

## The Regulations on the Collection, Custody and Use of Commercial Port Dues

Amended Date 2012.03.01

Article 1 The said Regulations are enacted in accordance with paragraph 2 of Article 12 of the Commercial Port Law (hereafter cited as "this Law")

Article 2 Ministry of Transportation & Communications Maritime and Port Bureau (hereafter cited as commercial port authority )shall, in accordance with the provisions of the said Regulations, collect commercial port dues from the ships entering the port, passengers boarding or leaving the ships, and cargoes loading on to or unloading from the ships. No commercial port dues shall be collected from commercial ports, which were:

1. Constructed by the central government in accordance with Offshore Islands Construction Statute or constructed by using the budget from the Offshore Islands Construction Fund.
2. Constructed and invested by state-run or private enterprises.

Article 3 Commercial port dues are classified in three categories: ship port dues, passenger port dues and cargo port dues, which will be respectively levied on carriers by sea, departure passengers and cargo shippers.

Article 4 Ship port dues for international shipping routes are calculated by one of the followings:

1. Collecting on the voyage basis: according to gross registered tonnage of the ship for its every entrance into the port by tariff rate of a half New Taiwan Dollars (NT\$0.5) per gross tonnage.
2. Collecting on the time basis: according to gross registered tonnage of the ship before its entrance into the port by tariff rate of one and a half New Taiwan Dollars (NT\$1.5) per gross tonnage in 4 months or , two and a half New Taiwan Dollars (NT\$2.5) per gross registered tonnage in 8 months.

Ship port dues for domestic shipping routes are assessed at forty percent of the tariff rate as prescribed in the previous paragraph.

Article 5 Passenger port dues are collected from passengers for each departure by the tariff rate of forty New Taiwan Dollars (NT\$ 40).

Article 6 Cargo port dues for international shipping routes are classified into three categories: bulk & general cargoes, full container load cargoes, and less than container load cargoes, and are collecting by following rules :

1.Cargo port dues on bulk & general cargoes, full container load cargoes are assessed according to those rates and rules as assigned in Tariff of Cargo Port Dues for bulk & general cargoes and full container cargoes.

2.Cargo port dues on less than container load cargoes are assessed based on revenue tons of different cargoes consolidated in the container by the tariff rate of eighty New Taiwan Dollars (NT\$ 80) per revenue ton. The total amount of cargo port dues is limited to the third tariff rate of less than 20 feet for each filing sheet , no cargo port dues shall be collected if less than one hundred New Taiwan Dollars (NT\$ 100).

Cargo port dues for domestic shipping route are assessed at forty percent of the tariff rate as assigned for the international shipping routes.

If bulk & general cargoes and full container load cargoes which contain two or more kinds of cargo rates happen to be on the same shipping order or bill of lading, they should be assessed by different rates separately. Whereas the rates cannot be differentiated clearly, their cargo port dues will be assessed at the lower tariff rate classification.

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Article 7 The commercial port authority collects the price difference by one of the following:

1.If the commercial port dues collecting system cannot recognize the size of the container, and charges it the tariff rate of 20 feet less container load cargo, but which is 21 feet above after the verification.

2.The pay-party who is levied on Port Dues and his consigned-customs-broker should fill out the container number of full container load cargo in Customs Declaration Sheet, whereas not to, results in charging the Port Dues by less than container load cargo instead after the verification.

Article 8 No ship port dues shall be collected from the following ships entering the port:

1.Public services ships used by government, or ships under government's requisition or employment.

2.Ships approved by commercial port authority that carry salvation materials.

3.Ships calling the port to take refuge, accepting examinations, add oil, or add water.

4.Ships calling the port for emergency medical aid or for repairing machinery.

5.Ships with gross registered tonnage of less than 700 tons.

6.Ships purchased or sold exclusively for the use of the transportation services.

Article 9 No passengers dues shall be collected from the following passengers

departing from the port:

1. President, Vice President and their dependents.
2. Privileged personnel of foreign entities and international organizations.
3. Personnel of the Republic of China (the ROC) government entities stationed in a foreign country.
4. Children under the age of two.

