

# GARRIGUES

**TAX CHINA**

APRIL 2016



NAME	DATE OF EFFECTIVENESS	GARRIGUES INSIGHT
<p>关于《中华人民共和国政府和印度尼西亚共和国政府关于对所得避免双重征税和防止偷漏税的协定》议定书生效执行的公告/ Announcement on Validating and Implementing the Protocol to the Agreement between the Government of the People's Republic of China and the Government of the Republic of Indonesia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income</p>	16/03/2016	<p>The Announcement states that the Protocol takes effect as of March 16, 2016 and applies to income obtained on and after January 1, 2017.</p> <p>According to the relevant interpretations, the Protocol revises Article 8 (Shipping and Air Transport) of the Agreement, and stipulates that China will exempt aviation enterprises of Indonesia engaged in international transportation from value-added tax or similar taxes and so will Indonesia do for aviation enterprises of China engaged in international transportation.</p>
<p>关于延长2016年出口退（免）税相关业务申报期限的公告/ Announcement on Extending the Declaration Deadlines for Business concerning Export Tax Rebate (Exemption) in 2016</p>	17/04/2016	<p>The Announcement stipulates that:</p> <ol style="list-style-type: none"> <li>1. the deadline for the declaration of export tax refund (exemption) is extended from the deadline for the declaration of value-added tax for April 2016 to the deadline for the same for June 2016;</li> <li>2. the deadline for an application for the annual cancelation of processing with imported materials after verification is extended from April 20 to June 20, 2016;</li> <li>3. the deadline for an application for the cancelation of exemption of tax on exported goods processed with imported materials after verification is extended from May 15 to July 15, 2016; and</li> <li>4. the deadline for an application for the issuance of the Certificate for Agency Export of Goods is extended from April 15 to June 15, 2016; and deadline for the issuance of the Certificate for Entrusted Export of Goods is extended from March 15 to May 15, 2016.</li> </ol>
<p>关于修订《重大税收违法案件信息公布办法（试行）》的公告/ Revised Measures for Release of Information on Major Tax Violation Cases</p>	01/06/2016	<p>The Measures consist of 18 articles in total, revising the principles, case standards, the content, ways, relief, information preservation, and disciplinary measures with respect to the release of major tax violation cases. Specifically, the Measures redefine the tax evasion cases as "those with taxes to be supplemented amounting to CNY 1 million or more and such taxes in any year accounting for 10% or above of all taxes payable for the current year"; tax avoidance cases as "those with outstanding taxes amounting to CNY 1 million or more"; cases for fraud in export tax refund and the false issue of special value-added tax invoices as those without limitation on the amount involved; cases for the false issue of general invoices as "those for the false issue of 100 general invoices or such invoices amounting to CNY 400,000 or more"; meanwhile, the Measures introduce cases for the private printing, forging or alteration of invoices, the illegal manufacture of special invoice-related articles for anti-fake purpose, and the forging of invoice seals, with no limit set on the amount involved.</p>

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<p>关于营改增后契税 房产税 土地增值税 个人所得税计税依据问题的通知/ Circular on Issues concerning the Taxation Basis for Deed Tax, Real Estate Tax, Land Value-added Tax and Individual Income Tax after the Pilot Collection of Value-Added Tax in Lieu of Business Tax</p>	01/05/2016	<p>The Circular prescribes that:</p> <ol style="list-style-type: none"> <li>1. the transaction price subject to deed tax shall be exclusive of value-added tax ("VAT");</li> <li>2. For lease of house property, the rental income subject to real estate tax shall be exclusive of VAT;</li> <li>3. the income derived from the transfer of house property by a land VAT taxpayer shall be exclusive of VAT;</li> <li>4. the income derived from the transfer of a house by an individual and subject to individual income tax shall be exclusive of VAT; the VAT included in the price paid by him/her at the time of acquisition of the house shall be included in the original value of such house; and the tax that is deductible when the income from transfer is calculated shall be exclusive of VAT paid for the current transfer;</li> <li>5. in case of exemption from VAT, the transaction price, rental income, and income from the transfer of house property shall not be subject to deduction of VAT when the taxation basis is determined; and</li> <li>6. when taxes mentioned above are calculated and collected, the taxable value or income as assessed by tax authorities shall be exclusive of VAT.</li> </ol>
<p>关于明确营改增试点若干征管问题的公告/ Announcement on Specifying Several Issues concerning Tax Collection and Administration under the Pilot Program of Collection of Value-added Tax in Lieu of Business Tax</p>	01/05/2016	<p>The Announcement stipulates that:</p> <ol style="list-style-type: none"> <li>1. for general taxpayers of value-added tax ("VAT") in the catering industry who purchase self-produced agricultural products from agricultural producers, invoices for acquisition of agricultural products as made under the supervision of national tax authorities can be used and input VAT can be calculated and deducted in accordance with the existing provisions;</li> <li>2. an individual who has transferred his or her house with the transfer contract signed before April 30, 2016 and the change of ownership to be handled after May 1 shall be subject to VAT and exempted from business tax ("BT");</li> <li>3. for a small-scale VAT taxpayer subject to the policy of collection of VAT after deduction according to the existing provisions, whether it is entitled to the policy on exemption of VAT for those with monthly sales amount not more than CNY 30,000 (or quarterly sales amount not more than CNY90,000) shall be determined based on its sales amount before deduction;</li> <li>4. after the pilot collection of VAT in lieu of BT, invoices for entrance tickets and road (bridge) toll will be retained, and will be administered by and made under the supervision of national tax authorities as of May 1, 2016; invoices for entrance tickets and road (bridge) toll previously made under the supervision of local tax authorities may continue to be used until June 30.</li> </ol>



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