

TradeWatch



EY Global Trade

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Asia-Pacific

China: Recent developments related to imports and international trade

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China: Recent developments related to imports and international trade

Preferential tax policies for imported exhibits sold during the China Import and Export Fair

The Ministry of Finance (MOF), General Administration of Customs and the State Taxation Administration (STA) have jointly issued Circular 10,¹ extending the period of preferential tax policies for imported exhibits sold during the China Import and Export Fair (CIEF). Eligible items were previously outlined in Circular 5 issued in 2023.²

1 "Circular Caiguanshui [2024] No. 10". [Find it here.](#)

2 "Circular Caiguanshui [2023] No. 5". [Find it here.](#)

The key points of the preferential tax policies are:

- ▶ **Preferential tax treatments:** Sales of imported exhibits within the duty-free quota during the CIEF 2024 and 2025 will be exempt from import duties, import-level value-added Tax (VAT) and consumption tax.
- ▶ **Eligible imported exhibits:** The scope of exhibits eligible for the preferential policies remains the same as those listed in Circular 5. Notably, certain imported goods, such as tobacco, alcohol and automobiles, do not qualify for these exemptions.

The new Tariff Law of the People's Republic of China (PRC)

On 26 April 2024, the Tariff Law of the PRC (the Tariff Law)³ was approved by the Standing Committee of the 14th National People's Congress. The Tariff Law will take effect from 1 December 2024 and will supersede the prevailing Regulations of the PRC on Import and Export Duties.⁴

3 The Tariff Law may be accessed [here](#).

4 The Regulations of the PRC on Import and Export Duties may be accessed [here](#).



The overall tax liability level remains unchanged compared to the existing tariff system. The Tariff Law comprises 72 articles in seven chapters, and the key features are as follows:

Category	Description
Tax scope	<ul style="list-style-type: none"> ▶ Goods permitted to be imported or exported by the PRC and inbound articles
Taxpayers	<ul style="list-style-type: none"> ▶ Consignees of imported goods, consignors of exported goods, and carriers or recipients of inbound articles
Withholding agents	<ul style="list-style-type: none"> ▶ E-commerce platform operators engaging in cross-border e-commerce retail imports, logistics companies and customs declaration enterprises ▶ Entities and individuals that are obligated by laws and regulations to withhold or collect tariffs
Tariff items and rates	<ul style="list-style-type: none"> ▶ Tariff items and rates are stipulated in the Tariff Schedule of the PRC.⁵ The types of rates mainly include: <ul style="list-style-type: none"> ▶ Most-favored-nation (MFN) rates, conventional rates, preferential rates and general rates for imports ▶ Rates for exports ▶ Tariff rate quota (TRQ) rates and provisional rates for specific imports and exports
Tariff calculation	<ul style="list-style-type: none"> ▶ Specific, ad valorem or compound (i.e., a combination of both)
Preferential treatments	<ul style="list-style-type: none"> ▶ Import or export goods and inbound articles subject to tariff reduction or exemption as stipulated in the Tariff Law ▶ The State Council may formulate preferential policies under special circumstances
Administration and collection	<ul style="list-style-type: none"> ▶ The collection of tariffs can be managed in the mode of separating the release of goods from tariff amount determination ▶ Taxpayers or withholding agents may choose a customs office to declare and pay tariffs according to the provision of the Law ▶ Tariff payment can be made on a consolidated basis provided certain conditions are met ▶ Taxpayers may have up to three years (instead of one year under the prevailing regulations) to claim a refund upon their discovery of an overpayment of tariffs

Exclusions to the goods originating from the US that are imposed with additional tariffs

The Customs Tariff Commission of China's State Council announced Public Notice 3⁶ to extend the tariff exclusions on 124 products from the US to 30 November 2024. The exclusions were set to expire on 30 April 2024. This is the 14th extension of the exclusion list. As a result, from 1 May 2024 to 30 November 2024, the tariffs imposed by China to counter the US Section 301 measures will continue to be waived on the goods listed in the annex.

The exclusions cover a wide range of products, including, but not limited to:

- ▶ Rare earth metal ore
- ▶ Gold ore
- ▶ Medical disinfectants
- ▶ High-speed television cameras
- ▶ Night vision digital cameras
- ▶ Navigation radar equipment ■

⁵ The Tariff Schedule may be accessed [here](#).

⁶ Public Notice 3 may be accessed [here](#).

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Tax alerts

A dark gray world map outline is centered in the background of the slide, showing the continents and country borders.

