

Content

Title :	Regulations Governing the Customs Management of Freight forwarders 
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Legislative :	1.Promulgated on March 25, 2015 2.Amended on October 14, 2016 3.Amended on Nov 2, 2018 4.Amended on June 4, 2019 5.Amended on April 13, 2021 6.Amended on May 22, 2023
Content :	<p>Chapter 1 General Provisions</p> <p>Article 1 These Regulations are prescribed pursuant to Paragraph 3, Article 14 and Paragraph 2, Article 20-1 of the Customs Act (hereinafter referred to as Act).</p> <p>Article 2 The term “forwarder” referred to in these Regulations means sea/air freight forwarder established and registered on the permission of transportation authority, and permitted by Customs in accordance with these Regulations. The term “employees of a forwarder” herein also includes the responsible person of the forwarder.</p> <p>Article 3 These Regulations governing the sea/air manifest submitted by forwarder shall be implemented in different sea/air forwarders and cargoes; the date of implementation shall be announced by the Customs Administration of Ministry of Finance (hereinafter referred to as Customs Administration).</p> <p>Chapter 2 Permission of Registration</p> <p>Article 4 A forwarder that provides the services according to the Act shall apply to sea/air forwarder registration and be permitted by Customs. A forwarder shall submit the following documents to the Customs for registration application in accordance with Paragraph 1 of this Article: 1. An application form, which shall clearly state the followings: (1) Name, the uniform serial number of the company, business address, organization type , scope of business, and capital amount of the applicant freight forwarder. (2) Name, age, nationality, and address of the responsible person. (3) Applicant category (sea or air forwarder). 2. Freight forwarder registration documentation, along with its photocopy, issued by the competent transportation authority (the original will be returned immediately after verification). 3. Company registration documentation, along with its photocopy, issued by the competent authority (the original will be returned immediately after verification).</p> <p>Article 4-1 The forwarder’ s responsible person has previously been convicted by a final and unappealable judgment of a crime under Controlling Guns, Ammunition and Knives Act , Punishment of Smuggling Act, Narcotics Hazard Prevention Act or Organized Crime Prevention Act, and that he/she has not served the sentence, or completely served the sentence, or his/her conviction made within five years has not elapsed since completion of the sentence, expiration of the suspended sentence, or being pardon, then the forwarder’ s registration shall be denied, if the registration is completed, the registration shall be revoked. The forwarder set up before the implementation of the amended provisions effective on November 2, 2018, shall be subjected to the provisions of the preceding paragraph after this amendment has been implemented for six</p>

months.

Article 5

The registration shall be denied if sea forwarder or its responsible person commits serious violation against the concerned Customs laws and has been punished within the past 1 year. If the registration is completed, the registration shall be revoked and declared invalid starting from the date of the said revocation.

The serious violation against the concerned Customs laws, which is subject to the relevant punishment within the past 1 year mentioned above shall refer to the following situations: a record of smuggling within a period of 1 year prior to the registration date, false import/export declaration that results in over TWD 500,000 of either single amount or total amount in any or all offenses in tax evasion, over-rebated tax refund, or fixed-amount fine, or cargo confiscation with value in single amount or total amount over TWD 1,000,000, unless the violation is otherwise proven to be the result of negligence of other enterprises concerned.

Article 6

A forwarder shall submit a guarantee deposit as followings to the Customs to complete the registration within a period of ten days from the date following the date on which the registration is approved:

1. The sea forwarder shall submit a guarantee deposit of TWD 500,000; the Security and Safety AEO (AEOS) shall submit a guarantee deposit of TWD 250,000.

2. The air forwarders shall submit a guarantee deposit of TWD 100,000; the AEOS shall submit a guarantee deposit of TWD 50,000.

After the registration is completed, the amount of deposit shall be adjusted by the Customs in accordance with the following provision if the sea forwarder violates these Regulations, Regulations Governing the Management of Customs Clearance for Transited and Transshipment Goods or Customs Anti-smuggling Act and the accumulated fine has reached NTD400,000 within the same year; or if the air forwarder violates the identical Regulations or Act and the accumulated fine has reached NTD80,000 within the same year:

1. The amount of guarantee deposit for a sea forwarder shall be NTD 800,000.

2. The amount of guarantee deposit for an air forwarder shall be NTD 200,000.

Upon receiving a notice of adjustment of the guarantee deposit amount issued by the Customs, a forwarder shall claim or make up the shortfall within 30 days from the date following the date on which such notice is served.

