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| Title :       | Regulations Governing Exemption from Inspection of Commodities   |
| Date :        | 2019.11.21  |
| Legislative : | <ol style="list-style-type: none"><li>1. Promulgated by Ministerial Order on 1 February 2002</li><li>2. Articles 5, 6, 10, 11, 15, 16 and 20 amended and promulgated by Ministerial Order on 11 June 2004.</li><li>3. 20 Articles amended and promulgated in full by Ministerial Order on 21 March 2008.</li><li>4. Articles 3, 4, 12, 13, 14, 18 and 19 amended and promulgated by Ministerial Order on 18 November 2010.</li><li>5. Article 11 amended and promulgated by Ministerial Order on 16 March 2012.</li><li>6. Article 10 deleted and Articles 2, 3, 4, 10, 12, 14, 17, 18 and 19 amended and promulgated by Ministerial Order on 10 March 2014.</li><li>7. Article 12 amended and promulgated by Ministerial Order on 16 June 2017.</li><li>8. 20 Articles amended and promulgated by Ministerial Order on 13 November 2018, entry into force on 1 April 2019</li><li>9. Articles 5, 11 and 20 amended and promulgated by Ministerial Order on 21 November 2019, entry into force on 1 January 2020</li></ol>  |
| Content :     | <p><b>Article 1</b><br/>These Regulations are established in accordance with Paragraph Two of Article 9 of the Commodity Inspection Act (the Act).</p> <p><b>Article 2</b><br/>The value of imported commodities stipulated in these Regulations shall be calculated at CIF; the value of commodities domestically manufactured shall be calculated at EXW.</p> <p><b>Article 3</b><br/>An obligatory inspection applicant (applicant) may apply to the Bureau of Standard, Metrology and Inspection of the Ministry of Economic Affairs (BSMI) or its branches (inspection authority) for exemption from inspection if the commodities to be imported or domestically manufactured comply with the requirements of these Regulations.<br/>If conforming to one of the following conditions, the applicant may skip the application in the preceding paragraph and independently fill in the customs code for exemption from inspection in the import license number column of the import declaration form according to the customs code for exemption from inspection designated by the BSMI, after comparison of documents, if conforming, the commodity will be released through customs clearance:<br/>1. Commodity imported by embassies/consulates in Taiwan or representatives who are entitled to</p> |

diplomatic

immunity for their own use.

2. Commodity conforming to Subparagraph 1, Paragraph 1, Article 5, and the total import declared value for

the same specification or type on the same import declaration form is under US\$1,000.

3. Commodity which is re-exported abroad and exempt from customs duty in accordance with Article 52 of

the Customs Act.

4. Commodity which is exempt from customs duty in accordance with the additional notes stipulated in

Chapter 89 of the Customs Import Tariff.

5. Commodity conforming to Subparagraphs 2 to 7, Paragraph 1, Article 5.

6. Commodity imported for emergency aid and exempt from customs duty in accordance with Subparagraph

17, Paragraph 1, Article 49 of the Customs Act with the certificate provided by the government agency.

#### Article 4

An applicant seeking exemption from inspection shall fill an application and provide the following documents to the inspection authority before the commodities are imported or transported out of the manufacturing sites.

1. Relevant documents of import declaration form.

2. Copy of natural person's identity document, company or business registration certificate or other equivalent documents; if other person is appointed as the agent, a letter of appointment and the agent's identity document shall be attached.

3. Commodity photo and catalog. If commodity photo or catalog is unavailable, the quality specification may apply.

4. For commodities to be imported for type tests, the relevant documents provided by the designated laboratory of the BSMI shall be attached.

5. For equipment to be imported for clinical trials, the official letters or certificates issued by the Ministry of

Health and Welfare, its affiliated agencies or authorized institutions shall be attached.

6. For commodities subject to special approval, the consent letters issued by the BSMI shall be attached.

An application for exemption from inspection made in accordance with the regulations in the preceding

paragraph can cover commodities specified on the same import declaration form.

