

LCQ10: Declaration charges for imports and exports

Following is a written reply by the Secretary for Commerce and Economic Development, Mrs Rita Lau, to a question by the Hon Miriam Lau Kin-ye in the Legislative Council today (January 14):

Question:

Under the Import and Export (Registration) Regulations (Cap.60 sub. leg.E), every person who imports or exports any article, other than an exempted article, is required to make an import/export declaration and pay a declaration charge in respect of the article. Presently, for non-food items, the declaration charge for the imports and exports is 50 cents for the first \$46,000 of the value of goods declared and 25 cents for each additional \$1,000 or part thereof and rounded up to the nearest 10 cents. In this connection, will the Government inform this Council:

(a) of the total amount of declaration charges collected last year, and the administrative, manpower and other expenses thus incurred;

(b) what criteria were used by the Government to determine the calculation method and levels of the declaration charges; whether it has compared such calculation method and charge levels with those of other customs duty territories; if so, of the results; if not, the reasons for that; and whether it will consider making such a comparison;

(c) whether it will review how the calculation method of the declaration charges may be simplified, e.g. standardising the declaration charges regardless of the value of the goods; and

(d) given that Hong Kong's freight industry is facing stiff competition from other regions, whether it will consider lowering the declaration charges and exempting re-export goods from import declaration charges, so as to enhance the competitiveness of Hong Kong's freight industry?

Reply:

President,

(a) In the 2007-08 financial year, the declaration charges collected by the Government amounted to about \$1.279 billion while the administrative and manpower expenses etc. incurred by the Census and Statistics Department and the Customs and Excise Department in collecting and processing trade declaration forms was about \$121 million.

(b) As far as we know, major economies such as the United States, the United Kingdom and the Mainland China do not collect trade declaration charges. Nevertheless, they generally impose import tariffs.

(c)&(d) Since the introduction of trade declaration charges in 1966, the Government has reviewed and adjusted their calculation method and levels several times. Currently, we do not have any plans to change the calculation method or levels of trade declaration charges and their scope of exemption, but we will review them if the situation so warrant.

Ends/Wednesday, January 14, 2009