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SHINHAN Customs Service Inc.



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On the surface of the Earth there is a solid layer about 100 km long called the lithosphere or plate, which contains the crust and the portion of the upper mantle. This thick, eggshell-like solid layer is underlain by the fluid asthenosphere and exhibits a variety of geological phenomena. Among these phenomena are earthquakes.

An earthquake is the shaking of the surface of the Earth resulting from a sudden release of energy in the Earth's lithosphere that creates seismic waves. About 500,000 earthquakes occur on Earth every year. Most of them are earthquakes observed by seismographs, and there are about 100,000 earthquakes that humans can actually feel. Thankfully, larger earthquakes occur less frequently, the relationship being exponential. This means that relatively small earthquakes larger than magnitude 4 occur 10 times more than earthquakes larger than magnitude 5.

An earthquake is a natural disaster that occurs suddenly. Unlike disasters such as typhoons and floods, there is little room for preparation. Also, their impacts are very diverse. Earthquakes and cracks, geological liquefaction, fires, floods, tsunamis, landslides, etc. cause great harm to humans. The most devastating earthquake in history was the Shaanxi earthquake in China in January 1556. More than 830,000 people lost their lives. Many victims were killed when their dwellings carved out of loess hillsides collapsed. The deadliest earthquake of the 20th century also occurred in China in 1976. Tangshan earthquake that claimed more than 300,000 lives. Even for a 7.6 magnitude earthquake, the loss of life was excessive. The collapse of poorly built adobe buildings without preparation, ignoring the geographical characteristics of being located on a major fault line, was a problem that caused great loss of life.**



The New Customs Study for this month is 'Comparison of HS Code and Mathematics', Analysis on Recent Customs Judicial Precedent covers 'Request for the Disposition of Taxing Tariffs by Denying the Reported Price of the Disputed Goods and Determining the Taxable Price Based on the Transaction Price of Similar Goods.', and HS case solved by logic reports 'Notice of Change of Item Classification for VIDEO RECORDER EYEWEAR' and Global Customs Insight is 'Taxation policies when EPE leases equipment to domestic companies', and FTA and import/export practical business guide is 'Guidelines and Request for the Revision of the Notice Subject to Confirmation by the Head of the Customs Office and Active Preparation of Requirements', Contents and Opinion of Customs Trade Revision Covers 'Administrative Notice of Partial Revision of The Notice of Designation of Goods Subject to Customs Verification of Clearance Requirements and Confirmation Methods by The Customs Director Pursuant to Article 226 of the Customs Act'

On February 6, 2023, a 7.8 magnitude earthquake struck Turkiye and Syria. Since then, more than 9,000 aftershocks, including magnitude 7.5, have occurred, causing extreme damage. The total number of deaths in both countries has exceeded 50,000, and more than 600,000 have been displaced from disaster areas. Due to the earthquake that occurred in the early hours of the morning, many people who were sleeping were unable to escape from the collapsed buildings and died***.

The earthquake caused damage to 4 million buildings in Turkiye. Totally collapsed buildings alone amount to 6,000 in Turkiye and 500 in Syria. The buildings that collapsed were not built according to seismic standards to prepare for the risk of an earthquake. Even though half a century has passed since the Tangshan earthquake in China... ..

Disasters occur repeatedly in human history and cause life-threatening problems. There are predictable problems and unpredictable problems. Natural disasters with force majeure elements are unpredictable. The occurrence of these problems cannot be artificially eradicated completely. However, 'damage caused by a disaster' is a predictable and mitigable problem. Active countermeasures must be established to minimize the problem of human casualties.***



The Kobe earthquake in Japan in 1995 had a magnitude of 7.3 and 690,000 buildings were destroyed and 6,434 people died. About 80% of buildings built according to the earthquake resistance standards of the Building Standards Act 1981 suffered minor damage. Only 1% of buildings collapsed and damaged people were damaged. On the other hand, about 80% of buildings built before 1980 suffered damage, and a significant number of buildings suffered extensive damage such as major waves and collapses.

What should be our attitude toward dealing with the problem?

The maximum magnitude of an earthquake caused by the Earth's own internal energy is 9.5. Large earthquakes with a magnitude of more than 10 cannot occur with energy inside the Earth, and can occur when meteorites or asteroids collide. Jupiter is hit by asteroids dozens of times a year. If asteroids come to Earth through Jupiter's cordon, the impact energy can cause earthquakes of magnitude 13 or higher if the asteroid hits Earth. It can also cause the extinction of all living things on Earth.**

Asteroid collisions or massive earthquakes are possible disasters. Nevertheless, it is not a matter for us to be afraid of. Because it's not a problem that can be solved by fear. Even if we struggle with stamping our feet, we do not have the power to stop the movement of the huge plate. This is because even if you shoot into space with your eyes on the Hubble Telescope, you can't send a smile of gratitude to Jupiter for protecting the Earth.