In addition to cash, payment for the said guarantee deposit may be made with the followings:

1. Bonds issued by the government;
2. Time deposit certificates issued by a bank;
3. Time deposit certificates issued by a credit cooperative;
4. A one-year or more common trust certificate issued by a trust and investment company;
5. A guarantee provided by a financial institution; or
6. Any other properties approved by the Ministry of Finance, which are easy for sale and management as well as free from any dispute over proprietary rights.

The guarantee furnished in any of the forms specified in Subparagraphs (1) to (4) and (6) in the preceding paragraph shall be mortgaged or pledged to the Customs.

Article 7

A registration certificate as followings will be issued by the Customs to the forwarder that completes the registration process:

1. Sea registration certificate will be issued if it completes the sea registration process.

2. Air registration certificate will be issued if it completes the air registration process.

A rectification of the said certificate shall be made with the Customs every two years and A re-issuance of the certificate shall be immediately applied for if lost.

Article 8

The registration shall be cancelled if a forwarder or its responsible person commits serious violation against the concerned Customs laws and is punished within a period of 1 year after the registration date.

The serious violation against the concerned Customs laws mentioned above shall refer to the following situations: a record of smuggling, false import/export declaration that results in over TWD 1,000,000 of either single amount or total amount in any or all offenses in tax evasion over-rebated tax refund or fixed-amount fine, or cargo confiscation with value in single amount or total amount over TWD 1,500,000, unless the said violation is otherwise proven to be a result of negligence of other enterprises concerned.

Article 9

The forwarder whose registration has been cancelled by the Customs is prohibited from applying for the registration under the same name within a period of five years from date of cancellation.

Article 10

The forwarder shall first apply for registration change to the competent transportation authority and other authorities concerned and, if approved, complete registration certificate change and replace process at the respective Customs within 30 days from the date following the date of approval for the said registration change, in case of any of the followings:

1. Change of the responsible person;
2. Change of business organization;
3. Change of address; or
4. Capital increase or decrease.

Chapter 3 Management Concerning the Customs Clearance Procedures

Article 11

The forwarder shall be outfitted with computer and internet access equipment and conduct its business with internet connected computer or electronic data transmission unless otherwise approved by the Customs.

Article 11-1

The employee of freight forwarders shall carry forwarder operation identification card while conducting customs related matters inside the duly-registered warehouses and container terminals.

The operation identification card set forth in the preceding paragraph shall be issued by the Customs, which will review the personnel roster of the aforementioned premises (including name, ID number, date of birth, and recent color headshot without cap) as well as other Customs designated documents submitted by the forwarders.

Under any of the following circumstances, the Customs shall decline the application of operation identification card; if the identification card has been issued, the forwarder should surrender it within the stipulated time or the Customs shall have it cancelled by announcement:

1. Where the potential applicants meet the circumstances prescribed in Article 4-1, Paragraph 1 of these Regulations.
2. In a case where the employee of freight forwarder has endangered the personal and property safety of customs personnel through violence, threats, intimidation, public insult or other illegal means in matters related to customs operations and such acts have been confirmed by Customs as truth and the acts have yet been over 5 years starting from the next day of their occurrence.
3. The cardholders who engage in illegalities at the premises stipulated in Paragraph 1 of this Article, and such facts have been confirmed by Customs as truth and the acts have yet been over 5 years starting from the next day of their occurrence.
4. The cardholders who engage in any operation irrelevant to the forwarding business authorized by Customs at the premises stipulated in Paragraph 1 of this Article, and such facts have been confirmed by Customs as truth and the acts have yet been over 2 years starting from the next day of their occurrence.

In case where the aforementioned cardholder is transferred or resigns, their respective freight forwarders shall inform the Customs in writing or online within one working day from the next day of transfer or resignation, and submit the cards to Customs for revocation within 7 days from the next day following the date of transfer or resignation; in case

where the cardholder is involved in the circumstances prescribed in the subparagraphs of the preceding paragraph, their respective freight forwarders shall submit the cards to Customs for revocation within 3 days from the next day following the date of guilty verdict or submission notice issued by the Customs; Customs shall proceed to announce the cancellation of the cards if it has not been submitted to Customs within the aforementioned time limit.

When applying to Customs for card renewal pursuant to Article 7 of these Regulations, the freight forwarders shall submit the personnel roster of the said card holders for customs review.

