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# ZOOM IN TRADE

SHINHAN Customs Service Inc.

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“  
Before you curse the world for being  
dark, light a little candle first  
”

**Grace Chang**

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'I'm going to make a living doing small things!'

22-year-old Lee Ji-sun had a tragic car accident. In a seven-car collision caused by a drunk driver, she got 3rd degree severe burns on 55% of the body. The back of her head was torn all over and her face was burnt black. The last knuckle of her eight fingers were cut.

In the intensive care unit, she was on the verge of life and death for 7 months. She underwent more than 30 major surgeries, and after that, she underwent skin grafting every year for reconstruction for 20 years. And... she ended up having the skin that everyone she meets looks back and stares, whether on the street or in a restaurant.

She describes herself as 'The person who broke up well with the accident'. Whenever she is asked to speak, she happily goes everywhere and anywhere to speak or give testimony. When people who are moved by her story approach and give the compliments, "You are amazing! You will do great things.", her heart says "Oh no no!! I will make a living doing small things!"

*Analysis on Recent Customs Judicial Precedent for this month is 'Disposition of Refusal and Imposition of Customs Duties and Additional Tax in Case of an Extension Request Made After the Expiration of the Re-Export Tax Exemption Period Extension Limit Pursuant to Article 97 of the Customs Act(Tax Trial 2022, 0126)', and HS case solved by logic reports 'HS case solved by logic (UAV)' and Global Customs Insight is 'Precautions Related to Label*

***(Indication of Country of Origin) When Importing from Vietnam', and FTA and import/export practical business guide is 'Information on changes to the FTA certificate issuance procedure', Contents and Opinion of Customs Trade amendment Covers 'Notification of Partial Amendment on Customs Clearance for Travelers and Crews Belongings'***

The biographies of great men who brightened up the world were must-read books for children. Children's sensibility has grown as they read the stories of great people who have done great things around the world. King Sejong the Great, Admiral Yi Sun-sin, Yu Gwan-soon, President George Washington, Nightingale, Joan of Arc...

We were told ever since we were young that we should live with big dreams. When we asked children about their hopes for the future, many of them shouted "President" or "General". It was because, as far as they could tell, 'president' or 'general' were the people who were doing big and great things. When we started learning English in middle school, many of us even made the phrase 'Boys Be Ambitious!' as our motto.

"Boys, be ambitious! Be ambitious not for money or for selfish aggrandizement, not for that evanescent thing which men call fame. [Be ambitious for the attainment of all that a man ought to be.](#)" \*\*

What are the human qualities that we should strive to have from childhood? What great things did the great men in history have done?

Mother Teresa was awarded the Nobel Peace Prize at the age of 69 after 45 years of service to the poor, the sick, orphans and the dying. She received decorations and medals in many other countries, and was posthumously elevated to the rank of a saint in the Roman Catholic Church.

Mother Teresa, who was teaching students in India in her youth, received God's calling to 'serve the poor' and left the convent in order to start a life of service in the slums. She was [with the most abandoned and the poorest](#). How did she do such a great and amazing thing with such a small body?

"I pray for integrity, not for success." As Mother Teresa said, [what I have to do today is faithfully handle the work entrusted to me](#). Whether it's big or small, we have to do the work sincerely and faithfully, [not to satisfy my greed or for my pride](#). "Before you curse the world for being dark, light a little candle first."

Lee Ji-seon's twinkling little candle comforts those who are hurt and suffering. Her little light gives [the courage that happiness is not far away but can be found nearby](#). She gives the courage not to live yesterday, but to live today, and to find reasons [to be thankful for](#) and to create happy moments even in situations where there are many conditions of misery.

I can't do big things like the great people, so I look for small things that I can do. I can make a [kind face, kind smile, and kind words](#) at any time. With a little more effort, I can [encourage others with the praise](#) that can make even an elephant dance. I can [just stay with](#) those who are sick and suffering.

If you open the love inside of you a little bit, small things that can be done are beginning to happen. Jesus also says.

