Content

| | |
|---|---|
| Title： | Customs Act Ch |
| Date： | 2013.05.29 |
| Legislative： | 1.Promulgated on august 8, 1967<br>2.Amended on July 17, 1968<br>3.Amended on August 24, 1971<br>4.Amended on July 27, 1974<br>5.Amended on July 16,1976<br>6.Amended on December 8, 1978<br>7.Amended on July 18, 1979<br>8.Amended on February 6, 1980<br>9.Amended on August 30, 1980<br>10.Amended on May 6, 1983<br>11.Amended on January 4, 1985<br>12.Amended on January 30, 1986<br>13.Amended on June 29, 1986<br>14.Amended on July 22, 1991<br>15.Amended on May 7, 1997<br>16.Amended on October 31, 2001<br>17.Amended on May 5, 2004<br>18.Amended on January 09, 2008<br>19.Amended on June 04, 2008<br>20.Amended on May 12, 2010<br>21.Amended on May 27, 2013 |
| Content： | Chapter I GENERAL PROVISIONS<br><br>Article 1<br>The collection of customs duty and the clearance of goods shall be governed by this Act.<br><br>Article 2<br>"Customs duty" is defined as the import duty leviable on goods imported from abroad.<br><br>Article 3<br>Customs duty shall be collected in accordance with the Customs Import Tariff unless otherwise prescribed in this Act. The Customs Import Tariff shall be enacted and promulgated otherwhere through legislative procedure. The Ministry of Finance may establish a Customs Tariff Commission to study and review matters relating to the amendment of the Customs Import Tariff and the levy of special customs duty. Organizational regulations of the Commission shall be drawn up by the Ministry of Finance and submitted to the Executive Yuan for approval. Staff members for the Commission shall be selected from employees within the statutory quota of the Ministry of Finance. |

Article 4
The levy of customs duty shall be levied by Customs.

Article 5
The Customs Import Tariff may, with respect to specified imported goods, stipulate separate tariff rates for different quantities of such goods in order to implement tariff quotas.
Regulations governing the methods of allocation, eligibility of application for allocation, collection of premiums, performance bonds, fees and charges and management for the tariff quotas referred to in the preceding paragraph shall be prescribed by the Ministry of Finance, together with the authorities concerned, and shall be submitted to the Executive Yuan for approval.

Article 6
The duty-payer of the customs duty shall be the consignee of the imported goods, the bearer of the bill of lading, or the holder of the imported goods, as the case may be.

Article 7
In the event that the untaxed goods carried by transports, goods carried by bonded transports, and the goods stored in a warehouse, container yard, bonded warehouse, logistics center or duty-free shop has been found to be deficient due to illegal withdrawal, loss, theft or any other reason, the firm operating such a business shall be responsible to make up any shortfall of the import duty payable.

Article 8
When a duty-payer, who is a legal person, a partnership or a non-legal body, is to be dissolved or liquidated, the liquidator shall, prior to the allocation of the remaining assets, pay customs duty, delinquent fees and fines sequentially according to law.
Any liquidator who violates the provisions of the preceding paragraph shall be liable to payment of the outstanding amount.

Article 9
The customs duty, delinquent fee or fine, levied in accordance with the provisions of this Act, but not collected within five years following the date on which such collection was finally determined, shall no longer be collected. However, this stipulation shall not apply to a case which has been referred to the authority concerned for compulsory execution prior to the expiration of the five-year period and whose proceedings have not yet been concluded.
Where installment or deferred payments are approved after the collection has been finally determined, the aforesaid five-year period shall commence

on the date following the expiration of the installment or deferred payments period.
The provisions of the preceding two paragraphs shall apply mutatis mutandis to all charges leviable under this Act.

Article 10
Required customs formalities, as well as import declarations, and relevant documents submitted by way of on-line transmission to customs computers, or via electronic data transmission, which are recorded on customs computer files, shall be deemed to have completed the formalities required in accordance with this Act.
Customs may, in considering of the situation of the implementation of cargo clearance automation, request firms operating declaration, transportation, storage, container yard and other business regarding clearance to conduct business by on-line transmission or electronic data transmission.
Regulations governing registration, application procedure, management and any other required matters regarding on-line or transmission referred to in the preceding two paragraphs shall be prescribed by the Ministry of Finance.
The delivery of determinations, administrative act, notices or decisions made by Customs may be accomplished via on-line transmission or electronic data transmission, and recorded in computers.
Enterprises conducting business in transmitting cargo clearance information to Customs by way of on-line transmission or electronic data transmission via computers shall be subject to approval by the Ministry of Finance.
Regulations governing approval qualifications, capital requirements, business items, criteria for charges, examination of business hours and other required matters shall be prescribed by the Ministry of Finance.

Article 10-1
Submissions of the Data required by regulations governing the matters of customs, commercial ports, trade licensing, commodity inspection and quarantine to the competent authorities or the institutions entrusted, by way of on-line transmission or via electronic data transmission, may be done through the Customs-Port-Trade (CPT) Single Window system established by the Customs.
Customs personnel shall keep confidential all information transmitted through the Single Window referred to in Paragraph One, unless otherwise stipulated by this Act or other laws.
Regulations governing operation, management, criteria of charges, packet disassembly, collection, processing and use of information and any other required matters regarding implementation referred to in Paragraph One shall be prescribed by the Ministry of Finance in consultation with other related competent authorities.

Article 11
Security or guarantee or deposit money set forth in this Act may be

provided as in the following ways:
（1） Cash.
（2） Bonds issued by the government.
（3） Time deposit certificates issued by a bank.
（4） Time deposit certificates issued by a credit cooperative.
（5） A one-year or more common trust certificate issued by a trust and investment company.
（6） A guarantee provided by a financial institution.
（7） Any other property approved by the Ministry of Finance which is easy for sale and custody, and free from any dispute over proprietary rights.
The security furnished in any of the forms specified in Subparagraphs (2) to (5) and （7) in the preceding paragraph shall be mortgaged or pledged to Customs..

Article 12
Customs personnel shall keep confidential all customs declaration information provided to Customs by duty-payers or exporters of goods. Those in violation of this provision shall be subject to disciplinary action and those accused of violation of the criminal law shall be handed over to the relevant authorities for investigation, except in cases of disclosures to personnel or authorities as set forth below:
（1） The duty-payer or the exporter of the goods himself/herself or his/her successors.
（2） The agent or attorney of the duty-payer or the exporter of the goods.
（3） Customs or taxation authorities.
（4） Control authorities.
（5） Authorities which process appeals and/or litigation regarding customs matters.
（6） Authorities which conduct investigations of cases involving customs matters as prescribed by act.
（7） Other authorities or personnel which may request that Customs provide customs declaration information as prescribed by act.
（8） Authorities or personnel which have been approved by the Ministry of Finance.
The provisions of the preceding paragraph shall not apply where Customs supplies information to government authorities for a statistical purpose that does not disclose the name of the duty-payer or exporter of goods.
The provisions regarding disclosures by customs personnel in Paragraph One shall apply mutatis mutandis in the event of a disclosure of information specified in Paragraph One by authorities and personnel specified in Subparagraphs (3) to (8) of the same paragraph.

Article 13
Where a notice of post-clearance audit is given within six months commencing from the date following the release of the imports and/or exports, Customs may proceed with post-clearance audit against the duty-payer, exporters, and related persons within two years from the date following the aforesaid release. According to the post-clearance audit

result, any case in which duty is refundable or receivable shall be notified within three years from the date following the release date.
Upon proceeding with the post-clearance audit as referred to in the preceding paragraph, Customs may, for the necessity of investigating evidences, request the duty-payer, exporters or related persons to provide records, documents, accounting books and/or relevant files or data bases regarding the imports or exports, notify such relevant persons to go to the office of Customs for inquiry, or designate officers to proceed with an investigation at the premises of such relevant. The investigated person shall not evade, interrupt or refuse such an investigation.
The related person referred to in Paragraph One means the enterprise operating the business of customs brokerage, transportation, storage, express delivery and any other business, groups or persons.
Upon proceeding with the post-clearance audit, Customs may request the relevant authorities and/or organizations to provide related information or other documents regarding the imports and/or exports.
Regulations governing the scope, procedure, required documents and other required matters regarding the post-clearance audit shall be prescribed by the Ministry of Finance.

Article 14
Regulations regarding clearance and management of importation and exportation under this Act shall apply mutatis mutandis to those of transshipment and transited goods.

Article 15
The following articles shall not be imported:
(1) Fake or spurious currencies or securities, or moulds for printing counterfeit currency;
(2) Articles infringing upon the rights of patents, trademarks and copyrights.
(3) Articles prohibited by law from importation.

## Chapter II PROCEDURES GOVERNING CUSTOMS CLEARANCE

### Section 1: Declaration and Examination

Article 16
The duty-payer shall declare imported good to Customs within fifteen days following the arrival date of the transportation means carrying such goods. Exporters shall declare exported goods to Customs within the prescribed period, before the clearance or departure of the transportation means carrying such goods. Regulations governing the declaration, examination and release of exported goods shall be prescribed by the Ministry of Finance.
Goods referred to in the preceding two paragraphs may be proceeded with pre-entry declaration prior to importation or exportation. Regulations governing the pre-entry declaration of goods shall be prescribed by the

Ministry of Finance.

