

Customs Law of the People's Republic of China (2017Amendment)[Effective]
中华人民共和国海关法(2017 修正) [现行有效]

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Customs Law of the People's Republic of China

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Chapter I General Provisions

Article 1 This Law is formulated for the purpose of safeguarding state sovereignty and interests, strengthening supervision and control by the Customs, promoting exchanges with foreign countries in economic affairs, trade, science, technology and culture, and ensuring socialist modernization.

Article 2 The Customs of the People's Republic of China shall be the state organ responsible for supervision and control over everything entering and leaving the customs territory (hereinafter referred to as inward and outward persons and objects). The Customs shall, in accordance with this Law and other related laws and administrative regulations, exercise supervision and control over the means of transport, goods, travelers' luggage, postal items and other articles entering or leaving the territory (hereinafter referred to as inward and outward means of transport, goods and articles), collect customs duties and other taxes and fees, uncover and suppress smuggling, work out customs statistics and handle other customs operations.

Article 3 The State Council shall set up the General Customs Administration which shall exercise unified administration of the Customs offices throughout the country.

The state shall set up Customs offices at ports open to foreign countries and regions and at places which call for concentrated customs operations of supervision and control. The subordination of one Customs office to another shall not be restricted by administrative divisions. The Customs offices shall exercise their functions and powers independently in accordance with the law, and shall be responsible to the General Customs Administration.

Article 4 The State shall create a Public Security Department within the General Customs. The department will have its own police officers who will be responsible for the investigation, detention, arrest, and preliminary examination of smuggling.

The public security department of a Customs office responsible for the investigation of the crime of smuggling shall conduct the investigation, detention, arrest and preliminary examination in accordance with the Criminal Procedure Law of the People's Republic of China.

The public security department of the Customs may establish branch offices in accordance with relevant State regulations. Each branch office shall transfer the case under its investigation for prosecution to the relevant People's Procuratorate in accordance with law.

The local public security departments shall cooperate with the public security departments of the Customs during smuggling investigations.

Article 5 The State adopts a unified, joint, and comprehensive system for the suppression of the crime of smuggling. The Customs shall be responsible for the organization, coordination, and control of smuggling investigations. The State Council shall formulate relevant regulations. Cases of smuggling detected by the various administrative law-enforcement departments shall be transferred to the Customs for administrative sanctions. If the case constitutes a crime, it shall be transferred either to the public security department of the Customs or to the local public security department, which will handle the case in accordance with its respective competence and legal procedures.

Article 6 The customs may exercise the following power:

(1) to check incoming and outgoing transport and examine incoming and outgoing goods and articles; to detain those entering or leaving the territory in violation of this Law or other relevant laws and administrative regulations.

(2) to examine the papers and identifications of persons entering or leaving the territory; to interrogate those suspected of violating this Law or other relevant laws and administrative regulations and investigate their illegal activities.

(3) to examine and make copies of contracts, invoices, book accounts, bills, records, documents, business letters and cables, audio and video products and other materials related to incoming and outgoing transport, goods and articles; Those items, goods, and articles entering or leaving the territory in violation of this Law or other relevant laws and administrative regulations shall be detained.

(4) to search, within a Customs surveillance zone and the specified coastal or border area in the vicinity of a Customs office, relevant means of transport suspected of involvement in smuggling, storage places suspected of concealing smuggled goods and articles, and to search the relevant means of transport and goods and articles of persons suspected of smuggling. Upon the approval of the director of the Customs office with direct jurisdiction, or of the authorized director of the Customs department under it, the means of transport, goods and articles, and suspected smuggler(s) may be detained. Such detention of the suspected smuggler(s) shall not exceed 24 hours and, under special circumstances, may be extended to 48 hours.

In the area outside of the Customs surveillance zone or not in the specified coastal or border area in the vicinity of a Customs office, when investigating smuggling, upon the approval of the director of the Customs office with direct jurisdiction, or of the director of the Customs department under it with the proper authorization, the Customs officials may search the means of transport suspected to be smuggling and places suspected to be hiding smuggled goods and articles. The parties involved shall be present at the search site. In case the parties are not present, the search can also be conducted in the presence of witnesses, and the means of transport, goods, and articles, which can be proved as evidence for smuggling, may be detained.

The scope of the specified coastal or border area in the vicinity of a Customs office shall be defined by the General Customs Administration and the public security department under the State Council in conjunction with the relevant provincial people's governments.

(5) When investigating smuggling, with the approval of the director of the Customs office with direct jurisdiction, or of the director of the Customs department under it with the proper authorization, investigations may be conducted over the deposits or transfers of units or personnel under investigation in the financial institutions or post offices.

(6) Customs officers may chase means of transport or persons defying and escaping from customs supervision and control to places beyond a customs surveillance zone or the specified coastal or border area in the vicinity of a Customs office and bring them back to be properly dealt with; and

(7) A Customs office may be provided with arms for the performance of its duties. Rules governing the carrying and use of arms by customs officers shall be drawn up by the General Customs Administration jointly with the public security department under the State Council and reported to the State Council for approval.

