



# China Tax Weekly Update

ISSUE 1 | January 2017

Reference: N/A  
Issuance date: 25 December 2016  
Effective date: 1 January 2018

Relevant industries: All  
Relevant companies: Enterprises, public institutions and other persons engaged in production or any other business operation that release polluting items into the environment  
Relevant taxes: Environmental protection tax

Potential impacts on businesses:

- Need to be prepared for implementation of environmental protection tax
- Tax burden not increased after the conversion

You may click [here](#) to access full content of the circular.

## Law of the People's Republic of China on Environmental protection Tax

As highlighted in KPMG *China Tax Weekly Update* ([Issue 34, September 2016](#)), on 29 August 2016, the 12th National People's Congress (NPC) initially discussed the draft environmental protection tax law (Draft).

On 25 December, Law of the People's Republic of China on Environmental Protection Tax ("the Law ") was approved by NPC, and will apply from 1 January 2018, replacing the pollution fee currently levied by local governments.

<b>Taxpayers</b>	<ul style="list-style-type: none"> <li>• Enterprises, public institutions and other persons engaged in production or any other business operation that release polluting items into the environment directly in the territory of the People's Republic of China as well as the sea waters under its jurisdiction</li> </ul>
<b>Taxable subjects, taxable objects and tax base</b>	<ul style="list-style-type: none"> <li>• Air pollution: 1.2 - 12 CNY per pollution unit</li> <li>• Water pollution: 1.4 - 14 CNY per pollution unit</li> <li>• Disposal of solid wastes: based on the kind of the solid wastes (e.g. dangerous or the other), tax rate ranges from 5 – 1000 CNY per ton</li> <li>• Noise pollution: dependent on decibel, tax rate ranges from 350 - 11,200 per month</li> </ul> <p>* The Law comprises a detailed rate table and the rules on recognizing of pollution units.</p>

The principle of such legislation is that the tax burden will not be increased after the conversion from pollutant discharge fee to tax, by way of adopting the current standards for pollutant discharge fees, as well as rendering the payers of pollutant fees as taxpayers of Environmental Protection tax. "The fee to tax conversion" reform is one of major pieces of taxation reforms in China for 2016, being the fifth taxation law coming after the [Law of the People's Republic of China Concerning the Administration of Tax Collection](#), [Corporate Income Tax Law of the People's Republic of China](#), [Individual Income Tax Law of the People's Republic of China](#), and [Vehicle and Vessel Tax Law of the People's Republic of China](#).

Reference: N/A  
 Issuance date: N/A  
 Effective date: N/A

Relevant industries: All  
 Relevant companies:  
 Multinational enterprises  
 Relevant taxes: N/A

Potential impacts on  
 businesses:

- Risks of being challenged due to cross-border tax anti-avoidance arrangements increased

You may click the circular titles to access full content of the circulars.

## OECD advances BEPS continuity work

As highlighted in KPMG *China Tax Weekly Update* ([Issue 25, July 2016](#)), ([Issue 26, July 2016](#)), ([Issue 33, August 2016](#)), ([Issue 37, September 2016](#)), ([Issue 41, November 2016](#)), and ([Issue 48, December 2016](#)), the Organisation for Economic Cooperation and Development (OECD) has continued to release new policy documents for the continuity of BEPS work subsequent to the issuance of the October 2015 BEPS Deliverables. Recently, the OECD have further released several documents in relation to BEPS work on their official website. These releases fall within the Common Reporting Standard (CRS) and additional guidance on Action 4 of the BEPS Action Plan.

### ❑ [Over 1300 bilateral relationships in place to allow automatic exchange information between tax authorities](#)

- As another important step to implement the OECD Common Reporting Standard (CRS), the OECD has advised that on 22 December 2016, a further 350 bilateral automatic exchange relationships have been established between over 50 jurisdictions committed to exchanging information automatically pursuant to the [OECD Common Reporting Standard](#) (CRS), starting in 2017.
- There are now more than 1 300 bilateral relationships in place across the globe, most of them based on the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information (the CRS MCAA). The [full list of automatic exchange relationships](#) that are currently in place under the CRS MCAA and other legal instruments can be accessed on the [Automatic Exchange Portal](#). With respect to the jurisdictions exchanging as of 2017, 1133 out of the 1459 possible bilateral exchange relationships are now established. The 326 non activated exchange relationships are mainly due to the fact that 6 jurisdictions were not yet in a position to provide a full set of notifications.
- Two more rounds of activations are scheduled to take place in March and June 2017 which will allow the remaining 2017 and 2018 jurisdictions to nominate the partners with which they will undertake automatic exchanges in the coming months. The next update on the latest bilateral exchange relationships will be published before the end of March 2017, with updates to follow on a periodic basis. In total, 101 jurisdictions have agreed to start automatically exchanging financial account information in September 2017 and 2018, under the CRS.

\* China committed to CRS already in 2014 and subsequently signed the CRS MCAA. China is committed to engage in the first information exchange in September 2018. though it has yet to nominate the countries with which it wishes to engage in information exchange through the CRS MCAA.

To prepare for the 2018 start of CRS exchanges, on 14 October 2016 the State Administration of Taxation (SAT) published a discussion draft on "Due Diligence Administrative Measures on Non-residents' Financial Account Information in Tax Matters" for public comments ("the Discussion Draft"). The Discussion Draft published provides the principles and procedures for Chinese financial institutions in identifying the accounts of non-residents and collecting the relevant information. For more information, you may click our following KPMG publications for details:

- ❑ [China Tax Weekly Update \(Issue 40, October 2016\)](#)
- ❑ [China Tax Alert: Public Consultation for the Draft Measures on the Due Diligence of Non-resident Financial Account Information in Tax Matters \(Issue 32, November 2016\)](#)

□ [OECD releases additional guidance on Action 4 of the BEPS Action Plan to curb international tax avoidance](#)

- On 22 December 2016, the OECD released an updated version of the BEPS Action 4 Report (*Limiting Base Erosion Involving Interest Deductions and Other Financial Payments*), which includes further guidance on two areas:

- ❖ The design and operation of the group ratio rule

The 2015 Action 4 Report set out a common approach to address BEPS involving interest and payments economically equivalent to interest. This included a 'fixed ratio rule' which limits an entity's net interest deductions to a set percentage of its tax-EBITDA (earnings before interest, tax, depreciation and amortization) and a 'group ratio rule' to allow an entity to claim higher net interest deductions, based on a relevant financial ratio of its worldwide group. The report included a detailed outline of a rule based on the net third party interest/EBITDA ratio of a consolidated financial reporting group, and provided that further work would be conducted in 2016 on elements of the design and operation of the rule. The updated report does not change any of the conclusions agreed in 2015, but provides a further layer of technical detail to assist countries in implementing the group ratio rule in line with the common approach. This emphasises the importance of a consistent approach in providing protection for countries and reducing compliance costs for groups, while including some flexibility for a country to take into account particular features of its tax law and policy.

- ❖ Approaches to deal with risks posed by the banking and insurance sectors

The 2015 report also identified factors which suggest that the common approach may not be suitable to deal with risks posed by entities in the banking and insurance sectors. The updated report examines regulatory and commercial requirements which constrain the ability of groups to use interest for BEPS purposes, and limits on these constraints. Overall, a number of features reduce the risk of BEPS involving interest posed by banking and insurance groups, but differences exist between countries and sectors and in some countries risks remain. Each country should identify the risks it faces, distinguishing between those posed by banking groups and those posed by insurance groups. Where no material risks are identified, a country may reasonably exempt banking and/or insurance groups from the fixed ratio rule and group ratio rule without the need for additional tax rules. Where BEPS risks are identified, a country should introduce rules appropriate to address these risks, taking into account the regulatory regime and tax system in that country. The updated report considers how these rules may be designed, and includes a summary of selected rules currently applied by countries. In all cases, countries should ensure that the interaction of tax and regulatory rules and the possible impact on groups is fully understood.

