Customs Clearance News

January

Shanghai XINHAI
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2019

Customs Consulting of Xinhai Newsletter In January

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- CIQ New Policy Summary
- Company Dynamics

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Notice of the Customs Tariff Commission of the State Council on Adjustment Plans such as Temporary Tariff Rate for Imports and Exports in 2019

欣海报关

•Most Favoured Nation Tax Rate

• 706 items are subject to temporary import tax rates; Starting from July 1, 2019, the provisional import tax rates for 14 information technology products will be abolished.

•Tariff Quota Rate

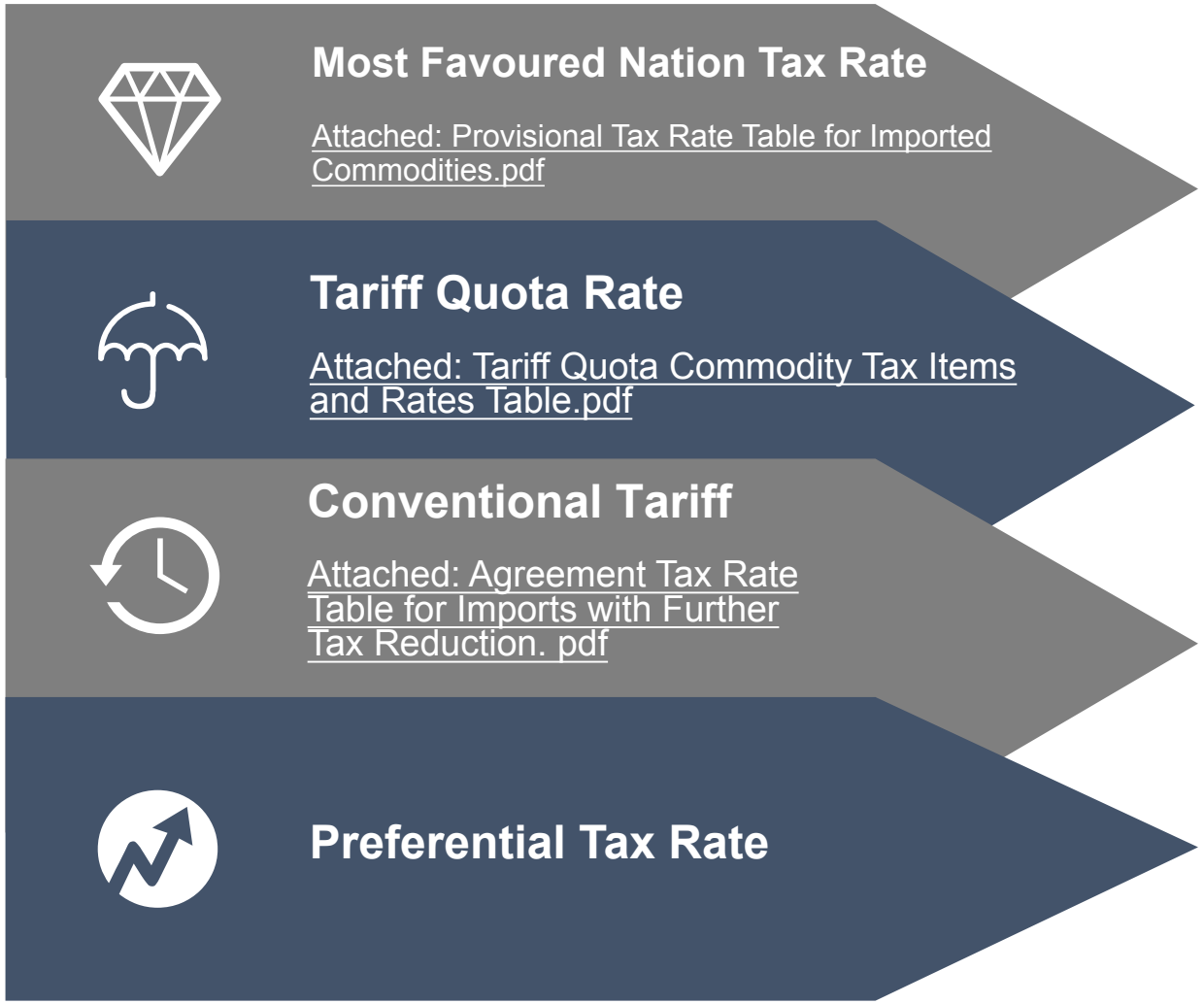
•We will continue to implement tariff quota management on wheat, corn, rice, rice, sugar, wool, wool tops, cotton and chemical fertilizers, with the tax rate unchanged. Among them, the temporary import tariff rate of 1% will continue to be applied to the tariff quota rates of urea, compound fertilizer and ammonium hydrogen phosphate three kinds of fertilizers.