Article 12

The forwarder shall pay attention to inspection; all illegal activities discovered, such as cargo smuggling or tax evasion, shall be immediately reported to the local Customs and the discovered objects and respective documents shall be turned over to the said authority.

A forwarder shall provide full cooperation and assistance in smuggling investigation conducted by the Customs.

Article 13

A forwarder shall maintain all documents signed by itself or its computer files for 5 years beginning on the date following that on which the imported or exported goods were released.

The said documents or its computer files mentioned above shall be submitted to the Customs within 3 days after receiving written notification from the Customs.

Article 14

The forwarder shall be responsible for making all payments arising from all taxes, duty, fees or fines. The Customs may directly deduct any past due payment from the guarantee deposit provided by the respective forwarder if the said forwarder fails to make the payment in time, and the forwarder shall be responsible to pay for any balance if the guarantee deposit amount is insufficient to cover the said payment.

If a deduction from guarantee deposit mentioned in the preceding paragraph is made, the respective forwarder shall replenish the guarantee deposit within 30 days from the date following the date of replenishment notice issued by the Customs.

Article 15

A forwarder shall advise the Customs immediately in case of business suspension, revocation, or cessation of agency authorization.

Article 16

The sea forwarder shall submit sea import cargo manifest to the Customs in accordance with the followings:

1. Within 5 hours before the arrival at the discharge port in Taiwan.
2. Before the arrival at the discharge port in offshore islands of Taiwan. Directions relating to the scope, implementation stages, or grace period etc., for the above-mentioned regulations shall be announced by Customs Administration.

An cargo manifest mentioned in the first paragraph shall clearly state the following information:

1. The number of bill of lading(including master and house), cargo name on the bill of lading, mark, container number, packaging method (such as barrel, pallet, crate, or bag), quantity, weight, and specification of the cargo aboard the ship. In case of consolidated package of two or more pieces, which is stated on Bill of lading, the statement of the quantity included in the package is required;
2. Locations of loading and arrival;
3. Name and address of consignee; However, if the consignee is a bank or a forwarder, the name and the address of the real consignee should be stated in the notify party blank. For imported cargo stored in bonded warehouse or transshipment cargo, only the listing of forwarders is mandatory.
4. For container shipment, the manifest shall include mark, number, type, and shipment method of all containers. If a full container load includes two or more different shipments for a same consignee, the import manifest shall clearly state "Partial" after the container number. For an empty container without issuance of bill of lading, its number and quantity shall be listed on the final page of manifest without manifest number; and
5. Other information stipulated by Ministry of Finance in its

announcements.

Article 17

The sea forwarder shall submit sea export cargo manifest to the Customs before the arrival at the discharge port.

Directions relating to the scope, implementation stages, or grace period etc., for the above-mentioned regulations shall be announced by Customs Administration.

An cargo manifest mentioned in the first paragraph shall clearly state the following information:

1. Cargo name on the shipping order, mark, crate number, packaging method (such as barrel, pallet, crate, or bag), quantity, weight, and specification of the cargo aboard the ship. In case of consolidated package of two or more pieces, which is also stated on the shipping order, the quantity included in the package shall be clearly stated;
2. Locations of loading and arrival; and
3. Name and address of consignor.
4. Other information stipulated by Ministry of Finance in its announcements.

An export container/cargo loading list may substitute sea export cargo manifest prescribed in first paragraph. Directions relating to the scope, implementation stages, or grace period etc., for the substitute shall be announced by Customs Administration.

Article 18

The air forwarder shall submit air import cargo manifest to the Customs in accordance with the followings:

1. Within 2 hours before the arrival at the domestic airport, in case where the journey after aircraft' s take-off from the last on- and off-loading airport in foreign country is more than 4 hours.
2. Before the arrival at the domestic airport, in case where the journey after aircraft' s take-off from the last on- and off-loading airport in foreign country is equal to or less than 4 hours.

The airports (International Air Transport Association Airport Code) prescribed in the second subparagraph in the preceding paragraph shall be announced by Customs Administration.

Directions relating to the scope, implementation stages, or grace period etc., for the first paragraph shall be announced by Customs Administration.

