Customs Law of the PRC

Dan Young Business Consultancy — www.danyoungcpa.com

Unofficial English translation prepared for reference only. The official Chinese text prevails.

Contents

Table of Contents 1

Chapter I — General Provisions 2

Chapter II — Inward and Outward Means of Transport 3

Chapter III — Inward and Outward Goods 4

Chapter IV — Inward and Outward Articles 5

Chapter V — Customs Duties 6

Chapter VI — Customs Bonded 7

Chapter VII — Investigation of Smuggling Cases 8

Chapter VIII — Legal Liability 9

Chapter IX — Supplementary Provisions 10

Adopted at the 19th Session of the Standing Committee of the Sixth National People's Congress on January 22, 1987

Amended in accordance with the Decision on Amending the Customs Law of the People's Republic of China adopted at the 16th Session of the Standing Committee of the Ninth National People's Congress on July 8, 2000; the Decision on Amending the Customs Law of the People's Republic of China adopted at the 24th Session of the Standing Committee of the 11th National People's Congress on December 28, 2013; the Decision on Amending Six Laws Including the Customs Law of the People's Republic of China adopted at the Third Session of the Standing Committee of the 12th National People's Congress on June 29, 2013; the Decision on Amending the Customs Law of the People's Republic of China adopted at the 24th Session of the Standing Committee of the 12th National People's Congress on November 7, 2016; and the Decision on Amending the Customs Law of the People's Republic of China adopted at the 28th Session of the Standing Committee of the 13th National People's Congress on April 29, 2021.

Table of Contents

- Chapter I — General Provisions
- Chapter II — Inward and Outward Means of Transport
- Chapter III — Inward and Outward Goods
- Chapter IV — Inward and Outward Articles
- Chapter V — Customs Duties

- Chapter VI — Customs Bonded
- Chapter VII — Investigation of Smuggling Cases
- Chapter VIII — Legal Liability
- Chapter IX — Supplementary Provisions

Chapter I — General Provisions

Article 1 — This Law is enacted for the purposes of safeguarding national sovereignty and interests, strengthening the supervision and administration of Customs, promoting exchanges with foreign countries in economic affairs, trade, science and technology, and culture, 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 of inward and outward means of transport, goods, luggage articles, postal articles and other articles, the collection of customs duties and other taxes and levies, the investigation of smuggling, the compilation of customs statistics and the handling of other customs operations.

Article 3 — The State Council shall establish the General Administration of Customs of the People's Republic of China (hereinafter referred to as "the General Administration of Customs"), which shall uniformly administer the Customs establishments throughout the country. The State shall establish Customs at ports open to foreign countries and at places where customs supervision and control is necessary for business operations and science and technology, culture or tourism. The subordination relationship of Customs establishments shall not be subject to the administrative divisions. Customs establishments shall exercise their functions and powers independently in accordance with the law and shall be responsible to the General Administration of Customs.

Article 4 — The State shall establish a specialized anti-smuggling police force within the General Administration of Customs, staffed with full-time anti-smuggling police officers, responsible for conducting investigations, making detentions and arrests, and carrying out preliminary investigations of smuggling cases within the jurisdiction of the Customs. Anti-smuggling police shall perform their duties in accordance with the provisions of the Criminal Procedure Law of the People's Republic of China. The State may, as needed, set up public security organs within the areas under customs control. The public security organs set up within customs areas shall be responsible for the investigation of smuggling crimes and shall be under the dual leadership of the General Administration of Customs and the Ministry of Public Security, with the General Administration of Customs playing the leading role. Local public security organs shall cooperate with the customs anti-smuggling police force in the investigation of smuggling crimes.

Article 5 — The State shall implement a joint inspection, single-window declaration and centralized inspection system for port management. Customs shall adopt measures to facilitate customs clearance and improve supervision efficiency. Customs clearance formalities shall be handled uniformly at the port where the goods enter or leave the territory. Where it is necessary to transfer the goods to another customs establishment for formalities, such transfer shall be carried out with the permission of Customs. Inward and outward means of transport and goods shall enter or leave the territory at a place where Customs is established.

