Customs Law of the PRC

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Chapter I — General Provisions

Article 1 — This Law is enacted for the purposes of safeguarding State sovereignty and interests, strengthening customs supervision and control, promoting economic and trade exchanges and scientific and cultural exchanges with foreign countries, and ensuring the construction of socialist modernization.

Article 2 — The Customs of the People’s Republic of China shall be the State organ responsible for the supervision and control over the entry and exit of means of transport, goods, luggage, postal articles and other articles, the collection of customs duties and other taxes and fees, the investigation and suppression of smuggling, the compilation of customs statistics, and other customs business.

Article 3 — The State Council shall establish the General Administration of Customs to uniformly administer the customs offices throughout the country. The State shall establish customs offices at ports open to foreign countries and at places where customs supervision and control are of a centralized nature. The subordination of one customs office to another shall not be restricted by administrative divisions. Customs offices shall exercise their functions and powers independently in accordance with the law and shall be

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responsible to the General Administration of Customs.

Article 4 — The State shall set up special customs offices or dispatch customs officers at offices of the State Council that are established at ports to carry out customs supervision and control at the ports in accordance with the relevant provisions. The relevant administrative departments shall provide cooperation and assistance. The provisions of this Law on the functions and obligations of customs offices shall apply to the special customs offices and customs officers dispatched in accordance with the preceding paragraph.

Article 5 — The State shall implement a system of customs protection of intellectual property rights. The customs offices shall, in accordance with the relevant laws and administrative regulations, protect intellectual property rights relating to the import and export of goods.

Article 6 — Customs officers shall enforce the law impartially, be devoted to their duties, render services with civility, and accept supervision. Customs offices shall strengthen the development of their contingents, organize vocational training and education in professional ethics and discipline, and improve the overall quality of customs officers. Customs officers shall regularly undergo training and assessment. Those who fail to pass the assessment shall not continue to hold their posts.

Article 7 — Customs offices shall maintain strict discipline over customs officers. No entity or individual may obstruct or interfere with the performance of duties by customs officers in accordance with the law. Customs officers shall maintain the dignity of the law, be devoted to their duties, enforce the law impartially, be upright and honest, observe discipline, be civilized in performing their duties, and consciously accept supervision.

Chapter II — Entry and Exit of Means of Transport and Goods

Article 8 — All means of transport, goods and articles entering or leaving the territory shall enter or leave through the ports where customs offices are established. Under special circumstances necessitating the transit of the means of transport, goods and articles through places without customs offices, approval of the State Council or an authority authorized by the State Council shall be obtained, and the customs formalities shall be completed in accordance with the provisions of this Law.

Article 9 — The consignee of imported goods, the consignor of exported goods and the owner of inward and outward articles shall be the obligatory customs duty payer, and shall complete the customs declaration formalities with the customs offices in accordance with the law, unless otherwise provided by laws or administrative regulations. The agent entrusted to carry out the customs declaration formalities shall comply with all the provisions of this Law applicable to the principal.

Article 10 — Enterprises engaged in the customs declaration business shall complete the registration formalities with the customs offices in accordance with the law. Customs declarants shall obtain the qualification for the profession in accordance with the law. Enterprises and personnel engaged in the customs declaration business shall not illegally declare on behalf of others or exceed the scope of their approved business operations.

Article 11 — When completing the customs declaration formalities, the consignee or consignor of import or export goods or the agent thereof shall submit the import or export declaration documents and the relevant documents required for customs supervision and control in accordance with the law.

Article 12 — Customs offices shall, in accordance with the law, examine the import and export goods. Goods may be released by the customs offices only after the customs duties have been paid or a guarantee has been provided, unless otherwise provided by laws or administrative regulations.

Article 13 — Where the consignee of imported goods or the consignor of exported goods fails to complete the customs declaration formalities within the prescribed time limit, the customs offices may collect a fee for delayed declaration.