What we can do here now is to do our best and happily do our job. It is to encourage and monitor buildings to be built faithfully to comply with earthquake resistance standards. It is to protect the environment so that harmful waste does not come in when tsunamis come from earthquakes. It is to help those suffering from disasters that have already occurred.

You know, young people call it "Kilkipappa"? I will solve it by saying, "Let's do what we can do as best we can, and let's leave what we leave to God with trust."

Many people are suffering in Turkiye, Syria, and Ukraine. I don't know all the pain here, but... I do what I can. Sending prayers, consolation and consolation bags. I hope you endure it well...



* <https://en.wikipedia.org/wiki/Earthquake>

** https://en.wikipedia.org/wiki/1976_Tangshan_earthquake

***https://en.wikipedia.org/wiki/2023_Turkey%E2%80%93Syria_earthquake



The New Customs Study
Comparison of HS Code and Mathematics

Export country has notified HS code errors that have been seen thousands of times in 20 years and not been found. After discovering it only then, it is deserved for the importer to collect tax and additional tax, but customs are only in charge of declaration approval, so it is only passing by and there is no responsibility for them. I would like to talk about improvement measures for the difficult HS code.

Just as mathematics is used to measure, design, and manufacture everything in the world, HS codes are set in one of the 12,000 numbers no matter what it is. Therefore, for deriving the characteristics and policy improvement plan of the HS code, we compare it to mathematics.



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1. The Similarity between Math and HS code

1.1 Math has difficult and easy problem. HS code is easy to find for finished products like coffee, computer, piano, bag, rice, chicken, but materials, raw materials, components, composite products, and new products are difficult to find.

1.2 Mathematics takes years to learn from beginner to advanced, such as equations, functions, probabilities, statistics, differentials, integrals, geometry, and vectors. HS code also takes years to learn basic studies such as physics, chemistry, electricity, electronics, energy, bio, machinery and goods knowledge about Computers, generators, semiconductors and displays, wired and wireless communications, cosmetics, textiles, metals for a long time and not only understand HS regulations but also have a lot of classification experience.

1.3 No matter how difficult a math problem is, the problem seems easy when looking at the answer. No matter how much time and effort were put into understanding the product and applying regulations, the HS code is easy after one code is determined.

1.4 The answer of mathematics is usually one. HS code also requires only one number for one item and the second number does not exist.

1.5 When solving math problems, there are cases where the wrong answer is sometimes found and where you cannot solve it at all. HS codes can also be misclassified or difficult to classify at all if there is a lack of product information provided by the exporter or ambiguity in the HS regulations. If it is difficult to classify, a preliminary examination is applied, but if it is misclassified, it is even difficult to recognize it.

1.6 If a math question is presented incorrectly, all of them are treated as correct answers. If the Korea Customs Service determines the HS code incorrectly, it acknowledges the previous decision through a notice of change.

2. The difference between HS code and mathematics

2.1 Mathematics has a correct answer to any difficult problem, but there are cases where the views of the export country's customs office, the export company, the import country's customs office, and the import company differ.

2.2 If you solve a math problem incorrectly and don't get the correct answer, you cannot get a good grade. If the HS code is not matched, however, tax and additional tax will be imposed.

2.3 It is the student who solves the math problem, and the math teacher who sets the problem and evaluates it. It is the importer and the customs attorney who look for the HS code, but at the customs office, the HS code is not checked by HS experts at the import declaration stage, but by general inspectors.

2.4 In mathematics, a teacher who majored in mathematics evaluates the correct answer. There are not many majors in the HS code, and the person in charge is rotated. It is like that a Korean language teacher teaches math.

2.5 In math problems, both students and teachers must acknowledge the correct answer during class to move on to the next problem. The HS code is found and declared by the importer and is just passed by customs during import clearance. Tax and additional tax will be imposed for any HS code that is found be wrong later.

2.6 Mathematics majors gather to decide the problem and answer for math problem, but the HS code is decided by executives rather than HS experts, like a school steering committee.

