Content

Title： Management Regulations Governing Bonded Business in Technology Industrial Parks Ch

Date： 2021.05.26

Legislative： 1.Promulgated on January 24, 2007
2.Amended on May 28, 2008
3.Amended on November 23, 2009
4.Amended on June 29, 2011
5.Amended on August 14, 2015
6.Amended on May 26, 2021

Content：

Chapter 1　General Principles

Article 1

These Regulations are prescribed pursuant to the provisions of Paragraph 3, Article 23 of the Act for
the Establishment and Administration of Technology Industrial Parks (hereinafter referred to as "this Act").

Article 2

Business entities that have bonded commodities imported to and exported from the Technology Industrial Parks (hereinafter referred to as "the Parks") shall apply to Customs for supervision and control as well as implement the bonded commodity ledgers management as approved by Customs; relevant matters regarding business management of bonded commodities shall be conducted in accordance with these Regulations.

The business entities that implement the ledgers management as prescribed in the foregoing paragraph shall apply to Customs for manufacturing non-bonded goods; when those bonded goods are imported to, and exported from, other business entities which are not supervised and controlled by Customs, they shall follow relevant regulations as business entities whose goods are imported to, and exported, from duty-levying areas.

These Regulations are not applicable to business entities which have no bonded goods imported to, or exported from, the Parks.

Chapter 2　Management of Bonded Commodities

Article 3

The bonded commodities under these Regulations refer to the following commodities:

1.Machinery, equipment, raw materials, fuel, materials, semi-finished products, and samples for own use, experimental animals and plants, as well as goods for trade, warehousing and transshipment, imported from abroad with exemption from import duties, commodity tax and business tax pursuant to Article 21 of this Act.

2.Commodities sold by manufacturers located in duty-levying areas, and for which offsetting, refund, reduction of, or exemption from, import duties, commodity tax or business tax has to be made pursuant to Article 25 of this Act; however, this does not apply to commodities applicable to a
zero business tax rate.

3.Duty-free commodities deemed as importations or exportations imported from bonded factories, bonded warehouses, free trade zones, science parks, agricultural biotechnology parks, the Parks (including those from the same Park) or other bonded areas.

4.Goods imported from mainland China in special cases.

5.Processed semi-finished or finished products listed in the preceding four subparagraphs.

Article 4

Business entities shall appoint two or more bonded business personnel with high school (vocational school) diploma or higher and the completion certificate of bonded business personnel training held by private organizations examined and approved by the Administration, Branches, or Customs to undertake the bonded business, and report the appointed staff to Customs for approval; the

Administration or Branches shall be informed by carbon copy.
The aforesaid bonded business personnel shall undertake the following activities:
1.Self-check of outgoing and incoming bonded commodities.
2.Compilation, verification, preparation, delivery, registration, management, filing, and safekeeping of various ledgers, reports, and documents.
3.Other tasks as required by Customs according to business demand.
A trading business in the Parks may entrust specific personnel appointed by the bonded warehouse to conduct various businesses listed in the 2nd paragraph instead of following the provisions prescribed in 1st paragraph, if all the imported and exported goods are stored in a bonded warehouse
inside the Parks.
Customs, the Administration, or Branches may send personnel to perform random inspection or re-examination of the bonded business described in 2nd paragraph at any time; those who are found to fail to record data or conduct business based on facts, if any, shall be handled according to the regulations stipulated in Article 33 of this Act or the Customs Anti-smuggling Act.

Article 5
Business entities may import bonded commodities only after they complete the company registration or commerce registration, and obtain a customs control code from Customs.
Before completing the company registration or commerce registration, business entities may import relevant machinery, equipment or raw materials for own use with the investment approval documents issued by the Administration as well as a temporary customs control code from Customs,
and pay the deposits for import duties to Customs prior to customs clearance; business entities may request deposit refunds at Customs after completing the company registration or commerce registration and obtaining control approval from Customs.

Article 6
Business entities may obtain the Customs approval and check outgoing and incoming commodities by themselves when importing and exporting the following items:
1.Commodities imported from, or exported to, duty-levying areas, free trade ports, and other Parks,
science parks, agricultural biotechnology parks, bonded factories, bonded warehouses, or other bonded areas.
2.Commodities that are allowed for customs clearance at the place of import or export.
3.Commodities of small value or small quantity imported from, and exported to, foreign countries.
4.Commodities imported from, and exported to, foreign countries by business entities that meet specific requirements.
5.Other commodities approved by Customs.
The specific requirements stated in the preceding 4th subparagraph will be announced after the Administration consults with Customs.

Article 7
When business entities export goods from the Parks (or the factories) according to the provisions in the previous article, the bonded business personnel, who gained approval from Customs after the business entities reported the personnel to Customs, shall fill out the release order of the Parks for the commodities out of the Parks (factories) pursuant to the regulations. The goods can be released after self-check and inspection, and then the release order should be safeguarded by the bonded business personnel in case Customs or the Administration may perform inspections when necessary.
The aforesaid release order shall be stamped by Customs first and then issued in numbered sequence.
The stamping is exempted by Customs if the order is allowed to be printed out via computer; the use
of serial number shall be reported to Customs, and the receipt for the company may be filed in the form of electronic media for future reference.
Except for those that must be reported to Customs in advance for documents review or inspection, the commodities listed in the 1st paragraph, if required to have an application filled in for declaration, shall be entered in account books after being checked by the bonded business personnel
themselves with transaction evidence, packing lists, and other relevant documents, and be reported on monthly basis.
For cases reported on a monthly basis, the incoming and outgoing date of last shipment shall be regarded as the export or import date, and the application shall be filled in by the 15th day of the

following month in order to apply for clearance at Customs.