["Love one another as I have loved you"](#) (John 15:12)

["... Whatever you did to the least of them, you did to me..."](#) (Matthew 25:40)

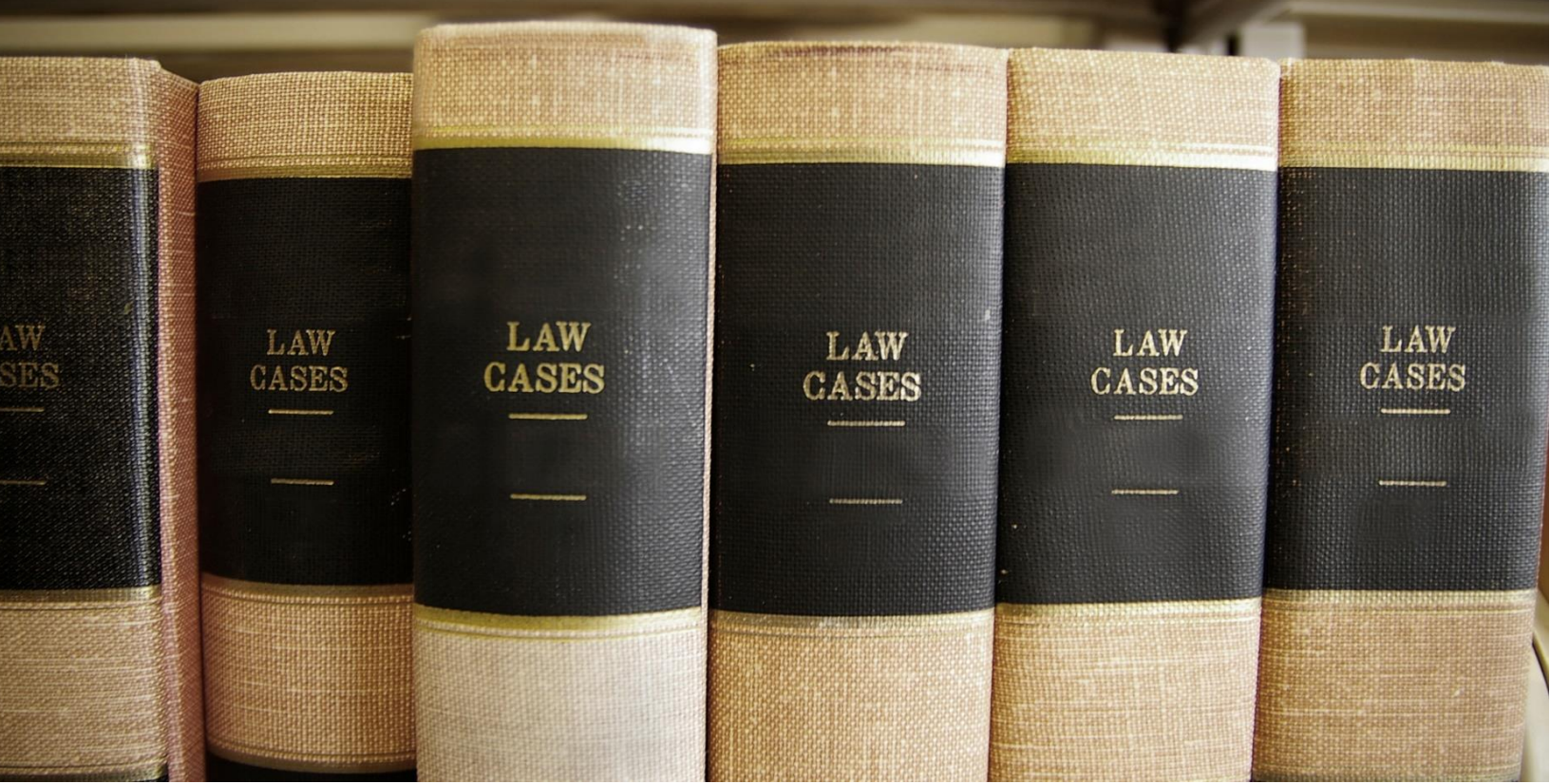
Thank you with love.