Article 6 — Customs may exercise the following powers: (1) to check inward and outward means of transport and examine inward and outward goods and articles; to detain those in violation of this Law or other relevant laws and administrative regulations; (2) to examine the identity documents of persons entering or leaving the territory; to interrogate persons suspected of violating this Law or other relevant laws and administrative regulations and investigate their illegal activities; (3) to examine and duplicate contracts, invoices, account books, bills, records, documents, business correspondence, audio and video recordings and other materials related to inward and outward means of transport, goods and articles; to detain those related to inward and

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

outward means of transport, goods and articles in violation of this Law or other relevant laws and administrative regulations; (4) to search, within the customs surveillance zone and the designated coastal or border areas near customs establishments, means of transport suspected of involvement in smuggling and premises suspected of concealing smuggled goods and articles, and to search persons suspected of smuggling; to detain means of transport, goods and articles suspected of involvement in smuggling and persons suspected of smuggling with the approval of the director of a customs office directly under the General Administration of Customs or the director of a subordinate customs office authorized by the director of a customs office directly under the General Administration of Customs; where a criminal smuggler escapes, he or she may be transferred to the public security organ; (5) to pursue and seize, continuously beyond the customs surveillance zone and the designated coastal or border areas near customs establishments, means of transport or persons who defy or evade customs control and seize them back for handling; (6) to be equipped with weapons to perform duties. The rules for the use of weapons by customs officers shall be formulated by the General Administration of Customs in conjunction with the public security department under the State Council and submitted to the State Council for approval; and (7) other powers provided by laws or administrative regulations.

Article 7 — All local authorities and departments shall support the exercise of functions and powers by Customs establishments and shall not unlawfully interfere with the law enforcement activities of Customs.

Article 8 — Inward and outward means of transport, goods and articles shall enter or leave the territory at a place where Customs is established. Under special circumstances where it is necessary to enter or leave the territory at a place where no Customs is established, approval shall be obtained from the State Council or an organ authorized by the State Council, and customs formalities shall be completed in accordance with the provisions of this Law.

Article 9 — Unless otherwise provided, the declaration of import and export goods and the payment of customs duties by the consignee and the consignor for import and export goods may be handled by a customs broker that has completed the registration formalities with Customs. The regulations on the administration of customs brokers shall be formulated by the State Council. No entity or individual shall be allowed to carry out customs declaration business without the registration and licensing of Customs.

Article 10 — Customs declaration enterprises and personnel qualified for customs declaration shall not illegally declare on behalf of others or engage in customs declaration activities beyond their approved business scope.

Article 11 — When making a declaration to Customs in accordance with the law, the consignee and consignor for import and export goods and customs declaration enterprises may submit paper documents or electronic data upon confirmation of legal effect.

Article 12 — Where Customs needs to know relevant matters in the course of performing its duties in accordance with the law, the relevant entities and individuals shall truthfully provide the same. Customs shall keep confidential trade secrets and other information that shall be kept confidential in accordance with the law.

Article 13 — Customs shall establish a system for reporting and investigating violations of this Law. Any entity or individual shall have the right to report to Customs any act of violating this Law. Customs shall keep the whistleblower confidential and reward the whistleblower in accordance with the provisions.

Chapter II — Inward and Outward Means of Transport

Article 14 — When a means of transport arrives at or departs from a place where Customs is established, the person in charge of the means of transport shall make a truthful declaration to Customs, submit the relevant documents to Customs for examination, and accept the supervision and inspection by Customs. A means of transport staying at a place where Customs is established shall not depart without the permission

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

of Customs. Before a means of transport moving from one place where Customs is established to another place where Customs is established departs, the consent of Customs shall be obtained, and the formalities shall be completed in accordance with the provisions of Customs. No means of transport shall change course or stop at any port other than a port open to foreign countries without the permission of Customs.

Article 15 — An inward means of transport shall be subject to customs control from the time it enters the territory until the time it completes all customs formalities; an outward means of transport shall be subject to customs control from the time it completes all customs formalities until the time it leaves the territory.

Article 16 — When an inward and outward means of transport loads or unloads inward and outward goods and articles, or embarks or disembarks passengers, it shall be subject to customs supervision. Goods and articles to be loaded and unloaded shall be those that have completed customs formalities. No inward and outward means of transport shall transfer inward and outward goods and articles without the permission of Customs.