(8) Other powers of the Customs office are stipulated by laws and regulations.

Article 7 Each locality and department shall support the execution of power of the Customs office, and shall not obstruct the law-enforcement of the Customs office in violation of law.

Article 8 All inward and outward means of transport, goods and articles shall enter or leave the territory at a place where there is a Customs office. If, under special circumstances, they have to enter or leave the territory at a place without a Customs office as a matter of contingency, permission shall be obtained from the State Council or an organ authorized by the State Council, and customs formalities shall be duly completed in accordance with this Law.

Article 9 Unless otherwise provided for, all import and export goods must be declared and duties on them paid by their sender or receiver or by representatives entrusted by the sender or receiver and approved by and registered with the Customs.

The customs formalities concerning declaration of inward and outward articles and payment of duties on them may be completed either by the owner or by a person the owner has entrusted to act as his agent.

Article 10 If entrusted by the sender or receiver of the import or export goods, the representative handling the declaration procedure shall present to the Customs office a document certifying power of attorney and signed by the entrusting party, and shall abide by all provisions of this Law applicable to the entrusting party.

If entrusted by the sender of the exports or the receiver of the imports, but handling the declaration procedure in its own name, the representative shall bear the same legal responsibility as that of the sender or the receiver.

When entrusting the representative to handle the declaration procedure, the entrusting party shall provide the representative with truthful information about the entrusted declaration. When entrusted to handle the declaration procedure, the representative shall make reasonable verification of the facts provided by the entrusting party.

Article 11 To undergo customs declaration formalities, the consignees or consigners for imported or exported goods and the customs declaration enterprises must legally register with the customs offices. Engaging in customs declaration without such registration shall be prohibited.

Declaring enterprises or individuals shall not act as illegal agents of others or conduct declaration activities outside of their business scope.

Article 12 No unit or individual may obstruct the Customs office from performing its duties according to law, and the unit or individual concerned shall cooperate with the Customs office by giving truthful answers to questions asked by the Customs office.

Where the customs officer meets with forceful resistance while carrying out his duties, the public security department and the relevant People's Armed Police units shall provide assistance.

Article 13 The Customs office shall establish a reporting regime to encourage the exchange of information and report acts in violation of this Law committed in order to escape Customs surveillance and control.

Any unit or individual has the right to inform and report to the Customs office any act in violation of this Law committed in order to escape Customs surveillance and control.

The Customs office shall provide spiritual or material rewards to units or individuals for meritorious service in providing information or assistance which leads to the discovery and

seizure of violators of this Law.

The Customs office shall keep the identities of such units or individuals strictly confidential.

Chapter II Inward and Outward Means of Transport

Article 14 When a means of transport arrives at or departs from a place where there is a Customs office, the person in charge of the means of transport shall make a truthful declaration to the Customs, submit the relevant papers for examination and accept customs control and examination.

The inward and outward means of transport staying at a place with a Customs office shall not depart from it without prior permission by the Customs.

Before an inward or outward means of transport moves from one place with a Customs office to another place with a Customs office, it shall comply with the control requirements of the Customs and complete customs formalities; no means of transport shall be allowed to change its course and leave the territory unless it has cleared the Customs.

Article 15 An inward means of transport which has entered the territory but has not made its declaration to the Customs or an outward means of transport which has cleared the Customs but has not left the territory shall move along routes specified by competent communications authorities; in the absence of such specification, the routes shall be designated by the Customs.

Article 16 The Customs shall be notified in advance, either by the person in charge of a means of transport or by the relevant transport and communications department, of such details as when an inward or outward vessel, train or aircraft will arrive and depart, where it will stay, what places it will move to during its stay, and when the loading or unloading of the goods and articles will take place.

Article 17 The inward or outward goods and articles being loaded on or unloaded from a means of transport and the inward and outward passengers boarding or getting off a means of transport shall be subject to customs control.

Upon the completion of such loading or unloading, the person in charge of the means of transport shall submit to the Customs documents and records which reflect the actual situation of the loading and unloading.

Those boarding or getting off an inward or outward means of transport who carry articles with them shall truthfully declare to the Customs and shall be subject to customs examination.

Article 18 When an inward or outward means of transport is being checked by the Customs, the person in charge of the means of transport shall be present and open the holds, cabins, rooms or doors of the vehicles at the request of the Customs; where smuggling is suspected, such person shall also open or dismantle the part of the means of transport which may conceal smuggled goods and articles or remove the goods and materials.

In accordance with work requirements, the Customs may dispatch officers to perform duties on board the means of transport. The person in charge of the means of transport shall provide them with conveniences.

Article 19 An inward means of transport of countries or regions outside the territory or an outward means of transport of units or enterprises inside the territory shall not be transferred or devoted to other uses prior to the completion of customs formalities and payment of customs duties.

Article 20 Vessels and aircraft entering or departing China which concurrently engage in the transportation of goods or passengers within China shall satisfy the customs control requirements.

Customs formalities shall be completed with the Customs for an inward or outward means of transport to change to transport business within the territory.