For commodities within a bonded commodity zone or free trade zone to be transported to taxed zones, the

preceding two paragraphs shall apply *mutatis mutandis*.

The inspection authority may issue a Notice of Exemption from Inspection to a qualified applicant after the

review, or reject the application if related requirements are not met.

#### Article 5

If the following commodities are to be imported for own-use, commercial samples, products for exhibition, or articles for use in research and development or in testing activities and are not for sale and approved by the inspection authority, exemption from inspection shall be granted except where stipulated otherwise in these Regulations:

1. If the total import declared value for the same specification or type on the same import declaration form is under US\$1,000, or the total import declared value for the same specification or type on the same import declaration form is over US\$1,000 and the import quantity does not exceed one of the following regulations:

(1) Parts and accessories for liquid petroleum automobile combustion systems: 8.

(2) Tires: 5.

(3) Light alloy wheels: 5.

(4) Fire-escape doors for construction purposes: 3.

(5) Other commodities:

A. Own-use: 2.

B. Commercial samples, products for exhibition, articles for use in research and development or in testing activities: 5.

2. For toys, if the total import declared value for the same specification or type on the same import declaration form is under US\$1,000 and the import quantity does not exceed 5 pieces, or 1 piece of the declared value exceeds US\$1,000, exemption from inspection shall be granted.

3. For a variety of protective helmets, if the total import declared value for the same specification or type on the same import declaration form is under US\$1,000 and the import quantity does not exceed 4 pieces, or less than 2 pieces of the declared value exceed US\$1,000, exemption from inspection shall be granted.

4. For disposable and simple lighters, if the total import declared value for the same specification or type on the same import declaration form is under US\$1,000 and the import quantity with the same specification or type does not exceed 20 pieces, exemption from inspection shall be granted.

5. For stationery commodities, if the total import declared value for the same specification or type on the same import declaration form is under US\$1,000 and the import quantity does not exceed 10 pieces, exemption from inspection shall be granted.

6. For baby commodities (excluding raincoats, toys and textiles), if the import quantity of the same commodity classification number on the same import declaration form does not exceed 2 pieces, exemption from inspection shall be granted.

7. For information equipment commodities, if the total import declared value for the same specification or

type on the same import declaration form is under US\$1,000, or less than 5 pieces of the declared value

exceed US\$1,000, exemption from inspection shall be granted.

When an application to inspection authority for exemption from inspection is made for commodities with the

same specification or type or the same commodity classification number on multiple import declaration

forms on the same import date, their values and quantities shall be combined for calculation.

For equipment to be imported for clinical trials or commodities to be imported for type tests, their values and

quantities are not subject to the restrictions stipulated in Paragraph 1.

#### Article 6

Where the imported commodities comply with Paragraph 1 of the preceding Article, whether mailed by

parcel post or carried as personal luggage, exemption from inspection shall be granted and they can be

directly released by the Customs.

#### Article 7

For commodities to be imported for own-use, commercial samples, products for exhibition, or articles for

use in research and development or in testing activities and not for sale that do not comply with the value

and quantity stipulated under Article 5, an applicant may apply to the BSMI by filling in an application and

providing the following documents for a special exemption from inspection due to requirements of inspection standards, equipment, facilities, or other special conditions:

1. Copy of natural person's identity document, company or business registration certificate or other equivalent documents; if other person is appointed as the agent, a letter of appointment and the agent's identity document shall be attached.

2. Commodity photo and catalog. If commodity photo or catalog is unavailable, the quality specification may apply.

3. Description of commodity control mechanism or final disposal.

4. Research and developing plan for articles for use in research and development or in testing activities.

After the application made in accordance with the regulations in the preceding paragraph is reviewed and

approved, an applicant shall apply to the inspection authority for exemption from inspection in accordance

with the regulations of Article 4.