3. Talk about system improvement by comparing the HS code to mathematics.

3.1 **[Producing university major professors]** Every object in the world must be classified with an HS code to do an international transaction and implement import requirements, export controls, tariff rates and preferential tax rates, origin determination, customs policy, and non-tariff policy. So, HS code should be taught a lot in universities and major professors should come out. There are many tax law professors at leading universities, but no professors majoring in HS code.

3.2 **[Supplementation of HS code declaration and payment]** There is a high possibility that the HS code of an item is incorrectly classified. Even those who have retired from customs feel burdened to find the HS code of an item even after learning HS subjects. If a misclassification of the HS code that was not announced by the customs is found, the additional tax burden should be reduced even if tax is collected. The post-verification period of the HS code increased from 2 years to 5 years. Also, there is no change in the penalty tax since the tariff penalty, which was lower than the domestic tax penalty, became the same level in 2013. This is the result of an administrative misjudgment that does not know the fundamental difference between tariffs and internal taxes. (Let's find out about this next time)

3.3 **[Establishment of the HS referee in the Tax Tribunal]** HS appeal trial of Tax Tribunal are handled by university professors, lawyers, tax law majors, and people from senior executive who are without HS expertise and haven't practiced import inspection or HS classification. Like the WCO HS Committee, HS experts should make the agenda and should make decisions. It should be done by experts, not by high-ranking position.

3.4 **[Reorganization of the HS Committee in Korea Customs Service]** The main task of the HS Committee in Korea Customs Service is determining the HS codes for HS items at issue. Official Members is composed of the head of the Industrial Customs Division in the Ministry of Strategy and Finance, the official from Ministry of Industry and Trade, ministry of Agriculture, Food and Rural Affairs, the Ministry of Food and Drug Safety, the head of the Tax Service Examination Division, Central Analysis Center, Evaluation and Classification Center, and examination bureaus of Seoul, Incheon, and Busan. Civilian member is composed of customs attorney, civic groups, women's groups, government-affiliated organizations, and university professors. It looks like a decision-making organization dealing with HS policy. The HS Working Committee, which classifies HS codes, should be reorganized so that the HS Committee is not operated as if high-ranking public officials and civilians decide on policies. The head of the Korea Customs Service should directly recognize the problem and take care of it.

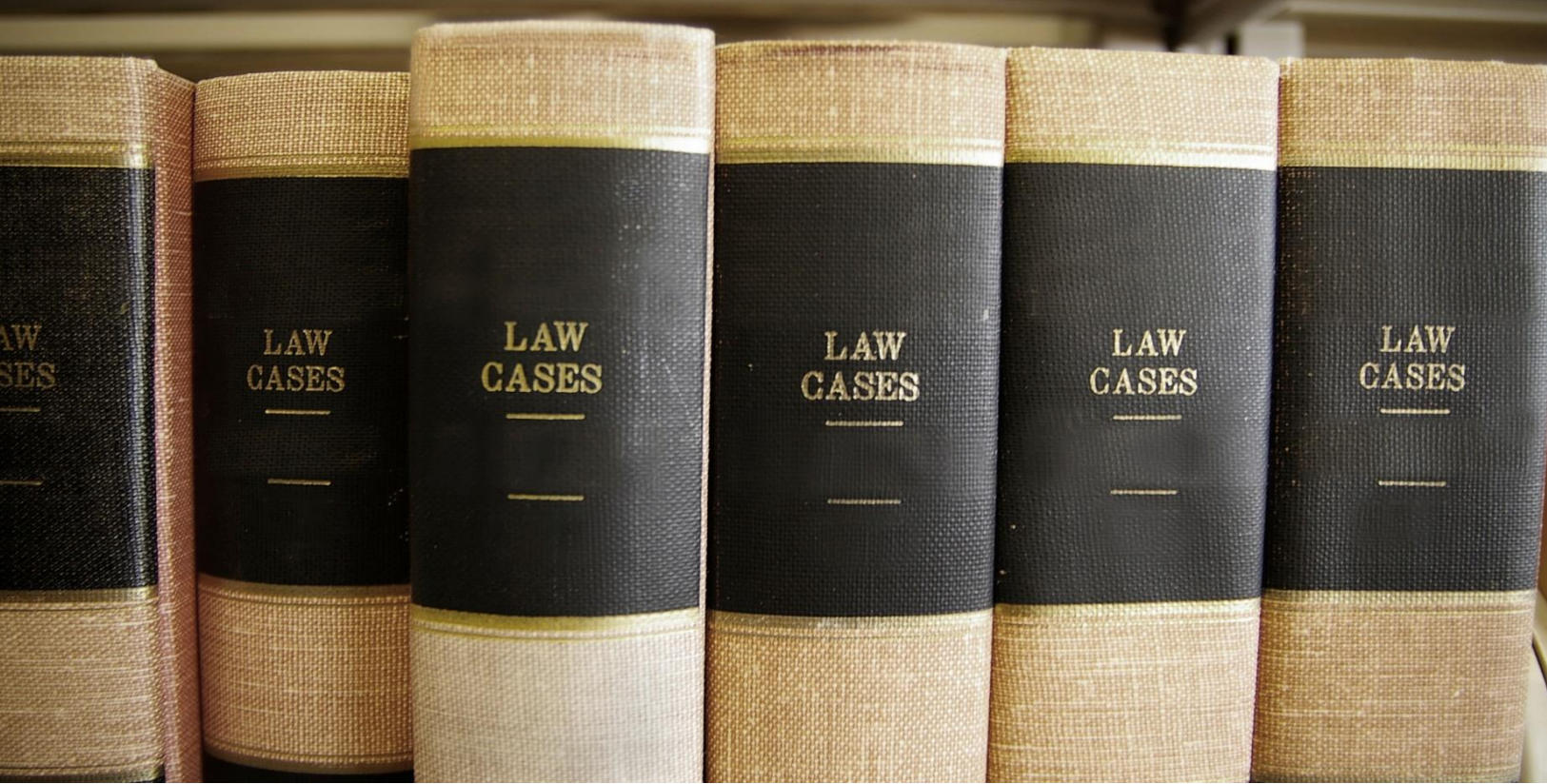
4. As action officer in Korea has been in charge of the WCO HS Committee Chairman for many years, HS code decisions should be left to HS code experts.