Article 21 Coastal transport vessels, fishing boats and ships engaged in special operations at sea may not carry, obtain on an exchange basis, purchase or transfer inward and outward goods and articles without customs approval.

Article 22 When, owing to force majeure, an inward or outward vessel or aircraft is forced to berth, land or jettison and discharge goods and articles at a place without a Customs office, the person in charge of the means of transport shall report immediately to the Customs office nearby.

Chapter III Inward and Outward Goods

Article 23 All import goods, throughout the period from the time of arrival in the territory to the time of customs clearance; all export goods, throughout the period from the time of declaration to the time of departure from the territory; and all transit, transshipment and through goods, throughout the period from the time of arrival in the territory to the time of departure from the territory, shall be subject to customs control.

Article 24 The receiver of import goods and the sender of export goods shall make an accurate declaration and submit the import or export license and relevant papers to the Customs office for examination. In the absence of an import or export license, goods whose importation or exportation is restricted by the State shall not be released. Specific measures for handling such matters shall be enacted by the State Council.

Declaration of import goods shall be made to the Customs office by the receiver within 14 days of the arrival of the means of transport; declaration of export goods shall be made by the sender after the goods arrive at the Customs surveillance zone and 24 hours prior to loading unless otherwise specially approved by the Customs.

Where the receiver fails to declare the import goods within the time limit described in the preceding paragraph, a fee for the delayed declaration shall be imposed by the Customs.

Article 25 Goods imported or exported at the Customs office shall be declared in writing on paper or electronic declaration forms.

Article 26 After acceptance by the customs offices, declaration documents and the contents thereof may not be modified or withdrawn, except under the circumstances set out by the customs.

Article 27 The receiver of the imported goods may check the goods or obtain samples before declaration with the approval of the Customs office. In case quarantine is needed in accordance with law, samples can be obtained only after quarantine.

Article 28 All import and export goods shall be subject to customs examination. While the examination is being carried out, the consignee for the import goods or the consignor for the export goods shall be present and be responsible for moving the goods and opening and restoring the package. The Customs shall be entitled to examine or re-examine the goods or take samples from them without the presence of the consignee or the consignor whenever it considers this necessary.

The Customs, under particular circumstances, can grant that the import and export commodities be exempted from inspection. The specific measures therefore shall be formulated by the General Administration of Customs.

Article 29 Unless specially approved by the Customs, import and export goods shall be released upon customs endorsement only after the payment of duties or the provision of a guarantee.

Article 30 Where the receiver fails to declare the import goods to the Customs office within three months of the arrival of the means of transport, the goods shall be confiscated and sold off according to law by the Customs office. After the costs of transport, loading and unloading, storage, and duties and taxes are deducted from the money obtained from the sale, the remaining sum, if any, shall be returned to the receiver provided s/he submits an application to the Customs office within one year of the sale of the goods according to law. If the importation of such goods is under state restriction, the receiver shall provide the appropriate import license; otherwise the money shall not be returned. If no one applies within the time limit, the money shall be turned over to the State Treasury.

Inward goods confirmed by the Customs to be mis-discharged or over-discharged may be returned to the place of consignment or imported upon completion of necessary formalities by the person in charge of the means of transport carrying the goods or the consignee or the consignor for the goods within three months of the discharging. When necessary, an extension of three months may be granted through customs approval. If the formalities are not completed within the time limit, the goods shall be disposed of by the Customs in accordance with the provisions laid down in the preceding paragraph.

Where goods listed in the preceding two paragraphs are not suitable for storage over a long period, the Customs may, according to actual circumstances, dispose of them before the time limit is reached.

Import goods declared to be abandoned by the consignee or the owner shall be taken over and sold off by the Customs. The money thus obtained shall be turned over to the State Treasury after the costs of transport, loading, unloading and storage are deducted.

Article 31 Goods that are temporarily imported or exported in accordance with laws, administrative regulations or the provisions of the State Council or the General Administration of Customs shall be re-shipped out of or into the territory of China within six months. Where the time limit for re-shipment out of or into the territory of China needs to be extended, the formalities for the extension thereof shall be undergone in accordance with the provisions of the General Administration of Customs.

Article 32 The storage, processing, assembling, exhibition, transportation and consignment sales of bonded goods and the operation of duty-free shops shall meet the requirements of Customs surveillance and be approved by and registered with the Customs office.

The assignment, transfer, and entry into and exit from the storage locations of bonded goods shall go through requisite procedures at the Customs office and receive the proper surveillance and examination.

Article 33 Enterprises engaged in processing trade shall undergo recordation formalities at the customs office in accordance with the provisions of the General Administration of Customs. The unit consumption of materials for finished products in processing trade shall be assessed and determined by the customs office in accordance with the relevant provisions.

