

GARRIGUES

TAX CHINA

MARCH 2016



NAME	DATE OF EFFECTIVENESS	GARRIGUES INSIGHT
<p>关于明确社会组织等纳税人使用统一社会信用代码及办理税务登记有关问题的通知/ Circular on Making Clear Issues concerning the Use of Unified Social Credit Code and the Handling of Tax Registration by Social Organizations and Other Taxpayers</p>	15/03/2016	<p>According to the Circular, for taxpayers registered for establishment in organization establishment departments or civil affairs departments and granted with unified social credit codes after January 1, 2016, 18-digit unified social credit codes will be adopted as their taxpayer identification numbers, and the handling of tax registration and the issuance of tax registration certificates shall be subject to the prevailing provisions; for taxpayers that have been registered for establishment in organization establishment departments or civil affairs departments and completed the tax registration formalities, taxation departments shall assist registration authorities in the conversion of stock codes on a step-by-step basis.</p>
<p>关于全面推开营业税改征增值税试点的通知/ Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax</p>	01/05/2016	<p>The Circular is issued together with four appendices, namely, the Implementing Measures for the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax, the Provisions on Matters relating to the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax, the Provisions on Transitional Policies for the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax and the Provisions on the Application of Zero-rated Value-added Tax and Tax Exemption Policies to Cross-border Taxable Activities, which, unless otherwise provided, shall take effect as of May 1 2016.</p> <p>The Circular stipulates that as of May 1, all taxpayers of business tax engaged in the building industry, the real estate industry, the financial industry and the life service industry shall be included into the scope of the pilot program with regard to payment of value-added tax (VAT) instead of business tax. According to the above Measures attached to the Circular, the provision of services related to transportation, mail, basic telecommunications, construction and real estate leasing, sales of real estate, and transfer of land use rights shall be subject to the VAT rate of 11%; the provision of leasing services for tangible movables shall be subject to VAT rate of 17%; 0% of VAT rate is applicable to cross-border taxable activities conducted by domestic entities and individuals; and taxable activities of taxpayers which are not included above shall be subject to VAT rate of 6%. The VAT leviable rate shall be 3%, unless otherwise specified by The Ministry of Finance or the State Administration of Taxation.</p>

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关于跨境电子商务零售进口税收政策的通知/ Circular on Tax Policies for Cross-border E-commerce Retail Imports	08/04/2016	<p>According to the Circular, for cross-border e-commerce retail imports, the upper limit of a single transaction is CNY 2,000, while the annual upper limit of individual transactions is CNY 20,000. Cross-border e-commerce retail products imported within the said upper limits shall be subject to a Customs Duty rate of 0% for the time being; exemption of the value-added tax or consumption tax on imports is no longer applicable, which shall be collected at 70% of the statutory tax payable. For any single transaction at an amount exceeding the upper limit of a single transaction or the annual upper limit of individual transactions after accumulation, and a single indivisible product whose duty-paid price is more than CNY 2,000, the tax shall be collected based on full amount as per the normal trade mode. The Circular also specifies that if cross-border e-commerce retail imports are returned within 30 days as of the date of release by the customs, tax refunds may be applied for, with the annual volume of individual transactions adjusted accordingly.</p>
关于调整进境物品进口税有关问题的通知/ Circular on Issues concerning the Adjustments to Customs Duties on Imported Goods	08/04/2016	<p>According to the Circular, the imported goods are adjusted to three classes. Specifically, the goods under Item 1 (including books and newspaper, journals, and video materials for educational purpose; computers, video camcorders, digital cameras and other IT products; food and beverages; gold and silver; furniture; toys, game products, as well as festival and other entertainment items) are mainly subject to most favored nation Customs Duty rate at 0%; the goods under Item 3 (including tobacco and alcohol; valuable jewelry, gems and jade; golf balls and clubs; luxury watches; and cosmetics) are mainly high-end consumer goods which shall be subject to consumption tax; and all other goods are listed under Item 2. After the adjustments, the Customs Duties for Items 1, 2 and 3 are 15%, 30% and 60% respectively.</p>

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