An official of the Korea Customs Service served as the chairman of the WCO's HS Committee and decided on HS revision the final HS code that has issues between countries. Even as of 2023, South Korea is internationally recognized for its expertise in HS to the extent that a person from an official in Korea prepares for a meeting at the WCO HS bureau.



Since the Tax Tribunal or Administrative Court lacks expertise in HS code classification, it is rare to overturn the decision of the Korea Customs Service's HS Committee. Since the HS Committee of the Korea Customs Service is filled with high-ranking officials who are not experts in HS codes, wrong decisions are often made no matter how many members there are. However, it is difficult for taxpayers to expect correct decisions by experts even during the subsequent appeal process.

After the decision of the HS Committee of the Korea Customs Service, taxpayers are in trouble with unreasonable decisions in the situation where there is no HS expert to reverse the decision in the subsequent tax tribunal and court's appeal process. The members of the HS Committee of the Korea Customs Service should be replaced with HS experts and the tax tribunal must set up HS referee department separately.



Analysis on Recent Customs Judicial Precedent

Request for the Disposition of Taxing Tariffs by Denying the Reported Price of the Disputed Goods and Determining the Taxable Price Based on the Transaction Price of Similar Goods.

1. Facts

- The claimant reported the transaction price as the taxable price of the disputed goods in accordance with Article 30 of the Customs Act (hereinafter referred to as the "first method") while importing the disputed goods from the disputed seller.
- The Disposition Agency rejected the report price of the disputed goods as significantly lower than the transaction price of similar goods and denied reasonable doubts about the veracity and accuracy of the reported prices.



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2. Claimant Claim and Disposition Agency Opinion

(1) Claimant Claims

The declared price of the disputed goods was determined by the purchase contract, the seller exported the disputed goods at the unit price under the contract, and the price of the goods was also paid to the disputed seller at the contracted amount.

In addition, the claimant claims that this disposition is against the fairness of taxation, citing that some of the non-issue products entered the port at the same time were imported twice as non-issue goods, and that the pre-tax audit was terminated.

The claimant argues that this disposition is procedurally illegal because the taxable price of the disputed product has not been determined based on the transaction price of the lowest similar product.

From July 17, 2020, to August 31, 2020, other importers reported fresh garlic, which matches the model standard and standard expression standard, and received pre-tax screening, and argued that the Disposition Agency did not incorrectly apply the transaction price of non-issue goods, which is the lowest transaction price of similar goods.

(2) Disposition Agency Opinion

The Disposition Agency argues that the reported price of the disputed product is significantly lower than the transaction price of the similar product, and that the claimant has not resolved reasonable doubts about the accuracy and truth of the reported price, so it is legitimate and reasonable.