Article 17
Upon declaration of importation, an import declaration form shall be filled out and submitted along with a bill of invoice, packing list and relevant documents required for importation.
Upon declaration of exportation, an export declaration form shall be filled out and submitted along with loading lists, booking notes, packing list, as well as export permits and relevant documents required for exportation.
The packing list, import/export permits and relevant documents required for examination referred to in the preceding two paragraphs may be supplemented prior to the release.
Where the documents referred to in the preceding paragraph are not supplemented within two months commencing from the date following the issuance of notice by the Customs, the imports/exports shall be returned/withdrawn within a given time limit, and in addition there into, if any violation of law is involved, the case shall be handled in accordance with the relevant law. Where the duty-payer/exporter of goods declares to abandon the goods in written form or fails to return/withdraw the goods within the prescribed period, the provision of Article 96 shall govern or apply mutatis mutandis.
The duty-payer or exporter may submitted along with required supporting documents to file an application with Customs to correct the declaration forms referred to in the first and the Paragraphs 2.
Prior the release of goods, the duty-payer or exporter may file an application with Customs to correct the declaration forms, and shall be exempt from penalties remitted referred to this Act or Customs Anti-Smuggling Act in case the matters to be corrected involves violation of this Act or Customs Anti-Suppression Act, as well such application is be made before Customs decides the goods to be inspected or finds any unconformity or receives confidential report of smuggling.
After the release of goods, the duty-payer or exporter may file an application with Customs to correct the declaration forms, and shall be remitted referred to this Act or Customs Anti-Smuggling Act in case the matters to be corrected involves violation of this Act or Customs Anti-Suppression Act, as well such application is made before Customs finds any unconformity, receives confidential report of smuggling, or gives a notice for post-clearance audit.
Regulations governing the items, time limit, reference for audit and required evidential documents for the applications referred to in the preceding three paragraphs and other relevant formalities shall be prescribed by the Ministry of Finance.

Article 18
To expedite the clearance of imported goods, Customs may release the goods following examination and payment of duty, according to required declaration matters filed by the duty-payer, then scrutinizing declaration after release. Except for the duty-payer or related person who has been

notified that the imports will be subject to a post-clearance audit, in accordance with Article 13, Customs shall notify the duty-payer of any refundable or recoverable duty found within six months following the date of release. After the expiry of this prescribed period the payment of duty originally made shall be considered final.
For imported goods which are not examined and released with payment of duty under the provisions of the preceding paragraph, and for which Customs is unable to determine immediately the amount of duty payable, Customs may, at the request of the duty-payer, examine and release the goods by allowing the duty-payer to submit documents required for scrutiny and pay an appropriate deposit. Customs shall then conduct ratification and determine the amount of duty payable within six months following the date of release, failing which the customs value declared by the duty-payer shall be accepted as the basis for determining the amount of customs duty payable.
Under any of the following circumstances, the imported goods shall not be released with payment of duty under the provisions of Paragraph One. However, Customs may, at the request of the duty-payer, examine and release the goods by allowing him or her to pay an appropriate deposit and complete customs formalities within a prescribed period. The deposit shall be confiscated if the duty-payer fails to complete the formalities prior to expiry of the prescribed period:
(1) Where the duty-payer fails to file relevant certificates for reduction of or exemption from customs duty in time but submission of them will follow.
(2) Where the duty-payer fails to apply for the issuance of an import permit in time but there is a necessity for him or her to apply for clearance and prompt delivery of the imported goods. However, this shall only apply to imported goods for which the importation is permitted.
(3) Where Customs considers it necessary to examine and release the imported goods on payment of a deposit.
For the imports subject to reduction of or exemption from duty, if application is not filed for payment of deposit in accordance with Subparagraph 1 of the preceding paragraph but duty is paid, the duty-payer may before the goods are released or, within four months after the goods are released, submit the related evidential documents for reduction of or exemption from Customs duty for correction and duty refund.

Article 19
After certifying the status as an Authorized Economic Operators (hereinafter as AEOs) to duty-payers, exporters and supply chain enterprises, Customs may provide preferential measures for goods imported or exported by the AEOs.
The goods listed in specific declaration forms filed by the duty-payers or exporters certified as AEOs referred to in preceding paragraph can be released prior to payment of duties and the duty-payers or exporters can complete consolidated payment of duties for the released goods on monthly basis, provided the duty-payers or exporters provide an appropriate deposit or an affidavit to Customs.
Regulations governing the qualification requirements for application of

certification , application procedures, categories of AEOs, sectors of supply chain enterprises, preferential measures, conditions for suspension or repeal of the status of AEOs and application of preferential measures, the specific declaration, methods of guarantee, conditions for the application of providing an affidavit, methods of payment of duties , and other required matters referred to the preceding two paragraphs shall be prescribed by the Ministry of Finance.

Article 20

The responsible person of any transportation means for passengers or cargo, or the transportation firm which is entrusted by such responsible person, shall report to Customs upon the arrival of the transportation means or prior to its departure abroad.

The term "responsible person" referred to in the preceding paragraph refers to the captain of a vessel or an airplane, the master of a train, or the controller of any other transport means.

The owner of the transport conducting business referred to in Paragraph One shall register with Customs and pay a deposit. Regulations governing customs clearance of transport and operation of transportation for the responsible person and the transportation firm which is entrusted by such responsible person, the qualifications, conditions, amount and type of deposit, application procedure, registration and change of registration, certificate application and renewals and all other required matters for the owner of transport shall be prescribed by the Ministry of Finance.

Article 21

Prior to importation, the duty-payer or the duty-payer’s agent may apply to Customs for an advance tariff classification ruling of the goods and Customs shall reply in writing.

Upon any changes an advance ruling on tariff classification referred to in the preceding paragraph, Customs shall state the reason to the duty-payer or the duty-payer’s agent in written form. If the duty-payer or the duty-payer’s agent is able to prove that a contract has been entered into, the transaction has been conducted according to the contract and the change in tariff classification will cause loss, the duty-payer or the duty-payer’s agent may apply for an extension of the period of the validity of the ruling, but such an extension shall not exceed ninety days. In the case where change an advance ruling on tariff classification change involves import regulations, the imported goods shall be subject to the import regulations in effect at the time of importation.

If the duty-payer or the duty-payer’s agent is dissatisfied with the advance tariff classification ruling issued by Customs, he or she may apply to the Directorate General of Customs, Ministry of Finance for a review prior to the importation of the goods. The Directorate General of Customs, Ministry of Finance shall then deal with the case in an appropriate manner except with a valid reason.

Regulations governing the application procedure for the advance ruling, time limit for reply by Customs and the review procedure of the Directorate

General of Customs, Ministry of Finance, shall be prescribed by the Ministry of Finance.

Article 22
Declaration, duty payment and the relevant customs formalities for goods clearance may be entrusted to a customs broker. The respective broker shall assign certified employees to be responsible to examined and endorsed. A customs declaration from a customs broker shall be examined and endorsed by its responsibly certified employees.
The customs broker under the preceding paragraph shall be approved by Customs before company or business registration, and apply to Customs for the license of customs broker along with the relevant documents after registration.
The regulations governing customs broker's capital requirements, qualifications and conditions of the responsible person, the manager, and responsibly certified employee, application procedure for approval, registration and any registration changes, certificate application and renewals, operation of customs declaration and any other required matters shall be prescribed by the Ministry of Finance.

Article 23
With imported, exported or transited goods, Customs may examine or exempt examination either by authorization or by application. Customs may, if necessary, withdraw samples. The quantity of the samples withdrawn shall be limited to the technically required quantity for examination.
The method, time and location of the examination and samples withdrawal, and the scope of exemption from examination referred to in the preceding paragraph shall be prescribed by the Ministry of Finance.
When the imported or exported goods are examined pursuant to Paragraph One, it shall be the responsibility of the duty-payer or the exporter to attend to the transportation, unpacking or the opening of the cases, as well as the restoration of such packages to their original form or condition, with all expenses thus incurred being borne by him her. For transited goods, the responsibility shall be burden by the transportation firm.

Article 24
The time and place of loading and unloading of all imported and exported goods shall be designated by Customs. In the case that the goods are of a perishable or dangerous nature, or with any special reason approved by Customs, such loading and unloading will not be subject to time and place limitations.

Article 25
The imported goods which are not released by Customs, the exported goods which have been examined and sealed by Customs and/or the goods which are required to be controlled by Customs may, at the time at which application

is made for such goods to be transported within the territory of the Republic of China, be approved by Customs to be transported via means of bonded transportation.
The firm of the means of bonded transportation referred to in the preceding paragraph shall register with Customs and pay a deposit. Regulations governing the qualifications, conditions, amount and type of deposit, application procedure, registration and any registration changes, certificate application and renewals, management and use of means of bonded transportation and any other required matters shall be prescribed by the Ministry of Finance.

Article 26
Imported or exported goods not released by Customs may be temporarily stored in a warehouse or in a container yard.
The firm operating the warehouse or container yard shall register with Customs and pay a deposit. Regulations governing qualifications, conditions, amount and type of deposit, application procedure, registration and any registration changes, certificate application and renewals, storage, movement and management of goods and containers, and any other required matters shall be prescribed by the Ministry of Finance.

