The General Explanation of the Tobacco Hazards Prevention and Control Act Amendment Bill

The Tobacco Hazards Prevention and Control Act (THPCA) was promulgated on March 19, 1997, and implemented on September 19 of the same year. THPCA was subsequently amended three times, on January 19, 2000, July 11, 2007, and January 23, 2009.

Tobacco hazards has caused at least 20,000 deaths each year in Taiwan. Its harm to individuals, families, and the society is immense. Since THPCA was amended on January 11, 2009, smoking population has been reduced by 760,000, adult smoking incidence has downed from 21.9% in 2008 to 16.4% in 2014. However, in 2015, it has increased to 17.1%, an increase rather than a reduction. Furthermore, smoking incidence among young to mid-age male in Taiwan, from age 31 to age 50, smoking incidence is as high as more than 40%, much higher than that of Singapore (24.9%), Norway (22.5%), New Zealand (19%), and Hong Kong (19.9%). The impact on national production strength is severe. Furthermore, situation regarding children and teenagers is a call for concern. Although its smoking incidence has maintained steady, has not increased drastically, it has not decreased. This shows that the current law is no longer useful, the concreteness of regulation appears to be insufficient.

Considering that e-cigarettes is a newly emerged global health hazards issue, that in the era of convenient on-line purchases, each country is facing with regulatory challenges, the WHO has recommended that e-cigarettes shall be tightly regulated. Therefore, in order to improve the legislation, after carefully reviewing and considering implementation recommendations of the competent authorities of the related central and municipal agencies, and considering texts of WHO’s Framework Convention of Tobacco Control (FCTC) and provisions of its Implementation Guidelines, opinions of experts, scholars, public interest organization, as well as citizens, this amendment to the THPCA is herewith drafted. The main changes in the amendment are as follows:

1. Adding definitions of electronic-cigarettes (e-cigarettes), and slightly amending definitions of smoking, tobacco product container, tobacco product advertisement, and tobacco product sponsorship. (Article 2 of the Amendment)

2. Revising the competent authority from “Department of Health, Executive Yuan” to
“Ministry of Health and Welfare”, to meet the legal structure. (Article 3 of the Amendment).

3. Adding that tobacco products sold by duty-free shops or duty-free shopping stores set up pursuant to the Customs Act or Offshore Islands Development Act shall be imposed with the HST. (Article 4 of the Amendment).

4. Revising that size of graphic health warning pictorial and message shall consist of no less than 85% of the main visible surface of cigarette product containers, and brand name of the tobacco product, shall be printed in unitary font, size, and color. (Article 6 of the Amendment).

5. Adding ban on sponsoring by tobacco product, and ban on sponsoring in the name of tobacco companies to any activities as methods of advertisement. (Article 9 of the Amendment).

6. Revising that no one shall supply e-cigarettes to anyone under age of 18. (Article 13 of the Amendment).

7. Adding that no person shall manufacture, import, sell or display e-cigarettes, and ban on sale or display of tobacco product with additives. (Article 14 of the Amendment).

8. Deleting indoor smoking room regulation, in order to ensure that public indoor space is free from hazards of second hand smoking. (Article 15 of the Amendment).

9. Adding that any person who is harmed by another for the purpose of dissuading not to smoke or refusing to supply cigarette product, may receive legal and medical assistance and support (Article 18 of the Amendment).

10. In accordance with the legal framework, reorganizing the article numbers of penalties, and considering empirical feasibility, and seriousness of different types of violation, the types of penalties and amount of fines are added and amended. (Articles 23 to 35 of the Amendment).

11. Adding a system of allocation of received fines as money rewards for reporting of offence (Article 36 of the Amendment).

12. Adding the scope of the tobacco hazards prevention and health care fund (Article 37 of the Amendment).
13. Corresponding change to the implementation date of the amendment. (Article 38 of the Amendment).
# A Comparison of the THPCA Bill Amended Articles

<table>
<thead>
<tr>
<th>Revised Articles</th>
<th>Current Articles</th>
<th>Explanations for the Amendment</th>
</tr>
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<tbody>
<tr>
<td>Chapter 1 General Principles</td>
<td>Chapter 1 General Principles</td>
<td>No amendment made to the name of this chapter</td>
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<tr>
<td>Article 1 This Act is enacted to prevent and control the hazards of tobacco in order to protect the health of the people.</td>
<td>Article 1 This Act is enacted to prevent and control the hazards of tobacco in order to protect the health of the people. Any subjects not mentioned herein shall be governed by other pertinent and applicable laws and decrees.</td>
<td>The order relationship between this Act and other laws shall be determined on a case-by-case basis; this Act does not assume the status of <em>jus singulare</em> vis-à-vis other laws because of the provisions provided after this Article. Taking alternative view would lead to disputes; therefore, the later section is hereby deleted pursuant to customary regulatory practice</td>
</tr>
<tr>
<td>Article 2 For the purposes of this Act, the terms used herein are defined as follows: (1) “Tobacco products” refer to cigarettes, cut tobacco, cigars and other products entirely or partly made of the leaf tobacco or its substitute as raw material which are manufactured to be used for smoking, chewing, sucking, snuffing</td>
<td></td>
<td>1. Texts of this article is slightly adjusted. 2. E-cigarette is a newly emerged health hazards issue globally. In the era of convenience of on-line purchase, every country is facing with this regulatory challenge. However, the WHO has recommended each member state to regulate e-cigarettes strictly. Considering national legislation of</td>
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or other methods of consuming.
(2) “E-cigarettes” refer to electronic nebulizer, tobacco liquid devices, heating devices, which release aerosol to be consumed by person in methods akin to the smoking of cigarette, that contains nicotine, formaldehyde, acetaldehyde, or any other harmful substances.

(3) “Smoking” refers to the act of smoking, sniffing, sucking, or chewing tobacco products, e-cigarettes or holding burning tobacco, e-cigarette products.

(4) “Tobacco product containers” refer to packaging boxes, bottles, cans, or other containers used for selling the tobacco products to the consumers.

(5) “Tobacco product advertisements” refer to commercial advertisements, or other promotional activities or behaviors that promote cigarette product or e-cigarettes to consumers.

(6) “Tobacco sponsorship” refers to the sponsorship of the advanced countries and the current regulatory condition in Taiwan, definition regarding e-cigarettes is added to Section 2.