In order to resolve reasonable doubts about the price difference, the Disposition Agency requested evidential documents and accounting books related to the items subject to review, but the accounting books submitted by the claimant cannot be regarded as accounting books written in accordance with generally accepted accounting principles.

In addition, even though the claimant imported fresh garlic at a lower price than the transaction price of the issue-like goods, the import price of garlic was recognized as similar to the import price. I claim that the claim is groundless.

3. Decision

Under the same issue purchase contract, the issue and issue goods entered the port at the same time under the same conditions, but it seems to be a problem with equity that some of the non-issue goods are recognized and only denied the report price of the import declaration period or customs investigation period.

The imported garlic or non-issue goods of the importer other than the issue meet the requirements for similar goods because the issue goods and specifications are all the same and entered the port at the same time. Even if the import of non-issue goods was not reported at the time of the disposal of this case, the import of garlic from the non-issue importer was reported, and the customs investigation was only not completed. Given that the transaction price of garlic imported by importers outside the issue at the time of disposal of this case can be regarded as the transaction price of similar goods and can be regarded as the lowest transaction price, it is considered wrong to impose tariffs by determining the taxable price of controversial goods.

4. Implications

The taxable price of imported goods is determined based on the transaction price between the seller and the buyer. However, if the customs has doubts about the taxable price, it can be subject to a tax audit before reporting the import, so evidence such as a contract that can prove the determination of the taxable price should be carefully prepared. In particular, primary products such as agricultural products and minerals should be managed more carefully because the price fluctuations are severe.

The judgment of the request for trial in this case can be seen as a judgment that expands the scope of similar products that are the basis for determining the taxable price based on the price of similar products because the taxable price according to the first method is not recognized. When determining the taxable price through similar products, a detailed investigation will be needed to confirm the price of similar products reported and accepted, so that they can receive an advantageous taxable price decision.



HS case solved by logic

Notice of Change of Item Classification for VIDEO RECORDER EYEWEAR

1. Overview

Recently, as the end of the Covid-19 era approaches, activities such as travel and sports are increasing. With the increase in these activities, interest in sunglasses(glasses) for the recording is also increasing. Video Recorder Eyewear is more convenient than other devices in that it gives you freedom in both hands, increasing consumer interest.

In some amendments to the notification of change in item classification for import and export goods, etc., the item classification for Video Recorder Eyewear shall be changed, and the changed item classification shall be applied when importing and exporting related items.



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2. Cases of Item Classification

(1) Item classification before notice of change: No. 9004.10-9000

- Item Description

A composite device that combines sunglasses-shaped glasses with the ability to film and store videos or still images, and the lens is matte, 100% UV-blocking, and has temperature resistance and shock-resistant features.

- Reason of Decision

Since this product is a composite composed of different components that perform the functions of digital camera or digital recorder of No. 8525 and sunglasses of No. 9004, it should be classified as components that give essential characteristics according to General Rule 3 of tariff rate table analysis.

The term in Table 9004 stipulates that "glasses, goggles, and similar items for vision correction, protection, or other purposes" are classified, and "this subparagraph is for alternative purposes, usually made by attaching frames or bags to lenses, glass, or other items, and is generally used to correct vision or protect eyes from dust, smoke, gas, or glare." It also includes glasses for watching stereoscopic movies. Protective glasses, sunglasses... and so on."

Therefore, since this product is sunglasses used to protect eyes from dust, smoke, gas, etc., it is classified in 9004.10-9000 according to General Rules 3, 1 (Terms of 9004) and 6 on the interpretation of tariff rate table.

(2) Item classification after notification of change: No. 8525.89-1000

- Item Description

It is a wearable electronic device with a digital camera, speaker, microphone, etc. built into sunglasses worn on the face. Photos taken can be saved or transmitted to smartphones through wired and wireless.

- Reason of Decision

Considering design intentions, it is considered that the 'digital camera' has a

main function rather than the sunglass function, and it is classified as No. 8525.89-1000 because it conforms to the form of the 'ultra-small special camera'.

This product is a wearable electronic device developed to replace the hassle of carrying around the device, and if necessary, it is developed to take a video and store it on the device if there is a scene you want, and if necessary, it is considered to be more effective in "digital camera" than 9004 sunglasses.

Tariff rate table 8525 classifies 'television camera, digital camera, video camera recorder', HSK 8525.89 classifies 'others', and HSK 8525.89-1000 classifies 'ultra-small special camera (designed or fitted to everyday props, such as writing instruments, buttons, glasses, watches, USB memory, etc.)

