Customs Tariff Law of the PRC

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Chapter I — General Provisions

Article 1 — This Law is enacted in accordance with the Constitution for the purposes of regulating the imposition and collection of customs duties and taxes, maintaining the order of import and export, and promoting foreign trade and the high-quality development of the national economy.

Article 2 — Goods permitted to be imported into or exported from the territory of the People's Republic of China and articles entering the territory for personal use shall be subject to customs duties and taxes on

imports and exports in accordance with the provisions of this Law and laws and administrative regulations relating to customs duties and taxes on imports and exports.

Article 3 — The Tariff Schedule of Import and Export Duties (hereinafter referred to as the "Tariff Schedule"), the descriptions of goods and the rates of duties as set out in the Tariff Schedule, and the rules for the classification of goods in the Tariff Schedule are integral parts of this Law. The Tariff Schedule shall be formulated and promulgated by the State Council.

Article 4 — The State Council shall establish the Tariff Commission, which shall be responsible for, among other things, the study and formulation of tariff policies, the adjustment and interpretation of the Tariff Schedule, and the proposal of draft tariff laws. The composition, working rules, and other matters of the Tariff Commission shall be prescribed by the State Council.

Article 5 — Customs, as the authority responsible for the collection of tariffs and taxes on imports and exports, shall carry out the collection and administration of tariffs and taxes on imports and exports in accordance with the law. The department in charge of taxation administration and other relevant departments shall, in accordance with the division of their functions and duties, assist in the collection and administration of tariffs and taxes on imports and exports.

Article 6 — Taxpayers of tariffs and taxes on imports and exports shall include the consignees of imported goods, the consignors of exported goods, and the owners of articles entering the territory for personal use. The consignees and consignors of goods imported or exported through cross-border e-commerce retail, the owners of inbound and outbound articles transported by postal or express delivery enterprises, and persons obliged to pay tariffs and taxes as prescribed by laws and administrative regulations shall be the taxpayers of tariffs and taxes on imports and exports.

Article 7 — Taxpayers shall have the right to access tariff policies, rates, classification, and other information in accordance with the law, and to enjoy convenient tax payment services. Taxpayers may apply for tax reduction, exemption, refund, or deferral in accordance with the law, and shall have the right to file administrative reconsideration or bring administrative lawsuits in accordance with the law against decisions made by customs.

Article 8 — Taxpayers shall fulfill their obligations of paying tariffs and taxes in accordance with the law, and shall not evade the payment of tariffs and taxes by means of concealment, deception, false declaration, or other improper means. Where laws and administrative regulations have provisions on the administration of taxpayers' credit, such provisions shall apply.

Chapter II — Types of Tariff Rates and Application

Article 9 — Customs duties and taxes on imports and exports shall be levied at ad valorem rates, specific rates, compound rates, sliding-scale rates, and other methods. The types of tariff rates include import tariff rates, export tariff rates, and rates of taxes and levies on articles entering the territory for personal use.

Article 10 — Import tariff rates shall include the most-favored-nation (MFN) tariff rate, the agreement tariff rate, the preferential tariff rate, the general tariff rate, and the tariff-rate quota rate. The import MFN tariff rate shall apply to: (1) goods originating from members of the World Trade Organization that apply the MFN treatment provisions to the People's Republic of China; (2) goods originating from countries or regions that have concluded bilateral trade agreements containing MFN provisions with the People's Republic of China; and (3) goods originating from the territory of the People's Republic of China.

Article 11 — The import agreement tariff rate shall apply to goods originating from countries or regions that are parties to free trade agreements or regional trade arrangements providing for preferential tariff rates with the People's Republic of China, except where the goods fall under the scope of the tariff-rate quota rate. The import preferential tariff rate shall apply to goods originating from least developed countries or regions

granted special preferential tariff treatment by the State Council, except where the goods fall under the scope of the tariff-rate quota rate.

Article 12 — The import general tariff rate shall apply to: (1) goods originating from countries or regions not listed in Article 10(2) or Article 11; (2) goods whose origin is unknown; and (3) goods not eligible for import agreement tariff rates or import preferential tariff rates while falling within their applicable scope due to non-compliance with the relevant administrative provisions.

Article 13 — The tariff-rate quota rate applies to goods subject to import tariff-rate quota administration. Where the quantity of goods imported under the tariff-rate quota is within the quota, the tariff-rate quota rate shall apply; where the quantity exceeds the quota, the rates stipulated in Articles 10, 11, and 12 of this Law shall apply, and higher rates of duty may be imposed within a certain range.

Article 14 — The State Council may, within the scope of the MFN tariff rates, formulate provisional tariff rates applicable to specific goods imported or exported. Where provisional tariff rates are applicable, the provisional tariff rates shall prevail. The State Council may impose additional tariffs, including retaliatory tariffs, anti-dumping duties, countervailing duties, safeguard duties, and tariffs imposed for retaliation or other purposes, on specific goods originating from specific countries or regions in accordance with the law.