\*Lee Ji-seon, 2023, Pretty good happy ending, Munhakhdongne

\*\*William Smith Clark, 1877, Namuwiki,

\*\*\*Mother Teresa, 1910. 08. 26-1997. 09. 05, Namu Wiki, Wikipedia, Catholic newspaper





### *Analysis on Recent Customs Judicial Precedent*

## **Disposition of Refusal and Imposition of Customs Duties and Additional Tax in Case of an Extension Request Made After the Expiration of the Re-Export Tax Exemption Period Extension Limit Pursuant to Article 97 of the Customs Act (Tax Trial 2022, 0126)**

### **1. Facts**

- While importing the item at issue from the exporter at issue, the claiming corporation applied for duty and value-added tax exemption on the condition that the item at issue be re-exported in accordance with Article 97 of the 「Customs Act」, and the disposition agency approved it.
  
- The claiming corporation applied for an extension of the re-export period for the item at issue due to schedule delays caused by the COVID-19 pandemic, and received approval for the extension. The claiming corporation then applied for an extension again for the same reason, but the disposition agency decided the re-export period could not further be extended according to Article 97 of the 「Customs Act」 as it was deemed that it exceeded the scope of extension. The application was dismissed, and the customs duties and additional taxes were corrected and notified to the claiming corporation.



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## 2. Claimant's Argument and Disposition Office's Opinion

### (1) claimant's claim

- The re-export period for the item at issue was from the date of acceptance of the import declaration to March 30, 2022 after two extension approvals, and this date has 7 months and 19 days left until November 19, 2022, which is a maximum of two years from the date of acceptance of the import declaration. Because of this, the claiming corporation requested the extension of the re-export period and submitted the application in Attached form No. 1 for the approval on March 29, 2022 in accordance with Article 6-2 Paragraph 1 of the 「Announcement on Enforcement of Re-export Exemption System Article 97 of the Customs Act」 to the administrative agency.

- The claiming corporation applied for extension approval as the expiration date of the re-export period was imminent, so the claiming corporation notified the disposition office of the application for extension approval by phone for quick processing. The claiming corporation was told there would be no problem getting approved after the expiration date since the application form was submitted before the period had expired even though the person in charge is on vacation.

- Considering that the item at issue is 'electrical equipment' as above, the claiming corporation legally applied for approval for the extension of the re-export period within the re-export period after careful consultation with experts. If the disposal agency has immediately made the decision of denial by keeping the principle of complaint processing period, the claiming corporation would have voluntarily paid customs duties and value-added tax according to that decision, and there is no reason to bear additional tax.

### (2) Opinion of Disposition Office

- Since the claiming corporation has already received approval for the extension of the one-year period, which is the maximum extension of the re-export period stipulated in Article 97, Paragraph 1 of the Customs Act, on two occasions, it is obliged to re-export the item at issue by March 30, 2022. Even if the requesting

corporation applied for an extension earlier than March 29, 2022, the application for extension must be rejected, and even if the disposition agency rejected the application for extension on the last day of the re-export period of the item at issue, if the goods at issue were not exported, additional tax must be collected.

- The claiming corporation has a history of filing re-export duty-free import declarations under Article 97 of the 「Customs Act」 several times from January 1, 2016 to November 12, 2020, prior to the import declaration of the item at issue, so it is judged that they are familiar with the relevant laws and regulations. Furthermore, on February 7, 2022, the disposition office informed in advance that the re-export period is nearing. Since prior guidance was given regarding the arrival of the re-export period, it seems that the claiming corporation was aware of the fact that it had to be re-exported within the period. The claiming corporation did not carry on the responsibility of re-export within the re-export period. Therefore, it is reasonable to assume that there is no legitimate reason to exempt the penalty tax for the claiming corporation.

### 3. Hearing and Judgment

- In accordance with Article 97, Paragraph 1, Item 1 of the Customs Act, the head of a customs office may grant re-export duty exemption for certain goods prescribed by the Ordinance of the Ministry of Strategy and Finance for a period of up to one year, and it is stipulated that if there are unavoidable reasons, the period can be extended within the scope of one year. The re-export period can be extended only once within the range of one year.