The finished products of a processing trade shall be re-exported within the stipulated time limit. If

the imported raw materials or parts are bonded goods specified by the State, the enterprise shall verify cancellation of the bond at the Customs office. If the Customs duties of the goods are pre-paid, the enterprise may ask for refunds from the Customs office in accordance with the law. If the bonded imported materials and parts or finished products under processing trade are sold domestically, the customs office shall impose tax on bonded imported materials and parts in accordance with the law. If the state has restrictive provisions on the import of such goods, the enterprise shall also submit an import license to the customs office.

Article 34 The bonded zones and other zones, which are established in the territory of the People's Republic of China with the approval of the State Council under the special control of Customs, shall be controlled by Customs in accordance with law.

Article 35 Customs formalities for import goods shall be completed by the consignee at the Customs office at the place where the goods enter the territory; those for export goods shall be completed by the consignor at the Customs office where the goods depart from the territory. If applied for by the consignee or the consignor and approved by the Customs, customs formalities for import goods may be completed at the place of destination where there is a Customs office, and those for export goods at the place of consignment where there is a Customs office. The transport of such goods from one place with a Customs office to another shall comply with the control requirements of the Customs. When necessary, customs officers may escort the goods in transportation.

Where goods enter or leave the territory by electric cables, pipelines or other special means of conveyance, the management units concerned shall report at regular intervals to the designated Customs office and complete customs formalities as required.

Article 36 All transit, transshipment and through goods shall be truthfully declared by the person in charge of the means of transport to the Customs office at the place where the goods enter the territory, and shall be shipped out of the territory within the designated time limit. The Customs may examine such goods whenever it considers this necessary.

Article 37 Without Customs approval, no unit or individual may open, pick up, deliver, forward, change, repack, mortgage, pledge, or transfer goods under Customs control. Nor may anyone change identification marks on, use for other purposes, or permanently dispose of such goods. Seals affixed by the Customs may not be opened or broken by any person without Customs authorization.

Upon disposal of goods under Customs control by the judgment or decision of the People's Court and decisions of other administrative enforcement authorities, the parties concerned are required to go through the Customs clearance procedure.

Article 38 Enterprises operating warehouses and places where goods under Customs control are kept shall be registered at Customs and shall complete procedures for the receipt and delivery of goods in accordance with Customs regulations.

The storage of goods under Customs control at a place outside a Customs surveillance zone must be approved by the Customs and shall be subject to Customs control.

Should there be any violation of the above two clauses or any damages or misplacement of the goods under Customs control while they are in the care of another enterprise, the person or legal entity responsible for keeping the goods shall pay the applicable Customs duties and bear legal responsibility except in the case of force majeure.

Article 39 The General Customs Administration shall draw up, independently or jointly with the relevant departments under the State Council, rules for control over inward and outward containers; rules for control over the salvage of inward and outward goods and sunken ships; rules for control over inward and outward goods involved in small volumes of border transactions and other inward and outward goods not specified in this Law.

Article 40 If there are state regulations on the restriction or prohibition of imported or exported goods and articles, Customs shall carry out control measures in accordance with laws, administrative regulations, stipulations of the State Council, or authorization by other departments of the State Council. The specific control measures shall be formulated by the General Customs Authority.

Article 41 The place of origin of imported or exported goods shall be decided in accordance with State rules on place of origin.

Article 42 The classification of imported or exported goods shall be decided in accordance with State rules on merchandise classification.

Customs may require the sender or receiver of the exported or imported goods to provide necessary documents for deciding their classification. If necessary, the Customs may organize a laboratory test or examine lab results which shall be used as the basis for deciding the classification.

Article 43 At the written request of a unit conducting foreign trade, Customs may provide an administrative decision in advance concerning the classification of certain imported or exported goods.

The imported or exported goods shall be classified according to the administrative decision over the same goods.

The Customs shall publish all administrative decisions about the classification of goods.

Article 44 The Customs shall protect the intellectual property rights related to imported or exported goods in accordance with law and administrative regulations.

If requested, the sender or the receiver of exported or imported goods shall make truthful declarations about the intellectual property rights of the goods to Customs and shall provide the necessary legal documents as stipulated by the law.

Article 45 The Customs may examine accounting books, accounting certificates, declaration documents and other documents of the enterprises or persons directly involved in the importation or exportation of standard goods, bonded goods or goods under tax reduction or exemption; the Customs may make its examination within three years after clearance of the goods at the Customs or within the Customs control period. The detailed regulations for the examination shall be formulated by the State Council.

Chapter IV Inward and Outward Articles

Article 46 Inward and outward luggage carried by individuals and inward and outward articles sent by post shall be limited to reasonable quantities for personal use and shall be subject to customs control.

Article 47 All inward and outward articles shall be accurately declared to the Customs by the owner and shall be subject to customs examination.

Seals affixed by the Customs may not be opened or broken by any person without authorization.

Article 48 The loading, unloading, transshipment and transit of inward and outward mail bags shall be subject to customs control, and a covering waybill shall be submitted to the Customs by the postal enterprise concerned.

The postal enterprise shall inform the Customs in advance of the schedule for the opening and sealing of international mail bags. The Customs shall promptly dispatch officers to supervise checking and examination on the spot.

Article 49 Inward and outward articles sent by post shall be posted or delivered by managing units only after they have been examined and released by the Customs.