Article 8
Business entities shall produce a bill of materials used per unit of various products (hereinafter referred to as the bill of materials) in duplicate, and send it to Customs for reference within a month after applying to Customs for taking over and inventorying, or after manufacturing new products, and before the products are sent out of the Parks; Customs may perform an inspection and request a
manufacturing process statement and relevant documents if necessary. If the products are shipped out of the Parks before the bill of materials is sent to Customs, the products will not be deleted from the ledgers. However, if the commodities are samples, or if, for any special reason, business entities have reported to Customs for reference with relevant certificates before export, and then sent the required documents to Customs for reference within a month from the day after the export, then the products will not be subject to this restriction.
After receiving the bill of materials, Customs shall return one copy to the business entities as the proof for writing off in the tax account, and retain the other copy.
If there is any change in the original bill of materials, business entities shall produce a new bill in which the reference or approval number of the original document is listed after the alteration, and send the new bill to Customs for reference. The time limit for delivering the new bill is the same as the stipulation in the 1st paragraph.
If the raw materials used by business entities have similar nature and functions and thus can be used interchangeably, the business entities shall clearly indicate the materials in the bill of materials and submit the bill to Customs for reference; combined clearance will then be allowed at the end of the fiscal year.
When business entities write off bonded raw materials for their products, the materials shall be deleted from the ledgers according to the quantity listed in the bill of materials that has been submitted for reference or has been approved. Any leftover bits and pieces and waste materials generated during the production process, if no attrition rate is listed in the material consumption of the bill of materials or if no approval has been gained, may be verified and written off in the bonding raw material accounts after being destroyed under joint supervision of the Administration or Branches, Customs and taxing authorities.
The bill of materials is valid for three years, starting from the date when Customs gives its approval; business entities shall send a new bill to Customs for reference prior to the expiration of the valid period.
The bill of materials may be produced and filed in the form of electronic media, as approved by Customs.

Chapter 3 Management of Bonded Accounts
Article 9
Business entities shall prepare ledgers for raw materials, materials (fuel), finished products, machinery and equipment for own use, and goods in transit, and present the ledgers to Customs for stamping. After stamping, business entities shall record the incoming and outgoing quantities of products, warehouse inventory, status of machinery and equipment for own use, and other conditions in details according to the regulations prescribed by Customs, in order to provide the records for inspection by Customs, the Administration or Branches at any time.
Business entities that computerize the aforesaid ledgers shall input the relevant incoming and outgoing data into the computer for filing according to the specific time limit, and print out substitute monthly reports for the ledgers by the 20th day of the following month for reference.
The substitute reports for ledgers, as mentioned above, may be produced via electronic media after Customs gives its approval, and shall be sent to Customs for reference within the time limit prescribed above.
The non-bonded raw materials imported by business entities, if they can be mutually replaced with other bonded raw materials, shall also be entered in the original ledgers for management, and shall be listed separately in the annual balance sheet to be combined for computation purposes.

Article 10
Business entities' bonded commodities moving into and out of the factory (warehouses) shall be entered in the accounts within three days. However, bonded commodities imported from foreign countries may be entered in the accounts within seven days after customs clearance.

Article 11
Business entities' ledgers for bonded commodities and reports shall be compiled according to the format prescribed by Customs, unless business entities acquire approval in advance from Customs.

Business entities shall preserve the ledgers and reports for 5 years after annual inventory taking; related certificates shall be preserved for 3 years.
After the end of inventory taking, business entities may apply for approval from Customs to preserve the aforesaid ledgers, reports, and relevant certificates in microfilms, tapes, floppy disks, CDs, or other electronic media in sequence for the prescribed period; the originals may be destroyed.
However, if photocopies of the certificates and relevant documents are required when Customs is conducting legal investigations, business entities shall be responsible for providing the required documents.
Customs, the Administration, or Branches may send personnel to consult other ledgers, reports and certificates with official documents due to supervisory or auditing demands in addition to the bonded ledgers and reports, and business entities must not turn down the request.

Article 12
Business entities' bonded commodities shall be stored in order at fixed warehouses or locations; business entities shall assign numbers to the bonded commodities and prepare cards, in order to continually record the quantities of storage, withdrawal, and inventory, in case of inspections which may take place any time. If Customs allows the data to be computerized rather than to be recorded in the record cards, business entities shall continually input the incoming and outgoing data of bonded commodities into the computer for filing.
Business entities are in charge of guarding the aforesaid warehouses and locations where the bonded
commodities are stored. If any bonded commodities are released without permission, the provisions in Article 36 of this Statute would apply.
When a business entity' bonded commodities need to be temporarily stored in duty-levying areas due to any special reason, the business entity shall explain why, where and how long the commodities will be temporarily stored, as well as submit a floor plan where the commodities will be temporarily stored and a copy of the building use permit; in the case of rental, the business entity shall also submit a building lease, and then apply to the Administration or Branches for approval. Also, the business entity has to provide a certain amount of guarantees to Customs according to the related regulations of the Customs Act. Any import and export activities concerning the bonded commodities shall be recorded in record cards for reference, and the bonded commodities shall be retrieved within one year.
When the bonded goods of a business entity are temporarily stored in other business entities, the business entity shall explain why, where and how long the commodities will be stored, as well as submit relevant certificates and documents to the Administration or Branches to apply for approval. The Administration or Branches will send a carbon copy of its approval to Customs, but the business entity is not required to provide a certain amount of guarantees to Customs.
Business entities shall report to Customs when suspending their operation for 10 successive days or more.