3. Considering that e-cigarette is a product that emits smoke or aerosol that contains formaldehyde, heavy metal, and other chemical substances, which thereby create or form a sensation similar to cigarette products, it can create cognition for cigarette consumption by underage users, and thereby increase the likelihood for early contact with tobacco products. Furthermore, smoking and its aerosol may create health hazards to fetus and health of third parties, and that according to a July, 2016 public opinion survey on policy of prevention and control of e-cigarette, results showed that 93% of people support banning of use of e-cigarettes in indoor public spaces. Therefore, Section 3 is
<table>
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<th>Article 3 The competent authority for the purposes of this Act at the central government level shall be the Ministry of Health and Welfare; at the municipal level, the municipal government; and at the county (city) level, the county (city) government.</th>
<th>Article 3 The competent authority for the purposes of this Act at the central government level shall be the Department of Health of the Executive Yuan; at the municipal level, the municipal government; and at the county (city) level, the county (city) government.</th>
<th>Corresponding to organizational change mandated in “Act on Organization of the Ministry of Welfare and Health”, the competent authority is amended from “Department of Health, Executive Yuan,” to “Ministry of Health and Welfare.”</th>
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<tbody>
<tr>
<td>Chapter 2 The Health And Welfare Surcharge And The Administration Of Tobacco Products</td>
<td>Chapter 2 The Health And Welfare Surcharge And The Administration Of Tobacco Products</td>
<td>Name of Chapter unchanged.</td>
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<tr>
<td>Article 4 The Health and Welfare Surcharge shall be imposed on tobacco products, the amount of</td>
<td>Article 4 The Health and Welfare Surcharge shall be imposed on tobacco products, the amount of which shall</td>
<td>1. Texts of Section 4 is slightly adjusted. 2. Article 6 of the FCTC stresses that price, and tax collection are important and</td>
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</table>

1. Texts of Section 4 is slightly adjusted.
2. Article 6 of the FCTC stresses that price, and tax collection are important and

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<th>which shall be as follows:</th>
<th>be as follows:</th>
<th>effective methods of curbing tobacco consumption for all sectors of people, especially for children and teenagers. And considering the circumstance, to ban or limit the sale to international travelers, and/or to eliminate their tobacco product domestic tax and import customs. Currently, duty-free tobacco products sold at duty-free shops and duty-free shopping stores set up pursuant to the Customs Act and Offshore Island Development Act consists of 10% of annual total volume of tobacco sale, which has severely impacted the legislative intent of tobacco hazards prevention of “curbing consumption by price”, and has become an obstacle for the promotion of tobacco hazards prevention. For the purpose of avoiding low priced duty-free tobacco products to</th>
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<tr>
<td>(1) Cigarettes: NTD 1000</td>
<td>(1) Cigarettes: NTD 1,000</td>
<td>---------------------------------------------------------------------</td>
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<tr>
<td>every one thousand sticks.</td>
<td>every one thousand sticks.</td>
<td>---------------------------------------------------------------------</td>
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<tr>
<td>(2) Cut tobacco: NTD 1000</td>
<td>(2) Cut tobacco: NTD 1,000</td>
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<td>every kilogram.</td>
<td>every kilogram.</td>
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<tr>
<td>(3) Cigars: NTD 1000 every</td>
<td>(3) Cigars: NTD 1,000 every</td>
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<td>kilogram.</td>
<td>kilogram.</td>
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<tr>
<td>(4) Other tobacco products:</td>
<td>(4) Other tobacco products:</td>
<td>---------------------------------------------------------------------</td>
</tr>
<tr>
<td>NTD 1000 every kilogram.</td>
<td>NTD 1,000 every kilogram.</td>
<td>---------------------------------------------------------------------</td>
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</table>

The competent authority at the central government level and the Ministry of Finance shall, for once every two years, invite and assembly scholars and experts specialized in finance, economic, public health and relevant fields to conduct reviews of the amounts of the aforementioned Health and Welfare Surcharge based on the following factors:

1. The various types of diseases attributable to the smoking activities, the morbidity and mortality of such diseases, as well as the medical costs thereby incur upon the National Health Insurance;
(2) Total amount of consumption on tobacco products and smoking rate;
(3) Ratio of tobacco levies to average retail prices of the tobacco products;
(4) National income and consumer price index; and
(5) Other relevant factors affecting the prices of the tobacco products and the preventions of the tobacco hazards.

If the amounts contained in the first paragraph, after being reviewed by the competent authority at the central government level and the Ministry of Finance pursuant to the second paragraph above, are considered necessary to be increased, such increased amounts shall be approved by the Executive Yuan and passed by the Legislative Yuan after examination.

The collected surcharges shall be used exclusively for the National Health Insurance reserves, for cancer prevention and diseases, as well as the medical costs thereby incur upon the National Health Insurance;
(2) Total amount of consumption on tobacco products and smoking rate;
(3) Ratio of tobacco levies to average retail prices of the tobacco products;
(4) National income and consumer price index; and
(5) Other relevant factors affecting the prices of the tobacco products and smoking rate;
(3) Ratio of tobacco levies to average retail prices of the tobacco products;
(4) National income and consumer price index; and
(5) Other relevant factors affecting the prices of the tobacco products and the preventions of the tobacco hazards.

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The collected surcharges shall be used exclusively for the National Health Insurance reserves, for cancer prevention and diseases, as well as the medical costs thereby incur upon the National Health Insurance;

freely circulate, thereby damaging the tobacco hazards prevention intent of ‘curbing consumption by price,’ Section 6 regarding no levy of HST is deleted, and Section 7 is hereby added to manifestly provide that for duty-free stores or off-shore island duty-free shopping stores, tobacco products sold shall be imposed with HST, and shall not be subject to the regulations of Tobacco and Alcohol Tax Act, and Offshore Islands Development Act.
control, for upgrading the quality of medical care, for subsidizing in the area where found shortage of medical supplies and the operation of related medical units, for subsidizing to the medical expenses of rare disorder or otherwise, for subsidizing to the Insurance fee of the person who need help due to economic difficulties, for implementing hazard-related preventive measures at both national and provincial levels, for promoting public health and social welfare, for investigating smuggled or inferior tobacco products, for preventing tax evasion of tobacco products, for providing assistance to tobacco farmers and workers of relevant industries.

The rules of allocation and the operational agenda dealing with the collected surcharges shall be formulated by the competent authority at the central government level shall be approved by the Executive Yuan and passed by the Legislative Yuan after examination.

The collected surcharges shall be used exclusively for the National Health Insurance reserves, for cancer prevention and control, for upgrading the quality of medical care, for subsidizing in the area where found shortage of medical supplies and the operation of related medical units, for subsidizing to the medical expenses of rare disorder or otherwise, for subsidizing to the Insurance fee of the person who need help due to economic difficulties, for implementing hazard-related preventive measures at both national and provincial levels, for promoting public health and
and the Ministry of Finance, and shall be examined and approved by the Legislative Yuen.

The definitions of the area where found shortage of medical supplies and the operation of related medical units and the person who need help due to economic difficulties in the previous paragraph will be stipulated by the central competent authority.