- The claiming corporation has already received approval for an extension of one year from the original re-export period from March 31, 2021 to March 30, 2022, so it seems that the extension of the re-export period is no longer possible. On February 7, 2022, the disposition office informed the claiming corporation that the re-export implementation period for the item at issue is near expiring. In the case of an application for extension of the period or application for approval of use other than intended use immediately before the expiry date of the re-export implementation period, there may be disadvantages such as penalty tax collection due to the expiration of the re-export implementation period. Therefore, in order to prevent this, the disposition agency instructed the claiming corporation to apply for approval for extension of the period or the application for use other than the intended use while securing sufficient time. However the claiming corporation applied for an extension of the period only one day before the





expiration of the re-export extension period, which seems to be virtually impossible to approve. In the case the re-export was not made within the period due to the failure to apply for permission for use outside of its intended use, it would have been difficult to avoid the

penalty tax imposed under Article 97, Paragraph 4 of the 「Customs Act」. Also the claiming corporation had made the import declaration for tax exemption from re-export prior to this case, so it would be difficult to accept the claim above in light of the fact that the claiming corporation seems to be fully aware of the procedures related to re-export or non-purpose use.

#### **4. Implications**

Regarding the re-export tax exemption under Article 97 of the Customs Act, the re-export period is determined by the Ordinance of the Ministry of Strategy and Finance according to the reason for the re-export tax exemption. In this case, the re-export must be performed within the re-export period, and the re-export performance report must be completed to the customs office. If the re-export period is not complied with, it becomes a reason for the collection of customs duties. So in the case of an extension, companies receiving tax exemption for re-export must thoroughly manage the period.



## *HS case solved by logic* **HS case solved by logic (UAV)**

### **1. Overview**

Equipment or related technology that flies or can be operated without a human being on board, such as an unmanned aerial vehicle, represents a future technology along with robots and artificial intelligence (AI).

The definition of 'Unmanned Aerial Vehicle (UAV)' is "an aircraft that is controlled wirelessly from the ground or flies automatically or semi-automatically according to a pre-programmed route without an actual pilot directly on board", and 'drone' also is widely used as a term that refers to such an object.

In addition, there are various types of UAVs depending on the purpose. They are generally used for entertainment that can be used for hobbies in the private sector, or for observation or investigation for information collection in the private sector and institutions, and for pest control in agriculture and other industries. It is also used for military purposes, as can be seen in the recent Russo-Ukraine War.



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As the names and types of UAVs and DRONES have diversified according to the appearance of UAVs and the trend of the times, it is necessary to review the classification of HS CODE. In this article, the HS classification will be discussed by looking at the features of the HS revision of UAVs of the WCO HS committee in 2015 and 2022.

## 2. Review of item classification

An unmanned aerial vehicle, also called a drone, refers to an aircraft that is controlled remotely without a pilot or by a pre-set automatic flight program. In March 2015, the 55th WCO HS Committee already decided the item classification code of small drones equipped with digital cameras.

At that time, the item at issue was a drone for aerial photography in the form of a quadcopter with four rotors, which was permanently combined with a digital camera. It was finally classified as HS 8525 after considering it as the digital camera with the HS 8525, the aircraft with the HS 8802, and the toy with the HS 9503. However, the decision that the item at issue has essential characteristics in digital cameras, rather than quadcopters, created a new problem of classifying the various types of drones being traded according to their components or uses.

Opinions were suggested to improve these problems and integrate them into one heading regardless of use, and in the 6th Review-Cycle, it was agreed to newly establish an unmanned aerial vehicle in HS 8806, the last heading of the 88th category.

## 3. Item classification of UAVs

In the HS revision done in 2022, the unmanned aerial vehicle of HS 8806 refers to an airplane without a pilot inside the aircraft that can directly operate the aircraft regardless of the presence or absence of passengers, so drones that can carry passengers are also classified under HS 8806. However, flying toys designed and manufactured only for the purpose of amusement are classified under HS 9503 as before.