Reference: N/A  
 Issuance date: 26 December 2016  
 Effective date: N/A

Relevant industries: All  
 Relevant companies:  
 Enterprises with related  
 party transaction  
 Relevant taxes: CIT

Potential impacts on  
 businesses:

- Risks of being challenged due to cross-border tax anti-avoidance arrangements increased.

You may click [here](#) to access full content of the circulars.

## China Advance Pricing Arrangement (APA) Annual Report (2015)

On 26 December 2016, SAT released [China Advance Pricing Arrangement Annual Report \(2015\)](#) ("2015 APA Report"), which was promulgated in both [Chinese](#) and English version. 2015 APA Report introduce the APAs statistics concluded from 2005 to 2015, professional team building, key considerations and schedules of the APA program in China for 2015.

According to the report:

- In 2015, the Chinese tax authorities signed 12 APAs in total, including 6 unilateral APAs and 6 bilateral APAs.
- According to the comparison between bilateral APAs and unilateral APAs as of 31 December 2015, there are more bilateral APAs than unilateral APAs. Further analysis indicates that most of the unilateral APAs are either expired or in effect, whereas most of the bilateral APAs are in the "Pre-Acceptance" phase with the rest being in either "Accepted Applications" or "Concluded APAs" category. The above figures suggest that more and more enterprises prefer to apply for bilateral APA to gain certainty and avoid double taxation. They also demonstrate that increasing scrutiny in accepting and concluding bilateral APA applications is expected as more requests have been turned in for acceptance. As the Chinese tax authority aims to improve the quality of the APA examination work by steadily developing the APA program, extra care has been devoted to pre-filing examination. Hence many APA applications will stay in the pre-acceptance stage pending thorough examination.
- According to the statistics of APA types which involved in connected transaction as of 31 December 2015, most of the enterprises applied for APAs are manufacturing companies which are mainly involved in intercompany purchase and sale of tangible assets. However, based on the number of accepted applications and concluded APAs, it is anticipated that the number of APAs involving other types of transactions will increase in the future. As China's tertiary industry develops, an increasing number of service companies may decide to apply for APAs. Thus, more APAs may involve transactions related to transfer or use of intangible assets, services and financing.
- The Chinese tax authorities generally aim to complete the review and negotiation process within 12 months for unilateral APAs and within 24 months for bilateral APAs. Bilateral APAs involve negotiations with relevant competent authorities through the MAP process and therefore more time is required to reach a consensus on them than that of unilateral APAs.
- According to the statistics used for transfer pricing of signed APA from year 2005 to 2015, the transactional net margin method (TNMM) is the most commonly used transfer pricing method, accounting for 78.4% of all the applied transfer pricing methods. The most commonly used profit level indicators are the Return on Sales ratio and the Full Cost Mark-up ratio. The second most popular transfer pricing method is the cost plus method.

\* SAT issued notice on the Enhancement of Administration of Advance Pricing Arrangement (APA) ("Announcement 64"), clarified matters on APA. For more specific changes and impacts of requirements on Announcement 64, please refer to the following links:

- ❑ [China Tax Alert: State Administration of Taxation Issued Announcement on the Enhancement of Administration of APA \(Issue 28, October 2016\)](#)
- ❑ [China Tax Weekly Update \(Issue 40, October 2016\)](#)

Reference: Gong Shang Qi  
Zhu Zi [2016] No. 253  
Issuance date: 27 December  
2016  
Effective date: 1 March 2017

Relevant industries: All  
Relevant companies:  
Enterprises with de-  
registration arrangements  
Relevant taxes: No relevant  
taxes

Potential impacts on  
businesses:

- Operational cost reduced

You may click [here](#) to access  
full content of the circular.

## SAIC issues guidance to simplify the de-registration procedures for enterprises

On 27 December, the State Administration for Industry and Commerce (SAIC) issued Gong Shang Qi Zhu Zi [2016] No.253 ("Circular 253"), which requires to streamline the de-registration procedures nationwide for enterprises, effective from 1 March 2017.

- The following enterprises (including limited liability corporations, non-enterprise organizations, sole proprietorship enterprises or partnership enterprises) have discretion on the de-registration procedures whether to apply the general deregistration procedures or the simplified deregistration procedures :
  - enterprises which have not carried out any business activity after obtaining the business license
  - enterprises which have no credit or debt or has settled all credits and debts before applying for the de-registration
- For foreign-invested enterprises involved in the special requirements industries (e.g. equity percentages, executives), or enterprises that breach standards/rules, such as being included into the negative list of prohibited/restricted industries, or become the dishonest taxpayers, or have been share blocked, pledged, mortgaged, or being investigating, the said simplified de-registration procedures shall not qualify.
- Enterprises applying for the simplified de-registration procedures shall publicize the relevant information, such as intention of de-registration and all investors' promises (e.g.: all credits and debts have been settled), through the national enterprise credit information publicity system. The public announcement period lasts 45 days.
- Enterprises can apply for the simplified de-registration procedures after the announcement period. When applying for the de-registration, materials like liquidation report, investor resolution, tax clearance certificates, filing returns of liquidation, published newspaper announcement shall not be needed to submit any more.
- For an enterprise which is not subject to any objection during the public announcement period, the registration authority should make decision on permission of the simplified de-registration in 3 working days.

Reference: Shui Zong Han [2016] No. 685  
 Issuance date: 21 December 2016

Effective date: From 1 January to 31 May 2017

Relevant industries: All  
 Relevant companies: All  
 Relevant taxes: CIT

Potential impacts on businesses:

- Effective tax burden reduced
- Cash flow burden reduced

You may click [here](#) to access full content of the circular.

## SAT issues notice on R&D super deduction for year 2016

As highlighted in KPMG China Tax Weekly Update ([Issue 1, January 2016](#)), CaiShui[2015] No. 119 and SAT Announcement 97 clarified detailed implementation standards regarding R&D expenses super deduction ("Super Deduction Policies", which apply to the Corporate Income Tax (CIT) annual filing for 2016 and afterwards.

On 21 December 2016, SAT issued notice on R&D super deduction (Shui Zong Han[2016] No.685), which emphasizes:

- The implementation of Super Deduction Policies for year 2016 shall only be based on verification of enterprises' eligible expenses in the year 2016. There is no need for verifying such expenses occurred before 2016 to be the implementation standards in 2016. The matters concerning Super Deduction Policies which happened before 2016 shall not affect enterprises enjoying the 150% super deduction in 2016.
- For those enterprises claimed for 150% super deduction but are unable to provide necessary materials or subject to the uncertainties of preferential policies, authorities shall actively conduct the guidance and interpretation work for enterprises to benefit from the 150% super deduction incentive.
- Retrospective 3-year claims: Companies will be able to deduct unclaimed R&D expenses of 2016 for 3-year period since 2017.