Article 13
After the approval given by Customs and prior to the implementation of ledgers management, business entities shall set a date for inventory taking, and contact Customs for joint inventory taking. However, the joint inventory taking with Customs may be exempted after verification by Customs when the inventory is taken by a commissioned certified accountant with his or her signature as the certification.
The raw materials, work in process, semi-finished products, finished products, goods in transit, and machinery and equipment for own use that require inventory taking according to the provision in the previous paragraph shall be categorized as bonded commodities for control and management. Nevertheless, business entities may apply for changing the category of the above items to non-bonded commodities at Customs with relevant documents or certificates.
Business entities shall take inventory annually, and compile inventory lists for bonded raw materials, work in process, semi-finished products, finished products, goods in transit, and machinery and equipment for own use prior to the annual inventory taking, as a reference for inspection. Customs, the Administration, or Branches may take inventory at any time, as they deem necessary.
The aforesaid inventory shall be taken jointly with the personnel dispatched by Customs, unless business entities have applied in advance for approval from Customs to commission a certified account to take inventory and sign his or her name for certification.
When the bonded goods are approved to be temporarily stored in duty-levying areas, or cannot be retrieved on the inventory date due to contracted processing, the business entities shall fill in an application form, stating the address where the goods are temporarily stored, or the name of the processor and the place where processing is done, and submit a list of commodities to apply to

Customs for the out-of-Park (factory) inventory at least 14 days prior to the inventory date.
The date of annual inventory taking shall not be less than 10 months at minimum, and no more than 14 months at maximum from the previous annual inventory taking, except when business entities have obtained approval from Customs to advance or postpone the date of inventory taking for specific reasons.
If any mistake is found after the inventory taking, business entities shall apply for reexamination at Customs within 14 days following the day of inventory taking, and before the commodities are used; no application will be accepted past the time limit.
In the event that the imported bonded commodities which are cleared through Customs prior to the date of inventory taking cannot be transported into factories for inventory taking for some reason, business entities shall, within 7 days following the day of withdrawal, present the original import declaration form and a supplementary inventory list to Customs to apply for supplementary inventory. Such commodities shall be included in the inventory list for the current year through application after supplementary inventory.

Article 14
Business entities with a complete management system by computerizing control and management of bonded commodities and production of ledgers and reports and capable of getting inventory lists ready prior to the date of inventory taking, may apply for taking inventory without shutdown or holiday inventory taking, at Customs a month before the inventory taking date, if the production line cannot be interrupted due to the demand for production capacity.
Business entities that have gained approval from Customs for stock taking without shutdown may be exempted from creating inventory cards for the bonded commodities on the production line, but they shall provide relevant reports about the bonded commodities on the production line for Customs inspectors to check promptly.
When the personnel sent by Customs cannot perform an inspection without shutdown or discover major abuses, the personnel may order the enterprises to shut down for stock taking or set another date to shut down the factories for inventory taking.

Article 15
Business entities shall submit the inventory statistical reports and balance statements of bonded raw materials, machinery, equipment, and goods in transit, as well as analysis lists of inventory of materials converted from work in process, semi-finished products, and finished products and of materials converted from finished products exported and for domestic sales to Customs for review according to the inventory, within three months after the stock taking.
The review from Customs may be exempted if the above reports and lists are approved by Customs
in advance, signed and certified by the certified accountant who took the inventory, and delivered to Customs within three months following the inventory taking date.
For special reasons, the time limit for delivery of the documents for review or to Customs, as stipulated in the preceding two paragraphs, may be prolonged by one month if Customs has given its approval in advance; the time limit can only be prolonged once.
If there is no inventory surplus or loss on machinery, business entities may not be required to compile machinery inventory statistical reports and balance statements.
The inventory lists signed and certified by the certified accountant commissioned to take inventory stated in the 1st and 2nd paragraphs, analysis lists of inventory of materials converted from work in process, semi-finished products, and finished products, as well as the analysis lists of materials converted from finished goods exported and for domestic sales, may be saved in the form of electronic media, as approved by Customs, and then sent to Customs for review.

Article 16
When the inventory of bonded commodities taken pursuant to the provisions of the previous article does not correspond to the quantities in the book balance, business entities shall follow the following regulations:
1.When the actual inventory counts are less than the quantities in the book balance, repayment of duties and taxes can be exempted if the difference does not exceed the inventory allowance rate; if the difference exceeds the inventory allowance rate, business entities shall amend the declaration forms and repay overdue import duties, commodity tax, and business tax within 10 days from the day following the reception of overdue tax bill issued by Customs.
2.When the actual inventory counts are more than the quantities in the book balance, business entities shall incorporate the difference into the book balance. If the difference exceeds the inventory allowance rate, business entities shall explain the reasons to Customs. If the quantity of product materials listed in the bill of materials is higher, business entities shall amend the bill of

materials for the use of annual account settlement the following year.
Raw materials in the same category or which can be mutually replaced and used alternately by business entities, if some are bonded while others are non-bonded, shall be included all together for annual inventory taking; accounts of bonded and non-bonded raw materials shall be written off based on the quantities of actual use. If the quantities of actual use can not be ascertained, the amount of bonded raw materials shall be written off as priority; repayment of duties and taxes can be exempted for inventory loss in non-bonded materials.
The allowance rate of raw material inventory difference for business entities is based on the allowance rate table of inventory difference of raw materials classified by industry and category in bonded factories under Customs management.