Accordingly, the HSK of unmanned aerial vehicles is classified into passenger transportation and other transportation (unmanned aerial vehicles capable of remote control only and unmanned aerial vehicles controlled by pre-set automatic flight programs, etc.) as follows, and 10 HSK units are classified in detail according to each weight.

In addition, it was reorganized to transfer and classify aircraft parts from the existing HS 8803 to HS 8807.

Prior to this HS revision, item classification for UAVs was classified into HS 9503 and HS 8525 by the degree of camera performance and essential characteristics according to the main regulations of Part 16, so somewhat ambiguous classification regulations from the importer's stance could be sorted out by this revision.

However, in the future, there are issues regarding item classification decisions according to the various functions and scope of use of UAVs. If the HS CODE is changed, it may affect tariff rates, FTA preferential tariffs and import requirements, so it is necessary to pay close attention to whether there is a change in the HS CODE. If the HS item classification is ambiguous, you can consider using the "item classification pre-examination" system of the Korea Customs Service.

<Revised 2022 HS Classification Criteria>

classification criteria	<b>Designed and built for passenger transport</b>	<b>Items not intended for passenger transport and capable of flying only by remote control</b>	<b>Items that are not for passenger transportation and can be flown with other automatic flight programs, etc.</b>
tariff	Basic tax rate: 0% (tax free)	Basic tax rate: 0% (tax free)	Basic tax rate: 0% (tax free)
HS (6 units)	8806.10 – designed for passenger transport	8806.21 - Of a maximum take-off weight not exceeding 250 grams 8806.22 - Of a maximum take-off weight exceeding 250 g but not exceeding 7 kg 8806.23 - Of a maximum take-off weight exceeding 7 kg but not exceeding 25 kg 8806.24 - Of a maximum take-off weight exceeding 25 kg but not exceeding 150 kg 8806.29 - Other	8806.91 - Of a maximum take-off weight not exceeding 250 grams 8806.92 - Of a maximum take-off weight exceeding 250 g but not exceeding 7 kg 8806.93 - Of a maximum take-off weight exceeding 7 kg but not exceeding 25 kg 8806.94 - Of a maximum take-off weight exceeding 25 kg but not exceeding 150 kg 8806.99 - Other
terminology of subheading	drone for passenger transport	Other unmanned aerial vehicles (those that can only fly remotely)	Other drones



*Global Customs Insight*

## **Precautions Related to Label (Indication of Country of Origin) When Importing from Vietnam**

In June, Vietnam starts to feel hot with the temperature approaching 40 degrees Celsius. Please take good care of your health in hot weather..! In this Global Customs Insight, we would like to guide you through the regulations and precautions related to "import labels," which are often problematic in the process of import customs clearance into Vietnam or in the post-inspection process by Vietnamese customs after customs clearance.



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## 1. Laws related to labels applied to imported and exported goods in Vietnam

The following laws and regulations stipulate the obligation to attach labels to imported goods and distributed goods in Vietnam, as well as essential items to be included on labels.

### 1) Vietnam Decree No. 43/2017/ND-CP, DECREE : ON GOOD LABELS

### 2) Revised law for the above decree No. 111/2021/ND-CP, DECREE : AMENDMENTS TO SOME ARTICLES OF GOVERNMENT'S DECREE 43/2017/ND-CP DATED APRIL 14, 2017 ON GOODS LABELS

In addition to the above statutes, there are separate laws and regulations that stipulate enforcement rules for labeling in special cases and punishment provisions related to label falsification and non-marking, but basically the above two decrees on labels for imported and exported goods in Vietnam need to be referred to.

## 2. Information that must be included on goods imported or distributed in Vietnam

Regarding the information that must be included on the label of goods to be distributed in the Vietnamese domestic market or goods imported into Vietnam, Article 5 (5. Amendments to Article 10) of the amended Decree 111/2021/ND-CP stipulates what needs to be included.

