

Customs Clearance News

December

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Shanghai Xinhai Customs Broker Co.,LTD

Customs Newsletter of December

- / Summary of Facilitation Measures for Enterprises in 2023
- / Interpretation of 2024 Tariff Adjustment Plan

Xinhai Customs Service Team

November, 2023



CONTENTS

1

Summary of Facilitation Measures for Enterprises in 2023

2

Interpretation of 2024 Tariff Adjustment Plan



1

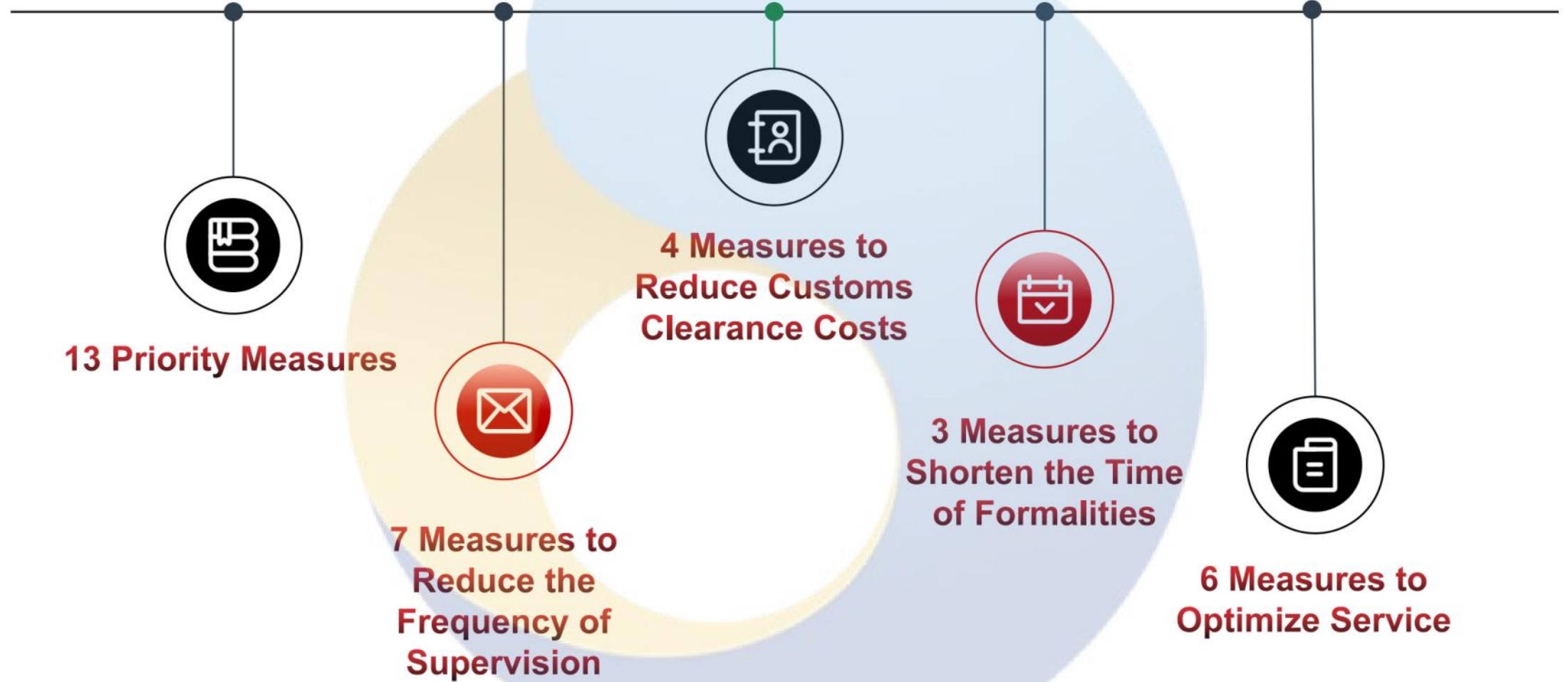
Facilitation Policies for Enterprises in 2023

/ AEO Action Plans of Shanghai Customs

/ Facilitation Policies for Law-Abiding Enterprises

/ Landing Dividend Policy of the Comprehensive Free-Trade Zone

AEO Action Plans of Shanghai Customs



AEO Action Plans of Shanghai Customs



Priority Measures(13)

- Priority for AEO to Handle Customs Declaration Related Forms (including record list, manifest, customs transfer document, etc.)
- Priority Given to Port Inspection and Sampling of Import and Export Goods.
- Expedite the Transportation of Samples of Imported Hazardous Chemicals by AEO.
- Priority Given to AEO For Laboratory Testing.
- Priority Given to AEO for Customs Ruling.
- Priority Given to AEO for Implementation of Territorial Inspection.
- Priority Given to AEO for Recommendation to Be Included in the "White List" of the Joint Supervision Mechanism for Special Goods.
- Priority for AEO in Specific Industries to Open A Tax Reduction and Exemption Fast-Track.
- Priority Given to AEO in Innovative Initiatives in the Field of Processing Trade and Bonded Regulation.
- Priority for Integrated Circuit AEO to Be Included in the Scope of Implementation of Regulatory Innovation in Related Industries.
- Priority for AEO to be Recommended of Registration Abroad.