Article 17 — During the period when a means of transport is subject to customs control, it shall sail along the route designated by Customs. The traffic of means of transport between a port open to foreign countries and another port open to foreign countries along the same coast or the same river shall be permitted with the approval of the competent transport department and shall be subject to customs control.

Article 18 — Inward and outward vessels and aircraft that are forced to anchor or land at a place where no Customs is established due to force majeure shall report immediately to the nearby Customs establishment. Inward and outward vessels and aircraft shall not load or unload goods and articles or embark or disembark passengers without the permission of Customs.

Chapter III — Inward and Outward Goods

Article 23 — Import goods shall be subject to customs control from the time they enter the territory until the time customs formalities are completed; export goods shall be subject to customs control from the time they are declared to Customs until the time they leave the territory. During the period of customs control over import and export goods, no entity or individual shall open, take delivery of, deliver, forward, change the nature of or use such goods without the permission of Customs. Where a seal affixed by Customs is affixed to goods under customs control, no entity or individual shall open or damage the seal without authorization. No entity or individual shall transfer goods under customs control without authorization. The people's court's ruling or the relevant law enforcement department's decision to deal with goods under customs control shall order the parties to complete customs formalities.

Article 24 — The consignee of import goods and the consignor of export goods shall make a truthful declaration to Customs and submit the relevant documents required for the import and export licenses and relevant documents for examination. Where the State restricts the import or export of goods, the import and export licenses shall be submitted for examination in accordance with the law; where no license can be submitted, the goods shall not be released. The specific measures shall be formulated by the State Council. The consignee of import goods shall make the declaration to Customs within 14 days from the date of the declaration of the arrival of the means of transport by the carrier; the consignor of export goods shall, unless otherwise specially approved by Customs, make the declaration to Customs 24 hours before the goods are loaded. Where the consignee of import goods fails to make the declaration to Customs within the time limit provided in the preceding paragraph, a late declaration fee shall be levied by Customs.

Article 25 — When handling the declaration formalities for import and export goods, the declaration documents may be in paper form or in electronic data form. Where electronic data is used to make the declaration, the consignee and consignor for import and export goods or the customs declaration enterprise shall be responsible for the authenticity and legality of the electronic data.

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

Article 26 — Customs shall accept the declaration of import and export goods and examine the declaration documents. Where necessary, Customs shall inspect the import and export goods. Inspection of import and export goods shall be carried out within the time limit prescribed by Customs. The consignee or consignor shall be present at the inspection and be responsible for moving the goods, and opening and restoring the packing, depending on the circumstances. Where the consignee or consignor of the goods cannot be present, Customs may carry out the inspection directly. Where the goods need to be inspected or tested, the inspection and testing shall be carried out by an institution recognized by the State commodity inspection authority. The consignee and consignor for import and export goods shall cooperate in the inspection by Customs. Unless otherwise provided by law, inspection by Customs of import and export goods shall not be subject to any fees.

Article 27 — Import and export goods shall be released by Customs after the customs duties are paid or a guarantee is provided. However, the goods that are temporarily imported or exported with the approval of Customs and the bonded goods imported with special permission shall be subject to the provisions of relevant laws and administrative regulations.

Article 28 — Where the consignee of import goods fails to declare the import goods to Customs within three months from the date of the declaration of the arrival of the means of transport, the goods shall be taken over and sold off by Customs in accordance with the law. After the costs of transport, loading and unloading, storage, and the customs duties are deducted from the proceeds of the sale, where there is a balance, it may be retrieved by the consignee within one year from the date of the sale; where the consignee fails to retrieve the balance within the time limit, it shall be turned over to the State Treasury. Import goods that the consignee has clearly stated to abandon may be taken over and sold off by Customs in accordance with the law. Goods that are not suitable for long-term storage may be sold off by Customs in advance before the expiration of the time limit as the circumstances may require. Where goods taken over by Customs and sold off in accordance with the law are goods the import of which is restricted by the State and for which no import license can be submitted, the provisions of the preceding paragraph shall not apply.

Article 29 — Goods under customs control in bonded warehouses, bonded zones, export processing zones and other areas under customs control shall not be used as security for debt without the permission of Customs. Without the permission of Customs, the ownership of goods under customs control shall not be transferred.