#### Article 8

For commodities to be imported for own-use, commercial samples, products for exhibition, or articles for

use in research and development or in testing activities and are not for sale, or for baby commodities

(excluding raincoats, toys and textiles) to be imported, application for exemption from inspection is limited

to one time within six months for commodities with the same specification or type or for baby commodities

with the same commodity classification number. For commodities complying with the following regulations,

the above regulations do not apply:

1. Equipment to be imported for clinical trials.
2. Commodities to be imported for type tests.
3. Commodities with the same specification or type on multiple import declaration forms on the same import date.
4. Commodities to be imported for own-use, commercial samples or products for exhibition in batches within six months, with the special approval by the BSMI granted before the first batch of import.
5. Articles to be used in research and development or testing subject to the special approval of the BSMI.

For document and procedures for the special approval stipulated in Subparagraphs 4 and 5 of the preceding

paragraph, the preceding Article shall apply *mutatis mutandis*.

For the special approval granted in accordance with Subparagraph 4 of Paragraph 1, if the first batch of next

import is within six months from the last batch of import, another application for the special approval shall

not be made.

#### Article 9

Upon the review of the inspection authority, exemption from inspection will be issued to applicants with

commodities that comply with Subparagraphs 4 to 6, Paragraph 1, Article 9 of the Act.

#### Article 10

Under any of the following circumstances, an application, accompanied by related proof documents, for

customs clearance code for exemption of inspection may be made to the BSMI. The limitations on the value,

quantity, number of applications or the case-closure procedure mentioned in these Regulations shall not

apply.

1. The import of commodities approved by the BSMI for purposes of commercial samples not for sale, exhibition, research/development/testing, or re-exported after further processing or assembling, and the

applicants being rated by the competent authority or its affiliated agencies as excellent; or

2. The import of commodities for own-use and not for sale or for purposes of research/development/testing

approved by the BSMI as needed by important investment cases, and the applicant being the investors of the

important investment cases approved by the competent authority.

#### Article 11

Except for complying with Subparagraphs 4 to 7, Paragraph 1, Article 9 of the Act or one of the following

two paragraphs, a special exemption from inspection shall not be permitted for the importation of the following commodities:

1. Ropes and cables of iron or steel.
2. Hooks and shackles.
3. Large computers with a rated power output above 30 kVA.
4. Portable laser pointer with power output above 1 mW or above safety class 2.

The importation of goods in the first, second and fourth subparagraphs of the preceding Paragraph, which

is not for sale but for major construction by the nation or for research or test for development of the goods,

the applicant may attach the relevant documents issued by government agencies or research test plan, then

directly apply to the BSMI for a special exemption from inspection.

For commodities mentioned in Subparagraph 3 of Paragraph 1 to be imported for use in important investment cases, major national construction or cutting-edge research projects, an applicant may apply to

the BSMI for a special exemption from inspection by providing documents issued by governmental agencies.

#### Article 12

Exemption from inspection shall not be granted to commodities, to be imported or domestically manufactured, that have a record of non-compliance, except for those used for research and development or

testing purposes, and those to be exported after further processing or assembly.

#### Article 13

Commodities that are granted exemption from inspection in accordance with Subparagraph 4, Paragraph 1,

Article 9 of the Act must be exported by the applicant within six months from the date exemption is granted.

An applicant shall report to the original inspection authority approving exemption from inspection to close

the case by providing related export certificates. For commodities that are designated by the BSMI, the

applicant may report to the inspection authority to close the case by providing an affidavit and the documents of production and distribution of the subject commodity.

If the applicant in the preceding paragraph is from a free trade port zone, when transporting the commodity

subject to inspection to a taxed area and then transporting them back to the free trade port zone, the export

certificates may be replaced with relevant certificates issued by the Customs Administration, Ministry of

Finance.

Applicants unable to report to the original inspection authority approving exemption from inspection to close the case within the time limit as prescribed in Paragraph 1, they are required to apply to the inspection authority for an extension of up to six months. Further extensions may be applied for if necessary. The inspection authority may assign personnel to conduct onsite examination as required. If an applicant fails to report to the original inspection authority approving exemption from inspection to close the case, within the time limit specified in the preceding Paragraph, the applicant shall make a new application for inspection, return the shipment, or destroy the commodities under supervision according to the notification of the original inspection authority approving exemption from inspection. If the applicant fails to fulfill his obligation or fails to cooperate with the examination thereon, the next application for exemption from inspection shall not be granted, nor shall the customs code for exemption from inspection stipulated in Paragraph 2, Article 3 be used for customs clearance.