An cargo manifest mentioned in the first paragraph shall clearly state the following information:

1. The number of bill of lading (including master and house), cargo name on the bill of lading, quantity, and weight of the cargo onboard. In case of consolidated package of two or more pieces, state clearly the quantity included in the package;
2. Locations of loading and arrival; and
3. Cargo storage location.
4. Other information stipulated by Ministry of Finance in its announcements.

Article 19

The air forwarder shall submit air export cargo manifest to the Customs before the departure at the domestic airport.

Directions relating to the scope, implementation stages, or grace period etc., for the above-mentioned regulations shall be announced by Customs Administration.

An cargo manifest mentioned in the first paragraph shall clearly state the following information:

1. The number of bill of lading (including master and house), cargo name on the bill of lading, quantity, and weight of the cargo onboard. In case of consolidated package of two or more pieces, state clearly the quantity included in the package; and
2. Destination.
3. Other information stipulated by Ministry of Finance in its announcements.

Article 20

Unless otherwise approved by the Customs, cargoes carried by a forwarder not included in the cargo manifest, or inconsistencies found between the manifest and reality, may be corrected at the Customs with justifiable reason within the deadlines specified below:

1. Import cargo manifest:
 - (1) Online declaration:
 - a. By sea:
 - (a) Within 72 hours after arrival, for declaration made in accordance with Article 16.
 - (b) Within 48 hours after arrival, for declaration failed to be filed within the time slot set forth in Article 16.
 - b. By air:
 - (a) Within 72 hours after arrival, for declaration made in accordance with Article 18.
 - (b) Within 48 hours after arrival, for declaration failed to be filed within the time slot set forth in Article 18.
 - (2) Within 24 hours after declaration, for declaration not filed online.

2. Export cargo manifest:

- (1) Within 24 hours after an online declaration applicant receives an inconsistent manifest list or a message of inconsistent manifest transmitted by the Customs.
- (2) Within 24 hours after the take-off of an aircraft or customs clearance of a vessel for non online declaration applicants.

The application for correction will not exempt the applicant from penalty if the Customs discovers or receives report of any smuggling mentioned in the preceding paragraph.

Article 21

Information stated on a cargo manifest in writing may not be erased or altered. Should corrections are required, cross out the original information and replace it with correct information. Any correction shall require signature/seal stamp affixed on the side by the said forwarder.

Article 22

The forwarder shall produce a detailed report on any short-discharge or over-discharge of express delivery cargo or containerized cargo to the Customs.

Unless there is an approval from the Customs, the deadline to produce the said report is provided as below:

1. For containerized cargo where the discharged cargo is stored at the facility supervised by the Customs: within 3 days from the date following the date on which the goods are discharged from the container.
2. For express delivery cargo: within 1 day following the date of warehouse check-in.

Report of short-discharge or over-discharge at places supervised by the Customs shall be first submitted to the competent warehouse authority of the Customs for scrutinizing warehouse check-in data, and, if no error is found and attestation is granted, the said report shall be submitted to the manifest authority of the Customs for acknowledgement. Revocation or correction, if needed, shall be filed within 3 days after the date following the date on which the said report of short-discharge or over-discharge has been submitted to the Customs.

Over-discharged cargo to be returned or transshipped for export shall require approval from the Customs within the deadline provided by Paragraph 1 of Article 62 of the Customs Act, filed by the reporter. And filing transshipment application with the Customs for goods returned to foreign country or transshipped for export shall follow the normal procedures for transshipment cargoes.

Article 23

A forwarder shall transfer the container and/or cargo with the transportation means operated by the same forwarder in accordance with the given instructions prescribed in the special permit, transshipment permit, or export cargo release notice issued by the Customs and with the means of transferring approved by the Customs, and deliver the cargo safely to the location designated by the Customs. The forwarder shall be responsible to deliver the cargo safely to the responsible person in charge of the transportation means or agent for checking and acceptance and ship out for export. The forwarder shall comply with any route/line or time limit stipulated by the Customs.

Delaying the delivery mentioned above or changing the nature or packaging of the cargo is not allowed, and the official seal shall not be tampered. In case of delay or interruption of shipment, route/line change, or

transportation means change due to accident or force majeure, the forwarder shall adopt precautionary measure to prevent cargo loss, and report the incident to the Customs Office of Departure immediately.

The documentation and operation directives governing the shipment control of the container (cargo) mentioned in Paragraph 1 shall be provided and promulgated by the Customs.