Article 30 — The consignee and consignor for import and export goods that require inspection shall apply for inspection at the commodity inspection authority recognized by the State. The goods may be released by Customs only after the commodity inspection authority affixes its seal of approval on the customs declaration form.

Chapter IV — Inward and Outward Articles

Article 46 — Personal luggage articles carried by individuals entering or leaving the territory and postal articles sent by post shall be limited to reasonable quantities for personal use, and shall be subject to customs supervision.

Article 47 — All articles entering or leaving the territory shall be truthfully declared to Customs by the owner, and shall be subject to customs inspection. No person shall open or damage a customs seal without authorization.

Article 48 — The loading and unloading, transshipment and transit of inward and outward postal articles shall be subject to customs supervision. Postal enterprises shall inform Customs in advance of the opening and sealing of mail bags. Postal enterprises shall promptly submit the relevant documents to Customs for the inward and outward postal articles to be examined by Customs.

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

Article 49 — Inward and outward postal articles may be delivered only after Customs has examined and released them.

Article 50 — Articles temporarily entering or leaving the territory with the approval of Customs, and bonded articles entering the territory with special permission, shall be re-shipped out of the territory or brought into the territory by the owner within six months. Under special circumstances, the time limit may be extended upon approval by Customs.

Article 51 — Articles that are taken over by Customs for failure to complete customs formalities within the time limit, articles for which no one makes a declaration to Customs, and articles whose owner cannot be identified shall be dealt with by Customs in accordance with the provisions of Article 20 of this Law.

Article 52 — Articles with the following characteristics shall be dealt with in accordance with the provisions of Article 21 of this Law: (1) articles that the consignee or sender of inward and outward postal articles has clearly stated to abandon; (2) articles that have not been taken delivery of within three months from the date of the issuance of the notice of customs clearance; or (3) articles that have not been sent out of the territory within three months from the date of the notice of customs clearance.

Chapter V — Customs Duties

Article 53 — Unless otherwise provided, customs duties shall be levied by Customs on goods and articles permitted to be imported or exported. Customs duties on export goods shall be determined by the State Council and shall be announced by the General Administration of Customs. The customs duty payer for import goods shall be the consignee; the customs duty payer for export goods shall be the consignor; and the customs duty payer for inward and outward articles shall be the owner of the articles.

Article 54 — The dutiable value of import and export goods and inward and outward articles shall be determined by Customs in accordance with the law. The dutiable value of import goods shall be the transaction value, freight and insurance premiums, and other expenses incurred before the goods arrive at the place of importation within the territory of China. The dutiable value of export goods shall be the transaction value, freight and insurance premiums, and other expenses incurred before the goods leave the place of exportation within the territory of China. The specific measures for the determination of the dutiable value shall be formulated by the State Council.

Article 55 — Customs duties on import and export goods shall be levied on the basis of the tariff rates applicable on the date when Customs accepts the declaration of the import or export goods. Where the goods arrive before the customs declaration, the tariff rates applicable on the date of arrival of the means of transport carrying the goods may apply. Under any of the following circumstances, the customs duties may be reduced, exempted, refunded or recovered: (1) goods are damaged or lost due to force majeure; (2) goods are found to be damaged, deteriorated or valueless after being released by Customs and before being put into production or use; (3) short-delivered or short-landed import goods are verified by Customs; (4) goods are returned or replaced due to quality problems or specifications that do not conform to the contract; (5) goods are damaged, short-delivered or deteriorated as a result of the carrier or the insurer's fault; and (6) other circumstances provided by the State.

Article 56 — Customs duties on the following import and export goods and inward and outward articles may be reduced or exempted: (1) goods on which customs duties are exempted under international treaties to which the People's Republic of China is a party or under agreements to which the People's Republic of China is a signatory; (2) goods of foreign enterprises with foreign investment that are imported as investment within the total amount of investment; (3) inward and outward articles of foreign embassies and consulates in China and of international organizations in China and their personnel; (4) goods and articles specially approved by the State Council; (5) goods imported for processing trade, goods imported in bond, and transit goods; (6) goods and articles with no commercial value or advertising samples; (7) materials, equipment and

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

construction materials imported by border residents along the small border trade areas; (8) goods donated by foreign governments or international organizations; (9) goods imported for scientific research, educational and medical and health purposes that are specially approved by the State; (10) articles imported by disabled persons' organizations for the exclusive use of the disabled; and (11) other goods and articles on which customs duties are reduced or exempted in accordance with the provisions of the State.