Article 17
The duty-free machinery and equipment imported for own use may be deleted from the ledgers by business entities and are not subject to ledger management after being imported for more than five years; business entities may present the release order of outgoing commodities of the Parks without customs declaration when releasing commodities.

Article 18
Business entities which have withdrawn investment shall follow the following regulations and apply to Customs for closing inventory before the companies are dissolved or move out of the Parks:
1.Business entities shall contact Customs to schedule inventory taking, or Customs shall set the inventory-taking date, in order to take inventory.
2.Depending on actual situations, Customs shall seal and store the bonded commodities inside the business entities or at the location designated by the Administration or Branches.
3.If repayment of duties and taxes is required for bonded commodities in the inventory, business entities shall fill in the declaration form; regulations prescribed in the 1st Subparagraph, Paragraph 1 of Article 16 shall apply when the inventory counts are less than the quantities stated in the book balance.
4.Bonded commodities in the inventory of business entities are prohibited from being transported to duty-levying areas unless overdue duties and taxes have been paid. When business entities announce bankruptcy, the inventory shall be handled in accordance with the Bankruptcy Act and the
relevant regulations. Before Customs issues tax bills, business entities may provide a certain amount of deposits or guarantees to withdraw the bonded commodities for use due to production or export demands, as approved by Customs, and they shall apply for case closure at Customs with export documents, within a year from the day after the withdrawal. Those who fail to close the case within the time limit are subject to the related regulations of the Customs Act.
If business entities which have withdrawn investment or terminated business fail to take closing inventory mentioned in previous paragraphs, Customs may directly impose the duties and taxes payable based on the book balance.

Chapter 4 Customs Clearance for Bonded Commodities
Article 19
Aside from customs clearance in the Parks, business entities may also choose to apply for customs clearance for importations and exportations according to the regulations governing customs clearance at Customs at the place of import or export.

Article 20
When applying for customs clearance in the Parks for commodities imported from foreign countries, business entities shall declare the goods to Customs at the place of import upon the discharge of cargos from ships or aircraft, and then transport the commodities to the Parks for customs clearance.

However, if the commodities are to be transported to the Parks adjacent to ports or airports without
passing through duty-levying areas, business entities do not need to escort the goods in transportation or seal the goods before transportation.

Article 21
When applying for customs clearance in the Parks, in addition to following the provisions in the preceding article, business entities shall store the commodities imported from abroad at the registered and approved depots, container freight stations or the designated location in the Parks. Business entities may apply for Customs' approval to inspect the commodities mentioned in the previous paragraph or to complete the formalities at their factory areas or other assigned locations,

and then release the commodities.
If the commodities mentioned in the previous two paragraphs are sporadic imports, with no more than 10 pieces, gross weight not exceeding 20 kg per piece, and the value under the quota for exemption from import permit as stipulated in the Management Regulations for Import of Goods, business entities may attach the application for sealing and shipping the sporadic imports into the Parks to apply for an additional seal at Customs at the place of import, and apply for customs clearance at Customs when importing commodities into the Parks.

Article 22
When the commodities imported from abroad have been declared to Customs at the place of import
and conform to the special conditions prescribed in Paragraph 2, Article 6 in addition to being processed according to the provisions in the preceding article, business entities may check the commodities by themselves and send the commodities into the Parks with documents issued by Customs after customs clearance.
Business entities shall apply for customs clearance before checking the commodities themselves and sending the commodities into the Parks if the commodities are of small amount or small quantity, as stipulated in the 3rd paragraph in the preceding article.

Article 23
Business entities shall apply for customs clearance in accordance with the regulations governing import of general commodities when applying for exporting importations due to return, exchange, or other reasons.

Article 24
To export commodities to foreign countries and undertake customs clearance in the Parks, business entities shall store the commodities at the registered and approved export depots or other designated
locations, and enclose the packing list, shipping order and other relevant documents to apply for customs clearance. However, the commodities may be stored at the places of business entities when the commodities are to be shipped and exported in full container load.
After customs clearance, Customs officers will escort the commodities mentioned in the preceding paragraph, or to monitor the commodities to be loaded into bonded trucks, packing boxes, or containers which will be sealed and transported out of the Parks, and sign and issue export manifests,
container notes, or container lists which will be enclosed with the sealed commodities to be sent to Customs located at the place of export. After Customs at the place of export verifies the documents, the second attached copy of export manifests or container lists will be sent back to Customs, in order to close the case. However, commodities are exempted from additional seal or escort when the commodities are exported from ports or airports adjacent to the Parks.
The commodities stated in the preceding two paragraphs, if in a quantity of no more than 10, and with gross weight not exceeding 20 kg per piece, as well as with value under the quota for exemption from export permit as stipulated in the Management Regulations for Export of Goods (hereinafter referred to as export permit exemption quota), may be exported directly by registered parcel post after inspected by Customs at offices or the designated location; or, buyers or sellers may assign personnel to transport the commodities out of the Parks after the commodities were sealed, and deliver the commodities to Customs at the place of export, for the commodities to be signed for and exported. In case of commodity loss incurred during the delivery, the relevant regulations of the Customs Act shall apply.