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Article 14 — Where imported goods are not declared within three months from the date of declaration of entry of the means of transport, the customs offices may sell the goods by auction in accordance with the law. The proceeds from the auction shall, after deducting the expenses for transportation, loading and unloading, storage, customs duties and taxes, be returned to the recipient within one year from the date of sale of the goods. The remaining proceeds shall be turned over to the State Treasury if not claimed within one year.

Article 15 — The inward and outward means of transport shall, upon arrival at or prior to departure from the place where a customs office is established, complete the customs formalities with the customs office in accordance with the provisions. The inward and outward means of transport shall comply with the provisions on the administration of routes while in transit within the territory of the People's Republic of China.

Article 16 — The customs offices shall, in accordance with the law, examine the inward and outward means of transport and the inward and outward articles.

Article 17 — The customs offices shall supervise and control transit goods, transshipment goods and through goods. Goods in transit shall be transported out of the territory within the prescribed time limit.

Article 18 — The customs offices may exercise the powers of inspection, search, detention and seizure in accordance with the law. The relevant parties shall provide cooperation and shall not obstruct the exercise of powers by the customs offices.

Chapter III — Customs Duties

Article 19 — Customs duties shall be levied on goods and articles permitted to be imported or exported, unless otherwise provided by laws or administrative regulations. The customs duty rates shall be implemented in accordance with the Tariff Law of the People's Republic of China and the relevant provisions.

Article 20 — The consignee of imported goods, the consignor of exported goods and the owner of inward and outward articles shall be the obligatory customs duty payers.

Article 21 — The customs duty paying value of imported goods shall be determined on the basis of the transaction price of the goods, plus the transportation and related expenses and insurance premiums incurred before the goods arrive at the place of importation in the People's Republic of China. The customs duty paying value of exported goods shall be determined on the basis of the transaction price of the goods, plus the transportation and related expenses and insurance premiums incurred before the goods are loaded at the place of exportation in the People's Republic of China, less the export customs duties.

Article 22 — Customs duties shall be calculated by the customs offices on the basis of the applicable duty rate and the customs duty paying value.

Article 23 — Customs duties may be reduced or exempted under any of the following circumstances: (1) goods that are damaged or lost before release by the customs; (2) goods donated by foreign governments or international organizations; (3) goods of a value below the minimum amount prescribed; (4) advertising articles and samples of no commercial value; (5) materials and articles provided free of charge by foreign governments or international organizations; and (6) other circumstances prescribed by laws or administrative regulations.

Article 24 — Where the consignee or consignor of import or export goods or the agent thereof has not paid the customs duties within the prescribed time limit, a late fee shall be imposed at the rate of 0.05 percent of the overdue amount for each day.

Article 25 — Customs duties shall be collected by the customs offices in accordance with the law. The customs duty collected shall be turned over to the State Treasury in accordance with the law.

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Article 26 — Where a taxpayer disputes the customs duty paid, the taxpayer shall first pay the customs duty in accordance with the customs duty payment notice. Thereafter, the taxpayer may apply to the customs office for administrative reconsideration, and if dissatisfied with the reconsideration decision, may file a lawsuit with a people's court in accordance with the law.

Chapter IV — Customs Supervision and Control

Article 27 — Enterprises engaged in foreign trade shall carry out customs registration in accordance with the law. The customs offices shall implement classified administration of enterprises engaged in foreign trade.

Article 28 — The customs offices shall, in accordance with the law, supervise and control bonded areas, export processing zones, bonded logistics parks and other special customs supervision zones.

Article 29 — Goods subject to customs supervision and control shall not be opened, taken delivery of, forwarded, modified, mortgaged, pledged, detained, replaced, transferred or resold, or used for other disposition without the permission of the customs offices. The customs seals shall not be opened or destroyed without authorization.

Article 30 — The customs offices shall, in accordance with the law, supervise and control the means of transport, equipment, materials, and articles entering and leaving the territory for the purposes of scientific research, teaching, medical and health care, sports, culture, and public welfare.

Article 31 — The customs offices may conduct verification and inspection of enterprises engaged in foreign trade.

