

# GARRIGUES

**NEWSLETTER**  
TAX CHINA

JULY/AUGUST 2017



**WWW.GARRIGUES.CN**

# LAW BRIEF

## NAME

## DATE OF EFFECTIVENESS

## GARRIGUES INSIGHT

国家税务总局关于发布出口退税率文库2017 B版的通知/  
Announcement of State Administration of Taxation ("SAT") on Issuing Version B of export tax refund rate document for 2017

28/06/2017

The document is placed in the SAT FTP communication server (100.16.125.25) for local tax authorities' download and upgrade. Local tax authorities should promptly circulate the updated document to enterprises with export businesses.

It is strictly prohibited to change the export tax refund rate without approval.

关于建筑服务等营改增试点政策的通知/  
Announcement on Pilot Policies of Levying Value-added Tax ("VAT") in Lieu of Business Tax on Construction Services and Other Services

01/07/2017

I. The simplified tax calculation method may be applied to the following taxpayers:

- Construction companies that procure all or part of the steel, concrete, masonry materials and prefabricated components on their own; and
- Construction contractors that provide engineering services to the subgrade and foundation as well as body structure of buildings.

II. The VAT obligation for taxpayers that provide leasing services with prepayments arises on the date that advance payment is received.

III. Taxpayers that provide construction services receiving prepayments shall calculate VAT on the balance of prepayments less subcontracting fees. The provisional rate of 2% shall apply to the general tax calculation method, whereas the provisional rate of 3% shall apply to the simplified tax calculation method.

IV. From January 1, 2018, where a financial institution conducts bill discounting or rediscounting businesses, its interest income derived during the holding period shall be subject to VAT under the category of loan services. If the financial institution conducting the bill discounting business has filed VAT on the interest income derived from the bill before January 1, 2018, the institutions that purchased the said bill may be exempted from VAT for the interest income derived from rediscounting.

海关总署公告2017年第28号|关于开展后续核查工作的公告/  
Announcement of the General Administration of Customs [2017] No.28 | Announcement on Carrying out Follow-up Verification

04/07/2017

Follow-up verification refers to the verification of risks such as price, classification, origin etc.

The Customs inspectors shall demonstrate the Customs enforcement certificate to the inspected companies and clarify the inspection requirements.

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EFFECTIVENESS****GARRIGUES  
INSIGHT**

关于明确《中华人民共和国企业年度关联业务往来报告表（2016年版）》填报口径的公告/

Announcement on Clarifying Requirements on the 2016 Annual Reporting Forms on Related Party Transactions ("RPT Form")

07/07/2017

The related parties (i.e. Column 3, revenue of related parties) enclosed in one of the forms in the RPT form, named Country by Country Reporting for the Distribution of Income, Taxation and Business Activities in Countries ("CbCR") shall align with the reported 'Constituent Entities' in other forms.

Resident companies may revise the said information in CbCR of the completed RPT Form for 2016 through the correction process by December 31, 2017.

OECD发布国别报告附加指引/  
Additional guidance on the Implementation of Country by Country Report issued by OECD ("Additional Guidance")

18/07/2017

Two issues are addressed in the Additional Guidance, including:

- The treatment on entities that have controls or operation from more than one non-related party multinational enterprise group; and
- Whether the data of consolidated report in the same jurisdiction shall be reported in Form 1 of the Country by Country Report.

上海市国家税务局、上海市地方税务局公告2017年第3号关于推行办税人员实名办税的公告/

Shanghai SAT, Shanghai local SAT [2017] No.3 | Announcement on the implementation of real-name requirement on the tax handlers

01/08/2017

Tax handlers shall provide proof of identity when handling tax matters. The relevant tax matters would be handled after tax authorities collect, compare and confirm the provided identity information.

Tax handlers refer to the legal representatives, finance in charge person, tax handling personnel, tax agents and other people authorized by the legal representatives.