1. Goods label of goods circulated in Vietnam shall present the following contents in Vietnamese language :

- a) Name of the goods;
- b) Name and address of the entity responsible for the goods (hereinafter referred to as "responsible entity");
- c) Origins of goods; In case of unknown origin of good, the country in which the last stage of finishing the goods is performed;
- d) Other mandatory information shall be displayed on the label according to the characteristics of the goods prescribed in Appendix I issued together with this Decree and relevant regulations.: (\*\*Required items prescribed by individual laws, such as Korean labeling requirements for imported food in Korea)

2. The following information on the original label of goods imported into Vietnam must be written in Vietnamese or foreign language while following customs clearance procedures:

- a) Name of the goods;
- b) Origin of the goods; In case of unknown origin of goods, the country from which the last stage of finishing the goods is performed; The country of origin of the goods
- c) The name or abbreviated name of the manufacturer or the entity responsible for the goods in the foreign country;
  - c1) If the original label does not contain the full name and address of the manufacturer or the responsible for entity in the foreign country, this information shall be fully presented in the attached documents of the goods;
  - c2) If the original labels of goods imported into Vietnam are written in a foreign language as prescribed in Points a, b, c Clause 2 of this Article, after completing the customs clearance procedure and transfer goods to storage, the importer shall add Vietnamese labels as prescribed in Clause 1 of this Article before putting such goods into circulation in domestic market.:

### 3. Practical matters related to labeling

#### - Import of facilities, equipment, machinery, instruments and used equipment

Facility, equipment, machinery, instruments imported by an importing company for direct use in factories in Vietnam are regarded as "domestic distribution in Vietnam". For the importing relevant machinery and equipment, the Nameplate needs to be properly attached to them with the accurately described **"Required information on goods to be distributed in Vietnam (① product name, ② manufacturer, ③ country of origin, ④ Appendix I Decree 111/2021/ND-CP: model, voltage, power, month and year of manufacture ... Appendix 1 of the relevant enforcement decree stipulated in : model, voltage, power, date of manufacture, etc.)"**.

Having the correct nameplate attached is a very frequent problem in the import customs clearance process for both new and used machines. In the case of post-customs clearance inspection, careful attention needs to be given when importing as the comparison work of the company's current status of facilities, actual machinery and the nameplate for equipment takes place.

#### - Indicate the country of origin of raw materials and subsidiary materials imported for self-manufacturing and production by the importer

In Vietnam's label-related laws, there is no provision that raw or subsidiary materials imported for self-manufacturing or production activities may not be labeled or the country of origin may be insufficiently



indicated. So, even if it is an item that is imported and will be manufactured and put into production only within its own company, the label (indicating the country of origin) must be marked appropriately. In addition, even if the goods are cleared without problems during import customs clearance, there are cases where administrative fines are imposed after being caught as not indicating the country of origin through due diligence checks on inventory items during customs inspection.

#### **- Indication of country of origin for outer and inner packaging**

Labeling and country of origin indications when packaging is used in multiple types are stipulated in the Circular of Vietnam 05\_2019\_TT-BKHCN, and Article 4, Paragraph 2 of that stipulates the following:

2. As for goods with primary and secondary containers:

In case the goods has a secondary package and contains smaller units inside which have a primary package and cannot be sold individually, the label of such goods shall be printed on or affixed to its secondary package.

In case the goods has a secondary package and contains smaller units inside which have a primary package and can be sold individually, the label of such goods shall be printed on or affixed to both the primary and secondary package.

In other words, in the case of an item consisting of an inner package and an outer package, and can be sold individually by the inner package, the label of the product must be marked on both the inner and outer packages.

Please note that if the packaging is marked as inner or outer packaging, there may be a problem if the country of origin is not indicated on the inner packaging in accordance with the above regulations.

We have provided guidance on labeling and country of origin indications in Vietnam. As the amount of administrative punishment (fine) in Vietnam's laws related to labels is set very high, close attention to labeling for imported goods into Vietnam is much needed.

Thank you.



*FTA and import/export practical business guide*  
**Information on changes to the FTA certificate  
issuance procedure**

**1. Improving Reporting System for Issuance of Export Declaration FTA Certificate of Origin**

1) Before change

In the current FTA certificate of origin issuance procedure, it is possible to report 'Issuance of FTA certificate of origin' as 'N' on the export declaration form although an FTA certificate of origin was issued. There are cases in which the export declaration and the certificate of origin issuance details do not match.