\* For more detail analysis of R&D super deduction policies, please refer to the following KPMG publications:

- [China Tax Alert: R&D Super Deduction Regulation Update \(Issue 31, November 2015\)](#)
- [China Tax Alert: 150% Super Deduction Regulation Update \(Issue 3, January 2016\)](#)

Reference: SAT  
Announcement [2016] No.86  
Issuance date: 24 December  
2016  
Effective date: 24 December  
2016

Relevant industries: All  
Relevant companies: All  
Relevant taxes: VAT

Potential impacts on  
businesses:

- Compliance risks due to regulatory uncertainties reduced

You may click [here](#) to access full content of the circular.

## SAT clarifies specific issues on VAT levying and administration

As highlighted in KPMG China Tax Weekly Update ([Issue 49, December 2016](#)), on 21 December, China's Ministry of Finance ("MOF") and SAT jointly issued Cai Shui [2016] No.140 ("Circular 140"), clarified a number of uncertainties which have arisen in practice. In response to Circular 140, on 24 December 2016, SAT released SAT Announcement[2016] No.86 ("Announcement 86") to further clarify the issues identified in practice emerged, effective from 24 December 2016. Announcement 86 mainly clarifies the following details:

- The time point of deduction for purchases of land use rights against the sale for developers as mentioned in Circular 140.
- Matters on adjusting tax declaration and the issuance of VAT invoices to give effect to Circular 140.
- Matters on how to use the overpaid VAT to offset VAT payable of later periods, if a taxpayer has overpaid VAT in a prior period clarified in Circular 140.
- How should insurance companies issue VAT invoices for co-insurance service.
- For taxpayers renting immovable properties, where rent-free period is stipulated in the lease contract, such transaction shall not be classified as deemed sales

\* For more detail analysis and specific impacts of it on enterprises of Circular 140, please refer to the following link:

- [China Tax Alert: Significant retrospective changes introduced to clarify VAT reform policies \(Issue 38, December 2016\)](#)

Reference: SAT  
Announcement [2016] No. 84  
Issuance date: 19 December  
2016  
Effective date: 1 November  
2016

Relevant industries: All  
Relevant companies: All  
Relevant taxes: CIT

Potential impacts on  
businesses:

- Effective tax burden reduced

You may click [here](#) to access full content of the circulars.

## China and Malaysia signed exchange notes for DTA

As highlighted in KPMG China Tax Weekly Update ([Issue 42, November 2016](#)), on 1 November 2016, China and Malaysia signed an [Exchange of Notes \(EoN\) to the Agreement between the Government of the People's Republic of China and the Government of Malaysia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income](#) ("The EoN"), in Beijing.

On 19 December 2016, SAT issued SAT Announcement [2016] No. 84, promulgated the full text of the EoN, effective from 1 November 2016. Interest arising in a Contracting State derived by the Government (including specified institutions wholly owned by the respective Governments) are eligible for tax exemption of the China-Malaysia DTA signed in 1985. The EoN clarifies the list of institutions wholly owned by the respective Governments.



## China issues notice on adjustment of tariff for year 2017 (Shui Wei Hui [2016] No. 64)

On 24 December 2016, China issues notice on adjustment of tariff for year 2017 (Shui Wei Hui[2016] No. 64), making adjustments on import and export duties, effective from 1 January 2017.

You may click [here](#) to access the full content of the circular.

## Three departments issue notice on import tax policy of new-type display device

On 5 December 2016, MOF, GAC and SAT jointly issued Cai Guan Shui[2016] No. 62(" Circular 62"), deciding that during 13th 5-year period, which is from 1 January 2016 to 31 December 2020, to take continuing efforts to implement tax incentives (such as exempted from imported tariff, and VAT) for the imported new-type display device along with upstream raw materials as well as certain goods imported by parts manufacturer. Circular 62 also clarifies lists of abovementioned goods exempted from imported taxes.

You may click [here](#) to access the full content of the circular.

## SAT issues notice on issuance of 2016 tax stamps

On 12 December 2016, SAT issued SAT Announcement [2016] No. 85 ("Announcement 85"), releasing the tax stamps version 2016. Announcement 85 clarifies stamps pattern, stamps sizes and packages, stamp anti-counterfeiting measures as well as distributing amount. Meanwhile, Announcement 85 explicates that the tax stamps issued in previous years still valid in the future.

You may click [here](#) to access the full content of the circular.



## List of Key Tax Policies in the second half of 2016

\* With respect to the List of Key Tax Policies in the first half of 2016, you may click to access KPMG [China Tax Weekly Update \(Issue 25, July 2016\)](#).

Tax	Regulation	Effective date	link
International Tax	<ul style="list-style-type: none"> <li>• <i>SAT public discussion draft drives CRS rollout</i> <ul style="list-style-type: none"> <li>❑ Provided the principles and procedures for Chinese financial institutions in identifying the accounts of non-residents and collecting the relevant information, mainly on the following: (i). Due diligence procedures for new accounts and existing accounts; (ii). Scope of financial institution and accounts that are not subject to the due diligence; (iii). Information that are required to be collected and submitted; (iv). Penalties for violations etc.</li> </ul> </li> </ul>	N/A	<a href="#">China Tax Weekly update Issue 40, 2016</a> <a href="#">China Tax Alert Issue 32, 2016</a> <a href="#">China – Looking Ahead, 6th Edition (BEPS in China – multi-track developments)</a>
	<ul style="list-style-type: none"> <li>• <i>OECD advances BEPS continuity work</i> <ul style="list-style-type: none"> <li>❑ OECD releases guidance on the implementation of country-by-country reporting</li> <li>❑ OECD updates guidance on implementing CbC Reporting under BEPS Action 13</li> <li>❑ G20/OECD BEPS Project advances tax certainty agenda with the launch of global review of MAP programs</li> <li>❑ Network of more than 1,000 jurisdiction-to-jurisdiction relationships now in place to automatically exchange information between tax authorities</li> <li>❑ OECD releases multilateral instrument (MLI) to update more than 2,000 tax treaties worldwide</li> </ul> </li> </ul>	N/A	<a href="#">China Tax Weekly Update Issue 26, Issue 34, Issue 35, Issue 41 and Issue 45</a> <a href="#">China Tax Alert Issue 35</a>
	<ul style="list-style-type: none"> <li>• <i>Jiangsu tax bureau to further push forward the development of international tax (Su Guo Shui Fa [2016] No. 125)</i> <ul style="list-style-type: none"> <li>❑ The Jiangsu State Tax Bureau issued 2016-2018 Compliance Plan on International Tax Administration to put forwards suggestions from 13 aspects to multinational enterprises (MNEs) for tax risks prevention to meet the new changes of international tax rules.</li> </ul> </li> </ul>	9 August 2016	<a href="#">China Tax Weekly update Issue 31, 2016</a>
	<ul style="list-style-type: none"> <li>• <i>New China-Russia DTA takes effect (SAT Announcement [2016] No. 48)</i></li> </ul>	9 April 2016	<a href="#">China Tax Weekly Update Issue 30, 2016</a>
	<ul style="list-style-type: none"> <li>• <i>China-Poland air transport tax agreement takes effect (SAT Announcement [2016] No. 49)</i></li> </ul>	1 July 2016	<a href="#">China Tax Weekly update Issue 30, 2016</a>
	<ul style="list-style-type: none"> <li>• <i>New China-Chile DTA takes effect (SAT Announcement [2016] No. 79)</i></li> </ul>	8 August 2016	<a href="#">China Tax Weekly update Issue 48, 2016</a>