The Health and Welfare Surcharges of tobacco products shall be collected by the collecting agencies of the tobacco and alcohol taxes at the same time those taxes are collected. The taxpayers, the refunds, and the collections and the penalties relating to the above-mentioned surcharges shall be decided and conducted in accordance with the Tobacco and Alcohol Taxes Act.

For duty-free stores or offshore islands duty-free shopping stores, cigarette social welfare, for investigating smuggled or inferior tobacco products, for preventing tax evasion of tobacco products, for providing assistance to tobacco farmers and workers of relevant industries.

The rules of allocation and the operational agenda dealing with the collected surcharges shall be formulated by the competent authority at the central government level and the Ministry of Finance, and shall be examined and approved by the Legislative Yuen.

The definitions of the area where found shortage of medical supplies and the operation of related medical units and the person who need help due to economic difficulties in the previous paragraph
products sold shall be imposed with the HST and shall not be subject to regulations of the Tobacco and Alcohol Tax Act or the Offshore Island Development Act. will be stipulated by the central competent authority.

The Health and Welfare Surcharges of tobacco products shall be collected by the collecting agencies of the tobacco and alcohol taxes at the same time those taxes are collected. The taxpayers, the exemptions, the refunds, and the collections and the penalties relating to the above-mentioned surcharges shall be decided and conducted in accordance with the Tobacco and Alcohol Taxes Act.

| Article 5 Tobacco products shall not be sold by any of the following methods: (1) Vending machines, mail orders, on-line shopping, or any other methods through which the age of the consumers cannot be screened by the vendors; | Article 5 Tobacco products shall not be sold by any of the following methods: (1) Vending machines, mail orders, on-line shopping’s, or any other methods through which the age of the consumers cannot be | 1. texts of the first sentence is revised slightly. 2. In order to prevent question regarding scope of applicability of the law at time of enforcement, texts of Section 2 and Section 3 are revised, for the purpose of clarity. |
(2) Methods such as store shelves which are directly accessible to consumers or other methods which the consumers can directly obtain the product, and that age cannot be screened; or

(3) With the exception of cigars, packaging of cigarettes less than twenty sticks or other measurement units per vending unit or the net weight of the content of such unit is less than 15 grams.

<table>
<thead>
<tr>
<th>Article 6</th>
<th>The tobacco products, their brand names, and the texts and marks printed on tobacco product containers shall not use expressions such as light, low tar, or any other misleading words or marks implicating that smoking has no harmful effects, or only has minor harmful effects, on health. However, names of tobacco product prior to implementation date of this Act on January 11, 2009 are exempted.</th>
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<td></td>
<td>In order to avoid confusion, the exception clause in the First Section is adjusted to include the previous amendment’s implementation date.</td>
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<td></td>
<td>Article 11 of the FCTC requires that, the graphic health warning size is advised to exceed more than 50% of the main visible part of the pack, and should be no less than 30%, in order to achieve the purpose of providing warning to consumers.</td>
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</table>
The labeling methods of tobacco products containers shall, be subject the following regulations:

1. At a conspicuous place on the largest front and back outside surfaces, label in Chinese health warning texts and images describing the harmful effects of tobacco use, as well as relevant information for quitting smoking;

2. The area of labeling of the preceding section should occupy not be less than 85% of each labeling surfaces; and

3. Exterior area of tobacco product, in addition to be labeled subject to the preceding section, shall be printed in a nationally standardized unitary background color, font type, font size, and font color.

Rules in the preceding two Sections regarding content of labeling, background color, area, font type, font size, font color and other measures to be adhered to, shall be prescribed by the competent authority at the central government level.

Currently, including Taiwan, 78 countries have requested that tobacco product container shall be labeled with GHW. However, other than Columbia and Mongolia which is smaller than Taiwan, and France, which is same Taiwan, size of GHW in all other countries are all larger than Taiwan’s.

3. The WHO has pointed out that printing of large GHW is a cost-effective and high exposure advising method that can directly address the smokers. Studies have demonstrated that large GHW more effectively prompt smokers to quit smoking. Therefore, Section 2 is amended to increase current size of GHW to cover 85% of the tobacco container. This not only improve warning to smokers, but also increase teenagers’ and children’s knowledge.
competent authority of the central government.

that tobacco products are hazardous to health.

4. In order to prevent tobacco companies from using bright colors and images on tobacco containers, cloaked these as their brand images and create the effect of linking brand with such imageries, and consider that Article 11 of FCTC and Article 13 of the Implementation Guidelines, which recommend that signatory parties should pass plain packaging of tobacco product legislation, Section 2 is hereby amended and added. It requires tobacco products to have uniform area of graphic health warning and smoke cessation information area, and institute a nationally unified background print color, font type, font size, and font color.

5. Texts of Section 3 is amended accordingly.
| Article 7 | The level of nicotine and tar contained in the tobacco product shall not exceed the maximum content level allowed, and shall be indicated, in Chinese, on the tobacco product containers. This requirement, however, does not apply to tobacco products manufactured exclusively for exports. The content, labeling method of tobacco product additives, and maximum amounts of tar and nicotine, and its testing measures, labeling of such amounts, as well as other matters need to be observed, shall be prescribed by the competent authority at the central government level. |
| Article 8 Manufacturers and importers of tobacco | Article 7 The level of nicotine and tar contained in the tobacco products shall be indicated, in Chinese, on the tobacco product containers. This requirement, however, does not apply to tobacco products manufactured exclusively for exports. The nicotine and tar levels referred to in the preceding paragraph shall not exceed the maximum amounts. The regulations relating to the maximum amounts and their testing measures, the methods in labeling such amounts, as well as other matters need to be observed, shall be prescribed by the competent authority at the central government level. |
| 1. The first sentence of current Section 2 is moved to Section 1, and text is adjusted accordingly. |
| 2. The central competent authority is delegated with power to prescribe regulations regarding content of tobacco product additives, labeling method and other matters that shall be adhered to. The text is revised accordingly. |
| Article 8 Manufacturers and importers of tobacco | This article is not amended. |
products shall disclose and report the following information:

(1) Contents and additives of the tobacco products as well as their relevant toxic information; and

(2) Emissions produced by the tobacco products as well as their relevant toxic information.

The competent authority at the central government level shall periodically and voluntarily disclose to the public the information received in pursuant to the preceding paragraph; and may send personnel to acquire samples for conducting inspections (tests).

