

Study on the Impact of Customs and Internal Taxation Policies on Cross-border E-commerce Orientation

Honglei Dai, Guishuang Wang

Business School, Qingdao Binhai University, Qingdao, 266555, China

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Abstract: Cross-border e-commerce is a new form of international trade, and China's cross-border e-commerce is developing rapidly. The implementation of China's tariff and internal taxation tax policies is of great significance for regulating the development of cross-border e-commerce industry and improving the development quality of cross-border e-commerce industry. This paper elaborates on the concept of import cross-border e-commerce tax policy adjustment, and summarizes the impact of tax policy on the development status of cross-border e-commerce, industry norms and logistics models, and strengthens the development of cross-border e-commerce enterprises. Cross-border e-commerce enterprises' logistics and marketing channel construction, supply chain establishment, consumer shopping experience and service level, etc., from the perspective of cross-border e-commerce comprehensive optimization, the import cross-border e-commerce enterprises to deal with tariff internal tax and taxation policies Countermeasures and recommendations.

1. Introduction

In recent years, with the rapid growth of the domestic economy, the increase in income of urban residents and the increasing diversification of commodities, the cross-border e-commerce industry has become increasingly prosperous, and the volume of e-commerce transactions has continued to increase, accounting for an increase in the proportion of import and export trade. Cross-border e-commerce is a new type of trade mode[1]. China's customs import goods are divided into two types: goods and postal items. As a good platform for foreign exchange and cooperation, overseas purchase not only satisfies the desire of Chinese consumers to enjoy foreign products and services, but also creates a competitive and exchange environment between the Chinese economy and the world economy, which can stimulate the domestic economy and accelerate Chinese enterprises. Industrial Transformation[2]. The tariff and internal taxation system will have a guiding impact on the development of cross-border import e-commerce. What strategies should be adopted by cross-border import e-commerce enterprises to actively respond to changes in the market competition environment brought about by the tax system, towards a more sunny and healthy environment? The direction of development, these issues are worth thinking about.

2. Overview of Cross-border E-commerce and Tariff Policy Theory

2.1 Overview of Tariff and Tariff Policy Theory

Tariff is one of the earliest and longest-lasting taxes in the history of taxation. It has evolved and evolved with the continuous expansion of commodity exchanges and circulation and the growing development of international trade. Tariffs are taxes imposed by a government on its own economic interests, based on its customs laws and customs rules, on imports and exports through its borders[3]. Tariffs are in-tax taxes, which are levied by the customs. According to the different aspects of their collection, they can be divided into import tariffs and export tariffs. The Customs shall verify the duty-paid price based on the actual transaction price of the imported and exported goods: the actual transaction price refers to the price actually paid or payable by the buyer of the imported or exported goods under the general trade item to the seller for the purchase of the goods.

2.2 Introduction to tariff policy theory

The tax effect theory refers to the choice made by taxpayers in the field of economic activities due to national taxation. From another angle, it refers to the influence of national taxation on consumers and producers' decision-making activities, that is, the adjustment of tax policy to the economy. effect.

The taxpayers of cross-border e-commerce retail imports in the import chain are individuals who purchase cross-border e-commerce goods, e-commerce platforms, e-commerce enterprises, and logistics enterprises are the withholding agents.

Cross-border e-commerce will be taxed according to the relevant provisions of China's current import tariffs, value-added tax and consumption tax[4]. Among them, the value-added tax and consumption tax are temporarily levied at 70% of the taxable amount, and the tariff rate of imported goods within the trading limit is temporarily set to zero. In order to facilitate passengers and consumers to clear customs taxes, optimize the tax structure, and improve customs clearance efficiency, the original four-grade postal tax rate is adjusted to the third rate, which is 15%, 30% and 60% respectively.

2.3 Definition of cross-border e-commerce

Cross-border e-commerce refers to the transaction subject in different realms, promoting transactions through e-commerce platforms, making payment settlement, and relying on cross-border logistics to transport goods and complete an international trade activity. Cross-border e-commerce has a narrow and broad sense[5]. Narrowly defined cross-border e-commerce can basically be regarded as cross-border network retailing, which refers to the transaction process in which the transaction subject forms a contract on the network platform, makes payment, and uses the cross-border logistics method of baggage mail to send the overseas goods to the domestic consumers. Broad-based cross-border e-commerce also includes cross-border service trade on the basis of narrow e-commerce[6]. Cross-border e-commerce generally adopts two import methods, namely bonded import and overseas direct mail.

2.4 Classification and characteristics of cross-border e-commerce

Cross-border e-commerce is developed on the basis of the development of the Internet. The virtual nature of the network makes cross-border e-commerce break the limits of physical space and has its own characteristics. Cross-border e-commerce is analogous to traditional international trade and is characterized by multilateralism, efficiency, high frequency and digitization.