Tax	Regulation	Effective date	link
<b>Transfer Pricing</b>	<ul style="list-style-type: none"> <li>• <i>SAT enhances TP reporting and documentation (SAT Announcement [2016] No. 42)</i> <ul style="list-style-type: none"> <li>❑ Announcement 42 further enhanced the reporting of related party transactions, the administration of contemporaneous documentation, introduces the BEPS country-by-country (CBC) report as an element of the annual related party transaction reporting, and expands the range of related party transactions caught in the scope of TP rules.</li> </ul> </li> </ul>	Year 2016 and afterwards	<p><a href="#">China Tax Weekly update Issue 27, 2016</a></p> <p><a href="#">China Tax Alert Issue 23, 2016</a></p> <p><a href="#">China – Looking Ahead, 6th Edition (China transfer pricing – first mover on BEPS)</a></p>
	<ul style="list-style-type: none"> <li>• <i>SAT enhances APA administration (SAT Announcement [2016] No. 64)</i> <ul style="list-style-type: none"> <li>❑ Announcement 64 replaced the current regulations on APA administration as prescribed under Chapter 6 of the Implementation Measures for Special Tax Adjustments (Trial Implementation) (Guo Shui Fa [2009] No. 2), which will come into effect beginning from 1 December 2016 .</li> </ul> </li> <li>• <i>China Advance Pricing Arrangement Annual Report (2015)</i></li> </ul>	1 December 2016	<p><a href="#">China Tax Weekly update Issue 40, Issue 44, 2016</a></p> <p><a href="#">China Tax Alert Issue 28, 2016</a></p>
	<ul style="list-style-type: none"> <li>• <i>Updated “China Country Practice” Chapter of the UN Practical Manual on TP for Developing Countries</i></li> </ul>	NA	<p><a href="#">China Tax Weekly update Issue 44, 2016</a></p>
<b>Corporate Income Tax</b>	<ul style="list-style-type: none"> <li>• <i>More cities to give tax incentives for service outsourcing (Cai Shui [2016] No. 108)</i> <ul style="list-style-type: none"> <li>❑ Extending the Corporate Income Tax (CIT) incentives for advanced technology service enterprises (ATSEs) to 10 newly added cities from 1 January 2016 to 31 December 2018.</li> </ul> </li> <li>• <i>Tax incentives for advanced technology service enterprises in pilot service innovation development zones (Cai Shui [2016] No. 122)</i> <ul style="list-style-type: none"> <li>❑ Offering the preferential CIT treatment to ATSEs that are located in the 15 pilot service innovation zones provided that certain requirements are met. Meanwhile, recognition scope of advanced technological service enterprises (ATSEs) will be expanded within the pilot areas, i.e., other services with high-tech and high value added, apply from 1 January 2016 to 31 December 2017.</li> </ul> </li> </ul>	1 January 2016	<p><a href="#">China Tax Weekly Update Issue 44, Issue 47, 2016</a></p>
	<ul style="list-style-type: none"> <li>• <i>MOF and SAT improve the income tax policies for stock incentives and contribution with technological results (Cai Shui[2016] No.101)</i> <ul style="list-style-type: none"> <li>❑ Clarifies that the deferred taxation policy for equity incentives from non-listed companies, tax payment for the equity incentive of the listed company extended, as well as preferential policy of deferred taxation may be adopted selectively for transferring rights in technology as capital contribution.</li> </ul> </li> <li>• <i>SAT clarifies tax collection for new rules on stock incentive and capital contribution with rights in technology (SAT Announcement[2016] No. 62)</i></li> </ul>	1 September 2016	<p><a href="#">China Tax Weekly update Issue 37 and Issue 38, 2016</a></p> <p><a href="#">China – Looking Ahead, 6th Edition (Tax to the aid of innovation and entrepreneurship in China)</a></p>

Tax	Regulation	Effective date	link
Corporate Income Tax (Cont'd)	<ul style="list-style-type: none"> <li>• Tax treatment for Shenzhen-Hong Kong Stock Connect transactions clarified (Cai Shui [2016] No. 127)               <ul style="list-style-type: none"> <li>❑ Clarified tax treatment for transactions undertaken through Shenzhen-Hong Kong Stock Connect on Income Taxes(CIT / IIT), VAT as well as Stamp Duties.</li> </ul> </li> </ul>	5 December 2016	<a href="#">China Tax Weekly Update Issue 46, 2016</a> <a href="#">Hong Kong Tax Alert Issue 14, 2016</a>
	<ul style="list-style-type: none"> <li>• MOF and SAT jointly issues tax deductions for deposit insurance premiums (Cai Shui [2016] No. 106)               <ul style="list-style-type: none"> <li>❑ Deposit insurance premiums that are paid at a deposit insurance premium rate of less than 0.016% are allowed to be deducted by banking institutions from their taxable income for CIT calculation purposes.</li> </ul> </li> </ul>	1 May 2015	<a href="#">China Tax Weekly Update Issue 43, 2016</a>
	<ul style="list-style-type: none"> <li>• CIT deduction for reserves of insurance companies (Cai Shui [2016] No. 114)               <ul style="list-style-type: none"> <li>❑ Maintains relevant provisions of Cai Shui [2012] No. 45 which previously clarified the tax deduction rules for reserves of insurance companies, effective from 1 January 2016 till 31 December 2020.</li> </ul> </li> </ul>	1 January 2016	<a href="#">China Tax Weekly Update Issue 45, 2016</a>
	<ul style="list-style-type: none"> <li>• SAT clarifies CIT treatment of asset transfers and insurance premiums (SAT Announcement [2016] No.80)               <ul style="list-style-type: none"> <li>❑ Announcement 80 clarified that for a deemed sale the sales revenue amount shall be determined based on the fair value of the transferred asset.</li> </ul> </li> </ul>	1 January 2016	<a href="#">China Tax Weekly Update Issue 48, 2016</a>
	<ul style="list-style-type: none"> <li>• CIT refund arising from LAT settlement clarified(SAT Announcement [2016] No.81)</li> </ul>	9 December 2016	<a href="#">China Tax Weekly Update Issue 48, 2016</a>
Value Added Tax	<ul style="list-style-type: none"> <li>• MOF and SAT issue notices on VAT reform implementation and supplement documents:               <ul style="list-style-type: none"> <li>• MOF and SAT clarify VAT policies for interbank funding arrangements (Cai Shui [2016] No. 70)</li> <li>• SAT clarifies certain tax collection issues for VAT reform (SAT Announcement [2016] No. 53)</li> <li>• SAT clarifies LAT collection after VAT reform(SAT Announcement [2016] No. 70)</li> <li>• MOF and SAT jointly issue notice on new Value Added Tax rules applicable to certain sectors recently transitioned from Business Tax (BT) to VAT(Cai Shui[2016] No.140)</li> <li>• SAT clarifies tax declaration adjustment in relation to claim for offset of carried forward excess input VAT credits against output VAT of later periods(SAT Announcement [2016] No. 75)</li> <li>• SAT clarifies VAT rules for transfer of immovable property(SAT Announcement [2016] No. 73)</li> <li>• SAT clarifies specific issues on VAT levying and administration(SAT Announcement[2016] No.86)</li> </ul> </li> </ul>	1 May 2016	<a href="#">China Tax Weekly Update Issue 26, Issue 34, Issue 45, Issue 46 and Issue 49, 2016</a> <a href="#">China Tax Alert Issue 20 and Issue 18, 2016</a> <a href="#">China Tax Weekly Update Issue 1, 2017</a> <a href="#">China – Looking Ahead, 6th Edition (Post VAT reform in China – what’s next?)</a>