#### Article 14

For commodities that are granted exemption from inspection in accordance with Subparagraph 5, Paragraph 1, Article 9 of the Act, the applicant shall establish documentation on the production, distribution and certification of the commodities, or inspection certificates of the finished products or other related documents, and is required to maintain this documentation for three years for future reference.

#### Article 15

For commercial samples or products for exhibition to be imported, that are not for sale and have been granted to be exempted from inspection in accordance with these Regulations, an applicant shall mark or attach the message: "not for sale in accordance with the Commodity Inspection Act" in an obvious place on the body of the commodity.

#### Article 16

When the changes to the intended use of commodities exempted from inspection are required due to special reasons, an applicant shall apply to the original inspection authority approving exemption from inspection for approval. An applicant shall not apply for the changes to the intended use of the commodities exempted from inspection under Subparagraphs 3 and 4, Paragraph 2, Article 3 or Subparagraph 4, Paragraph 1, Article 9 of the Act, except for those of the same type or same classification number which are to be imported for own-use, commercial samples, products for exhibition, or articles for use in research and

development or in testing activities and are not for sale and have not been exempted from inspection repeatedly within six months, with their values and quantities complying with the regulations of Article 5, and therefore whose intended use may be changed or inspected by the inspection authority separately. For commodities released through customs clearance with the customs code for exemption from inspection in accordance with Paragraph 2, Article 3, an applicant shall apply to the local inspection authority for the changes in the intended use of the commodities. When the commodity granted exemption from inspection is transferred into circulation in the domestic market, the applicant shall report to the inspection authority for inspection. If the application referred to in Paragraph 1 is rejected or the inspection referred to in the preceding paragraph fails, the applicant shall return the shipment or destroy the commodities under supervision within the time limit given by the original inspection authority approving exemption from inspection.

#### Article 17

Commodities that are not exempted from inspection shall not be allowed to be placed on the domestic market for sale unless they have passed the inspection. An applicant shall be held responsible for the quality, hygiene and safety of the commodities exempted from inspection. The inspection authority may send its personnel to conduct checks at any time.

#### Article 18

If the applicant has any of the following circumstances, correction shall be made within the prescribed time limit; if correction is not made within said time limit, approval of the commodity exempted from inspection shall be rescinded:

1. Having violated Article 15, which provision is governing the labeling of commodity.
2. Having violated the provisions of Paragraph 1 of Article 16 which fails to present an application for change of use.

If the approval of a commodity exempted from inspection is acquired through fraud, the original inspection authority approving exemption from inspection shall revoke it.

#### Article 19

If an applicant has one of the following conditions, application for exemption from inspection will be suspended for six months:

1. Failing to retain relevant documents in accordance with the regulations of Article 14.
2. Failing to apply for inspection in accordance with Paragraph 4, Article 16 when the commodities granted exemption from inspection are transferred into circulation in the domestic market.

3. Failing to return the shipment or destroy the commodities under supervision within the time limit specified in Paragraph 5, Article 16.
4. Evading, refusing or interfering with the inspection authority's checks in accordance with the regulations of Paragraph 2, Article 17.
5. Failing to implement the commodity control mechanism for confirming the quantities of the commodities and to make correction within the prescribed time limit.
6. Failing to correct the condition(s) prescribed in Paragraph 1 of the preceding Article within the prescribed time limit.
7. Having the condition prescribed in Paragraph 2 of the preceding Article.

For the conditions prescribed in Subparagraphs 1 to 6 of the preceding paragraph, if the applicant fails to make correction after the six-month suspension of exemption from inspection, application for exemption from inspection will be suspended successively until completion of correction.

#### Article 20

These Regulations shall take effect from April 1, 2019.

The amendments to these regulations shall take effect from January 1, 2020.