Article 57 — Customs duties on temporary import and export goods, bonded import goods and goods imported under special permission may be suspended. The specific measures shall be formulated by the State Council.

Article 58 — Where the consignee or consignor of import or export goods or the owner of inward and outward articles fails to pay customs duties within the prescribed time limit, Customs shall impose a late payment surcharge. Where the payment is not made three months after Customs orders it to be paid, Customs may directly convert the secured property into cash to offset the duties or sell off the goods in accordance with the law and then offset the duties; where necessary, Customs may require banks or other financial institutions to withhold the duties from the deposits of the duty payer. Customs may adopt compulsory measures such as notifying the banks to withhold the duties or selling off the goods in accordance with the law against the consignee or consignor of import or export goods or the owner of inward and outward articles who fails to perform the customs duty payment obligation within the prescribed time limit, or the guarantor who fails to perform the guarantee obligation. Before the customs duties are paid, the consignee or consignor may request a delay in the payment of customs duties, and Customs may approve the request.

Article 59 — Customs duties shall be paid within 15 days from the date on which Customs issues the customs duty payment notice. Where the customs duty payer fails to pay the customs duties within the prescribed time limit, Customs shall impose a late payment surcharge at the rate of 0.05% of the amount of customs duties in arrears per day.

Article 60 — Where customs duties are short-leveled on import and export goods or inward and outward articles, Customs may recover the short-leveled duties from the duty payer within one year from the date of payment of the duties or release of the goods or articles. Where the short-leveling of customs duties is caused by violation of the provisions by the duty payer, Customs may recover the duties within three years. Where customs duties are over-leveled, Customs shall refund the over-leveled duties immediately after discovery; the duty payer may request Customs to refund the over-leveled duties within one year from the date of payment of the duties, and the interest on the bank deposit for the same period shall be refunded at the same time.

Article 61 — Where a dispute arises between the duty payer and Customs over the payment of customs duties, the duty payer shall pay the customs duties first and may apply for administrative reconsideration in accordance with the law; where the reconsideration decision is not accepted, it may bring a lawsuit in the people's court in accordance with the law.

Article 62 — The provisions of this Chapter shall apply to the collection by Customs on behalf of other government authorities of taxes and levies on import and export goods.

Article 63 — Customs duties on inward and outward articles that are for personal use within a reasonable quantity shall be levied at a flat rate. The tariff rate and the duty-free limit for inward and outward articles shall be formulated by the State Council. Inward and outward articles exceeding the reasonable quantity for personal use shall be subject to customs duties in accordance with the provisions for import and export goods. Inward and outward postal articles shall be subject to the relevant provisions.

Chapter VI — Customs Bonded

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

Article 64 — Where the consignee or consignor of import or export goods or the owner of inward and outward articles needs to provide a guarantee to Customs for the goods or articles that have not yet been determined with respect to the classification of goods, determination of the dutiable value, or declaration of the country of origin, or for which the valid declaration documents have not yet been submitted, or for other reasons, the goods may be released upon the provision of a guarantee equivalent to the amount of customs duties payable. Customs may accept the following types of guarantee: (1) RMB or convertible foreign currency; (2) bills of exchange, promissory notes, checks, bonds or certificates of deposit; (3) bank guarantees or letters of guarantee issued by banks or non-bank financial institutions; and (4) other property or rights recognized by Customs.

Article 65 — Bonded goods approved by Customs for import without payment of customs duties shall be subject to customs supervision. Bonded goods shall be re-exported after processing, assembly or storage. Where bonded goods approved by Customs are sold in the domestic market, they shall be subject to the relevant customs formalities in accordance with the law and the customs duties shall be paid.

Article 66 — The consignee and consignor for import and export goods that engage in the processing trade shall truthfully declare to Customs and submit the processing trade manual for examination. The processing trade goods shall be processed and re-exported within the prescribed time limit. Under special circumstances where it is necessary to extend the time limit, the extension may be granted upon approval by Customs. Where the processing trade goods are transferred for domestic sale, the provisions of Article 64 of this Law shall apply. Goods and materials imported by processing trade enterprises that are subject to bonded management shall not be sold or transferred without the permission of Customs.