For the division of cross-border e-commerce, different methods have different classifications. According to the flow of inbound and outbound goods, it can be divided into export cross-border e-commerce and cross-border e-commerce. According to the transaction subject, it can be divided into B2B, B2C and C2C modes. In China, it mainly refers to the cross-border B2B mode and the cross-border B2C mode.

3. Development status of cross-border e-commerce in China

3.1 The background of the rapid development of cross-border e-commerce in China

Under the background of the trend of globalization, along with the rapid development of the national economy, the living standards of domestic residents have been greatly improved and the per capita international purchasing power of our country has been continuously enhanced. The convenience of online shopping has led to a surge in cross-border online shopping transactions in China. Cross-border online shopping has become the choice of more and more online shopping families[7]. An era of truly “buying the world and selling the world” has arrived. In the early days of cross-border e-commerce industry development, the state encouraged and promoted the development of cross-border e-commerce industry by giving more tax incentives to cross-border e-commerce industry, but these tax incentives have caused unfairness to traditional import and

export enterprises[8]. The difference in tax burden is ultimately reflected in the price of commodities, which has a huge advantage over the import of general goods. It will not be conducive to the development of traditional import trade for a long time (see Table 1); often some e-commerce companies use the special amount of exemption. Preferential conditions, the phenomenon of less taxation, resulting in the loss of state tax revenue, resulting in loopholes in state taxation[9]. Therefore, the implementation of tariff and internal taxation and taxation policies is conducive to the fairness of cross-border e-commerce enterprises and domestic import and export trade enterprises, domestic commercial and retail enterprises, as well as regulating the management of tariffs and reducing the formation of tariffs and C2C transactions. The problem of tax loss caused by the “blind zone” of taxation[10]. However, the adjustment of this tariff policy has brought challenges to the transactions of cosmetics, maternal and child, and luxury goods, and the impact on the cross-border e-commerce industry that was born in the “Internet +” era is more obvious.

Table 1 Impact of cross-border e-commerce tariff and tax policy implementation on different commodities

Commodity category	Before the tariff change	After the tariff change		Variety
	Parcel tax	value-added tax	sale tax	
Maternal and child, food, daily necessities <500	0	$17\% \times 70\% = 11.9\%$	0	Overpayment of 11.9%
Maternal and child, food, daily necessities ≥ 500	10%	$17\% \times 70\% = 11.9\%$	0	Overpayment of 1.9%
Light luxury clothing, electrical appliances <250	0	$17\% \times 70\% = 11.9\%$	0	Overpayment of 11.9%
Light luxury clothing, electrical appliances ≥ 250	20%	$17\% \times 70\% = 11.9\%$	0	Less 8.1%
Cosmetics <100	0	$17\% \times 70\% = 11.9\%$	$30\% \times 70\% = 21\%$	Overpaid 32.9%
Cosmetics ≥ 100	50%	$17\% \times 70\% = 11.9\%$	$30\% \times 70\% = 21\%$	Less than 17.1%

3.2 Trends in cross-border e-commerce

With the continuous development of the economy, the people's living standards continue to improve, the per capita purchasing power continues to increase, the Internet continues to grow, the development of logistics enterprises and the progress of logistics levels, and the continuous optimization of the payment environment. In the future, cross-border e-commerce will continue in China. Maintain high growth rates. Cross-border e-commerce export sellers have expanded from the eastern coastal cities to the mid-western inland cities, expanding from low-interest standard products to new categories such as clothing, outdoor products, health and beauty, home gardening and auto parts to meet the diverse needs of the people. With the entry of emerging markets in Brazil

and Russia, the continuous advancement and development of Internet technologies, the promotion of economic globalization, and the promotion of China's manufacturing to the world, the development potential of China's export e-commerce will continue. At the same time, with the improvement of people's living standards, the emphasis on quality of life and taste, the demand for international goods is also increasing, and the huge difference between domestic and foreign goods of the same kind of goods makes people choose overseas purchasing more. In this way, the enthusiasm for overseas purchasing will continue to grow at a high rate.

