayers who owe duty undergo cancellation, disband, go bankrupt or terminate business in accordance with the law during the period when the bonded goods or goods entitled to duty exemption or reduction are under supervision, they shall report to the customs before liquidation.

The customs shall collect all the overdue duties from the taxpayers in accordance with the law.

Chapter V Levy of Import Duties on Imported Articles

Article 56. Customs duties on imported articles and import links taxes levied by the customs on the behalf of others are combined into import duties and will be levied by the customs in accordance with the law.

Article 57. Importation of self-use articles within the quantity specified by the Customs General Administration is exempted from import duties.

For imported self-use articles beyond the quantity specified by the Customs General Administration but still within a reasonable quantity, the taxpayer of the imported articles shall pay import duties in line with the provisions of regulations before the imported articles are granted access.

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In the case of importing articles in quantities beyond a reasonable level or self-used level, the articles will be taken as imported goods and related formalities shall be followed.

For imported articles for which the State Council Tariffs Commission specifies that duties, subject to goods, are applied, customs duties shall be levied in line with the provisions of Chapters two to four of this set of regulations.

Article 58. Taxpayers of imported articles refer to entry persons carrying the articles into China, the receiver of entering postal articles, and consignee of articles imported by other means.

Article 59. Taxpayers of imported articles may handle the duty payment formalities by themselves, or commission others to handle the formalities on their behalf. Commissioned persons shall abide by the various provisions on taxpayers in this chapter.

Article 60. Ad valorem applies to import duties.

Calculating formula of import duties is: $\text{import duties} = \text{customs value} \times \text{import tariff rate}$

Article 61. The customs shall, in line with the provisions of the Table of Import Tariff Rates of Imported Articles, the Table of Categorisation of the People's Republic of China of Imported Articles and the Table of Customs Value of the People's Republic of China of Imported Articles formulated by the Customs General Administration, categorise imported articles, identify customs value, and tariff rate applicable.

Article 62. Tariff rate and customs value applied on the day when the customs issues the payment of duties is applicable to imported articles.

Article 63. In the case of reduction, exemption, or refunding of import duties and levying of import duties not paid, as well as levying of import duties on imported articles allowed for temporary entry, the related provisions of this set of regulations on levying of import duties on goods shall be referred to in the actual implementation.

Chapter VI Supplementary Provisions

Article 64. In cases where taxpayers and guarantors have objections to the customs identification of taxpayers, customs value, commodities categorisation, place of origin, tariff rate or exchange rate applicable, reduction or exemption from paying duties, levying of duties not paid in the entirety, refunding of duties paid, levying of late fees, method of levy, and place of taxation, they shall pay the duties, but have the right to appeal for reconsideration according to the law to the upper level of customs authority.

If they are not satisfied with the decision of reconsideration, they are entitled to the right of filing lawsuits to the people's court according to the law.

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Article 65. Provisions on levy of customs duties shall be applicable to the administration of levying of import links duties levied by the customs on behalf of another.

Article 66. Violation of this set of regulations will be punished in accordance with the provisions of the Customs Law, Detailed Rules of Implementation of Administrative Punishment of the Customs Law of the People's Republic of China, and other related laws and administrative regulations.

Article 67. This set of regulations shall enter into force as of January 1, 2004 and the Regulations of the People's Republic of China on Import and Export Duties amended and published by the State Council on March 18, 1992 will be abolished at the same time.



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