•Conventional Tariff

•The agreement tax rates of China with New Zealand, Peru, Costa Rica, Switzerland, Iceland, South Korea, Australia, Georgia and Asia Pacific Trade Agreement countries are further reduced. When the MFN tax rate is lower than or equal to the agreement tax rate, it shall be implemented in accordance with the provisions of the relevant agreement (if the applicable rules of the agreement are met, the agreement tax rate shall still be applied)

•Preferential Tax Rate

•According to the provisions of the Asia - Pacific Trade Agreement, preferential tax rates under the Asia - Pacific Trade Agreement will be further reduced.



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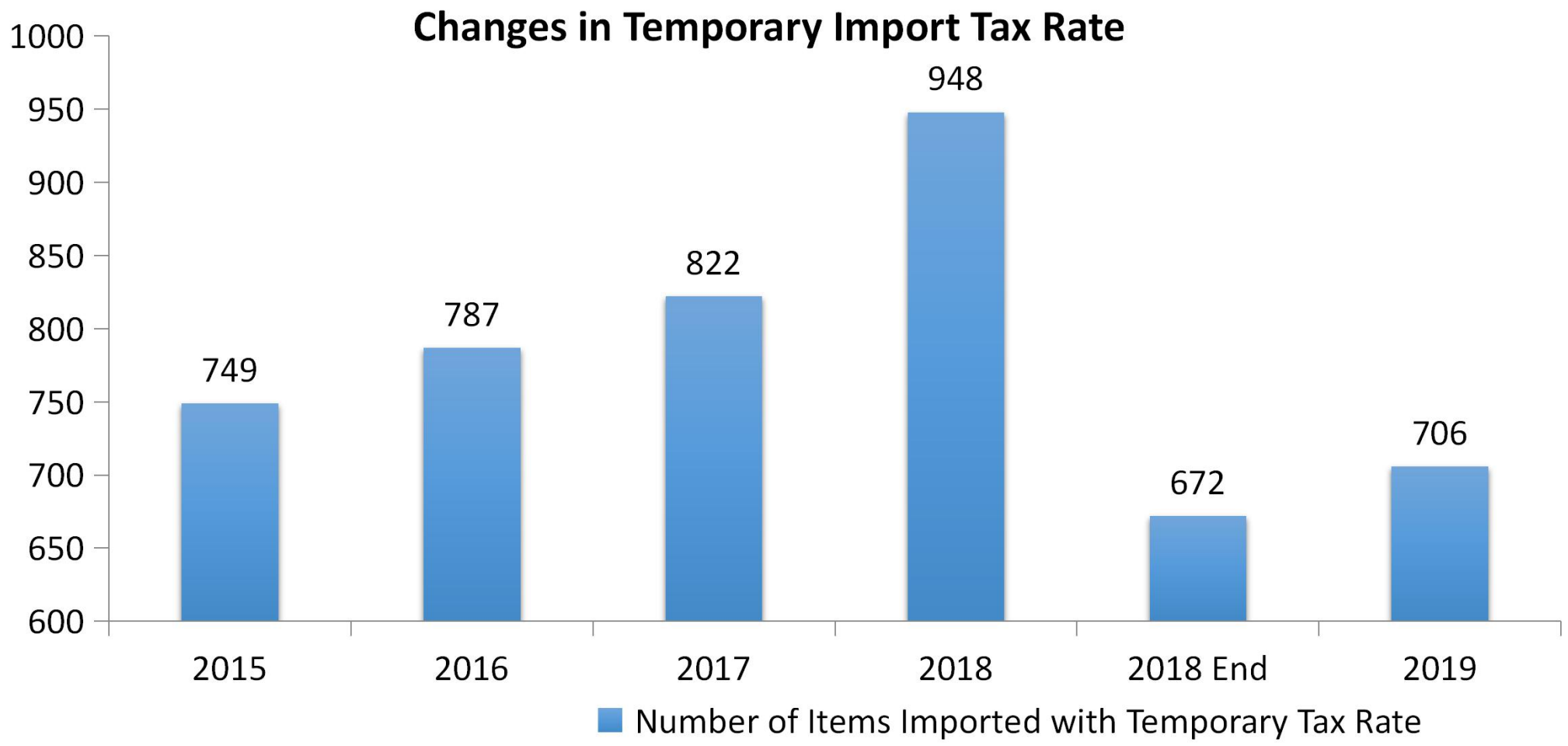