Tax alerts

Tax alerts

Americas

Argentina

- ▶ Argentina implements the Regularization Regime for Tax, Customs and Social Security Obligations (24 July 2024)
- ▶ Argentine tax authorities extend suspension of VAT and Income Tax exclusion certificates on imports (10 July 2024)
- ▶ Argentina enacts Bases Law and Tax Package (08 July 2024)
- ▶ Argentine Congress approves bills that include major tax measures (28 June 2024)

Brazil

- ▶ Brazil tax authorities rule on treatment of payments for right to commercialize or distribute software (11 July 2024)

Canada

- ▶ Canada Border Services Agency updates trade compliance verification list (18 July 2024)
- ▶ 2024 Federal Budget Implementation Bill No. 1 receives Royal Assent (24 June 2024)
- ▶ Enacts income and indirect tax measures under Bill C-59 budget bill (24 June 2024)
- ▶ Northwest Territories budget 2024-25 (30 May 2024)
- ▶ Canada delays implementation of CBSA Assessment and Revenue Management (CARM) project Release 2 to October 2024 (02 May 2024)

Colombia

- ▶ Government Decree updates customs regulations (31 May 2024)

Global

- ▶ Trade Talking Points – Latest insights from EY's Trade Strategy team (July 2024) (26 July 2024)
- ▶ Trade Talking Points – Latest insights from EY's Trade Strategy team (June 2024) (18 July 2024)
- ▶ EY Global Tax Controversy Flash Newsletter (Issue 71) – How trade technologies can help reduce controversy risk (15 July 2024)
- ▶ Trade Talking Points – Latest insights from EY's Trade Strategy team (May 2024) (06 June 2024)

Peru

- ▶ Peruvian Congress approves law granting President powers to enact various tax measures (12 July 2024)

United States

- ▶ US imposes adjustments to steel and aluminum imports from Mexico (15 July 2024)
- ▶ USTR to extend most 429 Section 301 tariff exclusions through 14 June 2024 – and some through 31 May 2025 (29 May 2024)
- ▶ USTR publishes further guidance on impacted China-origin products subject to additional Section 301 tariffs (23 May 2024)
- ▶ US Biden Administration and USTR announced additional tariffs upon completion of China Section 301 review (15 May 2024)

Asia-Pacific

Australia

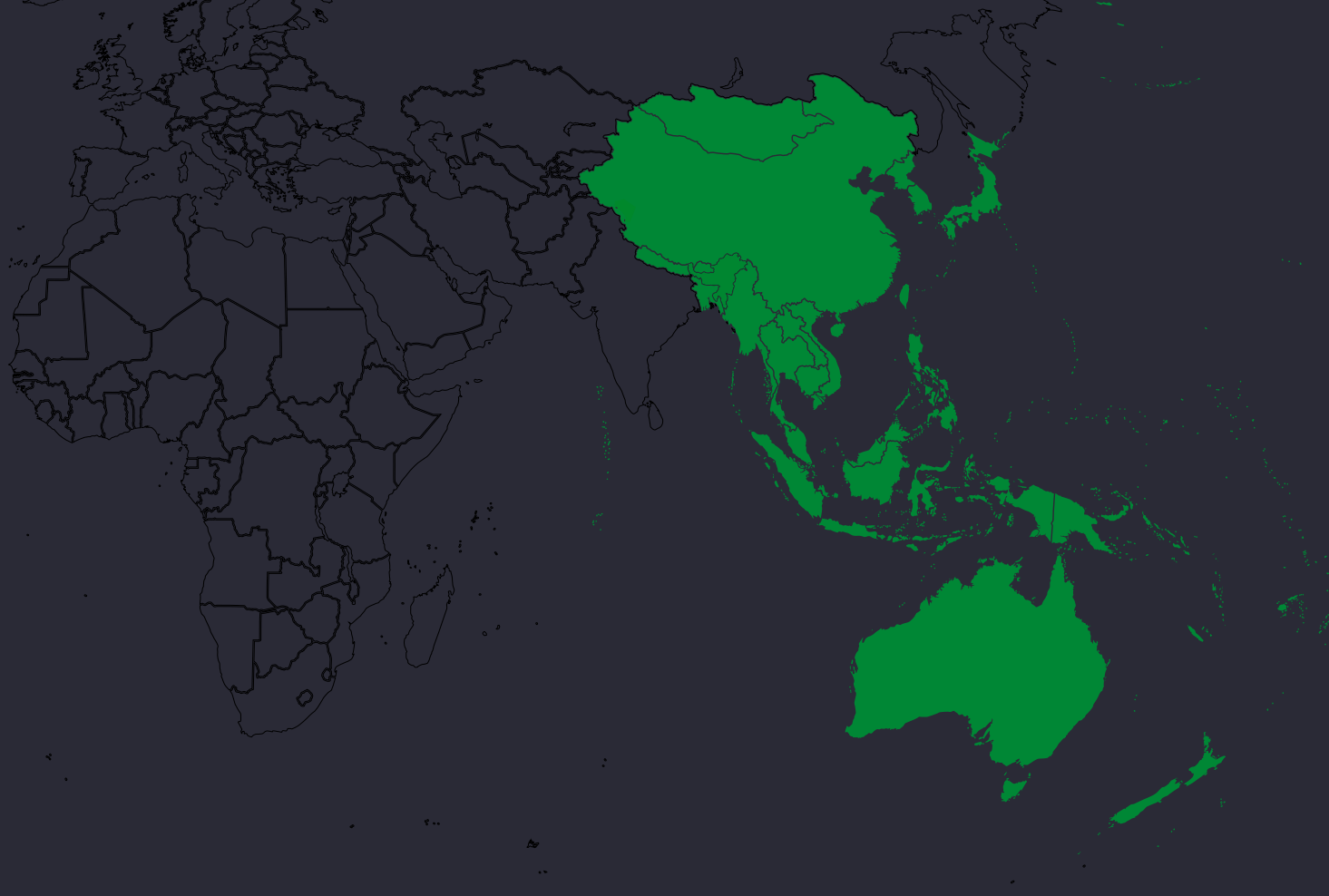
- ▶ Australia delivers 2024-25 Federal Budget
(16 May 2024)