Measures to Reduce the Frequency of Supervision(7)

- Reducing the Proportion of Inspection and Quarantine of Import and Export of Special Goods of AEO.
- A Lower Proportion of Inspection of Country of Origin of Imports and Exports.
- Optimizing AEO Verification Operations.
- Reducing Frequency of Verification for AEO.
- Optimizing Supervision of AEO's Processing Trade Books.
- Optimizing inspection cycle of export dangerous goods packaging performance of AEO.
- Reducing the Proportion of Field Follow-Up Supervision of Grade A and B Special Goods Imported by AEO.

Measures to Shorten the Time of Formalities(3)

- Reduction of the Time Limit for Approval of Entry-Exit Health Quarantine Items for Special Goods.
- Reduction of the Time Limit for Approving Entry Animal and Plant Quarantine Items.
- Shortening the Time for AEO to Apply for Advance Customs Clearance.

Measures to Reduce Customs Clearance Costs(4)

- "Non-Intrusive" Inspection Carried Out on Imports and Exports of AEO.
- Implementation of Commodity Inspection Results Acceptance System.
- Facilitating the Application of AEO for the Assessment of Designated Isolation Places for Entry Animals.
- Expanding the Scope of Exemption of Guarantee for AEO.

Measures to Optimize Service(6)

- Setting up a dedicated AEO Coordination Platform.
- Solving Cross-Customs Clearance Problems for AEO.
- Implementation of Facilitation Inspection on AEO.
- Strengthening the Provision of Exclusive Credit Services for AEO.
- Priority for AEO to Provide Customs External Network Application Services.
- Providing 962116 Hotline Exclusive Service for AEO.

Facilitation Policies for Law-Abiding Enterprises



The General Administration of China Customs issued Announcement No. 127 of 2023
"Announcement on Handling Matters Related to the Voluntary Disclosure of Violations"

- Ø Relax the time limit of No Penalty for Voluntary Disclosure of Tax-Related Violations.
- Ø A Number of New Applications for No Penalty for Voluntary Disclosure.
- Ø Relax the Conditions for Voluntary Disclosure of the Same Violation to the Customs.
- Ø Further Clarify Regulatory Standards and Dimensions.



Facilitation Policies for Law-Abiding Enterprises

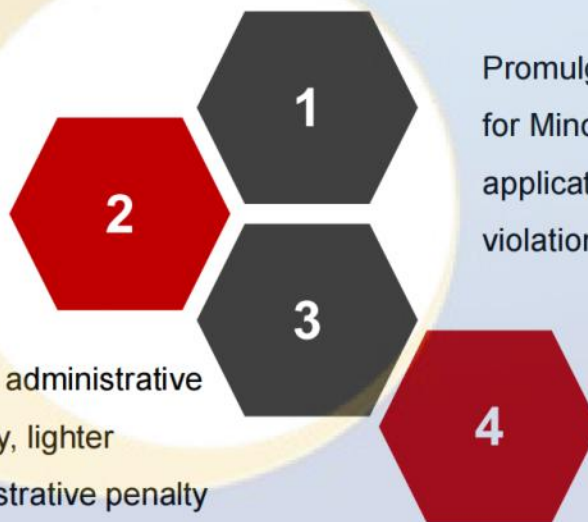


The General Administration of Customs issued Announcement No. 182 of 2023 (Promulgating the Criteria of the Customs Administrative Penalty of the People's Republic of China (I)).

The specific scale and standards for handling customs administrative punishment cases are disclosed to the public. The disclosure of the discretion benchmark ensures the right of administrative counterparts to know, facilitates enterprises to understand the legal risks of their own behavior in advance, and is conducive to supervision and law enforcement. Let's give a thumbs up for the Customs open Legislation.

Making it public of the application of "first violation", provided that within 24 months prior to the occurrence of the violation, the party has no administrative or criminal record of smuggling or violation of customs supervision.

Five levels of discretion are set up: no administrative penalty, reduced administrative penalty, lighter administrative penalty, general administrative penalty and heavier administrative penalty.



Promulgating the application items of "no penalty for Minor Violations", and making it clear that the application items does not include the same violation within one year .

Clarifying the value of illegal goods, tax evasion as the penalty base, solid waste violation and two simple case volume penalty standards.