Notice of the Customs Tariff Commission of the State Council on Adjustment Plans such as Temporary Tariff Rate for Imports and Exports in 2019

- New provisional tax rate: 10 miscellaneous meals (items 2305, 2306 and 2308); Other new fur of the whole piece (id 4301.8090);
- Reducing Temporary Import Tax: Raw Material Drugs (Important Raw Materials Urgently Needed to Be Imported for Domestic Production of Drugs for Treating Cancer, Rare Diseases, Diabetes, Hepatitis B, Acute Leukemia, etc.)
- Cancellation of temporary import tax: solid waste (manganese slag from smelting iron and steel, manganese content greater than 25%; Waste copper motor; Waste copper motor; Ships and other floating structures for disassembly); Thionyl chloride; Lithium ion battery for new energy vehicles;
- Expand the scope of temporary tax: rhenate and perrhenate (tax code ex2841.9000)

Announcement of the Tariff Commission of the State Council on Suspending Tariff Levy on Automobiles and Parts Originating in the United States

Announcement of the Customs Tariff Commission of the State Council on Imposing Tariffs on Imports Originating in the United States with an Amount of US $ 16 Billion (Announcement of the Tax Commission [2018] No. 7) The tariff increase (25%) will be implemented from 12: 01 on August 23, 2018.

Announcement No. 10 [2018] of the Tax Committee

From January 1, 2019 to March 31, 2019, the tax levy of 25% on some commodities in announcement (2018) No. 5 of the Tax Committee will be suspended. Suspend the levy of the 25% tariff on some commodities in Announcement No.7 of the Tax Committee (2018); Suspension of Tariff Commission Announcement No.8 (2018) Imposing 5% Tariff on Some Commodities.

Announcement of the Tariff Commission of the State Council on Imposing Tariffs on US $ 50 Billion of Imports Originating in the United States (Announcement of the Tariff Commission (2018) No. 5) For 545 commodities such as agricultural products, automobiles and aquatic products, a tariff increase (25%) will be implemented as of July 6, 2018.

Announcement of the Customs Tariff Commission of the State Council on Imposing Tariff Increases on Imports Originating in the United States with a Value of About US $ 60 Billion (Announcement of the Tax Commission (2018) No. 8)

For the goods listed in the goods subject to customs duties imposed on the United States and Canada annexed to the announcement [2018] No. 6 of the tax Committee, a tariff of 10% will be imposed on the 2,493 items listed in annex 1, the 1,078 items listed in annex 2 and the 974 items listed in annex 3 and 662 items listed in annex 4 starting from 12: 01 on September 24, 2018.

U.S. Delays Tariff Imposition on 200 Billion U.S. Dollars of Commodities to March 2

On September 18, 2018, the United States announced that it would impose a 10% tariff on US $ 200 billion worth of Chinese products imported into the United States starting from September 24. From January 1, 2019, the tariff will be increased to 25%. The U.S. Trade Representative Office said it expected to approve tariff exemptions for 984 Chinese - made goods. Exempted products include spark ignition engines for ship propulsion systems, radiation therapy systems, thermostats for air conditioning or heating systems, vegetable dehydrators, conveyor belts, mold roller machines, stainless steel knives, etc.

Exempted Chinese imported products will be exempted from an additional 25% of additional duties within one year after the announcement of exemption.

Exempted goods are not limited to specific exporters and manufacturers.

Announcement on Application of Tariff Guarantee Insurance to Aggregate Taxation

欣海报关

•Stage one

- 10 customs offices directly under the central government will carry out pilot projects.
- Enterprises with demand and credit rating of general credit or above; Business;
- Excluding General Tax Guarantee

2018.9-10

Stage two

- Pilot Customs to Expand to National Customs
- The business is extended to the general guarantee of tax revenue.
- Announcement No. 155 of 2018 of the General Administration of Customs

2018.11-12

Stage three

- Tax payment period guarantee recycling
- Tax Collection by Policy General
- Administration of Customs Announcement No. 215 of 2018

