

# Weekly Alert

## 2020 ISSUE 6

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

Welcome to 2020 issue 6 of Weekly Alert covering technical development in taxation around the globe.

### TAX – Hong Kong

#### 1. Inland Revenue Department Notice - Stamp Duty Statistics

On 10 March 2020, 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”) collected in February 2020. The IRD collected SSD of HK\$10.3 million, BSD of HK\$235.1 million and DSD/NRSD of HK\$540.4 million in February 2020.

##### Stamp Duty Statistics

<https://www.ird.gov.hk/eng/pdf/2020/3d022020.pdf>

### TAX – PRC

#### 1. Tax Concessions Guideline on Epidemic Control Support, Economic and Social Development (支持疫情防控和经济社会发展税费优惠政策指引)

The State Taxation Administration has released the “*Tax Concessions Guideline on Epidemic Control Support, Economic and Social Development*”.

The Guideline summarizes 17 preferential tax policies for epidemic control support and social resume. The policies mainly cover four perspectives, including prevention and medical support (e.g. individual income tax exemption on statutory epidemic bonus and subsidies), medical supplies (e.g. value-added tax exemption/refund for providing medical protective equipment and daily consumables), charitable donations (tax deductions on donations made to government authorities) and resume business operations (e.g. temporary value-added tax reduction/exemption on small scale tax payers).

##### 支持疫情防控和经济社会发展税费优惠政策指引

<http://www.chinatax.gov.cn/chinatax/n810341/n810755/c5145868/content.html>

## TAX – International

### 1. Australia: Support Measures to Assist Those Affected by COVID-19

The Australian Taxation Office (“ATO”) will implement a series of administrative measures to assist Australians experiencing financial difficulty as a result of the COVID-19 outbreak. The measures including:

- ✧ Deferring by up to four months the payment date of amounts due through the business activity statement, income tax assessments, fringe benefits tax assessments and exercise;
- ✧ Allow businesses on a quarterly reporting cycle to opt into monthly Goods and Services Tax (“GST”) reporting in order to get quicker access to GST refunds they may be entitled to
- ✧ Remitting any interest and penalties, incurred on or after 23 January 2020 that have been applied to tax liabilities
- ✧ Working with affected businesses to help them pay their existing and ongoing tax liabilities by allowing them to enter into low interest payment plans

#### **Support Measures to Assist Those Affected by COVID-19**

<https://www.ato.gov.au/Media-centre/Media-releases/Support-measures-to-assist-those-affected-by-COVID-19/>

## 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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