Article 15 — Customs duties are levied on exported goods at the export tariff rates set out in the Tariff Schedule. Export provisional tariff rates may be formulated for certain exported goods.

Article 16 — Taxes and levies on imported articles for personal use shall be applied at the rates specified for such articles, and the import value-added tax and consumption tax on the articles shall be levied at a consolidated rate. The State Council shall formulate and promulgate the tax rate table and the measures for the consolidated taxation of articles entering the territory for personal use.

Article 17 — The applicable tariff rates shall be determined on the basis of the date on which the goods are declared to customs for import or export, or the date on which the articles entering the territory for personal use are declared to customs.

Chapter III — Determination of Dutiable Value

Article 18 — The dutiable value of imported goods shall be the transaction price, which shall include the price paid or payable by the buyer to the seller for the goods, plus the relevant costs of transportation, insurance, and other expenses incurred prior to the goods arriving at the place of importation within the territory of the People's Republic of China. Where the transaction price of the imported goods is not in compliance with the provisions of this Law, or where the transaction price is not determinable, customs shall determine the dutiable value in accordance with the law.

Article 19 — The dutiable value of exported goods shall be the transaction price, which shall include the price paid or payable by the buyer to the seller for the goods, plus the relevant costs of transportation, insurance, and other expenses incurred prior to the goods being loaded onto the means of transport at the place of exportation within the territory of the People's Republic of China. Where the transaction price of exported goods is not in compliance with the provisions of this Law, customs shall determine the dutiable value in accordance with the law.

Article 20 — The dutiable value of articles entering the territory for personal use shall be determined in accordance with the law. Where the dutiable value of articles entering the territory for personal use is not determinable in accordance with the preceding paragraph, customs may determine the same based on the price of the articles.

Chapter IV — Collection of Tariffs and Levies on Imports and Exports

Article 21 — The amount of customs duties and taxes on imports and exports payable shall be calculated on the basis of the dutiable value and the applicable tariff rate. The method of calculation of the amount of customs duties and taxes on imports and exports payable and the specific measures for the collection of taxes on imports and exports shall be prescribed by this Law and the State Council.

Article 22 — Taxpayers shall declare to customs the goods imported or exported or the articles entering the territory for personal use in accordance with the law, and shall pay customs duties and taxes at the prescribed time and in the prescribed manner. Customs shall examine the declarations made by taxpayers, determine the classification, dutiable value, origin, and applicable tariff rate of the goods, and assess the amount of customs duties and taxes payable.

Article 23 — The time limit for taxpayers to pay customs duties and taxes on imports and exports shall be 15 days from the date on which customs issues the payment notice. Where taxpayers fail to pay customs duties and taxes within the prescribed time limit, a late payment surcharge shall be imposed at the rate of 0.05 percent of the overdue amount per day.

Article 24 — Where a taxpayer is unable to pay customs duties and taxes on time due to force majeure or adjustment of national tax policies, the taxpayer may, after approval by customs, defer the payment, provided that the deferral period shall not exceed six months. No late payment surcharge shall be imposed during the period of approved deferral.

Article 25 — Under any of the following circumstances, a taxpayer may, in accordance with the law, apply to customs for a guarantee and request the release of goods before the determination of the amount of customs duties and taxes: (1) the classification or dutiable value of the goods has not been determined; (2) the taxpayer has applied for tax reduction or exemption but the application has not been approved; (3) the goods are temporarily imported or exported; or (4) other circumstances provided for by laws or administrative regulations. Where the customs duties and taxes payable are secured, customs may release the goods.

Article 26 — Customs may, in accordance with the law, require taxpayers or other relevant entities and individuals to provide documents and materials relating to the determination of the classification, dutiable value, and origin of goods for the purpose of determining the amount of customs duties and taxes payable. Taxpayers or other relevant entities and individuals shall provide the same in a timely, truthful, and complete manner.

Article 27 — Where customs discovers during the supervision of goods or within three years after the release of goods that the amount of customs duties and taxes has been underpaid or overpaid, it shall, in accordance with the law, pursue the payment of the underpaid amount or refund the overpaid amount. Where a taxpayer discovers an overpayment of customs duties and taxes, the taxpayer may, within three years from the date of payment of such duties and taxes, apply to customs for a refund and late payment interest.

Chapter V — Tax Reduction and Exemption and Refund of Taxes and Levies

Article 28 — Customs duties and taxes on imports and exports shall be reduced or exempted in accordance with laws and administrative regulations. The following goods and articles shall be exempt from customs duties and taxes: (1) goods and articles exempt from customs duties and taxes under the provisions of international treaties and agreements concluded or acceded to by the State Council on behalf of the People's Republic of China; (2) goods and articles, each with a customs value below the prescribed amount, imported duty-free; (3) advertising materials and samples of no commercial value imported duty-free; (4) goods and articles donated free of charge by foreign governments or international organizations; (5) goods and articles damaged or lost before customs release; and (6) other goods and articles exempt from customs duties and taxes as prescribed by law.