Article 67 — Enterprises engaged in bonded warehousing approved by Customs may store goods for other enterprises and provide bonded warehousing services. The owner of bonded warehousing shall keep the goods in and out of the warehouse in a complete and accurate manner, and shall declare to Customs for approval before the stored goods leave the warehouse for import. The owner of bonded warehousing shall make truthful declarations to Customs on the goods in and out of the warehouse and accept customs supervision.

Article 68 — Special customs supervision and control zones such as bonded zones and export processing zones established with the approval of the State Council shall be subject to customs supervision in accordance with the law.

Chapter VII — Investigation of Smuggling Cases

Article 69 — Smuggling is an act that violates the provisions of this Law and relevant laws and administrative regulations, evades customs supervision, and evades the prohibition or restriction on import and export or the payment of customs duties.

Article 70 — Customs shall have the power to investigate and deal with smuggling cases in accordance with the law. When Customs investigates a smuggling case, it shall collect evidence that the suspect has committed the illegal act. Where the illegal act is not established upon investigation, the case shall be immediately terminated. The parties and relevant personnel shall cooperate with the investigation by Customs.

Article 71 — Where a smuggling suspect is found during a customs inspection, Customs may detain him or her. The period of detention by Customs shall not exceed 24 hours; under special circumstances, it may be extended to 48 hours. Customs shall notify the family of the detainee of the reasons for and the place of detention within 24 hours of detention. Where the case cannot be transferred to the judicial authority within the 48-hour period, Customs shall immediately release the detainee. Where detention exceeds the time limit approved by law, the detainee shall have the right to request the release of the detainee or to change the compulsory measure.

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

Article 72 — When investigating a smuggling case, Customs may, with the approval of the director of a customs office directly under the General Administration of Customs or the director of a subordinate customs office authorized by the director of a customs office directly under the General Administration of Customs, examine the deposits and remittances of the smuggling suspect or criminal suspect. Customs shall keep confidential the account information of the smuggling suspect and shall not misuse it.

Article 73 — When it is proven after investigation that a case involves a crime, Customs shall transfer the case to the public security organ for handling in accordance with the law. Where the circumstances are minor and do not constitute a crime, Customs may impose administrative penalties.

Article 74 — The anti-smuggling police force of Customs shall perform its duties and powers in accordance with the provisions of the Criminal Procedure Law of the People's Republic of China.

Article 75 — Entities and individuals shall cooperate with Customs in the investigation of smuggling cases. Relevant entities and individuals shall provide assistance when Customs investigates smuggling cases in accordance with the law and shall not obstruct the investigation by Customs.

Chapter VIII — Legal Liability

Article 82 — The following acts that violate the provisions of this Law and relevant laws and administrative regulations and that do not constitute a crime of smuggling shall be dealt with by Customs by confiscating the smuggled goods, articles and illegal gains, and may concurrently be subject to a fine: (1) transporting, carrying or mailing goods or articles the import or export of which is prohibited or restricted by the State, or goods or articles subject to customs duties that are required to be paid in accordance with the law, into or out of the territory; (2) selling without authorization and without paying customs duties bonded goods approved by Customs for import without payment of customs duties, goods imported with a specific reduction of or exemption from customs duties, and other goods and articles under customs control, within the territory; (3) committing smuggling acts or purchasing smuggled import goods and articles directly and illegally from smugglers; or (4) transporting, purchasing or selling goods or articles the import or export of which is prohibited or restricted by the State on inland or coastal seas or in border areas without lawful proof.

Article 83 — Acts of smuggling that are committed by means of the following acts shall be punished as smuggling: (1) directly and illegally purchasing from smugglers goods or articles the import of which has been specially approved with the reduction of or exemption from customs duties; (2) carrying or mailing, without lawful proof, a relatively large quantity of goods or articles the import or export of which is restricted by the State and which are subject to customs duties in or out of the territory; or (3) carrying or mailing articles the import or export of which is prohibited by the State in or out of the territory.