The regulations relating to the contents, schedules, procedures and inspections (tests) of the information required to be reported and other relevant matters pursuant to the preceding two paragraphs shall be prescribed by the competent authority at the central government level.
| Article 9                                                                 | Article 9                                                                 | 1. Introductory text and text of Section 6 are adjusted.  
|-------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------  
| The promotion or advertising of tobacco products shall not employ the following methods: | The promotion or advertising of tobacco products shall not employ the following methods: | 2. Article 13 of the FCTC Implementation Guidelines provides that “It is well documented that tobacco advertising, promotion and sponsorship increase tobacco use and that comprehensive bans on tobacco advertising, promotion and sponsorship decrease tobacco use.” Furthermore, tobacco companies often use different types of sponsorship activities, attempting to increase media exposure and to change perception of tobacco companies by children, teenagers, so that they readily embrace tobacco products. In order to ban tobacco |
| (1) Advertising through radio, television, film, video, electronic signal, internet, newspaper, magazine, billboard, poster, leaflet, notification, announcement, reference manual, sample, posting, display, or through any other written, illustrated form, item or digital recording device. | (1) Advertising through radio, television, film, video, electronic signal, internet, newspaper, magazine, billboard, poster, leaflet, notification, announcement, reference manual, sample, posting, display, or through any other written, illustrated form, item or digital recording device. | |
| (2) Using journalist interviews or reports to introduce tobacco products, or using other people's identity without proper authorization to conduct promotion | (2) Using journalist interviews or reports to introduce tobacco products, or using other people's identity without proper authorization to conduct promotion | |
| (3) Using discount to sell tobacco products, or using other items as gift or prize | (3) Using discount to sell tobacco products, or using other items as gift or prize | |
for such sales.
(4) Using tobacco products as gift or prize for the sale of other products or for the promotion of other events.
(5) Packaging tobacco products together with other products for sale.
(6) Distributing or selling tobacco products in forms of individual sticks, in loose packs or sheathed.
(7) Using merchandises with brand names or trademarks identical or similar to tobacco products in conducting promotion or advertising.
(8) Using tea parties, meal parties, illustration conferences, testing events, concerts, lectures, sports or public interest events, or other similar methods to conduct promotion or advertising.
(9) Sponsorship of any activity under the name of tobacco company or tobacco product.
(10) Any other methods prohibited by competent authority at the central government level through without proper authorization to conduct promotion.
(3) Using discount to sell tobacco products, or using other items as gift or prize for such sales.
(4) Using tobacco products as gift or prize for the sale of other products or for the promotion of other events.
(5) Packaging tobacco products together with other products for sale.
(6) Distributing or selling tobacco products in forms of individual sticks, in loose packs or sheathed.
(7) Using merchandises with brand names or trademarks identical or similar to tobacco products in conducting promotion or advertising.
(8) Using tea parties, meal parties, illustration conferences, testing events, concerts, lectures, sports or public interest events, or other similar methods to conduct promotion or advertising.
(9) Sponsorship of any activity under the name of tobacco company or tobacco product.
(10) Any other methods prohibited by competent authority at the central government level through without proper authorization to conduct promotion.

3. Section 9 of current Act is moved to Section 10.
<p>| Article 10 | The places for selling tobacco products shall, at conspicuous locations, post the warning images and texts required by Clause 1, Section 2 of Article 6, Section 1 of Article 12 and Article 13; the display of tobacco products or tobacco product containers shall be limited to the necessary extent in allowing consumers to acquire information on brand names and prices of the tobacco products. The scopes, contents and methods of the posting and the displaying required by the preceding Section, as | Article 10 | The places for selling tobacco products shall, at conspicuous locations, post the warning images and texts required by Paragraph 2 of Article 6, Paragraph 1 of Article 12 and Article 13; the display of tobacco products or tobacco product containers shall be limited to the necessary extent in allowing consumers to acquire information on brand names and prices of the tobacco products. | This article is not amended |</p>
<table>
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<tr>
<th>well as other matters need to be observed, shall be prescribed by the competent authority at the central government level.</th>
<th>The scopes, contents and methods of the posting and the displaying required by the preceding paragraph, as well as other matters need to be observed, shall be prescribed by the competent authority at the central government level.</th>
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<tbody>
<tr>
<td>Article 11 No business premises shall provide customers with free tobacco products for the purpose of promoting or profit-making.</td>
<td>Article 11 No business premises shall provide customers with free tobacco products for the purpose of promoting or profit-making.</td>
<td>This article is not amended.</td>
</tr>
<tr>
<td>Chapter 3 The Prohibition Of Smoking By Children, Minors, and Pregnant Women</td>
<td>Chapter 3 The Prohibition Of Smoking By Children, Minors And Pregnant Women</td>
<td>Chapter name is not amended.</td>
</tr>
<tr>
<td>Article 12 Persons under the age of <em>eighteen</em> and pregnant women shall not smoke. The parents, guardians or other people actually in charge of the care of persons under the age of</td>
<td>Article 12 Persons under the age of eighteen shall not smoke. Pregnant women shall not smoke. The parents, guardians or other people actually in</td>
<td>Text of Section 2 is moved to and incorporated as Section 1.</td>
</tr>
<tr>
<td>Article 13</td>
<td>No person shall provide tobacco products and e-cigarettes to persons under the age of eighteen. No person shall force, induce or use other means to cause pregnant women to smoke.</td>
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</tr>
<tr>
<td>Article 14</td>
<td>No person shall manufacture, import, sell or display candies, snacks, toys or any other objects in form of tobacco products. No person shall manufacture, import or sell candies, snacks, toys or any other objects in form of tobacco products.</td>
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</table>

1. In accordance with public survey regarding e-cigarette hazards prevention conducted by the HPA of MOHW in July, 2016, 93% in favor of ban of selling of e-cigarette to anyone under age of 18. In order for teenagers to be able to grow up in a smoke-free environment, and avoid hazards of cigarette product and e-cigarette, Section 1 is hereby amended.

2. Study shows that health harm caused by e-cigarettes is no less than traditional cigarette product. If contain nicotine, level of addiction may be similar to traditional cigarette. Even if no nicotine is
used by them. However, products that passed registration examination procedure pursuant to the Pharmaceutical Affairs Act, thereby obtained drug permit or medical equipment permit, are not subject to these restrictions.

No person shall sell or display tobacco product with floral, fruit, chocolate, mint or any other additives or flavors banned in accordance with public announcement.

contained in the e-cigarettes, it can also include formaldehyde or acetaldehyde, and other chemical compounds which can be cancer-causing, and harms respiratory system. Furthermore, there are instances abroad shows risk of explosion. Since March 2009, substance used by e-cigarettes or liquids that contain nicotine are regulated as drugs. Therefore, drug that does not obtain drug license in accordance to the relevant rule of the Pharmaceutical Affairs Act are banned drugs of the Pharmaceutical Affairs Act. Currently, there are no e-cigarettes authorized as smoke cessation drug. Furthermore, in accordance with a July 2015’s public opinion survey on e-cigarette prevention conducted by the HPA of the MOHW shows that 91% of all citizens are in favor that e-cigarette should further regulated. 73% are in favor of complete ban of e-cigarette method of
regulation. Therefore, Section 2 is added. However, in the event that the e-cigarettes contain nicotine or enters market after obtaining medical product authorization license or medical equipment license, they shall be regulated in accordance with the Pharmaceutical Affairs Act. Therefore, Section 2 is added, that no person shall manufacture, import, sell or display E-cigarettes or their components and substance or liquid to be used by them. However, products that passed registration examination procedure pursuant to the Pharmaceutical Affairs Act, thereby obtained drug permit or medical equipment permit, are not subject to these restrictions.