Article 27
To expedite customs clearance, express consignments and postal parcels may proceed at a specific place.
Regulations governing the conditions and location of the establishment, classes, sorting and clearance procedures of the express consignments and any other required matters shall be prescribed by the Ministry of Finance.
Regulations governing the location of the establishment, amount of value and conditions subject to declaration, claim, examination, release and other clearance procedures regarding the postal parcels referred to in Paragraph One and any other required matters shall be prescribed by the Ministry of Finance.

Article 28
Customs shall follow the Rules of Origin on Imported Goods, when determining the origin of imported goods. If necessary, Customs may request the duty-payer to provide the relevant certificate of origin. Should any dispute arise during the process of determination, the duty-payer may request the competent authority in relation to such goods or professional organization to provide assistance for the determination at the expense of the duty-payer.
The Rules of Origin on Imported Goods shall be prescribed by the Ministry of Finance together with the Ministry of Economic Affairs.

Section 2: Customs Value

Article 29
The customs value of imported goods subject to ad valorem duties shall be determined and calculated on the basis of the transaction value.
The term "transaction value" referred to in the preceding paragraph means the price actually paid or payable for the imported goods sold from the exporting country to the Republic of China.
The following expenses shall be added into the calculation of customs value, provided that such an amount is not already included in the price actually paid or payable for the imported goods:
(1)commissions, brokerage, the cost of containers and the cost of packing incurred by the buyer;
(2)the value, apportioned as appropriate, of the following goods and services supplied by the buyer to the seller free of charge or at reduced cost for use in connection with the production or sale for export of the imported goods:
(i) materials, components, parts and similar items incorporated in the imported goods;
(ii) tools, dies, moulds, and similar items used in the production of the imported goods;
(iii) materials consumed in the production of the imported goods; and
(iv) engineering, development, artwork, design, plans and similar items undertaken elsewhere than in this country and necessary for the production of the imported goods;
(3) the royalties and license fees related to the goods paid by the buyer as a condition of the sale of the goods;
(4) the proceeds for use or disposal of the goods by the buyer accrues to the seller;
(5) the transport cost of the imported goods to the port or place of importation, and loading, unloading and handling charges associated with the transport; and
(6) the cost of insurance.
Expenses added to the customs value in accordance with the preceding paragraph should be added on the basis of objective, quantifiable information. Where objective and quantifiable data do not exist, the customs value cannot be determined under the provision of this Article.
In the case that Customs is doubtful of the truth and accuracy of the transaction documents provided by the duty-payer, or that Customs still remains doubtful after the provision of such an explanation, it shall be deemed that the customs value cannot be determined under the provision of this Article.

Article 30
The transaction value shall not be used as the basis for determining and calculating the customs value of imported goods under any of the following circumstances:
(1) where there are restrictions as to the use or disposition of the goods by the buyer other than restrictions which: (i) are imposed or required by law or public authorities in the Republic of China; (ii) limit the geographical area in which the goods may be resold; (iii) do not

substantially affect the value of the goods;
(2) where the sale or the price is subject to some condition or consideration for which a value cannot be determined with respect to the goods being valued;
(3) where part of the proceeds of any subsequent use or disposal of the goods by the buyer will accrue to the seller, but where such an amount cannot be determined;
(4) where the buyer and seller are related and such relationship influences the transaction value.
For the purpose of Sub-Paragraph four of the preceding paragraph the buyer and seller shall be deemed to be related only if:
(1) one of them is a manager, board director or supervisor of the other's business;
(2) they are legally recognized partners in business;
(3) they are employer and employee;
(4) one of them directly or indirectly owns, controls or holds five percent or more of the outstanding voting stocks or shares of the other's business;
(5) one of them directly or indirectly controls the other;
(6) both of them are directly or indirectly controlled by a third person;
(7) together they directly or indirectly control a third person; or
(8) they are spouses or relatives within a third-degree family relationship.

Article 31
If the customs value of the imported goods cannot be determined under the provisions of Article 29, the customs value shall be determined by Customs based upon the transaction value of identical goods sold for export to the Republic of China, exported at or about the same time as the goods being valued. In applying this Article, a reasonable adjustment shall be made to take into account differences in value attributable to commercial levels, quantity, transport costs, etc.
The term "identical goods" referred to in the preceding paragraph means goods which are the same in all respects, including country of production, physical characteristics, quality and reputation, as the goods being valued.

Article 32
If the customs value of the imported goods cannot be determined under the provisions of Articles 29 and 31, the customs value shall be based on the transaction value of similar goods sold for export to the Republic of China, exported at or about the same time as the goods being valued. In applying this Article, a reasonable adjustment shall be made to take into account differences in value attributable to commercial levels, quantity, transport costs, etc.
The term "similar goods" referred to in the preceding paragraph means goods which, although not alike in all respects, are produced in the same country, perform the same functions, have like characteristics and like component materials, as the goods being valued, and are commercially

interchangeable with the goods being valued.

Article 33
If the customs value of the imported goods cannot be determined under the provisions of Articles 29, 31, and 32, the customs value shall be based on a deductive value.
Customs may, according to the request of the duty-payer, reverse the order of application of present, Article 33, and Article 34 for a customs valuation.
The term "deductive value" referred to in Paragraph One means the customs value shall be based on the unit price at which the imported goods or identical or similar imported goods, are sold in the Republic of China in the condition as imported, in the greatest aggregate quantity, at or about the time of the importation of the goods being valued, to persons who are not related to the persons from whom they buy such goods at the first commercial level, subject to deductions for the following:
(1) either the commissions usually paid or agreed to be paid, or the additions usually made for profit and general expenses in connection with the sale of the imported goods or imported goods of the same class or kind in the Republic of China;
(2) the customs duties, and other national taxes payable in the Republic of China by reason of importation and sale of the goods;
(3) the transport and insurance costs and associated costs incurred within the Republic of China after the importation of the goods.
If neither the imported goods nor identical nor similar imported goods are sold at or about the time of importation of the goods being valued, the customs value shall be based on the unit price at which the imported goods or identical or similar goods are sold in the greatest aggregate quantity in the condition as imported, to persons who are not related to the persons from whom they buy such goods, at the time when sales of the imported goods or identical or similar goods are made in sufficient quantity to establish the unit price of the imported goods being valued, within ninety days following the date of the importation of the goods being valued, subject to deductions for the items enumerated in the preceding paragraph.
If the imported goods are not sold in the condition as imported, then, if the duty-payer so requests, the customs value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons in the Republic of China who are not related to the persons from whom they buy such goods, due allowance being made for the value added by such processing and the deductions enumerated in Paragraph Three of this Article.

Article 34
If the customs value of the imported goods cannot be determined under the provisions of Articles 29, 31, 32, and 33, the customs value shall be based on a computed value.
The term "computed value" referred to in the preceding paragraph means the sum of the following:

(1) the costs and expenses of producing the imported goods;
(2) an amount for profit and general expenses equal to that usually reflected in the sale of the imported goods or imported goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to the Republic of China;
(3) the transport cost of the imported goods to the port or place of importation, loading, unloading and handling charges and insurance costs associated with the transport.

Article 35
If the customs value of the imported goods cannot be determined under the provisions of Articles 29, 31, 32, 33, and 34, the customs value shall be determined using reasonable means on the basis of data available to Customs.

Article 36
The tax-payer may request in written form that Customs supply an explanation of the method used to determine the customs value of the imported goods, and Customs shall reply to the duty-payer in written form.

Article 36-1
Prior to importation, the duty-payer or the duty-payer’s agent may apply to Directorate General of Customs, Ministry of Finance (hereinafter as Directorate General of Customs), for an advance ruling on customs valuation related to the matters whether the expenses paid or payable for the imported goods under the Paragraph 3 of Article 29 of this Act or other expenses should be added into the calculation of customs value and Customs shall reply in writing.
Upon any change of an advance ruling on customs valuation referred to in the preceding paragraph, the Directorate General of Customs shall state the reason to the duty-payer or the duty-payer’s agent in written form. After receiving the decision related to the change in the ruling, the duty-payer or the duty-payer’s agent may apply for an extension of the period of the validity of the ruling, provided the duty-payer or the duty-payer’s agent is able to prove that a contract has been entered into, the transaction has been conducted according to the contract and the change in the ruling will cause loss. However, such an extension shall not exceed ninety days following the date of receiving the written decision.
The duty-payer or the duty-payer’s agent may apply to the Directorate General of Customs for a review prior to the importation of the goods, if he or she is dissatisfied with the advance ruling issued referred to in the Paragraph 1.
Regulations governing the application procedure for the advance ruling, required documents, time limit for reply by Customs and other required matters shall be prescribed by the Ministry of Finance.