- In the manual of the same issue, this issue includes the following items:

(1) A television camera that transmits an image to be viewed from the outside of the camera or for remote recording, (2) A digital camera or video camera recorder that is stored in the camera in the form of a still image or video.

Since this product has an ultra-small digital camera attached to sunglasses, which are daily props, it conforms to the scope of the "ultra-small special camera" specified in HSK 8525.89-1000.

- Therefore, this item is classified into subparagraphs 8525.89-1000 in accordance with General Rules Nos. 1, 3(b) and 6 on the interpretation of tariff rate table, considering it as a "ultra-small special camera (e.g., writing instruments, buttons, glasses, watches, USB memory, etc.).

3. Classification review

Prior to this notice, it was noted that the main function of Video Recorder Eyewear was eye protection glasses or sunglasses, and that the essential characteristic was glasses. Accordingly, the item is classified into No. 9004.10-9000 for glasses.

However, in the case of items developed for functions such as imaging, storage, and sharing, the item classification was changed to No. 8525.89-1000 because the item was considered a micro special camera rather than sunglasses or glasses.



4. Requirements

In the case of ultra-small special cameras falling under No. 8525.89-1000, it is subject to confirmation from the customs director that the head of the National Radio Research Institute needs a certificate of conformity evaluation of broadcasting and communication equipment under the Radio Wave Act. However, if it is not a digital camera, a PC camera, a CCTV camera, or a NETWORK camera, customs clearance is possible due to non-requirements.



Global Customs Insight

Taxation policies when EPE leases equipment to domestic companies

EPE has been an issue when leasing their equipment to domestic companies, such as the lack of clear regulations on customs procedures or taxation policies, and a consistent policy is not applied. However, with the recent release of an official letter on customs procedures and taxation policies in these cases, standards are expected to be established for EPE and domestic companies that rent-lease equipment.

According to this official letter, the policy differs depending on whether the purpose of leasing equipment is to achieve the EPE's original purpose or not. Therefore, it should be noted that the taxation and customs clearance policies differ depending on what purpose EPE leases equipment to domestic companies.



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1. EPE leases EPE's equipment to a domestic company for the purpose of subsidizing EPE manufacturing activities within their ERC (Business Registration Certificate).

1) Customs Clearance Procedure

EPE should report temporary exports, and domestic companies should report temporary imports. After the lease ends, domestic companies can re-export and EPE can re-import.

2) Taxation

(Tariff) Domestic companies must pay import duties based on the amount equivalent to "rental and transportation costs" as the taxable price when importing temporarily, and the paid tariffs cannot be refunded even if they are re-exported at the end of the lease period.

(Value Add Tax) Temporary imports, re-exports are not subject to VAT. However, if a domestic company does not re-export after the lease is terminated, tariffs and VAT must be paid through a new import CD. However, if the leased goods are not re-exported and disposed of according to the prescribed procedure, VAT may not be paid.

2. However, if the EPE leases equipment for any purpose other than to assist in its manufacturing, the EPE shall report a repurposing of the equipment and pay customs duties by creating a new CD.

Asian-China FTA C/O Retroactivity Issuance

When applying the Asian-China FTA C/O (Form E), the General Administration of Customs in Vietnam (GDC) announced that the situation occurring during the import customs clearance process in relation to the indication of "subordinate issuance" on the certificate of origin should be handled as follows.

If Form E is issued after 3 days from the date of shipment, the phrase "Issued Retroactive" shall be written. However, all the Member States of the Agreement agreed through discussion that these differences do not affect the validity of the

FTA C/O itself, even if there is a difference in calculating three days from the date of shipment. This is too focused on calculating whether three days have passed, so it can be seen that the validity of the FTA C/O itself should not be denied depending on whether the retroactive issuance phrase is written.

HS version Entrance when issuing Form B

On February 10, 2023, MOIT issued and delivered an official letter 48/XNK-XXHH to the Vietnam Chamber of Commerce regarding the HS entry of Unpreferred C/O (Form B). Previously, there was no separate instruction on which version of HS should be listed in Form B, but this instruction requires HS 2017 to be listed when issuing Form B.

However, if the importer requests HS 2022 to be listed, HS 2022 can also be entered in addition to HS 2017 in accordance with the relevant regulations, Article 16_paragraph 1 of Decree 31/2018/ND-CP.