3. flavored cigarettes that add floral, fruit, chocolate, mint and other flavors into the cigarette to reduce harshness of smoke for new smokers, and make it more receptive at at time of their first use of cigarette. This causes
teenagers to be especially inclined to become addicted, and caused the time of to become addicted to reduce from one year to half a year or few months. In order to prevent teenagers to become addicted after tasting flavored cigarette out of curiosity, Article 9 of FCTC and Article 10 of Implementation Guidelines recommend that member states to restrict the adding of the following into manufactured tobacco products: (1) ingredient that improve the taste of the product; (2) ingredient contain coloring property; (3) ingredient that makes persons feel that it has health effect; and (4) ingredient that relates to vitality or energy. By limiting the adding of above four ingredients, tobacco companies’ ability to use of these to increase attractiveness of tobacco product and expand under-18 and non-smoker markets will be denied. Currently, the EU, US and other advanced countries have passed law
### Chapter 4

**Places Where Tobacco Use Are Restricted**

<table>
<thead>
<tr>
<th>Article 15</th>
<th>Smoking is completely prohibited in the following places:</th>
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<tr>
<td>(1)</td>
<td>Schools at all levels up to and including high school and other places for the main purposes of educations or activities of children and youth;</td>
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<tr>
<td>(2)</td>
<td>Indoor areas of universities and colleges, libraries, museums, art galleries, and other places where the culture or social education institutions are located; (3) the places where medical institutions, nursing homes, other medical care institutions, and other social welfare organizations are located; (4) indoor areas of the government agencies and state-owned enterprises;</td>
</tr>
</tbody>
</table>

1. Although setting up of indoor smoking room conforms to the current “Rules on Setting up of Indoor Smoking Rooms”, secondhand smoke cannot be prevented, it can still emit from the room. Consider that FCTC and international trend of pushing for 100% smoke-free premises, exception clause of Section 1, Clause 3 of this Article, exception clause of Section 11, and Section 3 regarding setting up of indoor smoking room and elderly welfare institution outdoor area is not subject to complete smoking ban are hereby deleted.

2. Bars, nightclubs, are considered as other indoor public recreation premises of Section 10, which are listed in...
(5) Public transportation vehicles, taxis, sightseeing buses, rapid transit systems, stations and passenger rooms;
(6) places for the manufacturing, storage or sale of flammable and explosive items;
(7) the business areas of banks, post offices and offices of telecommunication businesses;
(8) places for indoor sports, exercises or body-buildings;
(9) classrooms, reading rooms, laboratories, performance halls, auditoriums, exhibition rooms, conference halls (rooms) and the interior of elevators;
(10) indoor areas of opera houses, cinemas, audio-visual businesses, computer entertainment businesses, bars, nightclubs, or other leisure entertainment locations open to the general public;
(11) indoor areas of social welfare organizations are located, with the exception of separate indoor smoking partitions equipped with independent air-conditioning or ventilation systems or outdoor areas of the welfare institutions for the elderly;
(4) indoor areas of the government agencies and state-owned enterprises;
(5) public transportation vehicles, taxis, sightseeing buses, rapid transit systems, stations or passenger rooms;
(6) places for the manufacturing, storage or sale of flammable and explosive items;
(7) the business areas of banks, post offices and offices of telecommunication businesses;
(8) places for indoor sports, exercises or body-buildings;

Section 11 of current Act. For purpose of clarity, and conformity, they are amended to be included in Section 10.

3. Hotels, shopping malls, restaurants and other indoor premises are areas where people enter the most often. With respect to these premises, for the purpose of achieving no-smoke environment, and prevent hazards of second hand smoking in all indoor premises, complete smoking ban should be imposed upon these types of premises. No exception shall be provided. Therefore, the exception clause is removed, and texts are revised accordingly.
hotels, shopping malls, restaurants, cigar shops or other business locations for public consumption;
(12) indoor workplaces jointly used by three or more persons;
(13) other indoor public places, as well as the places and transportation facilities designated and announced by the competent authorities at various levels of the government.

The places mentioned in the preceding paragraph shall have conspicuous non-smoking signs at all of their entrances, and shall not supply smoking-related objects.

(9) classrooms, reading rooms, laboratories, performance halls, auditoriums, exhibition rooms, conference halls (rooms) and the interior of elevators;
(10) indoor areas of opera houses, cinemas, audio-visual businesses, computer entertainment businesses, or other leisure entertainment locations open to the general public;
(11) indoor areas of hotels, shopping malls, restaurants or other business locations for public consumption, with the exceptions of those locations equipped with separate smoking partitions with independent air-conditioning systems, semi-outdoor restaurants, cigar houses, bars and audio-visual businesses which are only open after 9:00.
pm and exclusively to persons beyond 18 years of age;
(12) indoor workplaces jointly used by three or more persons; and
(13) other indoor public places, as well as the places and transportation facilities designated and announced by the competent authorities at various levels of the government.

The places mentioned in the preceding paragraph shall have conspicuous non-smoking signs at all of their entrances, and shall not supply smoking-related objects.

<table>
<thead>
<tr>
<th>Article 16</th>
<th>Smoking in the following places is prohibited except in the designated smoking areas, and smoking is completely prohibited therein if no such smoking area is designated:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 16</td>
<td>Smoking in the following places is prohibited except in the designated smoking areas, and smoking is completely prohibited therein if no such smoking area is designated:</td>
</tr>
<tr>
<td>1. Texts of the introductory Section and Clause 2 of Section 3 are amended.</td>
<td></td>
</tr>
</tbody>
</table>
(1) outdoor areas of universities and colleges, libraries, museums, art galleries, and other places where the culture or social education institutions are located;
(2) outdoor stadiums, swimming pools and other leisure entertainment locations open to the general public;
(3) outdoor areas of the welfare institutions for the elderly;
(4) other places and transportation facilities designated and announced by the competent authorities at various levels of the government.