Article 37
Upon re-importation of the goods sent abroad for repair, assembly, or further processing, the customs value of such goods shall be determined in accordance with the following provisions:
(1) for such goods sent abroad for repair or assembly, the actual cost of repair or assembly shall be taken as the basis for the calculation of Customs value;
(2) for goods exported abroad for further processing, the difference between the customs value of such goods following further processing at the time of re-importation and that of the identical or similar goods imported at the time of exportation of such goods, prior to further processing, shall be taken as the basis for calculating customs value.
The goods sent abroad for repair, assembly or processing referred to in the preceding paragraph shall be re-imported within one year commencing from the day after such goods are released for exportation. Where necessary, application may be filed with Customs prior to the expiration of the aforesaid one-year period, to explain the reason in writing for extension; for such overdue re-imported goods, the customs duty shall be levied on the basis of customs value of re-imported goods.

Article 38
In the case of imported goods on which only a rental or royalty is incurred, without a transfer of ownership, the customs value shall be determined on the basis of the rental or royalty amount plus the transportation fee and insurance fee.
In a case in which the rental or royalty declared by the duty-payer is under that of normal value, Customs may determine the amount based on such information as is obtained through investigation, but the determined annual rental or royalty amount is not lower than one tenth of the customs value of the goods.
The imported goods on which duty is collected by rental or royalty pursuant to Paragraph One shall, in addition to the duty collected on rental or royalty, be provided a deposit or a guarantee by a credit institute based on the difference between the duty collected by rental or royalty and the total liable duty on the customs value of the imported goods.
The paragraph one applies only to goods whose ownership is not transferable on account of patent rights, trade secrets, or for any other special reasons approved by the Ministry of Finance.
The rental or usage period of the imported goods as referred to in Paragraph One shall be approved by the Ministry of Finance.

Article 39
The foreign currency prices for imported goods liable to ad valorem duty shall be conversed into New Taiwan Dollar, and the exchange rate used for the conversion shall be published regularly by the Directorate General of Customs, Ministry of Finance in reference to the spot rate of the foreign exchange market.

Article 40
In case where a complete set of machinery, together with all essential equipment used directly with the machinery in the production process, has to be imported in an unassembled and disassembled state, packed separately due to excessive size or for any other reasons, such machinery and equipment shall be assessed according to their respective tariff classification to levy duty unless pertinent documents have, prior to importation, been submitted to Customs and approved by Customs in which case duty shall be assessed according to the tariff classification applicable to the complete machinery with equipment as one set.

Article 41
With the exception of the machinery which is to be dealt with in accordance with the provisions of the preceding Article, any other goods, which are made up of several different components, imported in a disassembled state and packed separately, shall be liable to duty assessed according to the tariff classification applicable to the goods as one complete unit.

Article 42
To verify the correct customs value of imported goods, Customs may take the following investigation measures, and the person investigated shall not evade, hinder or refuse such investigation:
(1) Examining any other documents concerning the price of the imported goods sold by the seller to the buyer;
(2) Making inquiries into the transaction value or deductive value of the imported goods or identical or similar goods, and examining past records of customs values assessed for previous shipments;
(3) Investigating account books and vouchers related to the imported goods or identical or similar goods of other sellers;
(4) Exploring any other evidence pertinent to valuation.

Section 3: Time Limits for Duty Payment and Administrative Remedy

Article 43
Customs duty shall be paid within fourteen days following the date of receiving the duty memo.
Any fines imposed and finally determined under this Act shall be paid within fourteen days following the date of receiving the notice from Customs.
Any expenses payable for selling off or destroying the goods shall be paid within fourteen days following the date of receiving the notice.

Article 44
Dutiable imported goods shall be released after the duty has been paid. Except in cases others prescribed in this Act or a guarantee has been filed

with and approved by Customs, the imported goods shall be released before duty payment.
Regulations governing the procedure, scope or method of the guarantee, the removal of guarantee liability and other required matters referred to in the preceding paragraph shall be prescribed by the Ministry of Finance.

Article 45
If the duty-payer who is dissatisfied with the decision of Customs on the tariff classification, customs value, amount of duty to be made up, or special duty, of the imported goods, may, within thirty days following the date of receiving the duty memo, file with Customs in the prescribed form to request a review of the case, and withdraw the goods after paying the entire duty amount or providing an appropriate guarantee.

Article 46
With regards to the review application, Customs shall make a determination on the review and write a statement within two months following the date of receiving the application. Customs may, if necessary, extend the time limit and if doing so shall notify the duty-payer. Such an extension shall be limited to only one time and shall not exceed two months.
The original statement shall be delivered to the duty-payer within fifteen days following the date of determination.

Article 47
The duty-payer, who is dissatisfied with the determination referred to in the preceding Article, may file an appeal and then enter into administrative litigation according to the law.
In case any duty is refunded as a result of an irrevocable determination given on a review, appeal, or in administrative litigation, Customs shall refund it within ten days following the date of final determination. The refund shall include duty plus interest payable for the period beginning on the day following the date on which duty was paid by the duty-payer up to the date on which a refund notice or treasury check is issued, calculated on a daily basis according to the annual interest rate of one-year fixed savings in Postal Savings which is effective on the date on which the duty was paid.
In case any duty is recovered as a result of an irrevocable determination given on a review, appeal, or in administrative litigation, Customs shall issue a memo for the recoverable duty and notify the duty-payer to repay the duty, within ten days following the date of final determination. The duty to be recovered shall bear interest for the period beginning on the date following the prescribed tax or duty payment period up to the date on which the memo for the recoverable duty is issued, calculated on a daily basis according to the annual interest rate of one-year fixed savings in Postal Savings which is effective on the date on which the duty was paid.

Article 48
In case of a default on the payment of customs duty, delinquent fee or fine by the duty-payer or the penalized person, Customs may notify the relevant authorities to prohibit the duty-payer or the penalized person from transferring, or creating other rights on, the property within the extent of his or her liability. Where the defaulter is a profit-seeking enterprise, Customs may advise the relevant authority to further restrain it from causing a reduction in capital or canceling registration.
Where the cargo of a duty-payer or a person liable to a penalty has not been seized, nor has the necessary security been provided, Customs may, after the delivery of the duty memo or penalty notice, request the court for a personal seizure of his or her property or take other protective measures to the extent that may cover the duty, delinquent fee or fine payable without there having been a guarantee provided, in order to prevent duty-payer or a person liable to a penalty form evading compulsory execution through hiding or transferring his or her property. However, such action shall not apply in the case where the duty-payer or penalized person has already provided a sufficient guarantee.
Regulations governing the standards and implementation of the provisional seizure or other protective measures referred to in the preceding paragraph shall be prescribed by the Ministry of Finance.
The provisions set forth in Articles 242, 243 and 244 of the Civil Code shall apply mutatis mutandis to the levy of customs duty.
the Ministry of Finance may request, the National Immigration Agency of the Ministry of Interior to restrict the duty-payer, person liable to a penalty or the responsible person or representative or the executive of an enterprise from leaving this country, who fails to pay the final and conclusive customs duties, fines or collection tax after the payment deadline, and the amount over NT$1,000,000 for the individual or over the amount of NT$2,000,000 for the profit-seeking enterprise; as well as before the conclusion of procedures for administrative remedies, if the amount is over NT$1,500,000 for the individual, and the amount is over NT$3,000,000 for the profit-seeking enterprise,
When the Ministry of Finance requests, the National Immigration Agency of the Ministry of Interior, to restrict the said duty-payer or person liable to a penalty from leaving this country, it shall also simultaneously notice the said duty-payer or person liable to a penalty in writing with the reasons and the provision of procedures for administrative remedies and the service of process of the notification aforementioned must be applied in accordance with related laws.
If Customs fail to carry out the preceding Paragraph 1 or Paragraph 2, the Ministry of Finance may not request, the National Immigration Agency of the Ministry of Interior to restrict the said duty-payer or person liable to a penalty from leaving this country in accordance with the Paragraph 3. However, the situation where the duty-payer or person liable to a penalty does not have any property is not subjected to the aforementioned provision.
The period of restriction from leaving this country by the National Immigration Agency of the Ministry of Interior shall not be over five years from the date of enforcement.

The situations where the Ministry of Finance may request, the National Immigration Agency of the Ministry of Interior to lift such restriction imposed on the duty-payer, person liable to a penalty, and the responsible person or representative or the executive of an enterprise are as follows:
1. The execution of restriction from leaving this country is completed provided in the preceding paragraph.
2. The duty-payer or person liable to a penalty has paid all of the duties, fine, and collection tax aforementioned, or has furnished property equivalent to the duties, fine , and collection tax payable as security to the Customs.
3. The administrative remedy and penalty procedures were concluded, and the combined amount of the duties, fine, and collection tax is under the amount provided in the Paragraph 3.
4. The duties, fine, or collection tax payable imposed on the duty-payer or person liable to be a penalty being restricted from leaving this country under this act has already over the period of collection.
5. The duty-payer established with the corporate organization has been dissolved and settled under related laws and has no remaining assets or properties to pay for the duties, fines, and collection tax.
6. The duties, fine or collection tax has been allocated in accordance with settlement or bankruptcy procedure of the Bankrupt Law.

