

# Weekly Alert

2019 ISSUE 27

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

Welcome to 2019 issue 27 of Weekly Alert covering technical development in taxation around the globe.

### TAX – Hong Kong

#### 1. Stamp Duty Statistics

On 10 July 2019, 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 June 2019. The IRD collected SSD of HK\$18.2 million, BSD of HK\$510.4 million and DSD/NRSD of HK\$1,499.1 million in June 2019.

#### Stamp Duty Statistics

[https://www.ird.gov.hk/eng/ppr/mthly\\_statistics.htm](https://www.ird.gov.hk/eng/ppr/mthly_statistics.htm)

### TAX – PRC

#### 1. Notice of the Retrospective Adjustments of the Tax Preferential Policy for Small and Thin-Profit Enterprises

(关于小微企业普惠性税收减免政策追溯实施涉及退还多缴税款有关事项的通告)

On 1 July 2019, the Beijing Tongzhou State Administration of Taxation released the “*Notice of the Retrospective Adjustments of the Tax Preferential Policy for Small and Thin-Profit Enterprises*”.

The Notice reminds eligible taxpayers who have not yet applied for the tax refunds in accordance to the tax preferential policy under Caishui [2019] No. 13 to contact the Tax Office directly or bring a valid identity card to the Tax Office to arrange for the tax refund. Taxpayers should also notify the Tax Office even if they decide not to apply for the tax refund.

国家税务总局北京市通州区税务局 关于小微企业普惠性税收减免政策追溯实施涉及退还多缴税款有关事项的通告

[http://beijing.chinatax.gov.cn/bjswj/qswj/tz/zfxxgk/zfxxgkml/tzgg/201907/t20190705\\_394048.html](http://beijing.chinatax.gov.cn/bjswj/qswj/tz/zfxxgk/zfxxgkml/tzgg/201907/t20190705_394048.html)

## 2. Announcement on the VAT Calculation Method of Agricultural Products in Seven Processing Industries

(关于在稻谷、肉制品、调味品加工等七个行业试点农产品增值税进项税额核定扣除办法的公告)

On 1 July 2019, the Sichuan State Administration of Taxation and Provincial Ministry of Finance jointly released the “*Announcement on the Value-added Tax (“VAT”) Calculation Method of Agricultural Products in Seven Processing Industries*”.

The Announcement clarified how the VAT is calculated for agricultural products in seven industries including rice, meat products and condiment processing.

国家税务总局四川省税务局 四川省财政厅 关于在稻谷、肉制品、调味品加工等七个行业试点农产品增值税进项税额核定扣除办法的公告

[http://sichuan.chinatax.gov.cn/xxfb/gsgg/201907/t20190703\\_971590.html](http://sichuan.chinatax.gov.cn/xxfb/gsgg/201907/t20190703_971590.html)

## TAX – International

### 1. Fair Taxation: New EU-wide System to Resolve Tax Disputes between Member States Applies from Today

New European Union (“EU”) rules which would help to resolve tax disputes arising from the interpretation and application of international agreements and conventions providing for the elimination of double taxation between Member States came into force from 1 July 2019.

Around 2,000 tax disputes are currently pending in the EU, out of which around 900 lasted over two years. The new EU rules will ensure that businesses and citizens can resolve disputes related to tax treaties more swiftly and effectively. Under the new dispute resolution mechanism, Member States must try to resolve the dispute amicably within two years. If no solution has been found at the end of this two year period, taxpayers can request the setting up of an Advisory Commission to deliver an opinion.

The new directive applies to complaints submitted from 1 July 2019 onwards, relating to questions of dispute in matters of income or capital earned in a tax year commencing on or after 1 January 2018. The competent authorities can also agree to apply the directive to any complaint submitted prior to that day or to earlier tax years.

**Fair Taxation: New EU-wide System to Resolve Tax Disputes between Member States Applies from Today**

[http://europa.eu/rapid/press-release\\_IP-19-3377\\_en.htm](http://europa.eu/rapid/press-release_IP-19-3377_en.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.

The aim of Weekly Alert is to alert readers to recent developments. The information is general in nature and it is not to be taken as a substitute for specific advice. Accordingly RSM Hong Kong accepts no responsibility for any loss that occurs to any party who acts on information contained herein without further consultation with us. If you have any comments or require further information please contact:

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