The places mentioned in the preceding Section shall have conspicuous signs at all of their entrances and other appropriate locations indicating non-smoking or smoking is prohibited outside the smoking area, and shall not supply smoking-related objects except within of the smoking area.

prohibited therein if no such smoking area is designated:
(1) outdoor areas of universities and colleges, libraries, museums, art galleries, and other places where the culture or social education institutions are located;
(2) outdoor stadiums, swimming pools and other leisure entertainment locations open to the general public;
(3) outdoor areas of the welfare institutions for the elderly; and
(4) other places and transportation facilities designated and announced by the competent authorities at various levels of the government.

The places mentioned in the preceding paragraph shall have conspicuous signs at all of their entrances.
The designation of smoking area pursuant to Section 1 shall observe the following regulations:

1. The designated smoking area shall have conspicuous signs and marks;
2. The designated smoking area shall not occupy more than one-half of the indoor and/or outdoor areas of its respective places, and the indoor smoking room shall not be located at the necessary passageway where people pass by.

and other appropriate locations indicating non-smoking or smoking is prohibited outside the smoking area, and shall not supply smoking-related objects except within the smoking area.

The designation of smoking area pursuant to Paragraph 1 shall observe the following regulations:

1. The designated smoking area shall have conspicuous signs and marks;
2. The designated smoking area shall not occupy more than one-half of the indoor and/or outdoor areas of its respective places, and the indoor smoking room shall not be located at the necessary passageway.

### Article 17

Although not listed in either Paragraph 1 of Article 15 or Paragraph 1 of the preceding article, smoking is prohibited in

1. Texts of Sections 1 and 2 are revised.
| Article 18 | The person in charge of a place where smoking is prohibited or restricted, as well as the employees thereof, shall stop those who smoke in the non-smoking places listed in Articles 15 or Article 16, or those who under the age of eighteen to enter the smoking areas. Other on-site persons may also dissuade those who smoke. 

*For the purpose of executing the preceding Section in dissuading not to smoke or pursuant to Article 13, dissuading others from supplying cigarette products or e-cigarettes, and suffered harmed thereof, central* |

| Article 18 | The person in charge of a place where smoking is prohibited or restricted, as well as the employees thereof, shall stop those who smoke in the non-smoking places listed in Articles 15 and 16, or those who under the age of eighteen to enter the smoking areas. Other on-site persons may dissuade those who smoke in non-smoking places. |

| 1. | Texts of original Section 2 is amended and merged into Section 1 |
| 2. | Because in actual practice, when citizens request others to reframe from smoking or sellers who request for identification have suffered personal harms. In order to protect persons who suffered harm because of compliance of tobacco hazard prevention policy, it is necessary to provide concrete rules, establish necessary preventive systemic measures, in order to protect their rights, and prevent unwarranted |
competent authority may provide necessary legal and medical support and assistance.

Rules related to the legal and medical support and assistance of preceding section, shall be prescribed by the central competent authority.

<table>
<thead>
<tr>
<th>Article 19</th>
<th>Article 19</th>
<th>This article is not amended</th>
</tr>
</thead>
<tbody>
<tr>
<td>The competent authorities of the cities with provincial status and at the county (city) level shall periodically send personnel to inspect the places listed in Articles 15 and 16, as well as the matters relating to the establishments and administrations of the smoking areas.</td>
<td>The competent authorities of the cities with provincial status and at the county (city) level shall periodically send personnel to inspect the places listed in Articles 15 and 16, as well as the matters relating to the establishments and administrations of the smoking areas.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 5 Education And Publicizing Campaign Against Tobacco Hazards</th>
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<th>Name of this chapter is not amended</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Article 20</th>
<th>Article 20</th>
<th>This article is not amended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government agencies and schools shall actively engage in educations and publicizing campaign against tobacco hazards.</td>
<td>Government agencies and schools shall actively engage in educations and publicizing campaign against tobacco hazards.</td>
<td></td>
</tr>
<tr>
<td>Article 21 Medical institutions, mental health counseling institutions and public interest groups may provide services on quit-smoking. The regulations for subsidizing and rewarding the services pursuant to the preceding paragraph shall be prescribed by the competent authorities at the various levels of the government.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Article 21 Medical institutions, mental health counseling institutions and public interest groups may provide services on quit-smoking. The regulations for subsidizing and rewarding the services pursuant to the preceding paragraph shall be prescribed by the competent authorities at the various levels of the government.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This article is not amended</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Article 22 The images of smoking shall not be particularly emphasized in television programs, drama or theatrical performances, audio-visual singing, professional sports events, and other performances.</td>
<td></td>
<td></td>
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<td>Article 22 The images of smoking shall not be particularly emphasized in television programs, drama or theatrical performances, audio-visual singing, professional sports events, and other performances.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This article is slightly adjusted.</td>
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<td></td>
</tr>
<tr>
<td>Chapter 6 Penal Provisions</td>
<td>Chapter 6 Penal Provisions</td>
<td>Name of this chapter is not amended</td>
</tr>
<tr>
<td>Article 23 Importer or manufacturer in violation of</td>
<td>Article 23 Any person in violation of</td>
<td>1. Numbering of article changed.</td>
</tr>
</tbody>
</table>

This article is not amended.
provisions set forth in all Sections of Article 9 shall be punished by a fine in an amount of no less than NTD 5,000,000 but no more than NTD 25,000,000. Repeated violators may be fined independently for each violation. Violator that has been penalized 3 times, shall be subject to a punishment of order to suspend manufacture, import for no less than 1 year and no more than 3 years.

Any person in the business of advertising or mass communication which produce advertisements for tobacco products or accept them for broadcasting, dissemination or printing in violation of the subsections listed in Article 9 shall be punished by a fine at an amount of no less than NTD 200,000 but no more than NTD 1,000,000, and shall be fined for each violations.

Any person in violation of the subparagraphs listed in the provisions set forth in Article 5 or Paragraph 1 of Article 10 shall be punished by a fine in an amount of no less than NTD 10,000 but no more than NTD 50,000. Repeated violators may be fined continuously and independently for each violation.

2. Added that pursuant to Section 1, a violator that has been fined 3 times, shall be punished by suspension of import, or manufacture for no less than 1 year, and no more than 3 years.