Article 25
To apply for customs clearance at the place of export for commodities exported to foreign countries;
business entities may issue a release order and self-check the commodities before sending the commodities outside of the Parks (factories).
Business entities may fill in the application for exporting commodities, self-check the commodities, and send the commodities out of the Parks (factories) if the commodities are of small amount or small quantity in accordance with the regulations prescribed in Paragraph 3 of the previous article.
Nevertheless, business entities shall attach export documents issued by Customs at the place of export and apply to Customs for case closure within one month after the export. If business entities fail to close the case within the time limit, they shall fill in the declaration form and repay the duties and taxes according to the cases of commodities released from the factory, within 10 days

from the day following the expiration of the time limit for case closure.

Article 26
Business entities shall indicate the number of the bill of materials reviewed by Customs in the declaration form for commodities exported to foreign countries; if the bill of material has not been reviewed by Customs and thus no approval number was given, business entities shall indicate the application number.
If the commodities are exported by other manufacturers or traders, business entities shall indicate that "this batch of commodities is supplied by so-and-so company in the Technology Industrial Parks; only this company may apply for deletion from the ledgers, and the export manufacturer is not allowed to apply for tax refunds" in the declaration form, and then write off the commodities from the ledgers after the export.
Business entities shall submit photocopies of the export declaration form mentioned in the previous paragraph to the Administration or Branches for their reference by the 15th day of the following month.

Article 27
When a business entity sells bonded commodities to another business entity in the same Park, both the seller and buyer may proceed directly with the transaction without having to acquire permits and file customs declaration; however, both parties shall jointly fill in and sign the transaction application of business entities in the Park and file the application with Customs within 5 days after the transaction; both parties may also jointly fill in and sign the declaration form and pay taxes to Customs.
Delivery and reception of bonded commodities between business entities without transactions involved shall follow the regulations in the preceding paragraph.
For the activities stated in the previous two paragraphs, business entities shall file a monthly report by the 15th day of the following month by the method stipulated in Article 7. For those who file declaration by paying taxes, they should follow the regulations regarding importing commodities for domestic sales in Article 29.
Business entities shall report the transaction amounts stated in the 1st paragraph to the Administration or Branches prior to the deadline prescribed in the previous paragraph.

Article 28
When manufacturers located at duty-levying areas sell commodities to business entities, and the commodities must be applied for offset, refund, reduction of, or exemption from, import duties, commodity tax, or business tax, the seller and buyer shall jointly fill in and sign a declaration form and then file the declaration with Customs. Customs will issue the export certificate equivalent within 10 days from the day following customs clearance.
When the commodities mentioned in the previous paragraph are eligible for a zero business tax rate, business entities shall apply for customs clearance at Customs and acquire the export certificate equivalent; alternatively, business entities shall sign and certify that they are the buyers in the deduction receipt of the uniform invoice.
The commodities stated in the 1st paragraph, if required to have a declaration form filled in, shall be entered in account books after a self-check, and be reported on a monthly basis.
When the commodities noted in the 1st paragraph are returned, the seller and buyer shall jointly fill in and sign the declaration form and enclose photocopies of the original entry documents of commodities into the Parks, to apply for the approval of exit of the commodities from Customs within 3 months after the commodities entered the factory; the originally issued export certificate equivalent shall be handed back for nullification. Those who have applied for offset, refund, reduction of, or exemption from, duties and taxes shall return the offset or refunded duties and taxes and notify the competent taxing authority before transporting the commodities outside the Parks.
If the returned commodities entered the factory more than 3 months prior, business entities shall apply for customs clearance pursuant to the relevant regulations of general imported commodities, and pay the import duties, commodity tax, and business tax according to law.

Article 29
Business entities shall follow the following regulations to submit monthly reports for the bonded commodities imported to duty-levying areas for domestic sales:
1.Provide collateral of equivalent amount to Customs.
2.Create monthly registers of commodities for domestic sales, in which sale dates, product names, specifications, quantity, prices, and estimated tax amounts shall be entered batch by batch before the
commodities are delivered out of the factory, and deliver the commodities within the collateral

amount in advance. However, those who have approval to adopt computer accounting, and have the monthly report number confirmed by the seller in advance and registered in the ledgers and related transaction documents, do not need to create monthly registers of commodities for domestic sales.
3.Business entities shall fill in the declaration for the collection of commodities sold domestically in the previous month and make up tax payment by the 15th day of the following month.
If the business entities mentioned in the previous paragraph are specialized trading industry, and the bonded commodities imported to duty-levying areas were not manufactured in the Parks, the business entities shall follow the Regulations Governing the Certification and Management of the Authorized Economic Operators, and apply to Customs for becoming a General Authorized Economic Operator.
If commodities with tax repayment made, as described in the 1st paragraph, have to be compensated
or exchanged due to damage or the specifications and quality in non-conformity with those stated in the original contract, business entities shall fill in a declaration form with relevant certificates attached to apply to Customs for a duty-free exit from the Parks within 3 months from the date following the exit of commodities.
In the event that the bonded commodities imported to duty-levying areas for domestic sales, as specified in the 1st Paragraph, are processed and exported, taxes may be refunded pursuant to the Regulations Governing the Offsetting or Refund of Duties and Taxes on Raw Materials for Export Products and other applicable regulations. However, taxes shall not be refunded for the commodities for which tax refunds have been cancelled.