Tax	Regulations	Effective date	Link
Value Added Tax (Cont'd)	<ul style="list-style-type: none"> <li>State Council issues notice on adjusting the VAT rebates method (Guo Fa [2016] No. 71)</li> <li>From year 2016, the VAT rebating method, will be replaced by a method that the allocation of VAT revenues between local and central government levels will be carried out on a fixed basis, referring to the 2015 rates. It will no longer add or deduct the amount of rebates to regions that see an increase or decrease in VAT revenue.</li> </ul>	1 January 2016	China Tax Weekly Update <a href="#">Issue 49</a> , 2016
	<ul style="list-style-type: none"> <li>MOF issues notice to revise accounting rules on VAT (Cai Kuai [2016] No. 22)</li> </ul>	1 May 2016	China Tax Weekly Update <a href="#">Issue 48</a> , 2016
Consumption Tax	<ul style="list-style-type: none"> <li>MOF and SAT's notice on adjusting the consumption tax policy on cosmetics (Cai Shui [2016] No. 103)</li> <li>The Circular cancels consumption tax on ordinary cosmetics and decorative cosmetics, and the adjusted scope of taxable cosmetics including high-end beautifying, decorative cosmetics and skin care cosmetics as well as complete set of cosmetics, and shall be subject to consumption tax at 15%.</li> <li>MOF and SAT's notice on adjusting consumption tax on imported cosmetics (Cai Guan Shui [2016] No. 48)</li> <li>SAT further clarifies consumption tax administration for cosmetics (SAT Announcement [2016] No. 66)</li> </ul>	1 October 2016 19 October 2016	China Tax Weekly Update <a href="#">Issue 38</a> and <a href="#">Issue 41</a> , 2016
	<ul style="list-style-type: none"> <li>SAT and MOF introduce additional consumption tax on luxury cars (Cai Shui [2016] No.129)</li> <li>The additional 10% consumption tax will be imposed at retail stage.</li> <li>SAT clarifies collection of consumption tax on luxury cars (SAT Announcement [2016] No. 74)</li> <li>MOF and SAT's notice on adjusting consumption tax on imported cars (Cai Guan Shui [2016] No. 63)</li> <li>GAC's announcement on implementation issues relating to adjusting consumption tax on imported cars (GAC Announcement [2016] No. 74)</li> </ul>	1 December 2016	China Tax Weekly Update <a href="#">Issue 46</a> , 2016
Stamp Duty	<ul style="list-style-type: none"> <li>SAT standardizes administration for stamp duty (SAT Announcement[2016] No. 77)</li> <li>Announcement 77 set out guidance on tax risk management for stamp duty.</li> </ul>	1 January 2017	China Tax Weekly update <a href="#">Issue 47</a> , 2016
Individual Income Tax	<ul style="list-style-type: none"> <li>MOF and SAT improve the income tax policies for stock incentives and contribution with technological results (Cai Shui[2016] No.101)</li> <li>Clarifies that the deferred taxation policy for equity incentives from non-listed companies, tax payment for the equity incentive of the listed company extended, as well as preferential policy of deferred taxation may be adopted selectively for transferring rights in technology as capital contribution.</li> <li>SAT clarifies tax collection for new rules on stock incentive and capital contribution with rights in technology (SAT Announcement[2016] No. 62)</li> </ul>	1 September 2016	China Tax Weekly update <a href="#">Issue 37</a> and <a href="#">Issue 38</a> , 2016 China Tax Alert <a href="#">Issue 38</a> , 2016

Tax	Regulation	Effective date	link
Individual Income Tax (Cont'd)	<ul style="list-style-type: none"> <li>Tax treatment for Shenzhen-Hong Kong Stock Connect transactions clarified (Cai Shui [2016] No. 127)                             <ul style="list-style-type: none"> <li>Clarified tax treatment for transactions undertaken through Shenzhen-Hong Kong Stock Connect on Income Taxes(CIT / IIT), VAT as well as Stamp Duties</li> </ul> </li> </ul>	5 December 2016	<p>China Tax Weekly Update <a href="#">Issue 46</a>, 2016</p> <p>Hong Kong Tax Alert, <a href="#">Issue 14</a>, 2016</p>
Tax Admin	<ul style="list-style-type: none"> <li>SAT to classify &amp; grade taxpayers(Shui Zong Fa [2016] No. 99)</li> <li>Incentives for taxpayers with class-A tax credit rating(Fa Gai Cai Jin [2016] No.1467)                             <ul style="list-style-type: none"> <li>29 Chinese regulatory authorities granted more incentives to taxpayers with class-A tax credit rating, which includes 41 incentive measures in 18 areas such as project approval and management, tax services, allocation of financial funds, imports and exports etc.</li> </ul> </li> <li>New measures to facilitate export enterprises (SAT Announcement [2016] No. 46)                             <ul style="list-style-type: none"> <li>Administrative categories for export enterprises comprise Category 1, Category 2, Category 3 and Category 4 and enterprises are classified into these categories based on their general tax credit rating and historic tax compliance status, amongst other factors.</li> </ul> </li> <li>VAT invoice administration linked to taxpayer risk rating(SAT Announcement [2016] No. 71)</li> </ul>	8 July 2016 1 September 2016 19 August 2016 1 December 2016	<p>China Tax Weekly Update <a href="#">Issue 27</a>, <a href="#">Issue 29</a>, <a href="#">Issue 44</a> and <a href="#">Issue 45</a>, 2016</p> <p>China Tax Alert <a href="#">Issue 28</a>, 2016</p> <p><a href="#">China – Looking Ahead, 6th Edition (China tax – big data and beyond)</a></p>
	<ul style="list-style-type: none"> <li>Rules for discretion for tax authorities to levy penalties (SAT Announcement [2016] No.78)                             <ul style="list-style-type: none"> <li>Announcement 78 set out the discretionary powers of local tax authorities to levy penalties</li> </ul> </li> </ul>	1 January 2017	China Tax Weekly Update <a href="#">Issue 48</a> , 2016
	<ul style="list-style-type: none"> <li>Administration for tax residence certificates clarified(SAT Announcement [2016] No.40)                             <ul style="list-style-type: none"> <li>Announcement 40 delegated the issuance permission of TRC to tax authorities at county-level from tax authorities at municipal-level</li> </ul> </li> </ul>	1 October 2016	China Tax Weekly Update <a href="#">Issue 26</a> , 2016
	<ul style="list-style-type: none"> <li>Law of the People's Republic of China on Environmental protection Tax                             <ul style="list-style-type: none"> <li>The legislation is based on the idea that the tax burden will not be increased after the conversion from pollutant discharge fee to tax .</li> </ul> </li> </ul>	1 January 2018	China Tax Weekly Update <a href="#">Issue 1</a> , 2017
NPC Legislation	<ul style="list-style-type: none"> <li>Draft E-commerce Law in development                             <ul style="list-style-type: none"> <li>Draft E-commerce Law in development regulates a range of matters pertinent to e-commerce transactions and services, including particular issues for cross-border e-commerce, security issues, overall governmental supervision and management of e-commerce, and the legal responsibilities of e-commerce enterprises.</li> </ul> </li> </ul>	N/A	China Tax Weekly Update <a href="#">Issue 49</a> , 2016
	<ul style="list-style-type: none"> <li>China adopts law on cybersecurity(Decree of the President No. 53)                             <ul style="list-style-type: none"> <li>The Cybersecurity Law provides various security obligations for network products, service providers and network operators. The law further strengthens the protection of personal information, sets up a system to protect the security of key information infrastructure facilities, and establishes rules for cross-border transfer of vital data of key information infrastructure facilities</li> </ul> </li> </ul>	1 June 2017	China Tax Weekly Update <a href="#">Issue 43</a> , 2016

