

# Weekly Alert

2020 ISSUE 32

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

Welcome to 2020 issue 32 of Weekly Alert covering technical development in taxation around the globe.

### TAX – Hong Kong

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

On 9 September 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 August 2020. During the month, the IRD collected SSD of HK\$20.3 million, BSD of HK\$232.4 million and DSD/NRSD of HK\$784.2 million.

##### Stamp Duty Statistics

<https://www.ird.gov.hk/eng/pdf/2020/3d082020.pdf>

#### 2. Block Extension Scheme for Lodgement of 2019/20 Tax Returns

On 9 September 2020, the IRD announced to extend the due date for filing Profits Tax returns for 2019/20.

For Accounting Date Code D (i.e. accounting date falls within 1 December 2019 to 31 December 2019), the due date for filing extend from 15 September 2020 to 30 September 2020.

Meanwhile, for Accounting Date Code M (i.e. accounting date falls within 1 January 2020 to 31 March 2020), the due date for filing extend from 15 November 2020 to 30 November 2020.

##### Circular Letter to Tax Representatives – Block Extension Scheme for Lodgement of 2019/20 Tax Returns (Extended Due Dates for ‘D’ and ‘M’ Code Returns)

<https://www.ird.gov.hk/eng/pdf/bel20eb.pdf>

## TAX – PRC

### 1. Circular on Preferential Tax Policies for Imported Exhibits Sold during the Exhibition Period of the 2020 China International Fair for Trade in Services (財政部 海關總署 稅務總局關於 2020 年中國國際服務貿易交易會展期內銷售的進口展品稅收優惠政策的通知)

On 4 September 2020, the Ministry of Finance, Customs and State Taxation Administration issued the “Circular on Preferential Tax Policies for Imported Exhibits Sold during the Exhibition Period of the 2020 China International Fair for Trade in Services”.

According to the Announcement:

- Imported exhibits (excluding imported goods prohibited by the state, endangered animals and plants and their products, tobacco, liquor and automobiles) within the sales quota during the period of 2020 China International Fair for Trade in Services (“CIFTIS”) are exempted from import tariff, import VAT and consumption tax.
- Sales quotas for the exhibitors listed in the annex to the Circular subject to the above preferential tax policies may not exceed the listed quotas. For other exhibitors, sales amount should not exceed USD 20,000. Specific list of exhibitors is determined by the Beijing International Trade Affairs Services Center.
- Exhibits sold during the exhibition period that exceed the sales quota subject to the preferential tax policies, as well as exhibits that are not sold during the exhibition period and are not returned at the end of the exhibition period, will be taxed according to the relevant national regulations.

The List of Exhibits Subject to Preferential Tax Policies during the 2020 China International Fair for Trade in Services is issued along with the Circular.

財關稅〔2020〕36號

<http://www.chinatax.gov.cn/chinatax/n810341/n810825/c101434/c5156319/content.html>

## 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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