Article 50 Articles registered with and approved by the Customs for temporarily entering or leaving the territory duty-free, shall be taken out or brought into the territory again by the owner.

Persons passing through the territory may not leave in the territory, without customs approval, the articles they carry with them.

Article 51 In accordance with Article 21 of this Law, the Customs shall dispose of inward and outward articles declared to be abandoned by the owner; articles to which no one makes a claim or for which customs formalities are not completed within the time limit set by the Customs; and inward postal items which can neither be delivered nor be returned.

Article 52 Imported and exported articles intended for official or personal use by foreign missions or personnel enjoying diplomatic privileges and immunities shall be dealt with in accordance with the relevant law and administrative regulations.

Chapter V Customs Duties

Article 53 Customs duties shall be levied by the Customs according to law.

Article 54 The consignee of import goods, the consignor of export goods and the owner of inward and outward articles shall be the obligatory customs duty payer.

Article 55 The duty-paying value of an export item shall be decided by the Customs on the basis of its transaction price. If the transaction price cannot be determined, the Customs shall assess the duty-paying value in accordance with law.

The duty-paying value of an import item consists of its price, transportation fees and corresponding expenses, and insurance fees before unloading after the arrival at a point of entry into the territory of the People's Republic of China. The duty-paying value of an export item consists of its price, transportation fees and corresponding expenses, and insurance fees before loading after the arrival at a point of departure from the territory of the People's Republic of China. The Customs duties shall be deducted from the duty-paying value.

The duty-paying value of an imported or exported article shall be fixed by Customs in accordance with law.

Article 56 Duty reduction or exemption shall be granted for import or export goods and inward or outward articles listed below:

- (1) advertising items and trade samples of no commercial value;
- (2) materials presented free of charge by foreign governments or international organizations;
- (3) goods to which damage or loss has occurred prior to customs release;
- (4) articles of a quantity or value within the fixed limit;

- (5) other goods and articles specified by law as items for duty reduction or exemption; and
- (6) goods and articles specified as items for duty reduction or exemption by international treaties to which the People's Republic of China is either a contracting or an acceding party.

Article 57 Customs duties for import or export goods in special areas, for special enterprises and for special purposes may be reduced or exempted. The State Council shall formulate detailed regulations about the scope and method of the reduction or exemption.

All import goods for which duty reduction or exemption is granted in accordance with the preceding Clause shall be used only in specified areas and enterprises or for specific purposes. They shall not be utilized otherwise unless Customs approval is obtained and duties duly paid.

Article 58 The State Council shall decide the temporary reduction or exemption of Customs duties which fall under Articles 56 and 57(1) of this Law.

Article 59 Temporary duty exemption shall be granted for goods as temporarily imported or exported items and for bonded goods imported by special permission after the consignee or the consignor of the goods submits to the Customs a guarantee or a deposit of an amount equal to the duties.

Article 60 Customs duty fees levied on imports or exports shall be paid within 15 days following the date of issuance of the duty memorandum. If this deadline is not met, a fee for late payment shall be imposed by the Customs on the person or entity responsible for paying the fees, or on its guarantor. If the Customs duties are not paid after three months, the Customs, with the approval of the director of the Customs office with direct jurisdiction or the director of the Customs department under it with its authorization, may carry out the following enforcement measures:

- (1) Send a written request to banks or other financial institutions to deduct the amount of duties due from the entity's deposits;
- (2) Sell off the goods to offset the duties;
- (3) Detain and sell off goods and other assets of a value equal to the duties in order to offset the duties.

When carrying out the enforcement measures, the Customs shall also collect the fee for late payments stipulated in the preceding clause but not submitted by the persons or entities responsible for paying the Customs duties, or their guarantor.

The payment of duties on imports or exports shall be made, prior to their release, by the person or entity responsible for paying the Customs duties.

Article 61 If the person or legal entity responsible for paying the Customs duties has given indications that it may try to transfer or hide the dutiable goods or other assets, the Customs may order it to provide collateral. In the event said person or legal entity is unable to provide collateral, the Customs, with the approval of the director of the Customs office with direct jurisdiction or the director of the Customs under it with its authorization, may carry out the following conservatory measures:

- (1) Notify in writing any banks or other financial institutions where the person or legal entity responsible for paying the Customs duty has an account to suspend payment to said payer of a value equal to the duties due;

(2) Detain goods or other assets which belong to said payer of a value equal to the duties due. If the person or legal entity responsible for paying the Customs duty does pay the duties within the time limit, the Customs shall revoke the suspension measures immediately; if said payer fails to pay the duties within the time limit, the Customs, with the approval of the director of Customs office with direct jurisdiction or the director of the Customs department under it with its authorization, may notify in writing the banks or other financial institutions where said payer has an account to deduct the duties due from the account which has been frozen, or to sell off the goods or other assets under detention to offset the duties due.

If there is any loss to the lawful rights and interests of the person or legal entity responsible for paying the Customs duty, either because of inappropriate suspension measures or because of delayed revocation of such measures after the payment of duties by said payer within the time limit, the Customs shall pay compensation.