## Chapter III PRIVILEGED DUTY TREATMENT

### Section 1: Duty Exemption

Article 49
The following imported articles are exempt from customs duty:
(1) articles imported for use by the President and the Vice President of the Republic of China;
(2) articles imported for official or personal use by diplomatic and consular officials of foreign embassies, legations, and consulates stationed in the Republic of China, and articles imported by other organizations and personnel that are entitled to diplomatic privileges, provided that the foreign governments concerned are extending reciprocal privileges to the Republic of China;
(3) mail pouches imported by diplomatic missions and articles for personal use brought in by government agency officials returning from overseas posts following the expiry of their terms of office;
(4) arms and ammunition, military equipment, vehicles, vessels, aircraft and accessories thereof, and supplies imported solely for military use by military authorities and armed forces;
(5) relief articles imported by or donated to government agencies or public welfare and charity societies engaged in the conduct of relief work;
(6) Articles necessary for educational, research, or experimental purposes imported by public and private schools or other educational or research institutions, compatible with the respective nature of their establishment; athletic equipment and apparatus required by sports organizations for training and participation in international athletic contests; provided

that the articles in both categories are finished products;
(7) decoration medals, insignia and other similar articles for use as tokens of commendation conferred by foreign governments or organizations;
(8) official and private documents and similar articles;
(9) advertising matters and samples of no commercial value or with a value no more than the prescribed ceiling;
(10) marine products caught at sea by fishing boats of the Republic of China; or marine products, whose quantities are within the limit prescribed by the Ministry of Finance, caught at sea and shipped back by fishing boats of the Republic of China belonging to a government-approved overseas company invested in by citizens of the Republic of China.
(11) wrecked vessels, aircraft and their respective equipment salvaged from the sea;
(12) vessels registered with the Republic of China, engaged in trade for two years, and permitted to be dismantled on account of overage cause or for any other reasons; however, non fixtures on board these ships such as articles and tools for ships' use, foreign goods' stocks, bunker coal and oil, shall not be exempt from duty;
(13) fuel and materials used solely on ships, aircraft and other means of transport engaged in international trade; however, in the case of international carriers registered with a foreign government, the granting duty-free privileges is subject to reciprocal treatment by that foreign government to carriers of the Republic of China;
(14) personal effects, carried by passengers for their own use;
(15) petty parcels imported by post with a value no more than the prescribed ceiling;
(16) pharmaceutical products or medical apparatus imported by or donated to government agencies in order to prevent epidemics;
(17) equipment and articles imported by or donated to government agencies for emergency aid, as well as imported equipments, apparatus, disaster rescue animals and goods carried by foreign rescuers for the purpose of emergency or disaster rescue;
(18) articles for personal use brought in by sailors, holding citizenship of the Republic of China and a domestic household registration, returning from foreign countries or disembarking.
Except for the goods referred to in the preceding paragraph, the accumulated customs value of the imported goods in the same shipment, if with a value no more than the prescribed ceiling announced by the Ministry of the Finance, shall be exempt from customs duty. However, this prescription is not applicable to such special goods as are prescribed and announced to the public by the Ministry of Finance.
Regulations governing the scope, items, quantities and ceiling of customs exemptions referred to in Subparagraphs 2 to 6, 9, 14, 15, and 18 of Paragraph One and the clearance procedures and other required matters concerning the goods listed therein shall be prescribed by the Ministry of Finance.

Article 50
Imported goods shall be exempt from customs duty under any of the following

circumstances:
(1) Goods lost, damaged or which have deteriorated, hence having no commercial value, while in transit or at the time of unloading, provided that the fact has been reported to Customs at the time of importation.
(2) Goods lost or damaged by natural disaster, accidents or other force majeure, hence having no commercial value, following unloading but prior to release by Customs.
(3) Goods found to have been broken, leaking, damaged or rotten at the time of Customs' examination, hence having no commercial value, provided such condition of the goods is not due to the negligence of the warehouse keeper or any other party related to the goods.
(4) Goods to be returned to the exporter at the request of the duty-payer and such request being approved by Customs prior to release.
(5) Natural loss caused by the nature of the goods prior to release, such loss being confirmed by Customs.

Article 51
When duty-paid imports are found to have been damaged or not conforming to the specifications and quality as stated in the original contract, thereby necessitating compensation or replacement by the exporter, the compensation or replacement shall be exempt from duty on the condition that the situation is reported to Customs within one month following the date of importation of the original goods, and that all relevant documents submitted to Customs have been verified as accurate.
If the aforementioned goods are either machinery or equipment, the report and application submitted to Customs may be made within three months following the date of installation and test-run.
The compensation or replacement goods referred to in Paragraph One shall be imported within six months following the date of receiving the approval notice from Customs. If necessary, an extension, not exceeding six months, may be applied for with Customs before the expiration of such period.

Article 52
Dutiable samples, articles for scientific research, experiments, and/or exhibition, costumes and paraphernalia of entertainment troupes, cinematographic equipment and supplies for making movies and/or television films, instruments and tools needed for installation and repair of machines, containers used for importing cargoes, finished products imported for repair and maintenance, and other articles approved by the Ministry of Finance shall be exempt from customs duty, provided that they are to be re-exported abroad within six months following the date of importation or within the time limit approved by the Ministry of Finance.
If the goods referred to in the preceding paragraph require an extension to the period of re-exportation under special circumstances, an application for an extension stating the reasons shall be submitted to Customs at the port of importation along with relevant documents. Provided that the re-exportation period is approved by the Ministry of Finance, then such an application shall be submitted to the Ministry of Finance.

Article 53
Samples, articles for scientific research, engineering machinery, cinematographic equipment and supplies carried by professionals engaged in making motion pictures and/or television films, instruments and tools needed for installation and repair of machines, articles for exhibition, artwork, containers used for importing cargoes, costumes and paraphernalia of entertainment troupes, copies of motion pictures and video tapes mailed abroad by government agencies and other similar articles approved by the Ministry of Finance, which are re-imported within one year following the date of exportation or within the time limit approved by the Ministry of Finance, shall be exempt from customs duty.
If the goods referred to in the preceding paragraph require an extension to the period of re-importation under special circumstances, an application for an extension stating the reasons shall be submitted to Customs at the port of exportation along with relevant documents. Provided that the re-importation period is approved by the Ministry of Finance, then such an application shall be submitted to the Ministry of Finance.

Article 54
The duty-payer may hold a carnet instead of import or export declaration form in order to clear Customs for temporary admission of goods. Where the goods are re-exported or re-imported within the period of validity, such goods may be exempted from customs duty. In the case that the goods are not re-exported within the time limit, the institution acting as guarantor as prescribed in the carnet shall pay the duty in place of the duty-payer; where the goods are re-imported after the aforesaid period, the customs duty shall be levied according to this Act.
Regulations governing the scope of goods applicable to temporary admission, the guarantee liabilities of the guarantor institution, the endorsement, issuance, and management as well as other required matters, shall be prescribed by the Ministry of Finance.

Article 55
In cases where the goods imported are under duty reduction or exemption with a subsequent deviation from duty reduction or exemption conditions on account of a transfer of ownership or a change in their use, the original duty-payer or the present holder of such goods shall pay duty to Customs at the port of importation within thirty days following the date of the transfer of ownership or the change in the use of the goods imported; the import duty levied shall be based on the value and tariff rate applicable at the time when such a transfer or change occurred. However, the duty may be exempted under any of the following circumstances:
(1) where the transfer of ownership or change in use occurs after the expiry of the time limit prescribed by the Ministry of Finance;
(2) where the goods are re-exported in their original condition as approved by Customs;

(3) where the authority having originally issued the permit or certificate transfers the case to Customs, and the goods are re-exported in their original condition as confirmed by Customs; or
(4) where the transferee satisfies the conditions of the conditions for duty reduction or exemption.
Imported goods on which duties are paid in installments or recorded on accounts shall not be transferred until full payment of such duties is made unless they are under compulsory execution or otherwise approved by Customs as a special case.
Where the imported goods are under compulsory execution or approved as a special case as provided for in the preceding paragraph, Customs may permit the transferee to continue to pay the duties in installments or record them on accounts.
Regulations governing the duty payment referred to in Paragraph One, the time limit for exemption, application procedure, determination of customs value and other required matters shall be prescribed by the Ministry of Finance.

Article 56
Raw materials imported for use in manufacturing articles intended for export may be exempt from duty if they are re-exported within one year following the date of release for entry, and are approved by the Ministry of Finance within one year following the day on which the raw materials were released for entry.
The application for exemption for the re-exported raw materials referred to in the preceding paragraph shall be submitted within six months following the date of exportation.

Article 57
Exported finished products returned for any reason may be exempt from duty, if they are re-imported within 3 years following the release date for exportation; however, the import duty originally paid on the raw materials, refunded upon exportation of the goods, must be repaid in full.
The re-imported products as described under the preceding paragraph which are under a guarantee to be re-exported upon completion of repair or maintenance, within six months following the date of re-importation, shall be exempt from a repayment of duty on raw materials which was refunded upon exportation of the finished goods. However, if the re-exportation can not be accomplished on schedule on account of natural disaster, accidents or other force majeure, the time limit for re-exportation shall not exceed one year.

