

## Importation of software and modems

Our company would like to import software to China and/or Hong Kong. Furthermore we are interested in importing modems (computer peripherals). What are the tax levels on these goods?

[1] Importer of Software to China must apply for a software product registration number and a software product registration certificate from the Ministry of Information Industry (the MII), except that the software product is imported for self-use. The MII does not handle the application directly. Instead, you should submit the application to the China Software Industry Association, who is the processing agent.

To obtain the registration certificate at the MII, the importer should submit the following documents: (a) the registration application form, (b) copy of the business license, (c) sample of the software product, (d) proof of copyright ownership or distribution license granted by the copyright owner, (e) reports issued by the China Software Testing Center, and (f) other documents as required.

The importation of technology is under the administration of the PRC Regulations for the Import & Export Technology. Imported technology is classified as prohibited, restricted and permitted category. Software contracts generally fall under the permitted category. The importer has to file the contract for the importation of software at the local office of the Ministry of Commerce.

[2] MODEM falls under HS heading 85176234. There is no import duty if the Modem is imported from countries (regions) receiving the MFN treatments. Import VAT is 17%. The importer of Modem is required to submit the following documentations at the time of importation: (a) Inspection Certificate for Inward Goods <入境貨物通關單>, (b) Automatic Import License for Electrical and Mechanical Goods <機電產品自動進口許可證>, and (c) China Compulsory Certificate <強制產品認證> and the CCC labels. <By China Tax & Investment Consultants Limited [www.china-tax.net](http://www.china-tax.net)>