

**TOP TIPS ON  
CALCULATING THE TOTAL  
LANDED COST FROM  
CHINA**



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# Top Tips on Calculating the Total Landed Cost from China

## Calculating Total Landed Cost from China

When sourcing products from China, it is important to calculate the total product landed cost to ensure you are getting the best possible price.

The landed cost is the total cost of the product, including shipping, duty, and taxes.

To calculate the landed cost of a product, you will need the following information:

- The cost of the product
- The cost of shipping
- The duty rate
- The VAT rate
- The exchange rate
- Miscellaneous charges - inspection fee, etc

Once you have this information, you can use the following formula to calculate the landed cost:

$$\text{Product Cost} + \text{Shipping Cost} + \text{Duty} + \text{VAT} + \text{Miscellaneous} = \text{Landed Cost}$$

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For example,

let's say you are sourcing a product from China that costs \$100. The shipping cost is \$50, the duty rate is 10%, the VAT rate is 17%, and the exchange rate is 6.5 RMB to 1 USD.

Using the formula above, we can calculate the landed cost of the product as follows:

$$\$100 + \$50 + (\$100 \times 10\%) + (\$100 \times 17\%) = \$167.50$$

Therefore, the total landed cost of the product is \$167.50. When sourcing products from China, it is important to keep in mind the landed cost of the product. By taking into account the cost of the product, shipping, duty, and taxes, you can be sure you are getting the best possible price for your product.