

# Weekly Alert

2019 ISSUE 33

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

Welcome to 2019 issue 33 of Weekly Alert covering technical development in taxation around the globe.

### TAX – PRC

#### 1. Notice on Inclusion of Tourism Industries in the Preferential EIT Catalog for Hengqin New Area (关于横琴新区企业所得税优惠目录增列旅游产业项目的通知)

The Ministry of Finance and the State Taxation Administration have jointly released the “Notice on Inclusion of Tourism Industries in the Preferential Enterprise Income Tax (“EIT”) Catalog for Hengqin New Area”.

According to the Notice, various tourism industries e.g. operation of theme park, museum etc have been added in the Preferential EIT Catalog for Hengqin New Area. Enterprises engaged in such industries can enjoy the reduced EIT rate of 15%.

The Notice is effective from 1 January 2019 to 31 December 2020.

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[http://szs.mof.gov.cn/zhengwuxinxi/zhengcefabu/201908/t20190816\\_3365377.html](http://szs.mof.gov.cn/zhengwuxinxi/zhengcefabu/201908/t20190816_3365377.html)

### TAX – International

#### 1. Trump Considers New Tax Cut to Boost US Economy

On 20 August 2019, the US President, Donald Trump confirmed that the administration is considering a new payroll tax cut to boost the US economy. He also mentioned the possibility of tax cuts in capital gains tax; but emphasised that nothing has been decided.

**Trump Considers New Tax Cut to Boost US Economy**

<https://www.bbc.com/news/business-49415773>



## 2. Cayman Islands Publishes FAQs on Economic Substance

The Cayman Islands has published a set of frequently asked questions (“FAQs”) on its new Economic Substance requirements.

The FAQs clarify the notification and reporting requirements under the Cayman Islands Economic Substance Law. The notification will be done via the General Register system and it is anticipated that the notification form will be online in the fourth quarter of 2019. A new Reporting Portal for Economic Substance is now under development and a separate user guide will be released in the second quarter of 2020. The Economic Substance Reporting Portal is expected to be opened for reporting from July/August 2020.

The FAQs also clarify the first reporting date for persons engaged in the business of “managing securities” who register with Cayman Islands Monetary Authority by 15 January 2020, the meaning of “tax resident outside the Cayman Islands” and the treatment of entities engaged in more than one relevant activity.

### FAQs

[http://www.tia.gov.ky/pdf/Economic\\_Substance\\_FAQs.pdf](http://www.tia.gov.ky/pdf/Economic_Substance_FAQs.pdf)

## RSM Tax Advisory (Hong Kong) Limited

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