Landing Dividend Policy of the Comprehensive Free-Trade Zone

01

Bonded Leasing—Innovative Development

The "Supplementary Announcement on the Leasing of Bonded Goods in the Comprehensive Bonded Zone" formally implemented on October 1, 2023 (General Administration of Customs Announcement No. 104 in 2023) clearly stipulates that when declaring to Customs, no license documents are needed.



Optimizing Supervision of Goods Stored in Comprehensive Bonded Areas by Classification of Their States.

Warehouse goods can transfer directly in the supervision zone according to the classification of status and they are allowed direct verification of the Customs account book after completion of customs clearance procedures, with no requirement of real goods in and out of the checkpoint.

02

Delivering Goods in Batches and Making Centralized Declaration--- AEO in Comprehensive Bonded Area Exemption of Guarantee

Notice on Supporting the Exemption of Guarantee for the business of "Delivering Goods in Batches and Making Centralized Declaration" of AEOs in in the Comprehensive Bonded Area (No. 148 of 2023), when AEOs in the comprehensive bonded area carry out this business, they may apply to the competent customs in the comprehensive bonded area for the exemption of guarantee.

03

Bonded Display Transaction - Cross-Border E-Commerce "Front Store Back Warehouse"

By adopting the mode of "front store and back warehouse+ fast logistics" for cross-border goods, the traditional supermarket physical experience is kept and the distance of overseas shopping is shortened through rapid distribution.



04

2

Interpretation of 2024 Tariff Adjustment Plan

/ Interim Duty Rate

/ Conventional Duty Rate

/ Export Duty/Adjustment of Tariff Headings

2024 Tariff Adjustment Plan—Interim Duty Rate

The Interim Duty Rate of 1010 Imported Goods Will Be Adjusted



Goods for the People's Lives and Health

Zero tariffs will be imposed on some drugs and raw materials for anti-cancer drugs and rare disease drugs, and import tariffs will be lowered on formula food for special medical purposes.



Promoting the Innovative Development of Advanced Manufacturing Industry

Reduce import tariffs on domestic shortages of resources, key equipment and components such as lithium chloride, low-arsenic fluorite, and gas diffusion layers for fuel cells.



Meeting the People's Needs of Consumption by High Quality Provision

Lower import duties on sweet corn, coriander and burdock seeds.

2024 Tariff Adjustment Plan—Conventional Duty Rate



01

Free-Trade Agreements with Further Tax Cuts

- China—New Zealand
- China—Peru
- China—Costa Rica
- China--Switzerland、
- China-Iceland、
- China—South Korea
- China--Australia
- China--Pakistan、
- China- Mauritius 、
- China--Cambodia
- RCEP

02

Free-Trade Agreements with Maintaining Existing Duty Rates

- China- ASEAN
- China-Chile
- China-Singapore
- China-Georgia
- China-Nicaragua
- Conventional Duty Rates Between Mainland and Hong Kong and Macao Continues

03

Terminating Tariff Concessions for Some Products

According to Announcement of Tariff Commission of the State Council on Termination of tariff concession of some products listed in the Cross-Straits Economic Cooperation Framework Agreement (Tariff Commission Announcement No.9 of 2023), the tariff concession of the involved 12 products is terminated.

04

In accordance with the Free Trade Agreement between the Government of the People's Republic of China and the Government of the Republic of Nicaragua

the tariff rate of the first year of the Agreement is applied to some imported goods originating in Nicaragua. The early harvest tariff concessions of the China-Nicaragua free Trade Agreement are implemented together with the comprehensive agreement

2024 Tariff Adjustment Plan—Export Duty



Collecting Export Duty

In order to protect related domestic industries, export Duty will continue to be imposed on 107 commodities, including ferrochrome.



Reducing Export Duty

In order to promote the development of the new material industry, the export duty on high-purity aluminum will be reduced.



2024 Tariff Adjustment Plan--Adjustment of Tariff Headings



—After Adjustment, 8957 Total Tariff Headings



A new subheading note is added to subheading 1211.9039

The newly added subheading note for subheading 1211.9039 is kept consistent with the note of heading 1211.



Deletion of the Original Subheading of Titanium Dioxide + Addition of New Subheading

Subheading of 32061110 for titanium dioxide was replaced by the 2 new subheadings of 32061111 and 32061119. Distinguishing between the two subheadings relies on "rutile type content" and "brightness".



Addition subheading 4805.9120 for "decorative base paper"

Surface processing of decorative base paper referred to in subheading 3805.9120 shall be limited only to the scope listed in note 3 of Chapter 48.



Modification Description of Subheading 8517.7930

8517.7930 Hand-held wireless telephone (except antenna) will be mistaken for being used only on hand-held wireless telephone of 8517.1410, so the description of Subheading 8517.7930 is revised to "smart phones and other hand-held wireless telephones (except antenna)".

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Thanks for Watching

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