

Regulations Governing the Exemption of Duty on Imported Military Goods

Amended and Issued on November 22, 2004

Article 1

These Regulations are enacted pursuant to Article 49, paragraph 3 of the Customs Act.

Article 2

Military authorities may apply for exemption of import duties on the following categories of goods exclusively for military use:

1. Ordnance equipment and materiel related to combat operations (including parts), such as weapons, ammunition, tanks, mobile tools, observation and fire-control equipment.
2. Combat engineering surveying equipment and engineering surveying instruments (including parts), such as various types of engineering machinery, materials, surveying instruments, and river-crossing devices.
3. Military communication equipment and communication-electronic devices related to combat operations (including parts), such as radio broadcasting, audio recording, photographic, surveillance, and monitoring equipment.
4. Military chemical equipment and chemical, biological, and radiological defense devices (including parts).

5. Military medical equipment and medical and health supplies related to combat operations (including parts), including medical supplies used by all levels of military medical units.
6. Military logistics equipment, and group or individual logistics gear used by all military branches, such as food, clothing, fuel, and fuel-supply equipment.
7. Military transport equipment, including transport vehicles used by all military branches (including parts).
8. All types of naval vessels, aircraft and their accessories, as well as port, airport, and site-maintenance machinery and equipment.
9. Machinery, equipment, machine parts and materials directly imported by military factories for their own use.
10. Instruments, laboratory supplies, models, and items necessary for teaching or research imported by military schools or military education and research institutions for their own use.
11. Political warfare equipment and recreational equipment.

Article 3

Where a military authority procures military goods in accordance with the Government Procurement Act, and such goods are imported by the winning bidder or purchased from an export processing zone, science park, or bonded factory, or where the Ministry of National Defense (MND), due to special needs, commissions a domestic supplier to procure or manufacture primary materials for military goods, the MND

or its authorized entity shall forward the application for duty exemption to the customs office at the place of importation.

For cases in which a domestic supplier is commissioned to procure military goods or primary materials for manufacturing military goods, the importer shall be limited to the originally designated contractor, unless otherwise approved by the MND.

Article 4

Office supplies, office equipment, and ordinary official vehicles imported by military authorities shall not be exempted from import duties.

Article 5

Military authorities may not apply for a refund of import duties on foreign goods purchased domestically for which import duties have already been paid.

Article 6

For applications for exemption of import duties on military goods, the Ministry of National Defense (MND) or its authorized entity shall prepare a customs declaration form detailing the name, quantity, price, purpose, date, and place of importation of the goods, affixed with the official seal of the institution, together with other required documents, and submit them to the customs office at the place of importation for review in accordance with these Regulations.

For applications under Article 3 involving military goods imported by the winning bidder or procured by a commissioned domestic supplier, the purchasing military authority shall prepare a list of the imported goods specifying the name, quantity, price, purpose, date, and place of importation, affixed with the official seal of the authority, together with other required documents, for submission to the MND or its authorized entity, which shall then forward the case to the customs office at the place of importation for review.

Prior to forwarding the application, the MND or its authorized entity shall thoroughly review the purpose and quantity of the goods to ensure they are necessary for military use.

Article 7

Where a military authority conducts tendering pursuant to the Government Procurement Act, the winning bidder shall be the importer of the military goods, and the import declaration shall specify the name of the purchasing military authority and the applicable legal basis for duty exemption.

If, after customs release, the military authority discovers that the imported goods do not conform to the original application, it shall refer the case to the customs office at the place of importation.

Article 8

Where a military authority procures military goods pursuant to the Government Procurement Act, the procurement contract shall state that the goods imported by the winning bidder or purchased from an export processing zone, science park, or bonded factory may be subject to duty-exemption application under the Customs Act, the Commodity Tax Act, the Value-Added and Non-Value-Added Business Tax Act, and these Regulations. The bid price shall not include the exempted import duties.

When the MND or its authorized entity forwards an application for duty exemption to the customs office at the place of importation, it shall attach the procurement contract specifying the above requirements, or an official document or other proof indicating that the procurement price excludes import duties.

Article 9

The Ministry of National Defense shall conduct post-importation inspections to ensure that military goods exempted from import duties are used solely for military purposes. Where necessary and without compromising military secrecy, the customs authority may dispatch personnel to participate in such inspections.

Article 10

These Regulations shall become effective upon the date of promulgation.