4. Analysis of the impact of tariff and internal taxation policies on cross-border e-commerce

4.1 Analysis of the Reasons for the Adjustment of Tariff Tax Policy

In the early stage of the development of cross-border e-commerce industry, there were fewer large-scale and regular cross-border e-commerce companies. Most of the consumers purchased overseas goods through the gray channels of “human flesh purchasing” and “hai Tao”. On the one hand, the state wants to encourage the development of cross-border e-commerce industry, on the other hand, it hopes to suppress those who are not legal, and then maximize the cross-border e-commerce industry with tax incentives. The result is ushered in. The development of cross-border e-commerce industry spurt. At present, the cross-border e-commerce industry needs more laws and regulations to regulate and adjust its development mode and development structure. In addition, from the perspective of the principle of tax neutrality and the principle of tax equity, it has caused the traditional import and export trade enterprises that adopt B2B mode management. unfair. When these enterprises enter the country, they must levy tariffs, import link value-added tax and consumption tax according to the standards of trade goods. After introducing the contents of the tariff and taxation policy, the tax burden of the goods generated by this regulation is much higher than the tax burden of cross-border e-commerce imported goods before the tax reform. This has led to unfair competition between the two, which has adversely affected the commodities traded in the domestic market, and thus will affect the domestic real economy to a certain extent.

Under the rapid development of science and technology and the “greenhouse cultivation” of policies, the development speed of cross-border e-commerce industry far exceeds the degree of perfection of relevant experts and legal scholars on customs supervision, legal formulation and system construction of their import links, so cross-border reality There are a large number of tax evasion and tax evasion behaviors in e-commerce companies. The most common is to use the preferential provisions of the ex-gratia tax of 50 yuan ex-gratia to carry out “unpacking” and then declare the entry into the country, which to a certain extent also caused the country to lose the corresponding tax revenue. In addition, the direct reason is that there are differences in tax policies for e-commerce in various countries, and no unified norms have been formed on a global scale. In recent years, China's e-commerce has developed rapidly, and its links with other countries in international trade have become more and more close. International information exchange and work coordination have become an inevitable trend of development (see Figure 1). Therefore, reforming the cross-border e-commerce tariff and tax policy is conducive to the continuous improvement of China's taxation system.

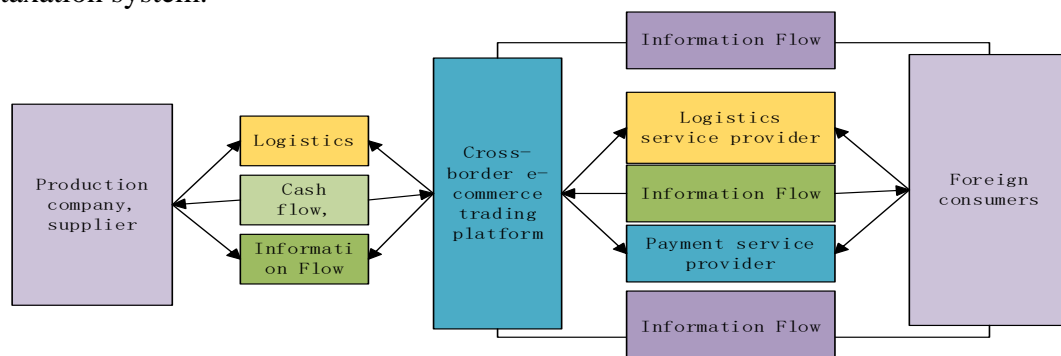


Figure 1 Basics and processes of user experience design

4.2 Impact of Customs and Internal Tax Policies on Cross-border E-Commerce Enterprises

Whether it is from the perspective of fair competition or from the perspective of industry norms, it has a positive impact. Changes in tariffs and internal tax policies will affect the cross-border e-commerce industry that was born in the era of “Internet +” and return to the essence of foreign trade in the traditional sense to reduce costs. Efficiency to meet the needs of consumers. There are many import channels for cross-border e-commerce, and there are sometimes loopholes in mailing and express mail. There may be tax evasion, under-reporting, and tax filing, which will expel e-commerce companies from the normative channels. The tariff policy provides a great opportunity for cross-border e-commerce companies with strong strength, large scale and strong supply chain. Many companies with poor supply chain quality will be directly eliminated in the capital competition. This part of the market share will allow large and medium-sized enterprises, cross-border e-commerce platforms with strong financial strength to maintain price levels by subsidizing profits, or subsidize consumers. Bringing direct benefits, this is something that small and micro-e-commerce companies with weak potential can't do. Large-scale cross-border e-commerce companies have the advantages of more stocking, sufficient capital, and relatively flexible mode conversion. The tariff rate policy promotes healthy competition among e-commerce, so that businesses that only want to make policy dividends and do not pay attention to commodity quality and consumer services are down-to-earth to study the industry development trend, understand the industrial structure, and shorten the customs clearance time to reduce logistics costs. Try to digest the increased costs themselves and improve the competitiveness of the industry.