Tax	Regulations	Effective date	Link
Forex Administration	<ul style="list-style-type: none"> <li>• Notice on expansion of the pilot scheme of cross-border financing under overall prudent and macroeconomic management (Yin Fa [2016] No. 18)</li> </ul>	25 January 2016	China Tax Weekly Update <a href="#">Issue 38</a> , 2016
	<ul style="list-style-type: none"> <li>• Notice on Implementing cross-border financing under overall prudent and macroeconomic management throughout the country (Yin Fa [2016] No. 132)</li> </ul>	3 May 2016	
	<ul style="list-style-type: none"> <li>• Forex administrations for foreign institutional investors (FIIs) investing in the inter-bank bond market (Hui Fa [2016] No. 12)</li> </ul>	27 May 2016	
	<ul style="list-style-type: none"> <li>• Forex administration on qualified foreign institutional investors (QFII) engaged in securities investment in China (SAFE Announcement [2016] No. 1)</li> </ul>	3 February 2016	
	<ul style="list-style-type: none"> <li>• Forex administration on RMB qualified foreign institutional investors (RQFII) engaged in securities investment in China (Yin Fa [2016] No. 227)</li> </ul>	5 September 2016	
	<ul style="list-style-type: none"> <li>• Notice on promoting trade and investment facilitation and improving verification of the authenticity of trade (Hui Fa [2016] No. 7)</li> </ul>	9 June 2016	
	<ul style="list-style-type: none"> <li>• Notice on standardizing the administration for foreign exchange settlement under capital account (Hui Fa [2016] No. 16)</li> </ul>		
Customs	<ul style="list-style-type: none"> <li>• Rules on Customs Inspection revised(State Council Order No. 670) <ul style="list-style-type: none"> <li>❑ The revised Rules clarified the scope and period of Customs inspection, and explained the factors that determine Customs inspection priorities.</li> </ul> </li> <li>• Implementation measures on customs inspection introduced(GAC Order No. 230) <ul style="list-style-type: none"> <li>❑ The implementation measures refines and standardizes the new rules on inspection by the customs, mainly include: import and export activities subject to customs inspection, self-regulation is encouraged (i.e., voluntarily disclose the violation) as well as intermediary institutions involved in inspection.</li> </ul> </li> </ul>	1 October 2016	China Tax Weekly Update <a href="#">Issue 26</a> , <a href="#">Issue 38</a> , 2016 China Tax Alert <a href="#">Issue 21</a> , 2016 <a href="#">China – Looking Ahead, 6th Edition (China Customs – pushing the boundaries)</a>
	<ul style="list-style-type: none"> <li>• Customs duty administrative modernization advances(GAC Announcement [2016] No. 62) <ul style="list-style-type: none"> <li>❑ Carries out a pilot reform on duty collection and administration. The reform is transitioning China Customs from traditional goods pre-review processes, under which reviews must be conducted before goods are released by Customs, to new post-review processes which are much more efficient.</li> </ul> </li> <li>• Further VAT rules for transfer of immovable property(GAC Announcement [2016] No. 73)</li> </ul>	1 November 2016 1 December 2016	China Tax Weekly Update <a href="#">Issue 42</a> and <a href="#">Issue 46</a> , 2016 China Tax Alert <a href="#">Issue 30</a> , 2016
	<ul style="list-style-type: none"> <li>• VAT general tax payer status to be piloted in special customs supervision zones(SAT, MOF and GAC Announcement [2016] No. 65)</li> </ul>	1 September 2016	China Tax Weekly Update <a href="#">Issue 31</a> and <a href="#">Issue 40</a> , 2016
	<ul style="list-style-type: none"> <li>• Selective tariff policy on domestic sales expanded(Cai Guan Shui [2016] No. 40)</li> </ul>	1 November 2016	

Tax	Regulations	Effective date	Link
Corporate Investment	<ul style="list-style-type: none"> <li>• <i>China has been in the process of revising its inbound investment rules. Following various pilot programs in certain localities, a new nationwide system for the administration of foreign investment approvals is being rolled out.</i> <ul style="list-style-type: none"> <li>❑ NPC Standing Committee's decision on revising four inbound investment laws (Decree of the President No. 51)</li> <li>❑ Interim Measures for Filing Administration of Establishment &amp; Change of FIEs (MOFCOM Order [2016] No. 3)</li> <li>❑ NDRC and MOFCOM Announcement [2016] No. 22</li> <li>❑ Foreign investment in central and western China is further encouraged</li> </ul> </li> </ul>	<p>1 October 2016</p> <p>8 October 2016</p>	<p><i>China Tax Weekly Update</i> <a href="#">Issue 35</a>, <a href="#">Issue 37</a>, <a href="#">Issue 39</a> and <a href="#">Issue 47</a>, 2016</p>
	<ul style="list-style-type: none"> <li>• <i>Market access for all investors to selected business sectors with an internet-relevant dimension – Public opinions sought on draft negative list</i></li> </ul>	<p>21 October 2016</p>	<p><i>China Tax Weekly Update</i> <a href="#">Issue 42</a>, 2016</p>
	<ul style="list-style-type: none"> <li>• <i>China to further regulate investment projects(Decree of the State Council No.673 )</i></li> <li>• <i>China releases 2016 Catalogue of Investment Projects (Guo Fa [2016] No. 72)</i></li> </ul>	<p>1 February 2017</p> <p>20 December 2016</p>	<p><i>China Tax Weekly Update</i> <a href="#">Issue 48</a> and <a href="#">Issue 49</a>, 2016</p>
	<ul style="list-style-type: none"> <li>• <i>Private securities fund management businesses are open for foreign investors</i> <ul style="list-style-type: none"> <li>❑ Qualified WFOEs and EJVs are allowed to set up private securities fund management institutions. These may carry out private securities fund management business, including investments in securities on secondary market.</li> </ul> </li> </ul>	<p>N/A</p>	<p><i>China Tax Weekly Update</i> <a href="#">Issue 28</a>, 2016</p> <p><i>China Tax Alert</i> <a href="#">Issue 24</a>, 2016</p>
	Others	<ul style="list-style-type: none"> <li>• <i>Listed company use of equity incentive plans facilitated (CSRC Order No. 126)</i></li> <li>• <i>New rules for restructuring listed companies(CSRC Order No. 127)</i></li> </ul>	<p>13 August 2016</p> <p>8 September 2016</p>
<ul style="list-style-type: none"> <li>• <i>China adds 7 new free trade zones</i> <ul style="list-style-type: none"> <li>❑ China will set up 7 new pilot free trade zones (FTZs) in Liaoning, Zhejiang, Henan, Hubei, Chongqing, Sichuan and Shaanxi, in addition to the existing FTZs in Shanghai, Guangdong, Tianjin and Fujian.</li> </ul> </li> <li>• <i>China to promote FTZ reforms throughout the country (Guo Fa[2016] No. 63)</i> <ul style="list-style-type: none"> <li>❑ This guides nationwide application of pilot reforms that were successfully conducted in free trade zones (FTZs) in Guangdong, Tianjin, Fujian and Shanghai. These pilot reforms, which include 19 separate measures, shall be rolled out by 30 November 2016. 12 of the 19 measures are for nationwide rollout, and 7 of the measures are for rollout in customs special supervision areas.</li> </ul> </li> </ul>		<p>2 November 2016</p>	<p><i>China Tax Weekly Update</i> <a href="#">Issue 34</a> and <a href="#">Issue 44</a>, 2016</p>

For any enquiries, please send to our public mailbox: [taxenquiry@kpmg.com](mailto:taxenquiry@kpmg.com) or contact our partners/directors in each China/HK offices.