2019.1-

CIQ New Policy Summary

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Category	Announcement number	Brief description of relevant contents
Animal and plant products access category	Announcement of the General Administration of Customs No.186 of 2018	Announcement on Plant Quarantine Requirements for Imported Dominican Cigar Tobacco Leaves; Allowing Nicotiana tabacum from Dominican cigar tobacco producing areas to export to China.
	Announcement of the General Administration of Customs No.187 of 2018	Announcement on Inspection and Quarantine Requirements for Imported Rapeseed meal from Kazakhstan; Rapeseed Meal is allowed to be transported to China, under the requirement that the residue of rapeseed produced in Kazakhstan after separation of oil and fat by squeezing and leaching.
	Announcement of the General Administration of Customs No.189 of 2018	Announcement on Inspection and Quarantine Requirements for Imported Alfalfa from South Africa, Medicago sativa L. allowed to be exported to China refers to alfalfa bales produced in South Africa and compressed under high pressure.
	Announcement of the General Administration of Customs No.190 of 2018	Announcement on Quarantine Requirements for Importing Stevia rebaudiana Plants from Kenya: Stevia rebaudiana is allowed to be imported into China. It refers to stem and leaf of dry Stevia rebaudiana produced in Kenya for processing.
	Announcement of the General Administration of Customs No.202 of 2018	Announcement on Inspection and Quarantine Requirements for Imported sugar beet pulp from Egypt, Sugar Beet Meal Allowed to Be Exported to China refers to the dried granules of sugar residue after sugar cane is separated from sugar beet root tuber produced in Egypt by processes such as cleaning, diffusion, extrusion, drying and granulation.

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Category	Announcement number	Brief description of relevant contents
Animal and plant products access category	Announcement of the General Administration of Customs No.204 of 2018	Announcement on Quarantine Requirements for Sea-Air Intermodal Transportation of Imported Chilean Fresh Fruits to China via a Third Country; Explicitly allows Chile to transfer the fruits on the list into China via a third country under three requirements.
	Announcement of the General Administration of Customs No.206 of 2018	Announcement on Resuming Imports of Ukrainian Poultry and Products, Resuming imports of Ukrainian Poultry and products meeting China relevant inspection and quarantine requirements from December 21, 2018.
	Announcement of the General Administration of Customs No.211 of 2018	9. Announcement on Inspection and Quarantine Requirements for Imported US Rice, Rice of US Origin (Including Brown Rice, Refined Rice and Broken Rice, HS Codes: 1006.20, 1006.30, 1006.40) is allowed.
	Announcement of the General Administration of Customs No.11 of 2019	Announcement on quarantine requirements for imported Barley from Kazakhstan; Allows imported barley to China (scientific name Horde um Vulgare L.) refers to spring barley produced in Kazakhstan and exported to China for processing and not for planting.
	Announcement of the General Administration of Customs No.12 of 2019	Announcement on Quarantine Requirements for maize Plants Imported from Kazakhstan. Maize allowed to be imported into China (scientific name Zea Mays L) refers to the corn seeds produced in Kazakhstan and exported to China for processing and not used for planting. And stipulate inspection and quarantine requirements.
	Announcement of the General Administration of Customs No.16 of 2019	Announcement on Quarantine Requirements for Imported Cherry Plants from Argentina and entry of Fresh Cherry (Scientific Name Prunus avium) from Cherry Producing Areas in Argentina. Allowed imports that meet the requirements of import inspection and quarantine.

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Category	Announcement number	Brief description of relevant contents
Administrative approval category	Announcement of the General Administration of Customs No.220 of 2018	55 enterprises met the conditions for renewal of registration, and the customs decided to grant the renewal of registration.9 overseas manufacturers of imported infant formula milk products that did not submit applications for renewal of registration were cancelled by the customs.
	Announcement of the General Administration of Customs No.2 of 2019	Announcement on Issuing the Second List of Approved Pre - shipment Inspection Agencies for Importing Solid Wastes as Raw Materials for Filing; The four institutions are announced this time that equipped to handle the " pre-shipment inspection of solid wastes that can be used as raw materials".
	Announcement of the General Administration of Customs No.3 of 2019	Regarding the announcement of the list of foreign suppliers of imported cotton that have been granted registration and renewal of the registration certificate, 33 foreign suppliers of imported cotton that have been approved for registration by the customs have been announced this time, and 32 enterprises are allowed to renew the validity period of the registration certificate of overseas suppliers of imported cotton.
	Announcement of the General Administration of Customs No.6 of 2019	The inspection license for the inspection and authentication of import and export commodities requires that from the date when the inspection and authentication institution applies to the customs for examination and approval of the inspection license for the inspection and authentication of import and export commodities and is accepted by the customs, the examination and approval time is reduced from 20 working days to 13.
	Announcement No.120 of the Ministry of Agriculture and Rural Affairs of the People's Republic of China	The Ministry of Agriculture announced the approval of the Ministry of Agriculture to undertake the identification of 13 agricultural machinery identification agencies and identification of the scope of the directory.