2) After change

In the future, if 'Issuance of FTA certificate of origin' is indicated as 'N' on the export declaration form, an FTA certificate of origin can be issued after correcting the export declaration form. There would not be disadvantages for the corrected cases, but there is a possibility of delay in issuance of the FTA certificate of origin due to issuance restrictions and corrections. Therefore, for export cases requiring the issuance of an FTA certificate of origin, the exporter and the reporter should understand the relevant details before the declaration.



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(Restriction on Issuance of Certificate of Origin): When filling out an application form for issuance of an FTA certificate of origin for an export declaration case in which 'Issuance of a certificate of origin for FTA' is reported as 'N', the issuance of a certificate of origin is restricted and a message for the export declaration correction is displayed.

< Export Declaration Correction Message (Example) >

Please apply for issuance of a certificate of origin after correcting the issuance of FTA certificate of origin to Y in the export declaration (111111111111X).

(Export Declaration Correction): If the code for correction reason on the correction application is 'Correction of Certificate of Origin Issuance', automatic approval of correction application and active correction of only 'Issuance of FTA Certificate of Origin' and 'Name of Issuance Agreement' is made.

\* New reason code for correction in the correction application form (reason code for correction: '31', code name: 'Correction of Certificate of Origin Issuance')

(Disadvantage exemption): If the correction reason code of the export declaration correction application is '31' and for correcting a certificate of origin issuance', error points are exempted and no evaluation points for degree of compliance with regulations are given.

### 3) Note of Caution

Please note that automatic approval and exemption from disadvantages for correction do not apply to applications for correction of export declarations that include items other than 'Issuance of FTA C/O' or 'name of issuance agreement'.

'Issuance of FTA C/O' does not apply to non-preferential certificates of origin.

## 2. Simplification of documents proving the origin of export goods

### 1) Before change

When applying for the issuance of the current FTA Certificate of Origin or Certificate of Origin Exporter certification, documents proving the country of origin, such as a statement of origin, a list of materials and a statement of purchase of raw materials, must be submitted. In this case, it was difficult to obtain a certificate of origin for exporting companies that do not directly manufacture export goods, such as trading companies and the distributing companies that receive supplies from domestic manufacturers and export them.

## 2) After change

Accordingly, the Korea Customs Service has drastically simplified the supporting documents required for the issuance of a certificate of origin for some export items that can be proven as made in Korea through a simple method.

(Target Items and Replacement Documents for Evidence)

Target	replacement document
Agricultural and livestock products-Goods notified by the Commissioner of the Korea Customs Service, such as food, exported in the following ways - Direct export by producers (farmers and fishermen) Distributors, etc. receive supplies from producers and export them without additional processing	<b>Origin (comprehensive) certificate recognized by the Commissioner of the Korea Customs Service</b> *Designation of 18 types of documents such as eco-friendly agricultural product certificates and product purchase confirmations
Goods with simple confirmation of origin notified by the Commissioner of the Korea Customs Service *Goods whose origin can be recognized only by the fact of domestic manufacturing (items designated by the Korea Customs Service)	<b>Domestic manufacturing (comprehensive) confirmation</b>
Goods that are exported without additional processing after receiving goods produced by a certified exporter of origin *If exported goods are the same as certified items	producers of export goods <b>Origin Certification Exporter Certificate</b>



## *Contents and Opinion of Customs Trade Amendment*

# **Notification of Partial Amendment on Customs Clearance for Travelers and Crews Belongings**

### **1. Reason for Amendment**

(1) For the convenience of the public and vitalization of foreign tourism, the customs clearance procedure has been improved for travelers and flight attendants who do not have items subject to declaration can omit submitting personal belongings declaration forms.

(2) The amendments to the enforcement ordinance and enforcement regulations of the Customs Act, such as simplified tax rate, personal belongings declaration form, and duty-free regulations for flight attendants are reflected in the customs clearance procedure.

(3) Some insufficiencies in the implementation of the current system have been improved and supplemented, such as preparing a procedure for electronic delivery of tax bills in the case of electronic declaration of belongings.