Tariff policies for EPE Re-imports

On February 2023, the General Administration of Customs of Vietnam (GDC) issued an official letter on customs policy in case of EPE re-importing. If EPE falls under the Free Trade Zone under the Import and Export Tax Act, no import and export duties are imposed when importing into EPE from abroad or when EPE exports to overseas or other Free Trade Zone. If an EPE company reimports goods for repair or recycling, the CD type must be declared using "G13"



FTA and import/export practical business guide

Guidelines and Request for the Revision of the Notice Subject to Confirmation by the Head of the Customs Office and Active Preparation of Requirements

Imported goods are easily accessible in daily life, such as imported food, imported cosmetics, imported electronic devices, and imported medicines, and for the health and safety of the people, import and export are legally managed through customs confirmation.

If it does not fall under Article 19 of the Enforcement Decree of the Foreign Trade Act (exempt goods from import and export approval under Article 19 of the Enforcement Decree of the Foreign Trade Act, those who wish to import and export goods requiring certification such as permission and approval under Article 226 of the Customs Act must apply for approval. (Import and Export Requirements by Item - Confirmation Notification of the Director of Customs Attachment 1 and 2)



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Major Goods Subject to Confirmation by the Head of the Customs Office

Acts	The Range of Goods	Requirements
Pharmaceutical Affairs Act	Medicines and Non-medicines	Korea Pharmaceutical Import and Export Association's Standard Customs Clearance Report
Special Act on Imported Food Safety Management	Food and food additives, food appliances and containers and packaging, marine products, health functional foods, livestock products	Confirmation of import declaration of imported food, etc. by the Minister of Food and Drug Safety
Plant Protection Act	Plants, seeds, wood, gemstones, processed wood	Imported plant quarantine certificate, processed item confirmation certificate, or prohibited item exclusion confirmation by the head of the Agriculture, Food and Rural Affairs Quarantine Headquarters
Electrical and Household Goods Safety Management Act	Products subject to safety certification	Electrical Appliances and Household Goods Customs Head's Confirmation Certificate
	Products subject to safety certification	Electrical Appliances and Household Goods Customs Head's Confirmation Certificate
	Products subject to supplier suitability verification	Certificate of confirmation of supplier suitability report (provided, only for electrical appliances)
Wildlife Protection and Management Act	Products related to wild animals (except processed goods that cannot be easily identified)	Permission to import wild animals by the head of the Si/Gun/Gu
the Cosmetics Act	Cosmetics	Korea Pharmaceutical Import and Export Association's Standard Customs Clearance Report
Medical Devices Act	Medical devices	Korea Medical Device Industry Association's Standard Customs Clearance Report
Radio Act	Equipment subject to conformity evaluation or application for conformity evaluation test	Conformity evaluation confirmation or preliminary customs clearance confirmation by the head of the National Radio Research Institute
	Equipment subject to Conformity Evaluation Exemption	Confirmation of exemption from conformity evaluation by the head of the National Radio Research Institute (Provided, That the exemption confirmation is omitted)
Safety of Children's Products Special Act	Related products	Identification of the same model of children's products by a safety certification agency or a safety confirmation reporting agency

On February 7, 23, 『An administrative notice regarding the revision of "Customer Director's Confirmation Goods and Confirmation Method Designation Notice (Customer Director's Confirmation Notice or Requirement Notice) 』was issued and based on the opinions submitted, it will be changed as early as mid-March, and this is the information of major revisions.

1) Added subject to confirmation by the head of the medical device customs office

Dental hygiene products (3306.90-2000), plaster-based dental preparations (3407.00-3000), vision correction lenses (9001.50-1000), laser equipment (9013.20-0000-medical laser irradiator, semiconductor laser surgical instrument) and legal photographs (9006-0000) designed for underwater, aerial survey and surgical examination, etc.

2) Reflection of Subject Items under the Electrical Household Goods Safety Act

Clothing manager •Integrated laundry dryer (8421.12-0000), battery for energy storage device (limited to electric storage device components), •Lithium secondary battery system (limited to electric storage device components with a rated capacity of 300 kWh or less) (8507.60-3000), wireless speaker system (8518.40-0000, 851850-0000), etc.

3) Addition of the target of the propagation method by reflecting the case of item classification decision by the Korea Customs Assessment Service.

Electric kickboard • Electric wheel (8711.60-1000), Electric bicycle (8711.60-9000), Electric skateboard • Electric two-wheeler • Motor two-wheeler/one-wheeler board (8711.60-1000), Two-wheeler (8711.60-9000), etc.

4) Designation of subject to confirmation by the head of the customs office, such as prohibited substances under the Chemical Substance Control

The following items cannot be imported. However, if permission is obtained in accordance with the proviso to Article 18 of the Chemical Substance Control Act, it may be imported.

