

Weekly Alert

2019 ISSUE 30

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

Welcome to 2019 issue 30 of Weekly Alert covering technical development in taxation around the globe.

TAX – PRC

1. Decision on Cancellation of a Batch of Tax Certification Items and Abolishing and Amending Some Rules

(关于公布取消一批税务证明事项以及废止和修改部分规章规范性文件的决定)

On 24 July 2019, the State Taxation Administration promulgated the “*Decision on Cancellation of a Batch of Tax Certification Items and Abolishing and Amending Some Rules*”, which took effect from the date of promulgation.

According to the Decision, 25 certification procedures (e.g. taxpayers are no longer required to present their tax registration certificates for obtaining tax invoices) are cancelled. In addition, some tax administrative rules on withholding tax, management of invoices and tax registration have been amended.

国家税务总局令第 48 号

<http://www.chinatax.gov.cn/n810341/n810755/c4559725/content.html>

2. Notice on Promoting Fair Competition on Government Procurement to Optimize Business Environment

(关于促进政府采购公平竞争优化营商环境的通知)

On 26 July 2019, the Ministry of Finance issued the “*Notice on Promoting Fair Competition on Government Procurement to Optimize Business Environment*”.

According to the Notice, government departments should ensure fair competition on their procurement process. They should improve their administrative process on procurement and promote the use of electronic platform to complete the procurement process.

财库 2019 年第 38 号

http://gks.mof.gov.cn/zhengfuxinxi/guizhangzhidu/201907/t20190730_3319089.html

3. Administrative Measures for Lists of Parties Subject to Joint Credit Punishment in the Commerce Sector

(商务信用联合惩戒对象名单管理办法)

On 31 July 2019, the Ministry of Commerce issued the “*Administrative Measures for Lists of Parties Subject to Joint Punishment on Commercial Credit*”, which took effect from the date of promulgation.

The Measures list out the recognition and issuance of disciplinary list, the information included in the disciplinary list and actions to be taken by the enterprises for recovering their credit rating and moving out from the disciplinary list.

商务部关于印发《商务信用联合惩戒对象名单管理办法》的通知

<http://www.mofcom.gov.cn/article/b/d/201907/20190702886459.shtml>

TAX – International

1. European Commission refers Belgium to the Court due to its Tax Treatment of Taxpayers Investing in Property Abroad

On 25 July 2019, the European Commission decided to refer Belgium to the Court of Justice of the European Union (“EU”) for its failure to properly implement rules related to calculation of rental income for properties located in and outside Belgium.

Based on the existing Belgian tax law, Belgium assesses income earned from a Belgian resident owning property located abroad at a higher value than that from comparable property in Belgium. The European Commission considered the Belgian law favours investments in certain properties located in Belgium and penalises taxpayers who choose to invest in similar property located in other EU member states or the European Economic Area. As such, the European Commission is calling on the Court of Justice of the EU to impose financial sanctions.

Taxation: Commission refers Belgium to the Court due to its Tax Treatment of Taxpayers Investing in Property Abroad

https://europa.eu/rapid/press-release_IP-19-4263_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.

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