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Article 29 — Under any of the following circumstances, the taxpayer may, in accordance with the provisions of the State Council, apply for a refund of the customs duties and taxes already paid: (1) goods that are re-exported after being imported and are eligible for a refund; (2) goods that are re-imported after being exported and are eligible for a refund; (3) goods that are returned due to quality or specification issues; or (4) other circumstances provided for by law.

Article 30 — Goods that are temporarily imported or exported may be temporarily exempt from customs duties and taxes in accordance with the provisions of the State Council, provided that the taxpayer provides a guarantee. Where the temporarily imported or exported goods are re-exported or re-imported within the prescribed period, the guarantee shall be released. Where goods that have been temporarily exempt from customs duties and taxes are to be retained within or outside the territory, customs duties and taxes shall be paid in accordance with the law.

Article 31 — In the case of goods imported for processing, or goods repaired or manufactured using goods imported for processing, customs duties and taxes may be exempted or refunded in accordance with the provisions of the State Council. Specific measures shall be formulated by the State Council.

Chapter VI — Supervision and Administration

Article 32 — Customs shall, in accordance with the law, supervise the dutiable status of goods imported or exported and articles entering the territory for personal use, and may adopt the following measures: (1) inspecting, duplicating, or seizing documents and materials relating to customs duties and taxes, such as contracts, invoices, account books, and customs declaration forms; (2) conducting inspections at the business premises of taxpayers; (3) inquiring of the legal representative, principal responsible person, and other relevant personnel of taxpayers about issues relating to customs duties and taxes; (4) inquiring of financial institutions about the capital transactions of taxpayers; and (5) other measures provided for by laws and administrative regulations.

Article 33 — Customs may, in accordance with the law, apply to taxpayers for advance rulings on the classification of goods for import or export, the determination of origin, and other matters. Taxpayers may engage in import or export activities based on the advance ruling issued by customs. Customs shall publish advance rulings.

Article 34 — Customs shall, in accordance with the law, disclose tariff policies, rates of duties, and other information relating to customs duties and taxes, and provide consultation services to taxpayers. Customs shall protect the trade secrets and personal information of taxpayers of which they become aware in the course of performing their duties in accordance with the law.

Article 35 — Where customs collects customs duties and taxes on imports and exports, it shall issue payment receipts. Any collection of customs duties and taxes not based on legal provisions or prescribed procedures shall be refused by taxpayers.

Chapter VII — Legal Liability

Article 36 — Where a taxpayer evades the payment of customs duties and taxes by concealing, falsely declaring, or otherwise illegally transporting, trading, or carrying goods into or out of the territory, customs shall pursue the payment of the underpaid customs duties and taxes and impose a fine of not less than 50 percent but not more than three times the amount of customs duties and taxes underpaid. Where the illegal act constitutes smuggling, it shall be dealt with in accordance with the provisions of laws and administrative regulations on anti-smuggling. Where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Article 37 — Where a taxpayer fails to pay customs duties and taxes within the prescribed time limit, customs may adopt enforcement measures, such as notifying the bank to deduct the amount from the taxpayer's

deposit, or sealing up, seizing, auctioning off, or selling the taxpayer's goods or other property in accordance with the law, to enforce the payment. Customs may also adopt other enforcement measures provided for by law.

Article 38 — Where a taxpayer or the person obligated to withhold and remit customs duties and taxes violates the provisions of this Law, and the circumstances are serious, the relevant departments shall, in accordance with the provisions of laws and administrative regulations, include such information in the credit information system and implement joint disciplinary action.

Article 39 — Where customs and other state organs, in the course of levying customs duties and taxes, abuse their powers, neglect their duties, or engage in malpractice for personal gain, sanctions shall be imposed on the directly responsible person in charge and other directly liable persons in accordance with the law. Where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Chapter VIII — Supplementary Provisions

Article 40 — The levying and collection of ship tonnage tax shall be governed by the provisions of laws and administrative regulations on ship tonnage tax. The exemption of customs duties and taxes on goods imported or exported by diplomatic and consular institutions and their personnel in accordance with the provisions of international treaties and agreements concluded or acceded to by the People's Republic of China and the provisions of the state shall be handled in accordance with the relevant provisions.

Article 41 — The State Council shall, in accordance with this Law, formulate regulations for its implementation. Where the provisions of any law or administrative regulation have special provisions on the collection of tariffs and taxes on imports and exports, those provisions shall apply.

Article 42 — This Law shall enter into force on December 1, 2024. The Regulations of the People's Republic of China on Import and Export Customs Duties shall be repealed on the same date.

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