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Taiwan

Grain and Feed

Extensions for Commodity Price Stabilization Measures

2009

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Report Highlights:

Taiwan extends its policy on implementation of temporary tariff rates reduction thru August 5, 2009 for imports of eight commodities: wheat and flour and meal of wheat, corn and soybeans, including DDGS and exemptions for import taxies and fees thru March 9, 2010 for four commodities: wheat, corn, soybeans and corn.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Taipei [TW1]
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Summary

Taiwan extends its policy on implementation of temporary tariff rates reduction thru August 5, 2009 for imports of eight commodities: wheat and flour and meal of wheat, corn and soybeans, including DDGS and exemptions for import taxes and fees thru March 9, 2010 for four commodities: wheat, corn, soybeans and corn.

The policy is justified in an effort to create a profitable business environment for the livestock and feed industry because of volatile world grains prices and slowdown economy aftermath of food price inflation in 2008.

Commodity Price Stabilization Measures: Exemptions for Import Taxes and Fees for Wheat, Corn, Soybeans and Barley.

Business tax: The current business tax rate is 5 percent on imported commodities. On March 7, 2008, Taiwan amended the existing Valued-Added and Non-Value-Added Business Tax Law to give the government rights to temporarily lower the business tax on wheat, corn, barley and soybeans to a lower level at zero percent, effective March 10, 2008 thru March 9, 2009 and now extends to thru March 9, 2010. According to the existing Business Tax Law, the tax should fall in the range of 5 percent and 10 percent, 5 percent at the minimum. The amendment lowers the lower end down to zero percent.

Trade promotion fee of the current 0.04 percent on these four commodities is exempt, effective January 1, 2008 thru June 30, 2009.

Import inspection fee of the current 0.15 percent was cut to 0.05 percent, effective January 7, 2008. The ending date has not been announced.

Quarantine inspection rate of the current 0.1 percent was reduced to 0.05 percent, effective February 13, 2008 and ending date has not been announced.

Tariff Rates Reductions Table

Commodity/HS Code	Current Rate	Temporary Rate: Temporary 50% Reduction during 08/06/2007 – 08/05/2008	Temporary Rate: Temporary 50% cut or zero rate starting 08/06/2008 thru 08/05/2009
Drum wheat for feeding/1001-1000-10-3	6.50%	3.25%	3.25%
Other drum wheat/1001-1000-90-6	6.50%	3.25%	3.25%
Soft wheat for feeding/1001-9000-10-6	6.50%	3.25%	3.25%
Other wheat and meslin/1001-9000-90-9	6.50%	3.25%	3.25%
Wheat flour/1101-0010-00-4	17.50%	8.75%	8.75%
Maiz flour/1102-2000-00-1	6.00%	3.00%	Zero
Groats of wheat/1103-	20.00%	10.00%	10.00%

1100-10-9			
Meal of wheat/1103-1100-20-7	20.00%	10.00%	10.00%
Groats and meal of meiz/1103-1300-009	10.00%	5.00%	Zero
Flour and meal of soya beans/1208-1000-00-6	3.00%	1.50%	1.50%
Brewing or distilling dregs and wastes/2303-3000-00-4	3.00%	1.50%	Zero

Reference: TW8013