(2939.80-9000) A mixture containing not less than 1% of [Strychnine; 57-24-9] and its salts and one of them.

(3808.92-9000) [Fluazinam; 79622-59-6] and a mixture containing 25% or more of it, [Captan; 133-06-2] and 0.1% or more of it, [Isobenzan; 297-78-9] and a mixture containing 1% or more of it, [Acrinathrin; 101007-06-1] and a mixture containing 25% or more thereof, [Dialifos; 10311-84-9] and a mixture containing 1% or more thereof.



(2930.90-5080) [Antu; 86-88-4] and a mixture containing 1% or more of it, etc.

5) Additional Plant Protection Act Items

Wooden picture frames, photo frames, mirror frames, or similar frames (4414.10-0000, 4414.90-0000), coffins (4421.20-0000), etc.

The subject of customs inspection is to be recognized and prepared by the person who wants to import the cargo before it arrives in Korea to reduce unnecessary time and physical expenses during the customs clearance stage and to supply safe goods to domestic users in a timely manner. We can maintain legal compliance and legal stability through sufficient consultation and consultation with the customs company, which is an expert on the requirements of the goods to be imported, so please prepare actively.



Contents and Opinion of Customs Trade Revision

Administrative Notice of Partial Revision of The Notice of Designation of Goods Subject to Customs Verification of Clearance Requirements and Confirmation Methods by The Customs Director Pursuant to Article 226 of the Customs Act

1. Reasons of Revision

In order to improve the accuracy of the operation subject to customs inspection, we intend to revise this rule to stipulate the demand survey and submission form and to provide information on items that require customs verification of clearance Requirements (revised). At the same time, we will reflect changes in demand, such as revision of individual laws and regulations, and adjust the subject of confirmation by the head of the customs office, focusing on items that require securing safety in the customs clearance stage.



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[PROFILE]

- Shinhan Customs
- Corporate review
And investigation
- Foreign exchange
- Trade transaction
advisory

2. Major Amendments

- Establishment and improvement of procedures related to the designation of goods subject to customs verification of clearance requirements by the head of the customs office (Amended in Article 8 and newly established attached Form 2)
- To identify and actualize the demand for goods subject to customs verification of clearance requirements for the relevant ministries.
 - Establishment of regular demand survey (April annually, in urgent cases, requests can be made outside the demand survey period)
 - Formation of the contents submitted as official documents during the demand survey into a request for designation of goods subject to customs verification of clearance requirements (Attachment: New and old tables, customs regulation impact analysis, and item classification preliminary review result confirmation)
- Improvement so that the head of the customs office can provide relevant agencies with information deemed necessary to be changed due to new designation and item classification during the confirmation of the head of the customs office.

- Conduction of the scope and requirements of goods subject to customs verification of clearance requirements (Revised Attachment 2)
- Conduction of the scope of imported goods subject to customs verification of clearance requirements
 - Clarify inclusion of advanced biopharmaceuticals in 「pharmaceutical」-related products
- Current requirements for imported goods subject to customs verification of clearance requirements
 - Conduction of the requirements as import confirmation by the head of the Korea Petrochemical Association for the confirmation of the head of the customs office related to the 「Act on the Regulation, etc. of Manufacturing Specific Substances for the Protection of Ozone Layer」

- Revision in import and export goods subject to customs verification of clearance requirements by the head of the customs office (Revised Attachment 1 and Attachment 2)**
- Items that have not been reflected in HSK 2022 amendments and institutional requests and consultations, etc.**
 - **(Export) Change of 349 items in 5 laws, excluding 18 items**
 - **(Import) Addition of 25 items from 15 laws and regulations, change of 434 items, excluding 65 items.**

- Additional goods and businesses subject to application for the customs clearance portal usage requirements of the Korea Customs Service (Revised Attachment 3)
- Additional article for「Act on the Regulation, etc. of Manufacture of Specific Substances for the Protection of Ozone Layer」 and「Act on the Safety Management of Radiation around Living」

- Reflection of simply understandable legal standards (Amendments to Articles 2, 7, 9 and 10)
- Revision of terms and correction of errors in spacing

3. Opinion

The verification of the subject of customs inspection is a system that proves that the import and export are equipped with permission, approval, marking, and other conditions as prescribed by law. As it is stipulated in individual laws and regulations, depending on the product and detailed specifications, exporters and importers should obtain the opinions of related agencies and experts to prevent delays in customs clearance.

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