Article 30
In the case that business entities purchase bonded commodities from or sell bonded commodities to, business entities in other Parks, park enterprises in science parks, park enterprises in agricultural biotechnology parks, bonded factories, bonded warehouses, or other bonded areas, the buyer and seller shall jointly fill in and sign a declaration and file the declaration with Customs, with duties and taxes paid.
When the commodities mentioned in the preceding paragraph are returned, the buyer and seller shall jointly fill out a declaration and follow the procedures for transporting the returned commodities outside the Parks.
The commodities stated in the preceding two paragraphs shall be handled in the way prescribed in Article 7, and business entities shall make the monthly report by the 15th day of the following month; those who declare by paying duties and taxes shall follow the regulations regarding importing commodities for domestic sales stated in the previous article.
In the case where business entities purchase bonded commodities from or sell bonded commodities to port enterprises in free trade ports, the provisions of the Regulations Governing Customs Clearance for Goods in Free Trade Ports shall be followed.

Article 31
In the case that business entities sell commodities to export-processing factories of tax credit for export after processing, the buyer and seller shall jointly fill in and sign a declaration and file the declaration with Customs.
The tax credit of export processing factories mentioned in the previous paragraph shall be handled in accordance with the Regulations Governing the Offsetting or Refund of Duties and Taxes on the Raw Materials of Export Products, and the date when Customs signed the declaration shall be regarded as the import or export date.
The following regulations shall be complied with in returning the commodities specified in the 1st paragraph:
1.Buyer and seller shall jointly fill in and sign a declaration in which the number of the original declaration shall be indicated, and enclose the packing list and photocopies of the original declaration, to apply for approval from Customs to undertake the return procedures and enter the returned commodities in the accounts within one year after the commodities were transported outside the Parks. Customs shall notify the taxing authority if the business entities have acquired the export certificate equivalent.
2.Customs shall issue duplicates of the declaration for tax refunds after the procedures stated in the preceding subparagraph are completed, for manufacturers that purchased the commodities, to apply for offsetting or refund of duties and taxes.

Article 32
When business entities borrow, lend, or return bonded raw materials, semi-finished products, or finished products, they shall submit the application jointly signed by both parties for business

entities borrowing or lending raw materials, semi-finished products, and finished products to Customs within five days after the aforesaid items entered or exited the Parks (factories).
The commodities specified in the previous paragraph must be returned within three months following the lending date. If the commodities haven't been returned past the due date, or if business entities fail to apply for closing the case at Customs, the regulations stipulated in Article 27 and 30 shall apply.
With the approval of the Administration or Branches, business entities may lend the bonded machinery or equipment to other business entities located in the same Park. Also, within five days of lending (borrowing) the above machinery or equipment, the lender and the borrower shall jointly fill in a Non-Trade Application of Business Entity, and then apply to Customs.
The machinery or equipment stated in the previous paragraph cannot be borrowed for more than one
year, and should be returned to the lender right at the expiration. However, in special circumstance, business entities may explain the reason and apply to the Administration or Branches for an extension prior to the expiration; such an extension should not exceed one year and can only be applied for once. In case that the machinery or equipment is overdue, Article 27 and Article 30 shall be complied with.

Chapter 5 Commissioning and Being Commissioned to Process, Repair, Test, and Exhibit Bonded Commodities

Article 33

When the specialized trading industry in the Parks commissions manufacturers located at duty-levying areas to process bonded commodities pursuant to the regulations prescribed in Article 24 of this Act, the processing is limited to reassembly, simple processing and unsubstantial transformation.
The trading industry noted in the previous paragraph shall fill in the record cards of commodities commissioned for processing exiting and entering the factory with the stamping by Customs, and then declare the commodities at Customs and pay taxes as a guarantee when transporting the commodities outside the Parks. The trading industry shall also fill in the declaration and file the declaration with Customs when the commodities are returned.
The regulations stipulated in Paragraph 3 of Article 35 shall apply to the time limit for transporting the commodities stated in the preceding paragraph back to the Parks and relevant details; the computerized record cards, as approved by Customs, are subject to the regulations prescribed in Paragraph 2 of Article 35.

Article 34

For commissioning manufacturers located at duty-levying areas to process bonded commodities, business entities shall fill in the application for commissioned processing, indicate the factory registration number or uniform number of the commissioned manufacturers (the name, address and ID number in the case of natural persons), and apply for the approval from the Administration or Branches with the following documents:
1.Photocopies of commissioned processing contracts or orders.
2.A piece of sample or a copy of drawings of commodities before and after processing. Samples and drawings are not required if business entities have gained the approval from the Administration or Branches for previous cases and provided the approval document number.

