

Weekly Alert

2018 ISSUE 11

RSM TAX ADVISORY (HONG KONG) LIMITED 羅申美稅務諮詢有限公司

Welcome to 2018 issue 11 of Weekly Alert covering technical development in taxation around the globe.

TAX – Hong Kong

1. Stamp Duty Statistics

On 13 March 2018, the Inland Revenue Department (“IRD”) released the statistics on Special Stamp Duty (“SSD”), Buyer’s Stamp Duty (“BSD”) and Doubled Ad Valorem Stamp Duty (“DSD”)/New Residential Stamp Duty (“NRSD”) for February 2018. The IRD collected SSD of HK\$29.2 million, BSD of HK\$725 million and DSD/NRSD of HK\$2,314.3 million in February 2018.

Stamp Duty Statistics

https://www.ird.gov.hk/eng/ppr/mthly_statistics.htm

TAX – PRC

1. SSE and SZSE Seek Opinions on Compulsory Delisting Rules for Listed Companies with Serious Violations

(两交所就“重大违法强制退市”细则征求意见)

On 9 March 2018, the Shanghai Stock Exchange (“SSE”) and the Shenzhen Stock Exchange (“SZSE”) issued their Draft Implementation Rules on Compulsorily Delisting for Listed Companies with Serious Violations for public consultation.

The Draft Implementation Rules list out six serious violations which will trigger the delisting procedures such as providing fraudulent information during the initial public offering process, falsifying financial information in annual reports, etc.

Public can provide their comments by 9 April 2018.

关于就《上海证券交易所上市公司重大违法强制退市实施办法（征求意见稿）》公开征求意见的通知

http://www.sse.com.cn/disclosure/announcement/general/c/c_20180309_4471178.shtml

关于就《深圳证券交易所上市公司重大违法强制退市实施办法（征求意见稿）》公开征求意见的通知

<http://www.szse.cn/main/aboutus/bsyw/39778258.shtml>

2. Issuance of the China Development Zone Catalogue (2018 Edition) (关于发布《中国开发区审核公告目录》(2018年版))

The National Development and Reform Commission, Ministry of Science and Technology, Ministry of Land and Resources, Ministry of Housing and Urban-Rural Development, Ministry of Commerce and General Administration of Customs have jointly released the “China Development Zone Catalogue”.

The Catalogue lists out the development zone’s name, area, main industries and the date of approval as development zone in China. Total 2,543 development zones have been covered in the Catalogue.

国家发展改革委、科技部、国土资源部、住房城乡建设部、商务部、海关总署联合公告 2018 年第 4 号

<http://www.customs.gov.cn/customs/302249/302266/302267/1471409/index.html>

TAX – International

1. Game Over for CRS Avoidance! OECD Adopts Tax Disclosure Rules for Advisors

On 9 March 2018, the Organisation for Economic Co-operation and Development (“OECD”) issued Model Disclosure Rules for Common Reporting Standard (“CRS”) Avoidance Arrangements and Opaque Offshore Structures that require lawyers, accountants, financial advisors, banks and other service providers to inform tax authorities of any schemes they put in place for their clients to avoid reporting under CRS or prevent the identification of the beneficial owners of entities or trusts.

These Model Disclosure Rules will be submitted to the G7 presidency and are part of a wider strategy of the OECD to monitor and act upon tendencies in the market that try to avoid CRS reporting and/or hiding assets offshore.

Game Over for CRS Avoidance! OECD Adopts Tax Disclosure Rules for Advisors

<http://www.oecd.org/tax/game-over-for-crs-avoidance-oecd-adopts-tax-disclosure-rules-for-advisors.htm>

RSM Tax Advisory (Hong Kong) Limited

RSM Hong Kong's dedicated and experienced tax specialists can:

- Advise on tax efficient holding and operational structures for new cross-border investment, including the formation of Hong Kong and Chinese business entities.
- Review existing cross-border investment structures, advise on identified deficiencies, quantify any potential exposure from such deficiencies, and further advise on restructuring approach and procedures.
- Assist clients to discuss and clarify matters with tax officials, including transfer pricing and advance rulings.
- Act as client representative in tax audits and tax investigations.
- Provide transaction support services on mergers and acquisitions, including tax due diligence, deal structure advice, tax health checks, related human resources arrangements and other tax compliance and consultation services.
- Advise on human resources and structuring employment arrangements in a tax-efficient manner.
- Advise on tax equalization schemes.
- Provide tax compliance services for individual and corporate clients in Hong Kong and China.

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