Article 62 Where the Customs finds that the duties are short-levied or not levied on a consignment of import or export goods or on an inward or outward article after its release, the Customs shall collect the money payable from the obligatory customs duty payer within one year of the previous duty payment or the release of the item. If the short-levied or non-levied duties are attributable to the duty payer's violation of the customs regulations, the Customs may collect the unpaid amount from him within three years.

Article 63 Where the duties are over-levied, the Customs, upon discovery, shall refund the money without delay. The duty payer may ask the Customs for refunding within one year of the date of duty payment.

Article 64 When the person or legal entity responsible for paying the Customs duty is involved in a dispute over duty payment with the Customs, it shall pay the duties and may apply for an administrative reconsideration of the case in accordance with law. If it does not agree with the decision, it may file a lawsuit at the People's Court in accordance with law.

Article 65 Import taxes levied by the Customs as designated collector shall be regulated in accordance with regulations on the collection of Customs duties.

Chapter VI Collateral in Customs Affairs

Article 66 If the sender or receiver requests the release of goods before the classification decision, assessment of value and provision of effective declaration documents, or completion of other Customs procedures, the Customs shall order it to provide collateral which is commensurate with its legal obligations unless the law or administrative regulations provide otherwise.

Should there be specific law and administrative regulations over the collateral for the performance of Customs obligations, these laws and administrative regulations shall apply.

If the goods and articles are subject to State restrictions on imports and exports, licenses should be provided. If they cannot be provided and if it is a case in which the law or administrative regulations do not allow collateral, the Customs cannot release the restricted goods.

Article 67 Any legal person, organization, or citizen who is able to fulfill the obligations related to Customs affairs of the principle party can be a guarantor unless otherwise provided by the law.

Article 68 The following assets of a guarantor can be used as collateral:

(1) currency of RMB or convertible currencies;

(2) bills of exchange, promissory notes, checks, bonds and certificates of deposit;

(3) letter of guarantee from a bank or a non-financial institution;

(4) other assets and rights recognized by the Customs.

Article 69 A guarantor shall underwrite any obligations during the period listed in the guarantee. The presence of a guarantor does not absolve the principle party of its obligation to go through necessary Customs formalities.

Article 70 The administration of guarantees in Customs affairs shall be regulated the State Council.

Chapter VII Supervision over Law Enforcement

Article 71 The Customs shall carry out its responsibilities in accordance with law in order to safeguard State interests. It shall enforce law in accordance with its legal mandate and legal procedures and shall accept supervision and control.

Article 72 Customs personnel shall enforce the law impartially, be upright and self-disciplined, be devoted to their duties, and render services in a civilized manner. The following behavior is prohibited:

(1) covering up, conniving or colluding with others in smuggling;

(2) illegally restricting the personal freedom of others, illegally searching persons or their property, or illegally searching and detaining incoming and outgoing means of transport, goods and articles;

(3) abusing power for personal interests or interests of others;

(4) soliciting or accepting bribes;

(5) divulging State, commercial or Customs secrets;

(6) misusing power by deliberately creating difficulties or delaying the process of supervision, control, and examination;

(7) buying, divvying up, or otherwise possessing confiscated articles or goods;

(8) engaging in unsanctioned profit-making activities;

(9) carrying out functions in violation of legal procedure or by exceeding authority

(10) other misconducts.

Article 73 The Customs shall seek to improve the political and professional competence of its personnel to aid in its execution of power.

The Customs personnel shall have legal and other professional training and be qualified for their special posts.

The Customs personnel shall be admitted through public examination. Only the best and brightest shall be admitted.

The Customs shall train and examine its personnel in politics, law and Customs-related fields.

The Customs personnel shall participate in regular training and examinations. Those who fail to pass shall be disqualified from the post.

Article 74 The General Customs shall adopt a regular rotation regime for the directors of the Customs.

The director of the Customs shall report regularly to his or her superiors and give truthful statements about his/her functions. The General Customs shall carry out examinations of directors of the Customs offices directly under its control, and the Customs offices directly under the control of the General Customs shall carry out examinations of directors of the Customs departments under their control.

Article 75 The administrative law-enforcement activities of the Customs and its personnel shall be supervised by the supervision authority. The investigation activities of the anti-smuggling police shall be supervised by the People's Procuratorate.

Article 76 The audit authority shall conduct audits of Customs offices' financial income and payments and shall have the right to conduct special audits of activities of the Customs which are related to State finance.

Article 77 The Customs office of a higher level shall supervise the law enforcement of that of a lower level. The Customs office of a higher level may change or revoke the decisions made by that of a lower level which it believes to be inappropriate.

Article 78 The Customs shall establish an interior supervision and control system in accordance with this Law and other related law and administrative regulations to keep control over law-enforcement and ensure its personnel abide by Customs discipline.

Article 79 The Customs offices' departments responsible for the examination of documents, examination of goods, clearance, and investigation shall have clearly-defined spheres of power, execute their functions separately, and check and balance each other.