Article 35

Business entities' bonded commodities, commissioned to manufacturers located at duty-levying areas for processing, may enter or exit the Parks by batch. When the commodities exit the Parks, business entities shall fill in the entry and exit record cards for the commodities commissioned for processing with the stamping by Customs, and conduct self-check before the commodities are transported out of the Parks. When the processed commodities are shipped back to the Parks, business entities shall directly write off the entry from the original entry and exit record cards.
If business entities have obtained approval from Customs to computerize the aforesaid record cards,
they shall input the relevant incoming and outgoing data into the computer for filing within the specified period, as prescribed in Article 10, and print out substitute monthly reports for record cards for future reference by the 20th day of the following month.
The commodities specified in the 1st paragraph shall be shipped back within six months after exiting the Parks. If the commodities cannot be shipped back as scheduled, business entities shall apply to the Administration or Branches for postponement and state the reasons prior to the expiry of the time limit. The time limit can only be extended by six months. If the commodities cannot be shipped back to the Parks by the expiration date, business entities shall fill in a declaration and

pay the overdue duties and taxes within ten days from the day following the expiration date.
Business entities that export or ship commodities from the processing manufacturers or branches located at other duty-levying areas to other bonded areas in their own name, shall attach duplicate copies of the declaration issued by Customs at the place of import or other documents to apply to Customs for closing the case.

Article 36
Business entities shall comply with the regulations in the 1st paragraph to the 3rd paragraph of the preceding article when commissioning bonded commodities to port enterprises in free trade ports, business entities in the same or other Park(s), park enterprises in science parks, park enterprises in agricultural biotechnology parks, or bonded factories.

Article 37
Business entities may apply for shipping the duty-free molds and dies imported from abroad to the commissioned processing factories for use; the application method and duration shall be subject to the provisions prescribed in the preceding three articles.

Article 38
If business entities accept the commission for processing from manufacturers located at duty-levying areas, they shall fill out the application for accepting processing outside the Parks, along with samples or drawings before and after processing, and the explanation of the processing procedure as well as the raw materials and materials used or added, and apply for approval from the
Administration or Branches.
When the aforesaid commodities enter the Parks, business entities shall fill in the entry and exit record cards for the commodities that undergo the commissioned processing and check the commodities themselves before transporting the commodities into the Parks (factories). Business entities shall directly write off the entries from the original record cards when the processed commodities are shipped out of the Parks.
If any bonded raw material or material is added into the commodities commissioned for processing by business entities, business entities shall fill in a declaration and apply for customs clearance at Customs when the processed commodities exit the Parks.
Customs duties shall be imposed on the aforesaid commodities based on 70% of the difference between the import and export prices of the processed commodities after 30% of the price difference has been deducted as service and processing fees. If, under special circumstances, business entities apply to the Administration or a branch for an ad hoc project by presenting the documents of proof issued by a certified accountant and the Administration or branch forwards the case to Customs, customs duties shall be imposed on the bonded raw materials and materials added during processing as well as the semi-finished products. Moreover, a report may be submitted on a monthly basis, and a certain amount of collateral shall be provided for Customs in advance according to the regulations in Paragraph 1 of Article 29.
The record cards noted in the 2nd paragraph, if approved to be computerized by Customs, are subject to the regulations in Paragraph 2 of Article 35.

Article 39
Business entities shall comply with the regulations in the 2nd paragraph and 5th paragraph of the preceding article when accepting the commission for processing from port enterprises in free trade ports, business entities in the same or other Park(s), park enterprises in science parks, park enterprises in agricultural biotechnology parks, or bonded factories.
If any bonded raw material or material is added in the aforesaid commodities entrusted for processing, business entities shall fill in a declaration and apply for customs clearance at Customs; the added bonded raw materials or materials may be written off from the ledgers.

Article 40
Business entities shall obtain approval from the Administration or Branches before shipping bonded commodities to duty-levying areas for repair, inspection or testing, and the bonded commodities shall be shipped back within six months from the day after the commodities exit the Parks. If any special situation occurs, business entities may apply for postponement before the expiry of the time limit; the duration of the extended period must not exceed six months. If the commodities can not be shipped back within the time limit, business entities shall fill in a declaration and pay the overdue duties and taxes within ten days from the day following the expiration date.
When shipping the aforesaid commodities out of the Parks, business entities shall fill in the entry and exit record cards for bonded commodities sent for repair, inspection, and testing, and check the

commodities by themselves before shipping. The commodities may be directly written off from the original record card when being shipped back into the factory.
If the value of the commodities specified in the 1st paragraph exceeds the limited amount jointly promulgated by the Administration and Customs, business entities shall apply for customs clearance at Customs and provide tax deposits before shipping the commodities out of the Parks.
The record cards mentioned in the 2nd paragraph, if approved to be computerized by Customs, are subject to the regulations in Paragraph 2 of Article 35.
The machinery and equipment shipped out of the Parks in accordance with the regulations in the 1st paragraph are limited to the original ones or new parts, accessories, or attachments of the same specification, as identified by Customs, when being shipped back to the Parks. However, for replacement by new parts, accessories, or attachments, the original parts, accessories, or attachments
shall be shipped back to the Parks together. When necessary, Customs may investigate whether the
consignor or the consignee uses the machinery and equipment for production purposes, jointly with the Administration or Branches.