3. Furthermore, Section 1, Section 3, corresponding to regulations of administrative fines, “continuous” is hereby deleted, in order to meet legal standard usage.
| Article 9, unless otherwise provided for by the preceding two Sections, shall be punished by a fine at an amount of no less than NTD 100,000 but no more than NTD 500,000, and shall be fined for each instance of violation. | Article 24 Manufacturers or importers in violation of Sections 1 and 2 of Article 6 or Sections 1 of Article 7 shall be punished by a fine in an amount of no less than NTD 1,000,000 but no more than NTD 5,000,000, and shall be ordered to recall such tobacco products within a specified period of time. Those who failed to recall within the specified period of time shall be fined independently for each violation. The tobacco products found to be in violation shall be confiscated and destroyed. Any person who sells tobacco products in violation of Sections 1 and 2 of Article 6 or Section 1, Section 1 of Article 7 shall be punished by a fine in an amount of no less than NTD 1,000,000 but no more than NTD 5,000,000, and shall be ordered to recall such tobacco products within a specified period of time. Those who failed to recall within the specified period of time shall be fined continuously and independently for each violation. The tobacco products found to be in violation shall be confiscated and destroyed. | Corresponding to regulations of administrative fines, “continuous” is hereby deleted, in order to meet legal standard usage. |
| Article 25 | Any person in violation of Section 1 of Article 8, failed to declare, or failed to declare in accordance with time limit, method or procedure provided in Section 3 of Article 8, shall be punished by a fine at an amount of no less than NTD 100,000 but no more than NTD 500,000, and shall be order to correct within a specified period of time. Those who failed to correct within the prescribed time, shall be fined for each violation for each failure to comply. Any person who evades, obstructs or refuses the sampling and investigating (testing) by the competent authority at the | Article 25 | Any person in violation of Paragraph 1 of Article 8 shall be punished by a fine at an amount of no less than NTD 100,000 but no more than NTD 500,000, and shall be order to report within a specified period of time. Those who failed to report within the specified period of time shall be fined repeatedly and continuously for each failure to comply. Any person who evades, obstructs or refuses the sampling and investigating (testing) by the | 1. tobacco product manufacturer and importer have duty to declare tobacco product ingredient and emission data in accordance with Article 8. Failure to declare required content, use of correct format or failure to timely declare by the manufacturer and importer, is considered as failure to report. Therefore, in Section 1, it is clearly provided that failure to declare, failure to declare substance, to observe declaration procedure, or failure to timely declare, shall be subject to the same penalty. Furthermore, in conformity with regulations of |
central government level pursuant to Section 2 of Article 8 shall be punished by a fine at an amount of no less than NTD 100,000 but no more than NTD 500,000; the same applies to failure to provide the original test record or other related documents or files.

competent authority at the central government level pursuant to Paragraph 2 of Article 8 shall be punished by a fine at an amount of no less than NTD 100,000 but no more than NTD 500,000.

administrative penalty, “continuous” is hereby deleted, in order to conform to legal standard usage.

2. Next, considering that the purpose of tobacco product declaration is to reduce hazards to consumers’ health, by making tobacco product related information transparent. Tobacco ingredient and toxicity information and other declaration information should be based on original test records, and declared accordingly by the tobacco product manufacturer, importer. However, in practice, some companies do not enclose actual test records, and provided ingredient and data out of thin air, thereby causing public information regarding tobacco ingredient to be of little referential use to consumers. The practice of ignoring violators is unfair to the law abiding companies. Therefore, failure to
### Article 26
Manufacture or import of products of Sections 1 and 2 of Article 14 shall be punished by a fine at an amount of no less than NTD 50,000 but no more than NTD 250,000 and shall be ordered to recall such tobacco products within a specified period of time. Failure to recall within the prescribed time shall be fined for every single violation.

Sale or display of products in violation of Article 14 shall be subject to a fine no less than TWD 10,000 and no more than TWD 50,000.

### Article 26 Manufacturers or importers in violation of any subparagraphs of Article 9 shall be punished by a fine at an amount of no less than NTD 5,000,000 but no more than NTD 25,000,000, and shall be fined repeatedly and continuously for every single violation.

Any person in the business of advertising or mass communication which produce advertisements for tobacco products or accept them for broadcasting, dissemination or printing in violation of the subparagraphs listed in Article 9 shall be punished by a fine at an amount of no less than NTD 200,000 but no more than TWD 3,000 upon the vendor, the penalties are manifestly too lenient. Therefore, Section 1 and Section 2 increase the fines, in order to curb illicit behavior.

Furthermore, corresponding to regulations of administrative fines, “continuous” is deleted, in order to
no more than NTD 1,000,000, and shall be fined for each violations.

Any person in violation of the subparagraphs listed in Article 9, unless otherwise provided for by the preceding two paragraphs, shall be punished by a fine at an amount of no less than NTD 100,000 but no more than NTD 500,000, and shall be fined repeatedly and continuously for each violations.

conform to legal standard usage.

3. Empirical evidence shows that importer or exporter often use identity of natural persons to argue that they are not routine manufacturer or importer, causing difficulty to inspection. For avoidance of dispute, text of ‘entities’ (i.e. manufacturer, importer etc.) ‘ is deleted.

Article 27 Any person in violation of Article 5 or Section 1 of Article 10 shall be punished by a fine at an amount no less than TWD 10,000 and no more than TWD 50,000, and may be fined for each violations.

Article 28 Any person in violation of Paragraph 1 of Article 12 shall receive quitting smoking education. For violators who are under the age of eighteen and unmarried, their parents or guardians shall be held responsible to have the violators to attend the educational programs.

1. Article numbering changed.
2. Corresponding to regulations of administrative penalty, “continuous” is deleted, in order to conform to legal usage.
| Article 28 | Any person in violation of Article 13 shall be punished by a fine at an amount of no less than NTD 10,000 but no more than NTD 50,000. |
| Article 29 | Any person in violation of Article 13 shall be punished by a fine at an amount of no less than NTD 10,000 but no more than NTD 50,000. |

1. Numbering of the Article is revised.
2. For the purpose of supervising sellers to ensure they adhere to social responsibility of protecting children and teenagers,
<table>
<thead>
<tr>
<th>Employee of venue of sale of tobacco product, in violation of Section 1 of Article 13, in addition to fine the individual who committed the offence pursuant to the preceding Section, fine of the preceding Section shall also be imposed upon the owner of the venue.</th>
<th>no more than NTD 50,000.</th>
<th>strengthening training of the employees, other than to provide penalty upon employees, section 2 is added also to impose fines upon store owners, for his/her failure to supervise. 3. For purpose of strengthening the ability to avoid hazards of tobacco for those less than age of 18, Section 3 is hereby added. Penalty for gross violator or repeat violator for supplying cigarette to less than age of 18 in period of less than 1 year is increased.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross violation of Section 1, Article 13 or repeat violation within one year, shall be punished by a fine at an amount of no less than NTD 50,000 but no more than NTD 250,000.</td>
<td>Article 29 Owners or employees circumvent, obstruct or refuse the the competent authority to inspect pursuant to Article 19 shall be subject to a fine at an amount of no less than NTD 10,000 but no more than NTD 50,000.</td>
<td>1. New Article. 2. According to practical experience, owner or employee of Article 15, and Article 16 premises often circumvent, obstruct or refuse health inspectors from entering no smoking premises, thereby causing the effect of smoking hazard to be limited.</td>
</tr>
<tr>
<td>Article 30</td>
<td>Violation of Article 11 of this Act shall be punished with a fine no less than TWD 2,000 and no more than 10,000.</td>
<td>Article 27</td>
</tr>
<tr>
<td>-----------</td>
<td>------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Article 31</td>
<td>Any person under age of 18 in violation of Section 1 of Article 12 shall receive quit-smoking education. For persons who are under the age of eighteen and unmarried, their parents or guardians shall be held responsible to have the violators to attend the educational programs. Any person who, after being duly notified, fails to attend the educational program without justifiable cause shall be punished by a fine at an amount of no less than NTD 2,000 but no more than NTD 10,000, and shall be fined for each failure to attend. For persons under the age of eighteen and unmarried, the punishment shall be imposed upon their parents or guardians.</td>
<td>Article 28</td>
</tr>
</tbody>
</table>
The educational program referred to in the First Section shall be prescribed by the competent authority at the central government level.

