

Content

Title :	Operation Directions on Examination Measures of Applications for the Establishment of Offshore Island Duty-Free Shops Ch
Date :	2013.05.31
Legislative :	1.Promulgated by the Directorate General of Customs, Ministry of Finance Order No. 09910027821 on February 8, 2010. 2.Points 4 , 5 amended and promulgated by the Directorate General of Customs, Ministry of Finance Order No. 10010188081 on September 30, 2011. 3.Amended and promulgated by the Customs Administration, Ministry of Finance Order No. 10210115471 on May 31, 2013.
Content :	1. These Operation Directions are hereby prescribed by Customs to govern the examination measures of applications for the establishment of offshore island duty-free shops. 2. Unless otherwise provided by the Regulations Governing the Establishment and Management of Offshore Island Duty-Free Shops (hereinafter referred to as “these Regulations”) or other laws and regulations, Customs review of applications for the establishment of offshore island duty-free shops shall be handled in accordance with these Operation Directions. 3. For the purpose of reviewing applications for the establishment of offshore island duty-free shops, the competent Customs Office shall establish a Review Committee for Applications for the Establishment of Offshore Island Duty-Free Shops (hereinafter referred to as the “Review Committee”), with the Deputy Director of Customs serving as the convener and relevant personnel of the units concerned serving as members. 4. An applicant applying for approval for registration as an offshore island duty-free shop (hereinafter referred to as the “applicant”) shall, in addition to meeting the requirements prescribed in Article 7 of these Regulations, submit a plan for the offshore island duty-free shop to the competent Customs Office in accordance with Article 8 of these Regulations. The plan shall include: (1) Application form for establishment and registration of an offshore island duty-free shop and the following supporting documents: a. The Articles of Incorporation of the company and internal control systems. b. The original and photocopy of the license for the self-provided bonded warehouse. c. The original and photocopy of the user’ s permit for the offshore island duty-free shop building. d. The applicant shall provide documentation issued by the competent local county (or city) authority confirming approval for the establishment of the offshore island duty-free shop. e. For the offshore island duty-free shop or purchase claim centers to be established within the controlled zone of an airport or harbor, the

applicant shall submit approval documents from the authority responsible for the respective controlled zone.

f. The address and layout for the offshore island duty-free shop and the purchase claim center.

g. A list of at least two dedicated personnel, along with copies of their qualification certificates.

(2) The traveler flow layout for the offshore island duty-free shop and the purchase claim center.

(3) Planning of computer network facilities and a plan for implementing backup measures for such facilities.

(4) Matters concerning the planning of surveillance cameras (including installation locations, recording periods, and retention for the prescribed period).

5. The applicant shall possess computerized facilities and capability for processing accounting and cargo management in compliance with the requirements of Customs administration operations, and shall establish and maintain a computerized connection with the competent Customs Office as referred to in Subparagraph 5 of Article 7 of these Regulations. The review criteria refer to the computer system established by the applicant in accordance with the Guidelines for Computer System Establishment for Offshore Island Duty-Free Shop Operators and the customs clearance operation regulations, which shall meet at least the following functions:

(1) It shall be capable of receiving the tariff classifications and other relevant information, including the traveler's available duty-free allowance, as determined by Customs on the basis of the operator's Declaration Form concerning the entry of storage (B2, D1, D7, and D8).

(2) At the time of sale, it shall be capable of printing a sales note in quadruplicate. If a traveler's purchases during each trip exceed the duty-free allowance prescribed in Article 17 of these Regulations, or if the cumulative number of trips in a calendar year during which the traveler purchases duty-free tobacco products or alcoholic beverages exceeds the prescribed maximum number of trips, it shall be capable of automatically calculating the duties and taxes and printing such amount on the sales note in quadruplicate.

(3) It shall be capable of transmitting data on sales notes, bills of lading, and other relevant documents to the Offshore Island Duty-Free Shop System.

(4) When a traveler picks up goods in the controlled zone of an airport or harbor, it shall have a computer function for entering the "date" and "voyage number" to indicate the end of the trip, and multiple sales notes and bills of lading issued on the same day shall all be processed as part of the same trip.

6. When applying for approval for registration as an offshore island duty-free shop, the applicant shall simultaneously apply to the Customs for an identification code, which shall be used as the electronic signature and authentication for the transmission of data by computer. After accepting the application, the competent Customs Office shall, in addition to providing guidance to the operator in accordance with relevant regulations,

add a remark indicating the offshore island duty-free shop to the Customs Supervision Data Maintenance File in the Air Cargo Clearance System (IS3) or the Sea Cargo Clearance System (CM02), and enter the relevant information in the operator connection account management screen of the Offshore Island Duty-Free Shop System (M05), so as to facilitate the issuance of the identification code.

7. After the Review Committee has completed the preliminary document review and on-site inspection in accordance with these Operation Directions, it shall report to the convener for scheduling a meeting to conduct a formal comprehensive review. For an applicant that passes the review, the competent Customs Office shall, after obtaining approval from the Director of Customs, issue an offshore island duty-free shop license to the applicant. For an applicant that fails the review, the competent Customs Office shall notify the applicant in writing of the reasons for the failure and the recommended measures to be taken for improvement within a specified period. If the applicant fails to make the required improvements and pass the review within the specified period, no offshore island duty-free shop license shall be issued.

Data Source : Ministry of Finance, R.O.C. Laws and Regulations Retrieving System