Article 10 The cargo port dues shall be exempted in accordance with the follows:

1. Goods used by President or Vice President.
2. Public or personal articles used by the privileged personnel of foreign entities and international organizations within R.O.C., provided such privilege treatments are reciprocal in nature.
3. Mailbags of diplomatic organizations.
4. Personal articles carried by employees working for government entities stationed in a foreign country.
5. Military weapons, equipment, vehicles, warships, aircrafts and accessory items, which are under the control of the military organizations, and articles for military use, as well as those articles exclusively for their use.
6. Salvation materials, donated or received by governmental organizations or welfare/charity groups.
7. Outbound cargoes which have been returned from overseas.
8. Transshipment goods.
9. Empty containers used exclusively for carrying goods, and not for selling or leasing purposes.
10. The operational goods, equipments, and machines for its own use stipulated by Article 21 of The Act for the Establishment and Management of Free Trade Zones.
11. Goods, machineries, and equipments that are first exported to taxation areas and then imported back to FTZ port ; If goods are not imported back to the FTZ port upon expiration date, commercial port dues should be paid off.

Article 11 Those as provided in the previous 3 paragraphs that cannot be recognized by the commercial port dues collecting system, will be exempted from paying dues if the obliged party provides supporting documents and files an application with the commercial port authority for approval, And such supporting documents shall come in as evidence before the commercial port authority issues a bill or within 10 days after the obliged parties have received the commercial port dues bill.

Article 12 For international shipping route, cargo port dues shall be declared by the obliged parties to the commercial port administration at the time when cargoes enters or leaves the port.

In order to collect cargo port dues as mentioned in the previous paragraph, the commercial port authority is entitled to link with customs clearance network to receive exporting and importing manifests and cargo release information, etc. This information is necessary for calculating the dues, and for preparing the declaration form for cargo port dues for the international shipping route, and for issuing a bill after approving the dues.

The obliged party or its agent may provide the necessary information required in the above paragraph through other networks.

Should the obliged party violates the previous 2 paragraphs in providing information, a filing sheet of cargo port dues for international shipping route shall be filed along with importing or exporting documents, and shall then submit and report to the commercial port authority. The commercial port authority will issue a bill of cargo port dues for international shipping route after approving the application.

As to the filing of cargo port dues for the domestic shipping route, the obliged party or its agents shall fill a filing form for domestic shipping route and submit to the commercial port authority while conducting cargoes loading/unloading operations. The commercial port authority will issue a bill for cargo port dues for domestic shipping route after approving the application.

Article 13 The collection operation of commercial port dues is executed by the commercial port authority, and the commercial port dues are to be paid by the obliged parties through the following available means:

- 1.To the cash desk in the commercial port authority office.
- 2.To a designated financial organization.
- 3.Through an electronic network transmission system.
- 4.Other available methods if required.

Previous collection operation can be entrusted to other institutions (organizations) by commercial port authorities.

Article 14 Commercial port authority shall entrust other institutions (organizations) to collect all collected amount of the commercial port dues to the national treasury account designated by the commercial port authority at the end of each month. These institutions (organizations) are also required to produce and submit one copy of the monthly collection report to the commercial port authority before the fifth day of the following month.

The commercial port authority may send a delegate to inspect the commercial port dues collections operations executed by the commercial port administration authority if deemed necessary.

Article 15 Commercial port administration authority is entitled to allocate five thousandths of the total amount of commercial port dues to the Council of Labor Affairs, Executive Yuan for the relevant expenditure to improve port labor unions' human resources and their service quality.

The remaining amount of commercial port dues after deducting the those amounts provided by the previous paragraph shall be used wholly for the construction subsidies of commercial port on the following items:

- 1.Public port infrastructures such as information, gate sentry, and control facilities for breakwaters, ship channels, aids-to-navigation facilities, public road, and free trade zones etc..
- 2.Expenditures of research development planning, investigating research, relevant organizations of international port attendance, harbor safety, control, and equipment due to necessity of port policy and coordination of international conventions implementation.
- 3.Expenditures of outside transportation facilities, environmental protection and energy saving facilities, pollution control facilities, commercial port management facilities and commercial port land for coordinating with the port's necessities.
- 4.Administrative expenditure for collection operation of commercial port dues.

Article 16 Payable port dues according to this Regulation should be paid by the taxpayers 14 days from the following date upon the delivery of the debit note to the taxpayers. Failure to pay upon the expiration date, the obliged party shall be governed in accordance with Article 20 of the Charges and Fees Act.

Article 17 The said Regulations will come into force on March 1, 2012.

(The Chinese text is the only authentic text which shall be given priority if there is discrepancy between the Chinese text and this translation version)