#### Khoonming Ho

Head of Tax,  
KPMG China  
Tel. +86 (10) 8508 7082  
[khoonming.ho@kpmg.com](mailto:khoonming.ho@kpmg.com)

#### Beijing/Shenyang David Ling

Tel. +86 (10) 8508 7083  
[david.ling@kpmg.com](mailto:david.ling@kpmg.com)

#### Tianjin

**Eric Zhou**  
Tel. +86 (10) 8508 7610  
[ec.zhou@kpmg.com](mailto:ec.zhou@kpmg.com)

#### Qingdao

**Vincent Pang**  
Tel. +86 (532) 8907 1728  
[vincent.pang@kpmg.com](mailto:vincent.pang@kpmg.com)

#### Shanghai/Nanjing Lewis Lu

Tel. +86 (21) 2212 3421  
[lewis.lu@kpmg.com](mailto:lewis.lu@kpmg.com)

#### Chengdu

**Anthony Chau**  
Tel. +86 (28) 8673 3916  
[anthony.chau@kpmg.com](mailto:anthony.chau@kpmg.com)

#### Hangzhou

**John Wang**  
Tel. +86 (571) 2803 8088  
[john.wang@kpmg.com](mailto:john.wang@kpmg.com)

#### Guangzhou

**Lilly Li**  
Tel. +86 (20) 3813 8999  
[lilly.li@kpmg.com](mailto:lilly.li@kpmg.com)

#### Fuzhou/Xiamen

**Maria Mei**  
Tel. +86 (592) 2150 807  
[maria.mei@kpmg.com](mailto:maria.mei@kpmg.com)

#### Shenzhen

**Eileen Sun**  
Tel. +86 (755) 2547 1188  
[eileen.gh.sun@kpmg.com](mailto:eileen.gh.sun@kpmg.com)

#### Hong Kong

**Karmen Yeung**  
Tel. +852 2143 8753  
[karmen.yeung@kpmg.com](mailto:karmen.yeung@kpmg.com)

#### Northern China

##### David Ling

Head of Tax,  
Northern Region  
Tel. +86 (10) 8508 7083  
[david.ling@kpmg.com](mailto:david.ling@kpmg.com)

##### Andy Chen

Tel. +86 (10) 8508 7025  
[andy.m.chen@kpmg.com](mailto:andy.m.chen@kpmg.com)

##### Yali Chen

Tel. +86 (10) 8508 7571  
[yali.chen@kpmg.com](mailto:yali.chen@kpmg.com)

##### Conrad Turley

Tel. +86 (10) 8508 7513  
[conrad.turley@kpmg.com](mailto:conrad.turley@kpmg.com)

##### Milano Fang

Tel. +86 (532) 8907 1724  
[milano.fang@kpmg.com](mailto:milano.fang@kpmg.com)

##### Tony Feng

Tel. +86 (10) 8508 7531  
[tony.feng@kpmg.com](mailto:tony.feng@kpmg.com)

##### John Gu

Tel. +86 (10) 8508 7095  
[john.gu@kpmg.com](mailto:john.gu@kpmg.com)

##### Rachel Guan

Tel. +86 (10) 8508 7613  
[rachel.guan@kpmg.com](mailto:rachel.guan@kpmg.com)

##### Helen Han

Tel. +86 (10) 8508 7627  
[h.han@kpmg.com](mailto:h.han@kpmg.com)

##### Michael Wong

Tel. +86 (10) 8508 7085  
[michael.wong@kpmg.com](mailto:michael.wong@kpmg.com)

##### Josephine Jiang

Tel. +86 (10) 8508 7511  
[josephine.jiang@kpmg.com](mailto:josephine.jiang@kpmg.com)

##### Henry Kim

Tel. +86 (10) 8508 5000  
[henry.kim@kpmg.com](mailto:henry.kim@kpmg.com)

##### Li Li

Tel. +86 (10) 8508 7537  
[li.li@kpmg.com](mailto:li.li@kpmg.com)

##### Lisa Li

Tel. +86 (10) 8508 7638  
[lisa.h.li@kpmg.com](mailto:lisa.h.li@kpmg.com)

##### Thomas Li

Tel. +86 (10) 8508 7574  
[thomas.li@kpmg.com](mailto:thomas.li@kpmg.com)

##### Simon Liu

Tel. +86 (10) 8508 7565  
[simon.liu@kpmg.com](mailto:simon.liu@kpmg.com)

##### Alan O'Connor

Tel. +86 (10) 8508 7521  
[alan.oconnor@kpmg.com](mailto:alan.oconnor@kpmg.com)

##### Vincent Pang

Tel. +86 (10) 8508 7516  
+86 (532) 8907 1728  
[vincent.pang@kpmg.com](mailto:vincent.pang@kpmg.com)

##### Naoko Hirasawa

Tel. +86 (10) 8508 7054  
[naoko.hirasawa@kpmg.com](mailto:naoko.hirasawa@kpmg.com)

##### Shirley Shen

Tel. +86 (10) 8508 7586  
[yinghua.shen@kpmg.com](mailto:yinghua.shen@kpmg.com)

##### Joseph Tam

Tel. +86 (10) 8508 7605  
[laiyu.tam@kpmg.com](mailto:laiyu.tam@kpmg.com)

##### Joyce Tan

Tel. +86 (10) 8508 7666  
[joyce.tan@kpmg.com](mailto:joyce.tan@kpmg.com)

##### Jessica Xie

Tel. +86 (10) 8508 7540  
[jessica.xie@kpmg.com](mailto:jessica.xie@kpmg.com)

##### Christopher Xing

Tel. +86 (10) 8508 7072  
[christopher.xing@kpmg.com](mailto:christopher.xing@kpmg.com)

#### Irene Yan

Tel. +86 (10) 8508 7508  
[irene.yan@kpmg.com](mailto:irene.yan@kpmg.com)

#### Jessie Zhang

Tel. +86 (10) 8508 7625  
[jessie.j.zhang@kpmg.com](mailto:jessie.j.zhang@kpmg.com)

#### Sheila Zhang

Tel. +86 (10) 8508 7507  
[sheila.zhang@kpmg.com](mailto:sheila.zhang@kpmg.com)

#### Tiansheng Zhang

Tel. +86 (10) 8508 7526  
[tiansheng.zhang@kpmg.com](mailto:tiansheng.zhang@kpmg.com)

#### Tracy Zhang

Tel. +86 (10) 8508 7509  
[tracy.h.zhang@kpmg.com](mailto:tracy.h.zhang@kpmg.com)

#### Eric Zhou

Tel. +86 (10) 8508 7610  
[ec.zhou@kpmg.com](mailto:ec.zhou@kpmg.com)

#### Central China

##### Lewis Lu

Head of Tax,  
Eastern & Western Region  
Tel. +86 (21) 2212 3421  
[lewis.lu@kpmg.com](mailto:lewis.lu@kpmg.com)

##### Alan Garcia

Tel. +86 (21) 2212 3509  
[alan.garcia@kpmg.com](mailto:alan.garcia@kpmg.com)

##### Cheng Chi

Tel. +86 (21) 2212 3433  
[cheng.chi@kpmg.com](mailto:cheng.chi@kpmg.com)

##### Yasuhiko Otani

Tel. +86 (21) 2212 3360  
[yasuhiko.otani@kpmg.com](mailto:yasuhiko.otani@kpmg.com)