Article 41
For shipping bonded commodities to duty-levying areas for exhibitions, business entities shall first obtain approval from the Administration or Branches; business entities shall also fill out the application for exhibitions outside the Parks in order to gain approval from Customs, and then self-check the outward and inward commodities. When necessary, Customs may conduct an investigation into the usage of the aforesaid commodities at the exhibitions jointly with the Administration or Branches, to see whether the usage has been altered.
If the value of the aforesaid commodities exceeds the limited amount prescribed in the 3rd paragraph of the preceding article, business entities shall apply for customs clearance at Customs and provide tax deposits before shipping the commodities out of the Parks. When the commodities are shipped back, business entities shall apply to Customs for case closure with the application for transporting the exhibited commodities back to the factory.
The commodities sent out of the Parks pursuant to the regulations in the 1st paragraph shall be shipped back within six months from the day after the exit. If any special situation occurs, business entities may apply for postponement before the expiry of the time limit; the duration of the extended period must not exceed six months. If the commodities can not be shipped back within the time limit, business entities shall fill in a declaration and pay the overdue duties and taxes within ten days from the day following the expiration date.

Article 42
Business entities shall follow the regulations prescribed in Paragraph 2 of Article 35 and Paragraph 2 of Article 40 when shipping bonded commodities to port enterprises in free trade ports, business entities in the same or other Park(s), park enterprises in science parks, or park enterprises in agricultural biotechnology parks for repair, inspection, testing, or exhibition, or when shipping such commodities to bonded factories for repair, inspection, or testing.

Article 43
Business entities shall follow the regulations prescribed in Article 38 and 39 when accepting the commissions for repair, inspection, testing, or exhibition.

Article 44
The regulations in Article 40 shall apply when business entities transport bonded commodities to duty-levying areas due to the need of labor service.

Article 45
The regulations in Article 40 shall apply when business entities send samples and advertisement products to duty-levying areas for display, exhibition or probation.
If the aforesaid commodities are sold or given to manufacturers located at duty-levying areas, and the value of each shipment does not exceed the tax-exempt quota stipulated in the Regulations Governing Customs Clearance for Imported Advertisement Products and Samples, business entities shall fill out the Parks' application for shipping business entities' samples and advertisement products exempted from being damaged or having been damaged to duty-levying areas, and send the commodities out of the Parks according to the following regulations:
1.Commodities that haven't been damaged or contaminated shall be examined and released after Customs evaluates the commodity price. Nevertheless, the accumulative amount of outgoing commodities must not exceed NT$36,000 each month, and business entities shall submit a

declaration attached with the second copy of the original application for shipping commodities out of the Parks to Customs by the 15th day of the following month.
2.Commodities without commercial value due to damage or contamination may be exempted from the clearance formalities, and business entities may directly apply for examination and release at Customs. However, the applications are limited to twice per day, or the outgoing quantity of two applications may be compiled as one application. The accumulative amount must not exceed NT$100,000 each month, and the total amount with the previous amount must not exceed NT$136,000.
The items, quantities, and standards for recognizing damage or contamination of the commodities mentioned in the 2nd subparagraph of the previous paragraph will be jointly announced by the Administration and Customs.

Article 46
When carrying samples and advertisement products with the value under the export permit exemption quota to foreign countries, business entities shall fill in an application, acquire the permit issued by the Administration or Branches, and apply for examination or additional seal at Customs before the release; business entities shall apply to Customs for case closure with the export documents from Customs at the place of export within a month. If business entities fail to close the case within the time limit, they shall fill in a declaration and pay the overdue duties and taxes according to the procedures for shipping commodities out of the factory within 10 days from the day following the expiration date for case closure.

Chapter 6 Other Management
Article 47
In the case that business entities transport commodities to duty-levying areas for processing, the wastes and leftover bits and pieces generated after the processing shall be shipped back along with the last shipment of processed commodities, and handled in accordance with the Parks' provisions for handling wastes and scraps. However, the wastes and leftover bits and pieces with overdue duties and taxes imposed or recognized by Customs as having no commercial value or applicable to a zero tax rate, are not required to be shipped back.

Article 48
If business entities' bonded commodities stored at warehouses or work in process are stolen and in shortage, business entities shall report to the police and obtain the certificate, as well as report to Customs; after Customs verifies that it is true, business entities shall repay the duties and taxes and write off the stolen goods from the ledgers within three months from the day after the robbery. If there is any special situation, and approval is obtained from Customs, business entities may apply to provide cash deposits for the temporary exemption from tax repayment, which must not exceed six months. If the stolen commodities are still not found after the expiry of the temporary period, the cash deposits will be substituted for payable duties and taxes, and the case will be closed. Customs shall return the cash deposits for the found commodities.

Article 49
The commodities imported from duty-levying areas to the Parks for business entities to use or for export in accordance with the provisions prescribed in Article 25 of this Act, if there is no need to apply for reduction of, or exemption from, duties and taxes, or tax refunds, are exempted from clearance formalities and ledger management when being shipped in and out of the Parks.

Article 50
If the outgoing parcels sent by the post offices in the Parks are bonded commodities, the formalities for exporting or shipping the commodities out of the Parks shall be subject to the relevant regulations prescribed by the Parks.
Customs may inspect or examine the aforesaid parcels sent out of the Parks.

Chapter 7 Supplementary Provisions
Article 51
These Regulations have been in effect since January 26, 2007.
Amendments to these Regulations shall be in force from the date of promulgation.

Data Source：Ministry of Economic Affairs R.O.C.(Taiwan) Laws and Regulations Retrieving System