Article 80 Any unit or individual has the right to complain or disclose any violation of law or misconduct of the Customs and its personnel. The department which receives the complaint or the disclosure and which has jurisdiction over the case shall make a timely investigation and come to a decision. The departments which received the complaint or the disclosure and which handle the case shall keep confidential the identity of the person who raises the complaint or the disclosure.

Article 81 When investigating illegal activities, the Customs personnel in question shall recuse themselves from the investigation in the following situations:

- (1) (s)he is a party to the case or a close relative of a party to the case;
- (2) (s)he or his/her close relatives have interests in the case;
- (3) (s)he has other relations with parties in the case which may affect the impartiality of the investigation of the case.

Chapter VIII Legal Liabilities

Article 82 Any of the following acts of evasion of Customs control, Customs duties, and State import and export prohibited or restricted control in violation of this Law and other related laws and administrative regulations shall constitute an act of smuggling:

- (1) transporting, carrying, or sending by post into or out of the territory goods and articles which are prohibited or restricted by the State from being imported or exported, or which are dutiable;

(2) the sale in the territory of China of any bonded goods imported by special permission or listed for special duty reduction or exemption, as well as other goods, articles, or means of transport entering the territory without approval of the Customs, payment of Customs duties, or presentation of the requisite certificates;

(3) any other act of evasion of Customs control which constitutes smuggling.

For any act listed in the above clauses which does not constitute a crime, the Customs shall confiscate any smuggled goods and articles and illegal income and impose a fine. Goods, articles, and means of transport involved in smuggling on multiple occasions shall also be confiscated. Specially-made equipment used to conceal smuggled goods shall be destroyed or confiscated.

Any act in the above clauses which constitutes a crime shall be punishable with criminal charges.

Article 83 Any of the following acts shall be dealt with as an act of smuggling and shall be punishable in accordance with the provisions of Article 82 of this Law:

(1) the direct or indirect purchase of smuggled goods or articles from a smuggler

(2) the transport by ship or the transport, purchase, or sale by ships' personnel in inland or territorial waters or border rivers and lakes articles which are prohibited or restricted by the State from being imported or exported; or transporting, purchasing or selling dutiable goods or articles without legal certification of tax payment.

Article 84 Counterfeiting, altering, or purchasing Customs documents and certificates, colluding with smugglers by providing loans, capital, account numbers, invoices, certificates and other Customs documents, or providing means of transport, storage, posting and other conveniences shall be sanctioned with penal responsibilities if an act constitutes a crime. If the act is not serious enough to constitute a crime, any illegal income shall be confiscated and a fine imposed.

Article 85 Any individual who carries or sends by post articles for personal use into or out of the territory in a quantity exceeding the reasonable limit and fails to declare them to the Customs shall be made to pay the duties and may be fined.

Article 86 A fine may be imposed for any of the following acts which violate the regulations on customs control prescribed in this Law:

(1) for a means of transport to enter or leave the territory at a place without a Customs office;

(2) to fail to inform the Customs of the arrival and departure time of a means of transport and the place where it will stay or any change of such a place;

(3) to fail to declare truthfully to the Customs the import or export goods or the transit, transshipment and through goods;

(4) to fail to accept, in accordance with relevant regulations, the checking and examination by the Customs of the means of transport, goods or articles entering or leaving the territory;

(5) for an inward or outward means of transport to load or unload inward or outward goods or articles or let passengers get on or off without customs approval;

(6) for an inward or outward means of transport staying at a place with a Customs office to leave without customs approval;

(7) for an inward or outward means of transport en route from one place with a Customs office to another with a Customs office to move out of the territory or to a point in the territory where there is no Customs office without completing the clearance formalities and obtaining customs approval;

(8) a conveyance entering or departing China concurrently engages in or changes its business into transportation within China in violation of the customs control requirements or without undergoing the required formalities with the customs;

(9) for an inward or outward vessel or aircraft which, by force majeure, stops or lands at a place without a Customs office, or jettisons or discharges goods or articles in the territory to fail unjustifiably to report to the customs authorities nearby;

(10) to open, pick up, deliver, forward, change, repack, mortgage, pledge, lien or transfer goods under Customs control, change the identification marks on such goods, use the goods for other purposes, or dispose of the goods in other manners without Customs approval.

(11) to open or break seals affixed by the Customs without authorization; or

(12) when responsible for the transportation, storage, processing or other acts involving the goods under the Customs control, unable to provide justifiable reasons for missing goods in question, or for giving false records.

(13) other acts in violation of regulations over the Customs control.

Article 87 The enterprises engaged in applicable business activity without the approval of the Customs, in violation of this Law, shall be ordered by the Customs to correct their wrongdoing and may receive warnings or have their business license suspended or revoked.

Article 88 If enterprises or individuals are engaged in Customs declarations without registration, they shall be stopped by the Customs and their illegal income shall be confiscated and a fine imposed.