Global

- ▶ Trade Talking Points – Latest insights from EY’s Trade Strategy team (July 2024)
(26 July 2024)
- ▶ Trade Talking Points – Latest insights from EY’s Trade Strategy team (June 2024)
(18 July 2024)
- ▶ EY Global Tax Controversy Flash Newsletter (Issue 71) – How trade technologies can help reduce controversy risk
(15 July 2024)
- ▶ Trade Talking Points – Latest insights from EY’s Trade Strategy team (May 2024)
(06 June 2024)

Thailand

- ▶ Thailand makes key interim changes for collection of VAT/excise tax on Low-Value Goods imports
(23 July 2024)



Europe, Middle East, India and Africa

Ethiopia

- ▶ Ethiopia issues Directive regulating foreign investors' participation in restricted export, import, wholesale and retail trade (02 May 2024)

European Union

- ▶ EU – New round of Tariff Suspension Quota Scheme; application window open until 31 July 2024 (18 July 2024)
- ▶ Still no agreement at EU on VAT in the digital age (ViDA) proposal (21 June 2024)
- ▶ EU has not yet reached agreement on VAT in the digital age (ViDA) proposal (14 May 2024)

Finland

- ▶ Finland's VAT increase could make VAT rate the second highest in the EU (08 May 2024)

France

- ▶ Releases specifications for e-invoicing reform (20 June 2024)

Germany

- ▶ Publishes e-invoicing draft administrative guideline, accepting feedback until 11 July (18 June 2024)

Global

- ▶ Trade Talking Points – Latest insights from EY's Trade Strategy team (July 2024) (26 July 2024)
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- ▶ Trade Talking Points – Latest insights from EY's Trade Strategy team (May 2024) (06 June 2024)

Kenya

- ▶ Kenya proposes tax changes under the Finance Bill, 2024 (21 May 2024)
- ▶ Kenya High Court rules tax laws don't explicitly impose additional customs duties on oil 'product gains' (16 May 2024)

Pakistan

- ▶ 2024 Finance Bill proposes indirect, individual, corporate tax changes (17 June 2024)
- ▶ Pakistan implements amendments to tax appeals system (07 May 2024)

Saudi Arabia

- ▶ Saudi Arabia issues resolution amending customs duties on certain goods (25 July 2024)
- ▶ Saudi Arabia announces 13th wave of Phase 2 e-invoicing integration (08 July 2024)
- ▶ Saudi Arabia tax bulletin clarifies requirements and procedures for excise tax refund (30 May 2024)
- ▶ Saudi Arabia joins the international ATA Carnet guarantee system (20 May 2024)

Slovakia

- ▶ Slovakia proposes new tax on sweetened soft drinks (02 May 2024)

Turkiye

- ▶ Turkiye imposes fees on vessels for greenhouse gases (17 July 2024)
- ▶ Turkiye introduces three new types of retrospective import inspections (03 June 2024)
- ▶ Turkiye's Ministry of Trade announces all trade with Israel has been halted (03 May 2024)

United Arab Emirates

- ▶ Dubai Customs publishes policy on voluntary disclosures (24 July 2024)
- ▶ UAE is boosting trade through Comprehensive Economic Partnership Agreements (21 May 2024)

United Kingdom

- ▶ UK General Election 2024 results in first Labour Government in 14 years (09 July 2024)

Additional resources



Global trade on ey.com

While indirect tax is a part of everyday life in most countries, the rise of new technologies and expanding global trade adds additional layers of complexity. Learn what EY can do for you, connect with us or read our latest thinking.

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TradeFlash

Our *TradeFlash* newsletter provides a roundup of the latest developments in global trade around the world.

[Find out more](#)



Worldwide VAT, GST and Sales Tax Guide 2024

Outlining value-added tax (VAT) systems in 150 jurisdictions, the 2024 edition of our annual reference book, *Worldwide VAT, GST and Sales Tax Guide*, is now available in an interactive map format (as well as to download as a pdf).

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Additional resources

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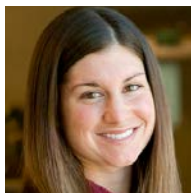
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