Section 2: Bonding

Article 58
Imported goods may, prior to being picked up, be applied to Customs to store such goods in a bonded warehouse. Such goods re-exported or exported

after reassembly within the time limit prescribed for storage in a bonded warehouse may be exempt from the payment of duty.
After being stored in a bonded warehouse, domestically manufactured bonded goods may be written off from the accounts in accordance with relevant provisions; for domestically manufactured goods for reconditioning which have been stored in a bonded warehouse, except for those goods of which the applicable items of duty refund have been cancelled, the duty may be refunded or offset after exportation according to the provisions of Article 63.
During the warehousing period referred to in the preceding two paragraphs, the owner of the stored goods or the bearer of the warehousing receipt thereof may apply to Customs for permission to arrange, sort, divide up, assemble or repack such goods within the bonded warehouse.
The firm operating the bonded warehouse shall apply to the relevant Customs office for registration and submit a deposit. Regulations governing the qualification, conditions, installation and equipment, amount and type of deposit, application procedure, registration and any registration changes, certificate application and renewals, storage and management of goods and any other required matters shall be prescribed by the Ministry of Finance.

Article 59
Export processing factories may be registered, with the approval of Customs and under its supervision, as bonded factories. Raw materials imported and stored by bonded factories for manufacturing or processing into exported products shall be exempt from customs duties.
Finished products processed or manufactured by bonded factories, and raw materials exempted from customs duties in accordance with the provisions of the preceding paragraph, shall not be moved out of bonded factories, unless approved by Customs and unless duties have been paid on products or raw materials in the form when they were moved out of bonded factories.
Bonded factories shall apply to the relevant Customs office for registration. Regulations governing the qualification, conditions, capital requirements, application procedure, installation and equipment, registration and any registration changes, certificate application and renewals, processing, management, clearance, recoverable duty procedures for domestic sales of bonded goods and any other required matters shall be prescribed by the Ministry of Finance.

Article 60
Firms operating in a bonded location in regard to the storage, transportation and distribution business of bonded goods may apply to Customs for registration of its location as a logistics center.
Goods stored in a logistics center, if required for the operation referred to in the preceding paragraph, may carry out reconditioning and simple processing.
Imported goods stored in a logistics center which are re-exported in their original form, or after reconditioning or processing, shall be exempted from duty. Domestic goods stored in a logistics center, except for items

whose duty refund cancellation has been announced, may apply for offset or refund of duty following exportation in accordance with Article 63.
Firms operating a logistics center business shall apply to the relevant Customs office for registration and pay a deposit. Regulations governing qualifications, conditions, capital requirements, amount and type of deposit, application procedure, registration and any registration changes, certificate application and renewals, management and clearance of goods and any other required matters shall be prescribed by the Ministry of Finance.

Article 61
Firms which sell goods to travelers entering or leaving the Republic of China may apply to Customs for registration as a duty-free shop.
In the case where bonded goods stored for sale by duty-free shops are sold to travelers within the time limit and are exported, by way of carrying them out, in their original form, such goods shall be exempted from duty.
Bonded goods of duty-free shops shall be stored in bonded warehouses which specifically provide the storage for duty-free shops.
Firms operating a duty-free shop business shall apply to the relevant Customs office for registration. Regulations governing the qualifications, conditions, capital requirements, application procedure, registration and any registration changes, certificate application and renewals, management, clearance, sales of goods, and any other required matters shall be prescribed by the Ministry of Finance.

Article 62
In the case where imported goods are returned or exported by transshipment due to a mistake made during loading, excessive unloading or any other special reasons prior to declaration, an application shall be submitted to Customs for approval within fifteen days following the importation date of the transportation carrying such goods; such goods shall be returned in their original form or exported by transshipment within ninety days. In the case in which an application cannot be submitted on time due to rational reasons, the application for storage in a bonded factory shall, prior to expiration of the stipulated period, be submitted to Customs in accordance with Article 58.
In case where the goods which are not carried out in accordance with the preceding paragraph, they shall be sold or disposed of, in accordance with Paragraph Two of Article 73 mutatis mutandis.

Section 3: Customs Duty Refunds

Article 63
Customs duty paid on raw materials used in the manufacture of articles intended for export is refundable following exportation of the finished products according to the standards for the raw materials in the quantity required for normal production, unless the item of duty refund has been cancelled by the Ministry of Finance by public notice or the amount of the

refundable duty, or percentage of it in the FOB price of the finished products is lower than the limit prescribed by the Ministry of Finance. Customs duty leviable on raw materials may be recorded in books with guarantees provided by the manufacturers and offset following the exportation of the finished products.
Manufacturer may apply for a duty refund or an offsetting of the accounts for export products, with relevant export documents, within one year and a half following the date on which the raw materials were released for importation. After the expiration of the prescribed time limit, the application for a duty refund or offset shall be rejected.
The time limit referred to in the preceding paragraph may be extended under special circumstances approved by the Ministry of Finance. Such an extension shall not exceed one year.
Regulations governing the refund and offsetting of customs duty paid on raw materials, the approval standards and calculations of such a refund or offset, application procedure, time limits, guarantees provided, records of the offset on accounts and any other required matters shall be prescribed by the Ministry of Finance.

Article 64
Under any of the following circumstances, the customs duty shall be refunded:
(1) where the imported goods are banned by law from sale or use within one year following importation, and are re-exported or destroyed under Customs supervision within six months following the date of such a ban.
(2) where it is confirmed by Customs that the goods are damaged or broken prior to picking up due to natural disaster, accident or force majeure and thus have no value.
(3) where the tax-payer applies for re-exporting or storing the goods in a bonded warehouse prior to picking up them, and the application is approved by Customs.

Article 65
In the case where there is shortage/excess of duty collection or refund, Customs, upon discovery, shall notify the duty-payer to pay or return the difference, or claim the over-collected/refundable amount. The duty-payer may also take initiative to apply for the payment or refunding.
The payment or refunding refer to in the preceding paragraph shall be made within one year. In the case of shortage/excess of duty collection, the time period shall be beginning following the date on which the duty was paid. In case of shortage/excess of refund, the time period shall be beginning following the date on which the duty refund notice was issued.
The shortage payable or refund receivable referred to in Paragraph One shall be collected or refunded together with the interest payable for the period beginning from the date following that on which the duty was paid, or following that on which the time limit for the duty payment expired, or following that on which the duty refund notice was issued by Customs, up to the date on which the shortage is paid or refund is received, calculated on

a daily basis according to the annual interest rate of one-year fixed savings in Postal Savings which is effective on the date on which the duty is either due or paid.
The duty-payer shall pay the shortage duty or excess refund and the calculated interest in accordance with the preceding paragraph within fourteen days following the date of receiving the notice from Customs. In the case of delinquent payment made prior to the expiration of the time limit, a delinquent fee shall be levied at the rate of 0.05 percent of the total amount of customs duty unpaid per day, commencing on the date following that on which the prescribed duty payment period expired up to the date on which the outstanding amount of duty is liquidated in full.

Article 66
In the case of refunded money, Customs shall deduct the outstanding amount from the refund in order to offset the delinquent payment, and immediately notify the duty-payer of the balance.

## Chapter IV SPECIAL CUSTOMS DUTY

Article 67
Imported goods that have directly or indirectly received a financial subsidy or any other form of allowance during the process of manufacture, production, sale, or transportation in the country of exportation or origin, thereby causing injury to any industry in the Republic of China, may be subject to the imposition of appropriate countervailing duty in addition to the customs duty leviable under the Customs Import Tariff.

Article 68
Imported goods that are found to have been imported at a price less than the normal value of its like product, thereby causing injury to any industry in the Republic of China, may be subject to the imposition of appropriate antidumping duty in addition to the customs duty leviable under the Customs Import Tariff.
The "normal value" referred to in the preceding paragraph means the comparable domestic selling price in the country of exportation or origin in the ordinary course of trade. In the absence of such a domestic selling price, the comparable selling price exported to an appropriate third country, or the constructed price consisting of the cost of production in the country of origin plus a reasonable amount for administrative, selling, and other expenses, and normal profit will be the basis for comparison.

Article 69
The term "causing injury to any industry in the Republic of China" referred to in the preceding two Articles means material injury, threat of material injury to the industry, or material retardation of the establishment of such an industry in the Republic of China.

The amount of countervailing duty to be imposed shall not exceed that of the subsidy and allowance received for the imported goods, and the amount of antidumping duty imposed shall not exceed the dumping margin of the imported goods.
The scope, subject, duty rate, commencement or termination date for imposing countervailing or antidumping duty shall be prescribed by the Ministry of Finance after consulting with the relevant authorities, and shall become effective on the date of the public announcement.
Regulations governing the qualification of applicants, application contents, investigations, determination, opinion statement, disposition procedure and any other required matters regarding application for imposition of countervailing duty and antidumping duty shall be drafted by the Ministry of Finance, together with the relevant authorities, and shall be submitted to the Executive Yuan for approval.

Article 70
Should goods exported from the Republic of China or carried by any means of transport belonging to the Republic of China be accorded discriminatory treatment by an importing country, thereby placing the goods of the Republic of China in a disadvantageous position as compared with those of other countries in the market, the goods shipped from that country to the Republic of China or carried by any means of transport belonging to that country may be liable to payment of an appropriate retaliatory duty as decided by the Ministry of Finance, in addition to the customs duty leviable in accordance with the Customs Import Tariff.
In making the decision as referred to in the preceding paragraph, the Ministry of Finance shall consult with the relevant authorities and submit to the Executive Yuan for approval.