Article 32 — Where an enterprise engaged in processing trade is subject to customs supervision and control, the enterprise shall keep accounts and records in accordance with the provisions of the customs offices. The customs offices have the right to inspect the accounts, books, documents, and other materials of the enterprise.

Chapter V — Customs Inspection and Investigation

Article 33 — The customs offices may exercise the following powers when performing their duties: (1) to inspect the means of transport entering and leaving the territory, and to search the inward and outward means of transport and the persons and articles that are suspected of being involved in smuggling; (2) to inspect the import and export goods and inward and outward articles; (3) to consult and copy the contracts, invoices, books, vouchers, records, documents, business correspondence, audio and video recordings and other materials relating to the means of transport, goods and articles entering and leaving the territory; (4) to inspect the areas under customs supervision and the areas along the coast and borders where smuggling activities may be hidden; (5) to investigate the suspected smuggling cases; and (6) to pursue and capture the means of transport or persons that are suspected of being involved in smuggling in the areas under customs supervision or along the coast and borders.

Article 34 — The customs offices may detain the means of transport, goods or articles that are suspected of being involved in smuggling. The customs offices may detain the persons suspected of being involved in smuggling. The detention period shall not exceed 24 hours, which may be extended to 48 hours under special circumstances.

Article 35 — The customs offices may inquire about the bank accounts of the entities and individuals suspected of being involved in smuggling with the financial institutions.

Article 36 — The customs offices shall, in accordance with the law, handle the smuggled goods and articles, the means of transport used for smuggling, and the illegal gains derived from smuggling.

Article 37 — The customs offices, the public security organs and other relevant administrative law enforcement departments shall strengthen cooperation and establish a mechanism for sharing information

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relating to smuggling and for cooperating in the investigation and suppression of smuggling.

Chapter VI — Legal Liability

Article 38 — Smuggling acts shall be punished by the customs offices in accordance with the law. Where a smuggling act constitutes a crime, criminal liability shall be pursued in accordance with the law.

Article 39 — Where an entity or individual violates the provisions of this Law by committing any of the following acts, the customs offices may impose a fine: (1) failing to complete the registration formalities with the customs offices in accordance with the provisions; (2) failing to declare to the customs offices in accordance with the provisions; (3) failing to provide the relevant documents and materials in accordance with the provisions; (4) transferring, mortgaging, replacing or otherwise disposing of the goods under customs supervision without authorization; and (5) other acts in violation of the provisions on customs supervision and control.

Article 40 — Where an enterprise or individual that has been punished by a customs office for violating the provisions of this Law fails to correct the violation within the time limit, the customs office may impose additional fines in accordance with the law.

Article 41 — Customs officers who commit any of the following acts shall be given sanctions in accordance with the law: (1) shielding or conniving at smuggling; (2) extorting or accepting bribes; (3) divulging State secrets, commercial secrets or personal privacy; (4) abusing their powers, deliberately creating difficulties or delaying the clearance process; (5) purchasing, sharing with others, or misappropriating the confiscated smuggled goods and articles; (6) participating in profit-making activities in violation of the relevant provisions; (7) failing to perform their legally prescribed duties, in violation of the legally prescribed procedures, and causing losses; or (8) other acts in violation of laws and regulations.

Chapter VII — Supplementary Provisions

Article 42 — The specific measures for the implementation of this Law shall be prescribed by the State Council.

Article 43 — This Law shall apply to the supervision and control by the customs offices over the means of transport, goods and articles entering and leaving the territory. Matters not covered by this Law shall be subject to the provisions of the relevant laws and administrative regulations.

Article 44 — This Law shall come into force as of July 1, 1987. The amendments to this Law shall come into force as of the date of promulgation.

Disclaimer: This English translation of the Customs Law of the People's Republic of China (1987, Amended 2021) is provided for reference and informational purposes only. While every effort has been made to ensure accuracy, this translation is unofficial and carries no legal authority. The original Chinese text adopted by the National People's Congress shall prevail in all legal matters. Users should consult qualified legal and customs professionals for advice on specific import and export matters. Dan Young Business Consultancy assumes no liability for any errors, omissions, or reliance on this translation.

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