Article 84 — The following acts shall be subject to a fine by Customs; where there are illegal gains, the illegal gains shall be confiscated: (1) carrying or mailing articles in or out of the territory in the name of another person; (2) intentionally hiding or falsely reporting the quantity of articles carried or mailed when entering or leaving the territory; (3) failing to declare to Customs for approval the consignment of bonded goods or goods imported with a reduction of or exemption from customs duties for domestic sale without permission; (4) unauthorized opening, taking delivery of, forwarding, changing the nature of or using goods under customs control; (5) failing to declare to Customs for approval the storage, processing, assembly or consignment of bonded goods in a place other than the place designated by Customs; (6) opening or damaging a customs seal without authorization; (7) losing the relevant documents and vouchers for goods under customs control and thus causing the goods under customs control to be lost or unable to be located; (8) providing false information in the process of applying to Customs for the registration of a bonded warehouse, bonded zone or export processing zone; (9) failing to accept customs inspection, inquiry or investigation as required; or (10) other acts of violating customs supervision and control provisions.

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

Article 85 — Enterprises and individuals engaged in import and export business and other import and export activities shall accept customs supervision and shall not evade customs supervision by fraudulent means. Customs may impose a penalty of not more than RMB 3,000,000 on enterprises and individuals that evade customs supervision by fraudulent means.

Article 86 — Where Customs investigates and deals with smuggling cases in accordance with the law and discovers that the case constitutes a crime, it shall transfer the case to the judicial authority for handling in accordance with the law. Where Customs discovers that an entity or individual suspected of smuggling has transferred the illegal gains to others through a bank account, it shall notify the relevant financial institutions to freeze the deposits of the account holder and report the case to the judicial authority for handling.

Article 87 — Customs may temporarily withhold the declaration qualification of a customs declaration enterprise that makes false declarations, or impose a penalty of not more than RMB 500,000 on it.

Article 88 — Where customs officers abuse their powers, neglect their duties, engage in malpractices for personal gain, or commit other illegal acts, and do not constitute a crime, administrative sanctions shall be imposed in accordance with the law; where financial losses are caused, they shall bear the liability for compensation in accordance with the law; where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Chapter IX — Supplementary Provisions

Article 100 — For the purposes of this Law, the following terms shall have the following meanings: "Customs surveillance zone" means the seaports, railway stations, airports, border checkpoints and international postal exchange stations where Customs is established, and other places where Customs carries out supervision and control over inward and outward means of transport, goods and articles. The designated coastal areas near customs establishments shall be designated by the General Administration of Customs and the public security department under the State Council in conjunction with the relevant provincial-level people's governments. "Inward and outward means of transport" means all kinds of vessels, vehicles, aircraft and beasts of burden that enter or leave the territory carrying persons, goods or articles. "Transit, transshipment and through goods" means goods that enter the territory from outside the territory, are shipped to another place outside the territory by the original means of transport or by another means of transport through the territory. "Goods under customs control" means all import and export goods listed in Article 23 of this Law, transit, transshipment and through goods, temporary import and export goods, bonded goods and other inward and outward goods that have not completed customs formalities. "Bonded goods" means goods that have entered the territory with the approval of Customs through the formalities for the suspension of customs duties, and are stored, processed or assembled within the territory and then re-exported. "Customs bonded supervision and control premises" means bonded warehouses, bonded zones, export processing zones and other premises under customs supervision approved by Customs.

Article 101 — Where economic zones or other specific areas involve the entry and exit of means of transport, goods and articles, the relevant provisions of this Law may apply with reference to the specific measures formulated by the State Council.

Article 102 — The State Council shall, in accordance with this Law, formulate detailed rules for the implementation of this Law.

Article 103 — This Law shall come into force on July 1, 1987. The Provisional Customs Law of the People's Republic of China promulgated by the Central People's Government on April 18, 1951, shall be repealed on the same date.

Source: https://www.danyoungcpa.com/customs-law-prc-2021-amendment-english-translation-2/

Disclaimer: This translation is provided for informational purposes only and is not an official translation. While every effort has been made to ensure accuracy and completeness, this translation may contain errors or omissions. Readers should consult the official Chinese text for legal purposes. Dan Young Business Consultancy makes no representations or warranties, express or implied, regarding the accuracy, completeness or fitness for a particular purpose of this translation and shall not be liable for any loss or damage arising from reliance on this translation.