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## 2. Major Amendments

(1) Omit the submission of declaration form for personal belongings if there are no articles subject to declaration (Article 5)

- Travelers and flight attendants who do not have items subject to declaration can omit filling out and submitting a declaration form for traveler's belongings.

(2) Delete the purpose of travel section from the personal information of travelers and crew (Article 5)

- The purpose of travel has been deleted from the personal information of travelers and flight attendants in accordance with the revision of the traveler's belongings declaration form (Appendix Nos. 42 and 43 of the Enforcement Rules of the Customs Act).

(3) Clarification of duty-free scope for personal items and personal ornament items (Article 19)

- Regardless of the scope of basic duty-free, the duty-free scope of personal items and accessory items exempted from customs duties has been clarified to goods taken out of the country in accordance with Article 48 (2) of the Enforcement Rule of the Customs Act.

(4) Revision of simplified tax rate including abolition of single simplified tax rate section (Article 26)

- In accordance with the amendment of simplified tariff rates in Article 96 of the Enforcement Decree of the Customs Act, Table 2, the single simplified tariff rate that was applied to goods whose total value of goods imported by travelers less than USD 1,000 was abolished and related regulations were revised.

(5) Preparation of e-delivery procedure for personal belongings payment notice (Articles 27-2 and 46-2)

- For the convenience of the public, electronic delivery procedures (application method for electronic delivery, electronic delivery method, identity verification for viewing payment bills, etc.)

(6) Increased scope of tax-free and simplified customs clearance for crew belongings (Articles 42 and 44)  
 - Per amendments to the scope of duty-free items belonging to travelers in Article 48 of the Enforcement Rules of the Customs Act\*Accordingly, the range of duty-free and simplified customs clearance for flight attendants has been increased.

\* (Basic duty-free range) USD 600 or less → USD 800 or less

\* (Separate duty-free range) 1 bottle of alcohol (1ℓ, USD 400 or less) → 2 bottles of alcohol (2ℓ, USD 400 or less)

division	Current	Revision (draft)
<b>1. Duty free limit</b>		
alcohol	1 bottle (1 liter and less than USD 400)	2 bottles (2 liters and less than USD 400)
retired flight attendant (work period of more than 1 year)	Same as regular travelers. but, the basic duty-free range is USD 800	Same as regular traveler
<b>2. Allowable scope for customs clearance</b>		
aircraft crew	Goods of overseas Acquisition Price USD 600 or less	Article of overseas Acquisition Price USD 800 or less
ship crew (Less than 6 months for one voyage)	Goods of overseas Acquisition Price USD 600 or less	Article of Overseas Acquisition Price USD 800 or less

(7) Clarification of reporting targets for take-out items (Article 53)

- To make it easier for the public to understand, the carry-on items to be reported for taking out are more specifically organized.



### 3. Implementation date

Effective from May 1, 2023 [Customs Service Notification No. 2023-35, 2023. 5. 1.]

### 4. Comments

Overall, it was an amendment that stood out for the purpose of promoting public convenience. Due to this change, travelers who do not have items to report will skip filling out and submitting a traveler's belongings declaration form. The subject of reporting for taking out of carry-on items has been more specifically reorganized. In addition, it is expected that the convenience of electronic reporting will be further enhanced by establishing an electronic delivery procedure for personal belongings payment bills. In addition, amendments to higher laws, such as the abolition of the single simple tax rate section, have been reflected to ensure that there is no conflict between laws and notification, and unclear regulations have been clarified.

Many countries that have closed their doors due to COVID-19 are reopening their borders. The clear recovery of overseas travel shows that the people have longed for overseas travel. The World Tourism Organization (UNWTO) has predicted that the number of international travelers this year will reach 80-95% of pre-pandemic levels. Korea has soft power represented by Hallyu, such as K-POP and K-Drama. The number of international tourists visiting Korea will also increase again. It is hoped that the amendment of this notification will contribute to the convenience of Korean citizens and overseas travelers and the recovery of the Korean tourism industry.



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