Real name requirement is imposed on the following matters for on-site and online tax service hall:

- Supplementary record of registration information for the newly established entity following "one certificate one code";
- Invoice receipt matters;
- Cross-district matters; and
- Other matters designated by tax authorities.

In addition to the tax registration certificate, the authorized tax handler shall provide the below information for identity information collection:

- Original identity certificate for legal representatives;
- Original identity certificate and the original power of attorney for finance in charge person, tax handling personnel and other authorized people; and
- Original identity certificate, original power of attorney, and the original tax agent agreements for tax agents.

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海关总署公告2017年第32号|关于进一步明确税款滞纳金减免事宜的公告/  
Announcement of the General Administration of Customs [2017] No.32 | Announcement on Further Clarifying the Matters Concerning the Reduction/Exemption of Late Payment Charges of Duties

01/08/2017

Where the taxpayer satisfies the condition of eligibility for the reduction or the exemption of late payment surcharges of duties as specified in Article 1 of the Announcement of the General Administration of Customs [2015] No.27 ("Announcement 27"), the taxpayer shall input information and submit the electronic data via the functional bar of "Application for the Reduction/Exemption of Late Payment Surcharges on Duties" in the Law Enforcement System of China E-port. The handling process could be checked via the Law Enforcement System.

The provision "a taxpayer discovers underpaid or unpaid tax through self-examination" as prescribed in Item 3 of Article 1 of the Announcement 27 refers to the circumstance in which the taxpayer complies with the provisions on voluntary disclosure specified in Chapter IV of the Announcement of the General Administration of Customs No.230 and goes through the formalities in accordance with the procedures of the Customs.

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国家税务总局关于跨境应税行为免税备案等增值税问题的公告/  
Announcement of the the State Administration of Taxation on the Tax Exemption Record-filing of Cross-border Taxable Activities and Other Value-added Tax Issues

01/09/2017

I. Once a taxpayer has previously completed the record-filing for VAT exemption on cross-border taxable activities, the taxpayer would no longer be required to conduct record filings for VAT exemption on the same kind of cross-border taxable activities as long as the documents for the completed record filing are maintained for further reference and future inspection. If a taxpayer fails to furnish the above-mentioned documents during the inspection by the tax authorities, the taxpayer could not enjoy VAT exemption and shall repay the exempted taxes.

II. The taxpayer, as the carrier that signs a transportation service agreement with the consignor, charges transportation fees, assumes the liabilities of a carrier and entrusts the actual carrier for partial or completed transportation services, may claim the input VAT of self-procured refined oil and self-paid tolls for roads and bridges etc. against the output VAT in certain circumstances.

III. Other individuals that entrust a real estate agent or a housing rental company ("the entrusted agent") for the lease of real estate, the entrusted agents could apply for VAT invoices on behalf of such individuals to the competent local tax authority.



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海关总署公告2017年第36号|关于发布2017版《进出口税则商品及品目注释》修订(第一、二期)的公告/

Announcement of the General Administration of Customs [2017] No. 36 | Announcement on Issuing Amendments (Installment I and Installment II) to the Annotations on Commodities and Items under the Import and Export Tariff (Edition 2017)

01/09/2017

The Amendments are made in accordance with the requirements of World Customs Organization and could be found at the website of General Administration of Customs.

## OTHER TAX LAWS

1. 财税[2017] 60号| 于北京2022年冬奥会和冬残奥会税收政策的通知

Cai Shui [2017] No. 60 | Announcement on the Tax Policy of Beijing 2022 Winter Olympic Games and Winter Paralympic Games

2. 海关总署公告2017年第26号(关于进一步简化经港澳中转货物原产地管理要求的公告)

Announcement of the General Administration of Customs [2017] No.26 (Announcement on Further Simplifying the Requirements for the Administration of Origin of Hong Kong and Macao Transit Goods)