The educational program referred to in the first paragraph shall be prescribed by the competent authority at the central government level.

**Article 32**

Any person in violation of Section 1 of Article 15, or Section 1 of Article 16 shall be subject to a fine of no less than TWD 2,000 and no more than TWD 10,000.

Any person in violation of Section 2 of Article 15, Section 2 or 3 of Article 16, shall be subject to a fine of no less than TWD 10,000 and no more than TWD 50,000, and shall be ordered to correct within the prescribed time. Failure to correct with the prescribed time may be fined for each violation.

**Article 31**

Any person in violation of Section 1 of Article 15, Section 1 of Article 16, or Section 1, 2 of Article 17, shall be subject to a fine of no less than TWD 2,000 and no more than TWD 10,000.

1. Article number changed.
2. Text of Section 2 is amended. Furthermore, corresponding to legal standard, the text is revised to as “fined for each violation.”
3. Text of Section 3 is revised.

**Article 33**

Owner, employee of no smoking premise who violated provisions of

1. New article.
2. In order to ensure owner and employee of no smoking premises comply with the duty to dissuade
### Section 1, Article 18

who failed to comply after the competent authority issued advisory notice, shall be punished by a fine at an amount of no less than NTD 2,000 but no more than NTD 10,000, and shall be ordered to correct within a specified period of time. Those who failed to correct within the specified period of time may be fined for each failure to correct.

### Article 34

Any person who violates this Act and is punished pursuant to the regulations prescribed in Article 23 to the preceding article, his or her personal identity and the manner of violation could at the same time be publicized.

### Article 32

Any person who violates this Act and is punished pursuant to the regulations prescribed in Article 23 to the preceding article, his or her personal identity and the manner of violation could at the same time be publicized.

### Article 35

The penalties prescribed by this Act, except for Article 25 which shall be punished by the competent authority at the central government level, shall be punished respectively by the

| Article 33 | The penalties prescribed by this Act, except for Article 25 which shall be punished by the competent authority at the central government level, shall be |
| Article number changed. | Article number changed. | Article number changed. |
competent authorities of the cities with provincial status and at the county (city) level.

punished respectively by the competent authorities of the cities with provincial status and at the county (city) level.

<table>
<thead>
<tr>
<th>Article 36</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citizens may elucidate the facts or enclose evidence to directly-controlled cities, counties (cities) competent authority to report instances of violation of this Act.</td>
</tr>
</tbody>
</table>

Directly-controlled cities, counties (cities) competent authority shall keep the identity of reporter confidential. If the preceding report has been confirmed to be truthful and fine is imposed, if the amount of fine reaches a certain amount, a specific percentage of the actual total of received fine shall be allocated to become reward for the citizen reporter.

Rules on the qualification of the reporter who can file report and to be rewarded

1. New Article.
2. Considering Article 67 of Waste Disposal Act, and Article 66-4 of the Water Pollution Prevention Act, report reward system, funded by fines to be set aside is added. Section 1 and Section 2 of this Article provide that citizens may report violations of this Act, and if the report is confirmed to be truthful and amount of fine reaches a specific amount, fine can be set aside as reward to be provided to the reporter.

3. For purpose of clarifying the operation of reporting reward, Section 3 is added to delegate the making of related rules on reward.
pursuant to the preceding
Paragraph, proportion of
reward to be allocated,
method of distribution, and
other related matters shall
be prescribed by competent
authority of directly-
controlled cities, counties
(cities).

<table>
<thead>
<tr>
<th>Chapter 7 Supplementary Provisions</th>
<th>Chapter 7 Supplementary Provisions</th>
<th>Name of chapter not amended.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 37 The Health and Welfare Surcharges collected in pursuant to Article 4 is to be allocated for the following matters by the tobacco control and public health foundation set up by central government agency: 1. Cancer prevention; 2. Rare disease medical expenses; 3. Central and municipal smoking hazards prevention; and 4. Central and municipal health care. The regulations regarding the collections, expenditures, managements</td>
<td>Article 34 The Health and Welfare Surcharges collected in pursuant to Article 4 which are allocated to central or local governments for tobacco control and public health shall be used by the competent authority at the central government level to set up a foundation in handling the relevant affairs of tobacco hazards prevention and health care. The Article is revised accordingly.</td>
<td>1. number of article changed. 2. rare disease medical expense and cancer prevention are within the scope of fund for tobacco hazards prevention and health care. The Article is revised accordingly.</td>
</tr>
</tbody>
</table>
and uses of the foundation mentioned in the preceding paragraph shall be prescribed by the Executive Yuan.

expenditures, managements and uses of the foundation mentioned in the preceding paragraph shall be prescribed by the Executive Yuan.

| Article 38 | Except the implementation date for Section 7 of Article 4, Section 2 of Article 6, and Section 3 of Article 14 shall be otherwise prescribed by the Executive Yuan, all provisions shall take effect on the date of promulgation of this Act. |
| Article 35 | This Act shall come into force six months from the date of promulgation. Except the effective date for Article 4 shall be otherwise prescribed by the Executive Yuan, all provisions amended on June 15, 2007 shall take effect eighteen months after the promulgation of this Act. Amendment to Article 4 of this Act on January 12, 2009, effective date prescribed by the Executive Yuan. |
| 1. Article number changed. 2. Considering that regulations of Article 4 imposes HST, Article 6 has enlarged the area of label on tobacco product container and imposed plain packaging, and Section 3 of Article 14 bans display and selling of additives tobacco products, because changes from current situation are extensive, industry needs time to observe the law, and competent authority needs time to publicize. Therefore, other than rules to be implemented pursuant to determination of Executive Yuan, all other provisions are to become effective at time of date of promulgation. |