Article 71
To cope with special domestic and/or international economic situations, to adjust the supply of goods, and to provide industries with appropriate operational conditions, customs duties or tariff quotas imposed on imported goods may be adjusted up or down within the range of fifty percent of the tariff rate or quota quantity prescribed in the Customs Imports Tariff Schedule; nevertheless, in case that the imported goods are in the category of staple commodity and the goods' prices have fluctuated enormously, the range may be extended to one hundred percent. The time period applicable to the tariff rate or quota quantity adjustment shall not exceed one year.
The categories of goods subject to the adjustment of tariff rate or quantity referred in the preceding paragraph, the range of actual adjustment, and the dates for commencing and terminating such adjustment shall be drawn up by the Ministry of Finance in consultation with other related competent authorities, and be submitted to the Executive Yuan for approval.

Article 72

In the case where import relief or special safeguard measures are adopted in accordance with the Foreign Trade Act or other international agreements respectively, the Ministry of Finance may increase the duty rate, a tariff quota may be adopted or additional duties imposed on specified imported goods.
Where the accumulative import volume of a category of goods is beyond the standard trigger volume, the additional duty referred to in the preceding paragraph shall be calculated based on the duty leviable on the imports determined by Customs; where the import price is lower than the standard trigger price, it shall be calculated based on the difference between the customs value determined by Customs under this Act and the standard price. For the levy of additional duty, the higher of the two values resulting from comparison in respect of the two standards shall apply.
The scope, duty rate, amount and period regarding the increase of duty, adoption of tariff quota or imposition of additional duty referred to in Paragraph One shall be drafted jointly by the Ministry of Finance and the related authorities, and submitted to the Executive Yuan for approval. The tariff quota shall be implemented in accordance with the regulations for tariff quota set forth in paragraph two of Article 5.

## Chapter V PENALTIES

### Article 73
In the case where the duty-payer of the imported goods fails to apply for clearance within the time period prescribed in paragraph one of Article 16, a late fee of NT$200 per day shall be levied beginning from the date following that on which the time period expires.
If the duty-payer of the imported goods still fails to apply for clearance following twenty consecutive days of having the late fee imposed, the goods concerned shall be disposed of by Customs by way of sale. If any surplus proceeds of the sale remain following the deduction of the customs duty levied and any other necessary expenses, Customs shall retain the surplus proceeds in temporary custody pending claim by the duty-payer; the duty-payer concerned shall apply for a refund of the surplus proceeds within a period of five years, after which time they shall be surrendered to the national treasury.

### Article 74
In the case where the import duty is not paid within the time limit prescribed in Article 43, a delinquent fee shall be levied at the rate of 0.05 percent of the amount of duty per day beginning from the date following that on which the time limit for duty payment expires.
If the import duty remains unpaid after the imposition of the delinquent fee for thirty consecutive days, the ruling prescribed in paragraph two of the preceding Article shall apply mutatis mutandis.

### Article 75

When Customs conducts an investigation in accordance with the provisions of Paragraph Two of Article 13 and Article 42, the person being investigated who evades, interrupts or refuses the investigation or refuses to provide information, attend to the site to accept the inquiry of Customs or provide cooperation in investigation, shall be liable to a fine of not less than NT$3,000 and not more than NT$30,000. Repeated refusals may entail repeated impositions of fines.

Article 76
The original duty-payer, present holder of the goods shall pay the payable duty in accordance with Article 55 within fourteen days following the date of receiving the duty memo. In the case where duty is not paid within the prescribed time period, the procedures referred to in Paragraph One of Article 74 shall be undertaken by Customs.
If it is discovered that payment of the customs duty in accordance with Article 55 has not been made, a fine equal to the amount of the duty shall be levied in addition to the customs duty payable.

Article 77
A delinquent payment of customs duty involving exemptions of customs duties, records on accounts and/or installment payment of customs duties for imported machinery, equipment, apparatus, automobiles and necessary parts and components processed according to this Act shall be handed over for compulsory execution. In addition, a delinquent fee shall be charged at the rate of 0.05 percent of the total amount of customs duty unpaid or recorded on account per day, commencing from the date following that on which the prescribed time limit for duty payment expired or on which the duty was recorded on the account to the date on which the outstanding amount of duty is paid in full. However, the total amount of the delinquent fee charged may not exceed thirty percent of the amount of customs duty unpaid or recorded on the account.

Article 78
In the case where the finished products or duty-free raw materials of a bonded factory are moved out of the factory, in violation of the provisions of Paragraph Two of Article 59, such a violation shall be treated as smuggling goods into this country and shall be liable to penalties in accordance with the relevant provisions of the Act of Customs for the Suppression of Smuggling.

Article 79
In the case where the amount of duty recorded on the account for raw materials imported for manufacture of exported products cannot be offset within a prescribed period, a delinquent fee shall be charged at the rate of 0.05 percent of the amount of duty payable per day, in addition to payment of the customs duty so recorded, commencing on the date following

the expiration on which the customs duty was recorded to the date on which the outstanding amount of duty is paid in full. However, the delinquent fee may not exceed 30% of the duty recorded on account.
Under any of the following circumstances, the delinquent fee referred to preceding paragraph shall not be charged:
(1) excessive amount of raw materials stored has been approved because of government export controls or coordination with government policy.
(2) the factory suffers from a natural disaster, accidents or other force majeure, certified by the local fire department or internal revenue office.
(3) the duty recorded cannot be offset within the prescribed period due to a drastic change in the international economic situation following which an exemption of the delinquent fee has been agreed upon by the Ministry of Finance and the Ministry of Economic Affairs.
(4) the goods being exported are directly affected by a coup d'etat, war, strike or natural disaster occurring in the importing country, declared to be true following investigation;
(5) the goods have been exported prior to the expiration of the prescribed period for duty refund or offsetting of the accounts of customs duty recorded or within six months following the expiration of the prescribed period for filing an application for duty refund or offsetting of the accounts of customs duty recorded.

Article 80
(Deleted)

Article 81
In the case where the enterprise conducting the customs declaration, transportation, storage, container yard and any other business related to clearance, whereupon proceeding with registration, the application procedure, management or any other required matters regarding on-line transmission or electronic data transmission of clearance information, violates the regulations prescribed in accordance with Article 10, Customs may warn and request such an enterprise to rectify its behavior within a time period or impose a fine of not less than NT$ 6,000 and not more than NT$30,000. Such an imposition of a fine may be repeated if necessary. In the case that such an enterprise does not rectify its behavior after the imposition of a fine for three consecutive times, a suspension of on-line declaration privileges may be adopted for a period of not more than six months.

Article 82
In the case where the enterprise operating on-line transmission or electronic data transmission network for customs clearance, wherein the business items, charging standards, business hours or any other required matters, violates the regulations prescribed in accordance with Paragraph Five of Article 10, the Ministry of Finance may warn and request such an enterprise to rectify its behavior within a specified time limit or impose

a fine of not less than NT$100,000 and not more than NT$500,000. Such an imposition of a fine may be repeated if necessary. In the case that such an enterprise does not rectify its behavior after the imposition of a fine for three consecutive times, a suspension of on-line electronic data transmission privileges may be adopted for a period of not more than six months or the business license may be repealed.

Article 83
In the case where the responsible person of the transportation means for passengers or cargo or the transportation firm entrusted by the responsible person, whereupon proceeding with the importation or exportation clearance, registration change, the certificate application or renewal of the firm, and other required matters, violates the regulations prescribed in accordance with Paragraph Three of Article 20, Customs may warn and request such a person or owner to rectify his/her behavior within a time limit or impose a fine of not less than NT$6,000 and not more than NT$30,000. The imposition of a fine may be repeated if necessary. In the case that such a person does not rectify his or her behavior after the imposition of a fine for three consecutive times, a suspension of importation or exportation declaration privileges may be adopted for a period of not more than six months.

Article 84
In the case where the customs broker violates the regulations prescribed in accordance with Paragraph Three of Article 23, whereupon proceeding with registration change, certificate application or renewal, operation of the declaration business or any other required matters, Customs may warn and request such a broker to rectify his or her behavior within a specified time limit or impose a fine of not less than NT$6,000 and not more than NT$30,000. The imposition of a fine may be repeated if necessary. In the case that such a customs broker does not rectify his or her behavior after the imposition of a fine for three consecutive times, a suspension of on-line declaration privileges may be adopted for a period of not more than six months. However, in the case of serious violation, the broker license may be repealed without being limited by the continuous imposition of fines for three times.
In the case where the certified employee of the customs broker violates the regulations prescribed in accordance with Paragraph Three of Article 22, whereupon conducting the business of declaration and examination, endorsement or any other required matters, Customs may warn and request such an employee to rectify his or her behavior within a specified time limit or impose a fine of not less than NT$2,000 and not more than NT$5,000. The imposition of a fine may be repeated if necessary. In the case that such an employee does not rectify his or her behavior after the repeated imposition of a fine for three consecutive times, a suspension of declaration, examination and endorsement privileges may be adopted for a period of not more than six months, or his or her registration may be repealed.