The container (cargo) mentioned in Paragraph 1 may be examined as the Customs deems necessary and transported under the Customs' escort personnel. The said escorted transportation may be exempted provided a bond equivalent to payable tax and fee is deposited by the respective carrier and the container (cargo) is officially sealed by Customs' mechanical seal or self-prepared seals approved by the Customs.

For the container (cargo) mentioned in Paragraph 1, the forwarders who apply for affixing an E-seal to replace the escort shall cooperate with the E-seal distribution, sealing, reading and checking and other related operations.

Article 24

(Annul)

Article 25

The forwarder shall not commit fraudulence, fabrication, or other illegal acts on the report, declaration, cargo manifest, transshipment application form, bill of lading, shipping order or booking notes when filing customs declaration.

Chapter 4 Penalty

Article 26

The Customs may issue a warning or administer a fine of more than NTD 6000 and less than NTD 30000 pursuant to Article 83-1 of Act against the forwarder that violates Paragraph 3 of Articles 6, Paragraph 2 of Articles 7 or Article 10 of these Regulations and may order the forwarder to improve before a certain period of time; the fine shall be charged per violation in case of failure to improve before the given deadline. Failure to complete the said remedy after 3 consecutive fines or in the case of serious violation, may be subject to a suspension of submitting manifest and reporting those of transshipment and transited goods to Customs for a period of not more than 6 months or revocation of its registration.

Article 27

The Customs may administer a suspension of operation for a period of not more than 6 months or registration revocation pursuant to Paragraph 2 of Article 93 of Act against a forwarder that violates Paragraph 2 of Article 14 of these Regulations.

Article 28

The Customs may issue a warning or administer a fine of more than NTD 6000 and less than NTD 30000 pursuant to Article 83-1 of Act against the forwarder that violates Articles 11, Paragraphs 1 and 4 of Articles 11-1, Articles 12, or Articles 13 of these Regulations and may order the forwarder to improve within a certain period of time; the fine shall be charged per violation in case of failure to improve by the given deadline. Failure to complete the said remedy after 3 consecutive fines or in the case of serious violation, may be subject to a suspension of submitting manifest and reporting those of transshipment and transited goods to Customs for a period of not more than 6 months or revocation of its registration.

Article 29

The Customs may issue a warning or administer a fine of more than NTD 6000 and less than NTD 30000 pursuant to Article 83-1 of Act against the forwarder that violates Paragraphs 1 and 3 of Articles 16, Paragraphs 1 and 3 of Articles 17, Paragraphs 1 and 4 of Articles 18, Paragraphs 1 and 3 of Articles 19, Paragraph 1 of Articles 20 or Article 21 of these Regulations and may order the forwarder to improve within a certain period of time; the fine shall be charged per violation in case of failure to improve by the given deadline. Failure to complete the said remedy after 3 consecutive fines or in the case of serious violation, may be subject to a suspension of submitting manifest and reporting those of transshipment and transited goods to Customs for a period of not more than 6 months or revocation of its registration.

Article 30

The Customs may issue a warning or administer a fine of more than NTD 6000 and less than NTD 30000 pursuant to Article 83-1 of Act against the forwarder that violates Articles 22, Paragraphs 1 to 2 and 5 of Articles 23 or Article 25 of these Regulations and may order the forwarder to improve within a certain period of time; the fine shall be charged per violation in case of failure to improve by the given deadline. Failure to complete the said remedy after 3 consecutive fines or in the case of serious violation, may be subject to a suspension of submitting manifest and reporting those of transshipment and transited goods to Customs for a period of not more than 6 months or revocation of its registration.

Article 30-1

In case where a forwarder violates these Regulations or the Regulations Governing the Management of Customs Clearance for Transited and Transshipment Goods, which constitutes a serious violation whose total amount of fine reaches NTD 300,000 within the same year, it shall be suspended from manifest declaration and the business of transshipment and transit for a period of 6 months. Where the total amount of fine reaches NTD 1,000,000, the registration of forwarding business shall be abolished. The fines imposed before May 24, 2023, the date when these Regulations were amended, will not be accumulated to the amount prescribed in the preceding paragraph.

Chapter 5 Supplementary provision

Article 31

These Regulations shall take effect on the date of promulgation. However, the first half part of Paragraph 4 of Article 11-1 amended and promulgated on May 22, 2023 shall come into effect 1 month after its promulgation. The amendments to these Regulations promulgated on April 13, 2021 shall come into effect from July 1, 2021.