3. 海关总署公告2017年第27号(关于实施共聚聚甲醛临时反倾销措施有关商品编号申报要求的公告)

Announcement of the General Administration of Customs [2017] No.27 (Announcement on the Implementation of the Provisional Anti-dumping Measures for the Production of Kematal)

4. 海关总署公告2017年第29号(关于以企业为单元加工贸易监管模式改革试点的公告)

Announcement of the General Administration of Customs [2017] No.29 (Announcement on the Pilot Reform of the Processing Trade Regulation Mode Regarding an Enterprise as a Unit)

5. 海关总署、商务部公告2017年第33号(关于取消加工贸易银行保证金台帐制度有关事宜的公告)

Announcement of the General Administration of Customs and the Ministry of Commerce [2017] No.33 (Announcement on Matters Related to Abolishing the Bank Deposit Account System for Processing Trade)

6. 财关税[2017]19号| 关于2017年种子种源免税进口计划的通知

Cai GuanShui [2017] No. 19 | Circular on the 2017 Plan for Tax Exemption on Import of Seed Sources

7. 海关总署公告2017年第30号 - - 关于执行《外商投资产业指导目录(2017年修订)》有关问题的公告

Announcement of the General Administration of Customs [2017] No.30 | Announcement on the Issues Related to the Implementation of the Catalogue (Revised in 2017) for the Guidance of Foreign Investment Industries

8. 国科发政[2017] 211号|科技部、财政部、国家税务总局关于进一步做好企业研发费用加计扣除政策落实工作的通知

Circular [2017] No. 211| Circular of the Ministry of Science and Technology, the Ministry of Finance and the SAT on Further Effectively Implementing the Policy on the Super Deduction of Research and Development Expenses of Enterprises

9. 海关总署公告2017年第37号 ( 关于明确海关监管作业场所行政许可事项的公告 )

Announcement of the General Administration of Customs [2017] No. 37 ( Announcement on Clarifying Administrative Licensing Items for Operation Sites under Customs Supervision)

10. 海关总署公告2017年第38号 ( 关于取消区域通关一体化通关模式的公告 )

Announcement of the General Administration of Customs [2017] No.38 (Announcement on Abolishing the Integrated Regional Customs Clearance Mode)

11. 海关总署令第232号 ( 中华人民共和国海关监管区管理暂行办法 )

Order of the General Administration of Customs No.232 ( Interim Measures for the Administration of Customs Supervision Areas of the People's Republic of China)

12. 关于《中华人民共和国车辆购置税法 ( 征求意见稿 ) 》向社会公开征求意见的通知

Notice on the Public Opinion Consultation for 'PRC Vehicle Purchase Tax Law (Discussion Draft)

## SOURCES

1. <http://www.chinatax.gov.cn/>
2. <http://www.mof.gov.cn/>
3. <http://www.lexiscn.com/>
4. <http://www.customs.gov.cn>

## DISCLAIMER

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## FOR MORE INFORMATION:

### MANUEL TORRES

Partner

Corporate Law and Commercial Contracts

Mergers & Acquisitions

Litigation and Arbitration

[manuel.torres@garrigues.com](mailto:manuel.torres@garrigues.com)

T +86 21 5228 1122

+86 10 8572 0000

### DIEGO D'ALMA

Principal associate

Tax

[diego.dalma@garrigues.com](mailto:diego.dalma@garrigues.com)

T +86 21 5228 1122

+86 10 8572 0000

Follow us:



# GARRIGUES

3205 West Gate Mall - 1038 Nanjing Xi Lu

200041 Shanghai (China)

T +86 21 5228 1122

F +86 21 6272 6125

[shanghai@garrigues.com](mailto:shanghai@garrigues.com)

China World Trade Center | Jian Guo Men Wai Avenue

(Tower I – Office 1815)

Beijing 100004 (China)

T +86 10 85720000

F +86 10 85720020

[beijing@garrigues.com](mailto:beijing@garrigues.com)