

Imported Equipments or be Entitled to Deduction of Value-added tax if Released from the Customs Supervision

[Chinese version](#) If the customs supervision over the equipments which taxpayers imported in a tax-free manner for their self-use prior to December 31, 2008, and the taxpayers have acquired the special customs import value-added tax payment letter which the customs issue after January 1, 2009 due to the dismiss of customs supervision, they are eligible to deduct the value-added tax as specified in the letter from the output tax.

The aforementioned provisions were made by the Reply on Issues Concerning the Deduction of Import Value-added Tax on the Equipments which Are Imported in a Tax-free Manner and Are Released from the Customs Supervision, which was released by China's State Administration of Taxation on March 30, 2009. Under the Reply, taxpayers must pay the value-added tax for their selling of the aforementioned goods according to the applicable tax rates.

(Source: State Administration of Taxation)

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