

Weekly Alert

2021 ISSUE 2

RSM TAX ADVISORY (HONG KONG) LIMITED

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Welcome to 2021 issue 2 of Weekly Alert covering technical development in taxation around the globe.

TAX – Hong Kong

1. Business Registration Notice

On 8 January 2021, the Inland Revenue Department (“IRD”) issued a notice for business registration matters. The notice provides general information of new registration and renewal procedures, prescribed fees, display requirement, exemption from payment, as well as other administrative matters.

More details can be found in the pamphlet “[A Brief Guide to Business Registration](#)” on the IRD’s website.

Business Registration Notice

https://www.ird.gov.hk/eng/pdf/br_202101_e.pdf

2. Stamp Duty statistics (December 2020)

On 12 January 2021, the 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 December 2020. During the month, the IRD collected SSD of HK\$9.9million, BSD of HK\$67.9million and DSD/NRSD of HK\$639.4 million.

Stamp Duty Statistics (December 2020)

https://www.ird.gov.hk/eng/ppr/mthly_statistics.htm

TAX – PRC

1. STA Deploys Full Implementation of Notification and Commitment System for Tax Certification Items (國家稅務總局關於印發《全面推行稅務證明事項告知承諾制實施方案》的通知)

The State Taxation Administration (“STA”) has recently released the circular on issuing the Implementation Plan for Fully Implementing the Notification and Commitment System for Tax Certification Items (“the plan”), with the objective to implement the notification and commitment system for tax certification items when the tax authorities handle tax matters such as tax registration and tax reduction and exemption applications, which require provision of certification.

The plan sets out seven main tasks and implementation steps, and also stipulates regulatory requirements in three aspects such as strengthening the prevention and control of tax risks.

稅總發〔2020〕74號

<http://www.chinatax.gov.cn/chinatax/n810341/n810825/c101434/c5160579/content.html>

TAX – International

1. Public comments received on the 2020 Review of BEPS Action 14

On 13 January 2021, the OECD published the public comments received on the 2020 Review of BEPS Action 14, as part of the ongoing work of the OECD/G20 Inclusive Framework on BEPS.

Additional comments can be submitted to OECD by 25 January 2021.

The public consultation meeting will be held virtually on 21 February 2021.

Public comments received on the 2020 Review of BEPS Action 14

<https://www.oecd.org/tax/beps/public-comments-received-on-the-2020-review-of-beps-action-14.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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