5. Measures for cross-border e-commerce enterprises to deal with tariffs and internal taxation policies

5.1 Building a quality overseas supply chain and deepening the category of imported goods

A quality overseas supply chain is the core principle for the survival of the fittest in the future of cross-border e-commerce companies. A quality overseas supply chain provides reliable commodity resources and competitive procurement costs. Authentic protection is the basis for the sustainable development of cross-border e-commerce companies, and the lower purchase price is an important means for cross-border e-commerce companies to attract consumers. In recent years, cross-border import of e-commerce has developed rapidly, but among them, milk powder, diapers and other explosive products accounted for a large proportion of cross-border sea scouring. Due to the unstable supply system of these overseas explosive brands and distributors, many suppliers do not directly sign contracts with domestic platforms, and compared with general trade, the suppliers of these categories are not large, and domestic cross-border platforms The supply of goods can only be prepared by looking for overseas buyers, purchasing or overseas retail stores, resulting in a fragile overseas supply chain for cross-border import e-commerce. Under the influence of tariffs and internal tax policies, cross-border e-commerce companies can dig deeper into overseas supply chains in a clearer and more targeted manner for the release of positive lists, and work closely with brand owners to expand new cooperation models and enhance competitiveness.

5.2 Innovative logistics mode and marketing model of cross-border e-commerce enterprises

The cross-border e-commerce marketing model is crucial for cross-border e-commerce companies. For most consumers who purchase imported goods, the most worrying question is whether the goods are genuine or not, and online transactions through cross-border shopping platforms. Still not the mainstream cross-border channel, consumers prefer to buy imported goods in physical stores. Therefore, the marketing model that realizes the integration of online stores and offline stores will be the “engine” for cross-border e-commerce to win customers and occupy the market. Cross-border e-commerce O2O direct purchase experience store enters the urban area, enters the business circle, enters the community to become the future development trend, builds the bonded warehouse in the direct purchase experience store, and combines the bonded warehouse and the direct purchase experience store as the customs monitoring and management. The object, in the

direct purchase experience store, consumers can experience the goods, that is, buy and sell the goods.

Cross-border e-commerce has covered real logistics, information flow, capital flow and document flow, but real logistics and document flow have been the bottlenecks that are difficult to break through in the development of cross-border import e-commerce. The customs and internal tax policies clearly state that when the online shopping bonded goods “first-line” enters the district, the customs clearance list must be verified according to the goods, and the cross-border e-commerce platform cannot provide the qualifications and documents required for the customs clearance. Therefore, the logistics capability is very likely to become the “core competitiveness” of the next round of cross-border import of e-commerce enterprises after the bonded warehouse. At this time, it is a good choice to upgrade the logistics capacity by arranging overseas warehouses.

5.3 Enhance the consumer's shopping experience and after-sales service level

Cross-border e-commerce has been developing in China for several years, but many consumers' demand for cross-border online shopping has not been fully satisfied. The main performance is that users have a poor shopping experience and the shopping cycle is too long. Logistics can not be queried and so on. Cross-border e-commerce enterprises should provide logistics and domestic and international tracking services through the construction of logistics information system. Consumers can clearly understand the transportation status of goods in the whole process of shopping overseas, while rationally arranging the receipt of goods and improving Shopping security.

In the process of cross-border online shopping, consumers often encounter the need for goods and materials that are inconsistent with the real thing, damaged goods or functions that cannot be fully realized. Cross-border e-commerce companies should pay attention to the improvement of after-sales service level. Imported cross-border e-commerce enterprises can negotiate and cooperate with cross-border logistics enterprises to establish a unified return service platform, engage bilingual customer service personnel for communication between domestic and overseas, and set up professional quality inspection personnel for job identification. If the consumer has the demand for returning goods, the relevant information can be registered on the service platform. After the quality inspection personnel determine the problems existing in the goods, they will be uniformly transported out of the country. The overseas logistics companies will respectively return to the designated merchants for return or exchange, due to the return of goods. The expenses incurred are borne by the responsible party, the entire return process is simplified, the return cost is reduced, and the efficiency is improved.

6. Conclusions

Cross-border e-commerce as an emerging industry, the market, including the competition model, are constantly exploring, and relevant policies are constantly improving. Cross-border trade is also a double-edged sword. It has broken the borders between countries and expanded the scope of trade, but at the same time it can not be underestimated. For the government, it regulates the operation of the enterprise through the adjustment of tariffs and internal taxation policies to regulate the operation of the enterprise, promotes the orderly development of the entire cross-border e-commerce industry, and expels the enterprises that use various “grey means” to profiteering. Out of the market, regulate the competition mechanism of the entire industry. The ultimate goal of cross-border e-commerce should be to introduce foreign high-quality and low-priced products with high technical content and high added value to China, and to enable Chinese consumers to enjoy richer global quality products while promoting “Made in China”. “Enterprises improve their R&D level and product quality, thus promoting the transformation and upgrading of China's manufacturing industry and achieving better and faster economic development.

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