Article 89 Where a customs declaration enterprise illegally conducts customs declarations on behalf of others or conducts customs declaration beyond its business scope, the customs shall order it to make correction and impose a fine on it; and if the circumstances are serious, revoke its customs declaration registration.

Where a customs declarer illegally conducts customs declaration on behalf of others or conducts customs declaration beyond his or her business scope, the customs shall order the person to make correction and impose a fine on the person.

Article 90 Where the consignee or consigner for imported or exported goods or a customs declaration enterprise offers bribes to a customs officer, the customs shall revoke its customs declaration registration and impose a fine on it; and if it constitutes a crime, the briber shall be subject to criminal liability in accordance with the law, and shall not be re-registered as a customs declaration enterprise.

A customs declarer offering bribes to a customs officer shall be fined; and if it constitutes a crime, be subject to criminal liability in accordance with the law.

Article 91 The importation of goods in violation of intellectual rights protected by the law and administrative regulations of the People's Republic of China shall be sanctioned by the Customs

by confiscating the goods and imposing a fine; Criminal liabilities shall be taken in case of a crime.

Article 92 Goods, articles and means of transportation which are detained by the Customs according to law can not be disposed of before the People's Court renders a judgment or the Customs makes a decision about punishment. However, for dangerous or perishable goods and articles or goods with a short shelf-life, or in the event that the owner requests to sell the goods and articles or the means of transportation, the director of the Customs office with direct jurisdiction or the authorized director of the Customs under it may authorize their early sale in accordance with law. The money from the sale shall be kept at the Customs, which shall inform the owner of the money.

Smuggled goods, articles, illegal income, smuggling vehicles, or specially-made equipment confiscated by the People's Court or the Customs shall be disposed of by the Customs, which shall hand the money from the disposal together with the fines over to the State Treasury.

Article 93 If the party concerned refuses to carry out the Customs decision or fails to apply for a reconsideration of the case or file a suit in a People's Court within the prescribed time limit, the Customs office making the decision of punishment may use the deposit of the party concerned to substitute for the penalty, or sell off the goods, articles or means of transport it has detained to substitute for the penalty, or ask the People's Court for a mandatory execution of the decision.

Article 94 If the Customs causes damage to any inward and outward goods or articles while examining them, it shall make up for the actual loss from such damage.

Article 95 Should there be any violation of the lawful rights and interests of the parties resulting from illegal detention by the Customs of goods and articles or means of transport, the Customs shall bear responsibility for compensation.

Article 96 Customs personnel who conduct any acts as stipulated in Article 72 of this Law shall receive administrative disciplinary sanctions and their illegal income shall be confiscated; if the act constitutes a crime, they shall bear criminal responsibilities in accordance with law.

Article 97 If the financial income and payments made by the Customs violates law or administrative regulations, the audit authority and other related departments shall make a decision in accordance with law and administrative regulations. The directly responsible officials and other personnel shall receive administrative sanctions or criminal charges in case of criminal activity.

Article 98 If the Customs does not keep confidential the identity of the person who raises the complaint or the disclosure, the directly responsible official and other personnel shall receive administrative sanctions by their units or other related units.

Article 99 If the Customs personnel in question do not recuse themselves in accordance with this Law when investigating law-violation cases, the directly responsible official and other personnel shall receive administrative sanctions.

Chapter IX Supplementary Provisions

Article 100 Terms used in this Law are defined as follows:

The term "a Customs office directly under the control of the General Customs" refers to a Customs office which is responsible for administration of the Customs affairs in a certain area; while a Customs department under the control of a Customs office refers to a Customs branch

responsible for the administration of specific Customs affairs.

The term "inward and outward means of transport" means various types of vessels, vehicles, aircraft and pack-animals which enter or leave the territory carrying persons, goods or articles.

The term "transit, transshipment and through goods" means goods which come from a place outside the territory and pass through the territory enroute to a place outside the territory. Among them, "transit goods" are those which pass through the territory by land, "transshipment goods" are those which do not pass through the territory by land but are loaded on a different means of transport at a place with a Customs office, and "through goods" are those which are carried into and out of the territory by the same vessel or aircraft.

The term "goods under Customs control" refer to imports and exports listed in Article 23 of this Law; goods under transit or transfer; goods with duty reductions or exemptions; and goods temporarily imported or exported, bonded goods, or other imports and exports which have not cleared the Customs.

The term "bonded goods" means goods which have entered the territory by approval of the Customs as items for which no formalities have been performed in the way of duty payment and which will be reshipped out of the territory after being stored, processed or assembled in the territory.

The term "customs surveillance zone" means any seaport, railway or highway station, airport, border pass or international postal matter exchange station where there is a Customs office, any other place where customs control is exercised, and any place without a Customs office which has been approved by the State Council as a point of entry into and exit from the territory.

Article 101 The State Council shall draw up rules governing control over the means of transport, goods and articles going between the Special Economic Zones and other specially designated areas and other parts of the territory.

Article 102 This Law shall go into effect as of July 1, 1987. The Provisional Customs Law of the People's Republic of China promulgated by the Central People's Government on April 18, 1951, shall be annulled therefrom.