##### Johnny Deng

Tel. +86 (21) 2212 3457  
[johnny.deng@kpmg.com](mailto:johnny.deng@kpmg.com)

##### Cheng Dong

Tel. +86 (21) 2212 3410  
[cheng.dong@kpmg.com](mailto:cheng.dong@kpmg.com)

##### Marianne Dong

Tel. +86 (21) 2212 3436  
[marianne.dong@kpmg.com](mailto:marianne.dong@kpmg.com)

##### Chris Ge

Tel. +86 (21) 2212 3083  
[chris.ge@kpmg.com](mailto:chris.ge@kpmg.com)

##### Chris Ho

Tel. +86 (21) 2212 3406  
[chris.ho@kpmg.com](mailto:chris.ho@kpmg.com)

##### Henry Wong

Tel. +86 (21) 2212 3380  
[henry.wong@kpmg.com](mailto:henry.wong@kpmg.com)

##### Jason Jiang

Tel. +86 (21) 2212 3527  
[jason.jt.jiang@kpmg.com](mailto:jason.jt.jiang@kpmg.com)

##### Flame Jin

Tel. +86 (21) 2212 3420  
[flame.jin@kpmg.com](mailto:flame.jin@kpmg.com)

##### Sunny Leung

Tel. +86 (21) 2212 3488  
[sunny.leung@kpmg.com](mailto:sunny.leung@kpmg.com)

##### Michael Li

Tel. +86 (21) 2212 3463  
[michael.y.li@kpmg.com](mailto:michael.y.li@kpmg.com)

##### Karen Lin

Tel. +86 (21) 2212 4169  
[karen.w.lin@kpmg.com](mailto:karen.w.lin@kpmg.com)

##### Christopher Mak

Tel. +86 (21) 2212 3409  
[christopher.mak@kpmg.com](mailto:christopher.mak@kpmg.com)

##### Henry Ngai

Tel. +86 (21) 2212 3411  
[henry.ngai@kpmg.com](mailto:henry.ngai@kpmg.com)

##### Ruqiang Pan

Tel. +86 (21) 2212 3118  
[ruqiang.pan@kpmg.com](mailto:ruqiang.pan@kpmg.com)

##### Amy Rao

Tel. +86 (21) 2212 3208  
[amy.rao@kpmg.com](mailto:amy.rao@kpmg.com)

#### Wayne Tan

Tel. +86 (28) 8673 3915  
[wayne.tan@kpmg.com](mailto:wayne.tan@kpmg.com)

#### Tanya Tang

Tel. +86 (25) 8691 2850  
[tanya.tang@kpmg.com](mailto:tanya.tang@kpmg.com)

#### Rachel Tao

Tel. +86 (21) 2212 3473  
[rachel.tao@kpmg.com](mailto:rachel.tao@kpmg.com)

#### Janet Wang

Tel. +86 (21) 2212 3302  
[janet.z.wang@kpmg.com](mailto:janet.z.wang@kpmg.com)

#### John Wang

Tel. +86 (21) 2212 3438  
[john.wang@kpmg.com](mailto:john.wang@kpmg.com)

#### Mimi Wang

Tel. +86 (21) 2212 3250  
[mimi.wang@kpmg.com](mailto:mimi.wang@kpmg.com)

#### Jennifer Weng

Tel. +86 (21) 2212 3431  
[jennifer.weng@kpmg.com](mailto:jennifer.weng@kpmg.com)

#### Grace Xie

Tel. +86 (21) 2212 3422  
[grace.xie@kpmg.com](mailto:grace.xie@kpmg.com)

#### Bruce Xu

Tel. +86 (21) 2212 3396  
[bruce.xu@kpmg.com](mailto:bruce.xu@kpmg.com)

#### Jie Xu

Tel. +86 (21) 2212 3678  
[jie.xu@kpmg.com](mailto:jie.xu@kpmg.com)

#### Robert Xu

Tel. +86 (21) 2212 3124  
[robert.xu@kpmg.com](mailto:robert.xu@kpmg.com)

#### Yang Yang

Tel. +86 (21) 2212 3372  
[yang.yang@kpmg.com](mailto:yang.yang@kpmg.com)

#### William Zhang

Tel. +86 (21) 2212 3415  
[william.zhang@kpmg.com](mailto:william.zhang@kpmg.com)

#### Dylan Jeng

Tel. +86 (21) 2212 3080  
[dylan.jeng@kpmg.com](mailto:dylan.jeng@kpmg.com)

#### Hanson Zhou

Tel. +86 (21) 2212 3318  
[hanson.zhou@kpmg.com](mailto:hanson.zhou@kpmg.com)

#### Anthony Chau

Tel. +86 (21) 2212 3206  
[anthony.chau@kpmg.com](mailto:anthony.chau@kpmg.com)

#### Michelle Zhou

Tel. +86 (21) 2212 3458  
[michelle.b.zhou@kpmg.com](mailto:michelle.b.zhou@kpmg.com)

#### Southern China

##### Lilly Li

Head of Tax,  
Southern Region  
Tel. +86 (20) 3813 8999  
[lilly.li@kpmg.com](mailto:lilly.li@kpmg.com)

##### Penny Chen

Tel. +1 (408) 367 6086  
[penny.chen@kpmg.com](mailto:penny.chen@kpmg.com)

##### Vivian Chen

Tel. +86 (755) 2547 1198  
[vivian.w.chen@kpmg.com](mailto:vivian.w.chen@kpmg.com)

##### Sam Fan

Tel. +86 (755) 2547 1071  
[sam.kh.fan@kpmg.com](mailto:sam.kh.fan@kpmg.com)

##### Joe Fu

Tel. +86 (755) 2547 1138  
[joe.fu@kpmg.com](mailto:joe.fu@kpmg.com)

##### Ricky Gu

Tel. +86 (20) 3813 8620  
[ricky.gu@kpmg.com](mailto:ricky.gu@kpmg.com)

##### Fiona He

Tel. +86 (20) 3813 8623  
[fiona.he@kpmg.com](mailto:fiona.he@kpmg.com)

##### Angie Ho

Tel. +86 (755) 2547 1276  
[angie.ho@kpmg.com](mailto:angie.ho@kpmg.com)

#### Aileen Jiang

Tel. +86 (755) 2547 1163  
[aileen.jiang@kpmg.com](mailto:aileen.jiang@kpmg.com)

#### Cloris Li

Tel. +86 (20) 3813 8829  
[cloris.li@kpmg.com](mailto:cloris.li@kpmg.com)

#### Jean Li

Tel. +86 (755) 2547 1128  
[jean.j.li@kpmg.com](mailto:jean.j.li@kpmg.com)

#### Sisi Li

Tel. +86 (20) 3813 8887  
[sisi.li@kpmg.com](mailto:sisi.li@kpmg.com)

#### Mabel Li

Tel. +86 (755) 2547 1164  
[mabel.li@kpmg.com](mailto:mabel.li@kpmg.com)

#### Kelly Liao

Tel. +86 (20) 3813 8668  
[kelly.liao@kpmg.com](mailto:kelly.liao@kpmg.com)

#### Patrick Lu

Tel. +86 (755) 2547 1187  
[patrick.c.lu@kpmg.com](mailto:patrick.c.lu@kpmg.com)

#### Grace Luo

Tel. +86 (20) 3813 8609  
[grace.luo@kpmg.com](mailto:grace.luo@kpmg.com)

#### Maria Mei

Tel. +86 (592) 2150 807  
[maria.mei@kpmg.com](mailto:maria.mei@kpmg.com)