Article 85
In the case where the firm of the means of bonded transportation, whereupon proceeding with registration change, certificate application and renewal, bonded transport use and management or any other required matters, violates the regulations in accordance with Paragraph Two of Article 25, Customs may warn and request such an owner to rectify its behavior within a time limit or impose a fine of not less than NT$3,000 and not more than NT$10,000. The imposition of a fine may be repeated if necessary. In the case such an owner does not rectify its behavior after the repeated imposition of a fine for three consecutive times, a suspension of loading privileges may be adopted for a period of not more than six months, or its registration may be a repealed.

Article 86
In the case where the firm operating a warehouse or container yard, whereupon proceeding with registration change, certificate application and renewal, storage, movement and management of goods and containers and any other required matters, violates the regulations prescribed in accordance with Paragraph Two of Article 26, Customs may warn and request such a firm to rectify its behavior within a specified time limit or impose a fine of not less than NT$6,000 and not more than NT$30,000. Such an imposition of a fine may be repeated if necessary. In the case that such a firm does not rectify its behavior after the repeated imposition of a fine for three consecutive times, a suspension of container and goods storage privileges may be adopted for a period of not more than six months, or its registration may be repealed.

Article 87
In the case where the firm conducting an express delivery business, whereupon proceeding with the clearance of express consignments, sorting of goods or any other required matters, violates the regulations prescribed in accordance with Paragraph Two of Article 27, Customs may warn and request such a firm to rectify its behavior within a specified time limit or impose a fine of not less than NT$6,000 and not more than NT$30,000. Such an imposition of a fine may be repeated if necessary. In the case that such a firm does not rectify its behavior after the repeated imposition of a fine for three consecutive times, a suspension of the express consignments clearance privileges may be adopted for a period of not more than six months.

Article 88
In the case where the firm operating the bonded warehouse, whereupon proceeding with registration change, certificate application or renewal, installation and equipment of the bonded warehouse, storage of goods, management or any other required matters, violates the regulations

prescribed in accordance with Paragraph Four of Article 58, Customs may warn and request such a firm to rectify its behavior within a specified time limit or impose a fine of not less than NT$6,000 and not more than NT$30,000. Such an imposition of a fine may be repeated if necessary. In the case that such a firm does not rectify its behavior after the repeated imposition of a fine three for consecutive times, a suspension of bonded goods storage or monthly declaration privileges may be adopted for a period of not more than six months, or its registration may be repealed.

Article 89

In the case where the firm operating the bonded factory, whereupon proceeding with registration change, certificate application or renewal, installation and equipment of the bonded factory, processing, management and clearance of bonded goods, payment procedures for duty payable on goods distributed domestically and any other required matters, violates the regulations prescribed in accordance with Paragraph Three of Article 59, Customs may warn and request such a firm to rectify its behavior within a specified time limit or impose a fine of not less than NT$ 6,000 and not more than NT$30,000. Such an imposition of a fine may be repeated if necessary. In the case that such a firm does not rectify its behavior after the repeated imposition of a fine for three consecutive times, a suspension of part or whole of bonded factory business or monthly declaration privileges may be adopted for a period of not more than six months, or its registration may be repealed.

Article 90

In the case where the firm operating the logistics center, whereupon proceeding with registration change, certificate application and renewal, management of goods, clearance or any other required matters, violates the regulations prescribed in accordance with Paragraph Four of Article 60, Customs may warn and request such a firm to rectify its behavior within a time limit or impose a fine of not less than NT$6,000 and not more than NT$30,000. Such an imposition of a fine may be repeated if necessary. In the case that such a firm does not rectify its behavior after the repeated imposition of a fine for three consecutive times, a suspension of goods storage or monthly declaration privileges may be adopted for a period of not more than six months, or its registration may be repealed.

Article 91

In the case where the firm operating a duty-free shop, whereupon proceeding with registration change, certificate application and renewal, management of goods, clearance, distribution and sales or any other required matters, violates the regulations prescribed in accordance with Paragraph Four of Article 61, Customs may warn and request such a firm to rectify its behavior within a specified time limit or impose a fine of not less than NT$6,000 and not more than NT$30,000. Such an imposition of a fine may be repeated if necessary. In the case that such a firm does not rectify its

behavior after the repeated imposition of a fine for three consecutive times, a suspension of the duty-free shop operation may be adopted for a period of not more than six months, or its registration may be repealed.

Article 92
In the case where the firm applying for a refund and/or offsetting of customs duty for exported goods, whereupon applying for a refund or offsetting of customs duty, and in proceeding with account records for customs duty on raw materials or any other required matters, violates the regulations prescribed in accordance with Paragraph Five of Article 63, Customs may suspend the account recording privileges for a period of not more than six months.

Article 93
In the case where the firm liable for a deposit pursuant to Article 20, Article 25, Article 26, Article 58 and/or Article 60 fails to pay the payable duty, fees or fines, Customs may offset such a duty, fee or fine against the deposit made.
In the case where such a deposit is insufficient for the deduction referred to in the preceding paragraph, Customs may notify such a firm to make up the shortfall within a prescribed period. In the case where the firm fails to make up the shortfall prior to the expiration of the prescribed period, Customs may suspend business privileges for a period of not more than six months, or repeal its registration.

Article 94
Imported or exported goods which are involved in smuggling, duty evasion or other violations of law shall be dealt with in accordance with the provisions of the Act of Customs for the Suppression of Smuggling and other relevant laws.

Chapter VI IMPLEMENTATION

Article 95
The following amounts leviable or recoverable under this Act shall be handed over to the relevant authority for compulsory execution if the following amounts are not paid within a given time limit, unless otherwise provided for in this Act: (1) customs duty, delinquent fees, late fees and interest.
(2) fines imposed under this Act;
(3) expenses incurred in the disposal, sale or destruction of the goods for which there are no proceeds or the proceeds are insufficient to cover the expenses, provided that the duty-payer was notified prior to such a disposal, sale or destruction;
If the duty-payer wishes to file a protest against the payment of customs duty or other levies as provided for in the preceding paragraph, the

procedure prescribed in Articles 45 to 47 shall apply mutatis mutandis.
The duty-payer may apply for a suspension of compulsory execution of the amounts leviable or recoverable, as stipulated in Paragraph One, provided the duty-payer has requested a review of the case in accordance with the provisions of Article 45 and has provided an appropriate guarantee. However, a guarantee shall not be required again if the goods have already been provided an appropriate guarantee for release according to Article 45.
The payment of customs duty referred to in paragraph one shall take precedence over all claims filed by ordinary creditors.

Article 96
Customs shall order the duty-payer to return the prohibited goods abroad within a prescribed period. If the duty-payer abandons the goods in writing or fails to return the goods abroad within the prescribed period, the goods may be disposed of by Customs. If there is a sales surplus after deducting the customs duty leviable and any necessary expenses, they shall be surrendered to the national treasury.
If goods subject to disposal under the provisions of the preceding paragraph, Paragraph Two of Article 73 and Paragraph Two of Article 74 cannot be sold and are required to be destroyed, the duty-payer shall be notified of the need to destroy such goods by himself or herself, under Customs supervision, within the prescribed period. In the event of a failure to follow the terms of such notification by the duty-payer, such goods shall be destroyed by Customs, with any expenses associated with such destruction being borne by the duty-payer and paid to Customs within the prescribed period.
Where it is confirmed by Customs that the duty-paid or released goods are subject to return within a given time limit in accordance with Paragraph One and the duty-payer fails to return the goods abroad within the prescribed period, Customs may confiscate the deposit or order the duty-payer to pay the value of the goods.
The order of returning goods within a prescribed period referred to in Paragraph One and the order of confiscating the deposit or paying the value of the goods stipulated in the preceding paragraph shall be made within five years from the day following the date of release of the goods.

Chapter VII SUPPLEMENTARY PROVISIONS

Article 97
With regards to the warehouse, container yard, bonded warehouse and/or logistics center registered in accordance with this Act, and other business designated by Customs, matters which were originally supervised and controlled by Customs may be managed autonomously by such a firm after obtaining approval from Customs by way of authorization or application.
The Customs shall audit the autonomously managed firm on a regular or irregular basis.
Regulations regarding matters, scope, required conditions and any other required matters pursuant to Paragraph One shall be prescribed by the

Ministry of Finance.

Article 98
The duty-payer or exporter and any related person shall maintain all records, documents, accounting books and relevant computer files or data bases relating to the imported or exported goods for five years beginning on the date following that on which the imported or exported goods were released.

Article 99
Any duty leviable under this Act that is under the amount announced by the Ministry of Finance may be exempted.

Article 100
Where customs affairs are otherwise prescribed in an agreement signed between the government of the Republic of China and another country or region, such prescription shall apply.

Article 101
Customs may collect service charges for special services rendered to transport and imported or exported goods as well as for the issuance of various certificates. Regulations governing the items, objects, conditions, amount, standards, methods and procedures of such charges shall be prescribed by the Ministry of Finance.

Article 102
Enforcement rules of this Act shall be prescribed by the Ministry of Finance.

Article 103
This Act shall take effect on the date of its promulgation.

NOTE
In case of any discrepancy between the English version and the Chinese text of this Statute, the Chinese text shall govern.

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