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Category	Announcement number	Brief description of relevant contents
Medical Devices, Drugs and Cosmetics	Nation Food and Drug Administration Releases " Regulations on Overseas Inspection of Drugs and Medical Devices"	Objective: To further standardize the overseas inspection of drugs and medical devices and ensure the quality of imported drugs and medical devices. Scope: Overseas inspection is aimed at drugs and medical devices that have been listed or are to be listed in the People's Republic of China. Overseas inspection is not limited to production site inspection, but extends to overseas research and development and production site inspection. The formation of the inspection task is to consider multi-channel risk factors such as registration review and approval, supervision and inspection, inspection, complaint reporting, adverse reaction monitoring and other multi-channel risk factors, reflecting the risk prevention and control management requirements.
	The Nation drug administration machinery note letter 2019 No. 6	Fujian Provincial Drug Administration is allowed to undertake the filing of Taiwan's production of Class I medical devices imported from Pingtan Port.
	Announcement No. 122 of the Ministry of Agriculture and Rural Affairs of the People's Republic of China	The Ministry of Agriculture approved the re-registration of 3 veterinary drug products such as Cefalexin tablets produced by 3 companies such as Vic France Ltd. in China, issued the Registration Certificate for Imported Veterinary Drugs, and issued the revised product quality standards, specifications and labels, which will be implemented from the date of promulgation.
	The Cosmetic Supervision Department of the State Food and Drug Administration has issued " Answers to Frequently Asked Questions on Cosmetic Supervision and Administration I"	It is clear that there is no concept of " cosmeceutical" in China's cosmetics laws and regulations. For products registered or filed in the name of cosmetics, it is illegal to declare the concepts of " cosmeceutical" such as " cosmeceutical" and " medical skin care products".

Announcement on Tariff Adjustment in 2019

On January 15, Shanghai Xinhai Customs Brokerage Co., Ltd. and Nanjing Council for the Promotion of International Trade jointly held a publicity conference on relevant matters needing attention after the tariff adjustment and 2019 system adjustment. Wu Xia, senior lecturer of Shanghai Tianhai Consort Customs Management Consulting Co., Ltd., visited the site and shared the contents of the tariff adjustment, helped the enterprise to have a thorough understanding of the reasons, background and impact of the adjustment and revision, and also shared and explained the difficulties encountered in the customs clearance process, so that the enterprise can make the declaration of compliance, make the customs clearance faster and make the customs clearance quality higher.

Commodity classification is closely related to taxes faced by enterprises in import and export. MFN tariff will implement provisional import tariff on 706 commodities from January 1, 2019. From July 1, 2019, the provisional import tariff on 14 information technology products will be abolished and the scope of application of one provisional import tariff will be narrowed. It also explained the tariff quota rate, agreement rate, CEPA origin standard, import and export provisional tax rate adjustment and interpretation of the latest declaration elements adjustment, informing enterprises to timely grasp the policy changes of customs commodity classification, which is conducive to enterprises to make classification adjustment more accurately, avoid tax risks, reduce enterprise costs and facilitate customs clearance.

Announcement Conference on Relevant Notices after System Adjustment in 2019

- In order to help industry peers and import and export enterprises understand the relevant matters needing attention after the system adjustment. In 2019, at the first time, Mr. Ding Yuan, an expert in customs affairs and inspection, gave a detailed explanation from the following three aspects: the matters needing attention after the system adjustment in 2019, the common problems in integrated system declaration, and the common problems in import and export goods.
- Special Mentioned Notice: In the list of legal inspections, brands must be provided, or it will be included in the high-risk controlled goods. The specifications of goods must not be empty, or it will be included in the unbranded products. The types of goods must not be empty, or it will be included in the unbranded products. When reporting to the customs, the enterprise shall indicate the internal factory number in the column of declaration element " chip factory serial number". if the enterprise has verified that the manufacturer does not have the internal factory number or is consistent with the market open model, it can directly repeat reporting the market open model. Meanwhile, we hope the participating enterprises would bring the relevant notice to the customers and convey them to each other.
- After the meeting, representatives of participating enterprises and experts enthusiastically exchanged views and were reluctant to leave. The lecturer also answered most enterprises current confusion in the application of tax rules and the problems in customs clearance.

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