



# China Tax Alert

Issue 38, December 2019

## China Immigration Trends

### Regulations discussed in this alert:

- Notice on supporting Lin-gang Special Area of the Shanghai Pilot Free Trade Zone (FTZ) to attract foreign talents more conveniently and openly
- The policy of visa exemption for foreigners in transit for 144 hours will be expanded to 27 ports
- Exit and Entry Administration of Shanghai Public Security Bureau has officially launched "Online Self-service Declaration System for Accommodation Registration of Foreigners" in Shanghai
- The Shanghai Public Security Bureau (PSB) and the Shanghai Foreign Experts Bureau launched a "Single Window for Foreigners Work and Residence Permits Applications"

### Background

The Shanghai Municipal Administration of Foreign Experts Affairs (SHAFA), The National Immigration Administration and The Exit-Entry Administration Bureau of Shanghai Public Security Bureau have progressively promulgated new policies since September 2019, aiming to attract more foreign talents and simplify entry and exit procedures for foreigners.

### Key Points

#### **Introducing foreign talent pilot program in Lin-gang Special Area of China (Shanghai) Pilot Free Trade Zone**

The Lin-gang Special Area (LGSA) of the Shanghai Pilot Free Trade Zone (Shanghai Pilot FTZ) will be upgraded to a foreign talent pilot zone. Specific measures to attract foreign talent specialising in innovative activities include:

- Foreign talents employed by scientific institutions and high-tech enterprises in the LGSA, foreign talents urgently needed for industrial development, and those who invest in the LGSA or engage in new innovative businesses will be subject to relaxed rules pertaining to age, education background and work experience requirements for their preliminary PRC work permit applications;
- Talents and their foreign team members pioneering in the high-tech industry will be entitled to simplified PRC work permits application procedures via the "Green Channel";
- Foreigners holding senior managerial or highly-technical positions in companies which are covered by "Shanghai Science and Technology Innovation Occupations" list are entitled to simplified PRC work permit applications;
- Employers in the LGSA will have access to platforms established by Shanghai Municipal Science and Technology Commission and SHAFA to identify and source foreign talents. At the same time, LGSA will also provide support relating to onboarding training, legal consultation, cultural exchange and settle-in for foreign talents.

### **China 144-hour visa-free transit program expanded to cover 27 ports**

Effective 1 December 2019, eligible foreigners enter from air ports in Chongqing and Xi'an can transit and stay in China for up to 144-hour without a visa. Those who enter from air ports in Ningbo can also visit Shanghai, Jiangsu and Zhejiang Province during the 144-hour visa-free transit. Furthermore, air ports in Chengdu have been expanded to Chengdu, Leshan, Deyang, Suining, Meishan, Ya'an, Ziyang, Neijiang, Zigong, Luzhou and Yibin.

Following the expansion of the program, 30 border ports in 23 cities across 18 provinces in China will implement the 144-hour and 72-hour visa exemption program for foreigners from 53 countries.

<b>Max length of stay</b>	<b>Pre – December 1, 2019</b>	<b>Post December 1, 2019 (*Newly added border ports)</b>
<b><u>144 hours</u></b>	Beijing, Tianjin, Shijiazhuang, Qinhuangdao, Shanghai, Hangzhou, Nanjing, Shenyang, Dalian, Qingdao, Chengdu, Xiamen, Kunming, Wuhan, Guangzhou, Shenzhen, Jieyang	Chongqing*, Xi'an*, Ningbo*
<b><u>72 hours</u></b>	Chongqing, Xi'an, Changsha, Guilin, Ha'erbin	Changsha, Guilin, Ha'erbin

### **Self-assisted (online) registration for temporary residence**

The Exit-Entry Administration Bureau of Shanghai Public Security Bureau has officially launched an online platform which enables foreigners to complete registration for temporary residence online.

- Applicant can scan a QR code and subscribe to the wechat public account or log in to the system on a PC;
- Minimal details of the applicant is required for completing the registration (e.g. applicant's residential address and arrival/departure dates);
- Platform automatically verifies and confirms completion of registration on timely basis;
- Completed "Temporary Residence Registration Form" can be downloaded and printed for record-keeping.

### **Launch of "Single Window" in Shanghai for Foreigners' Work and Residence Permits applications**

The Shanghai Public Security Bureau (PSB) and SHAFEA launched a "Single Window" for processing Foreigners' Work and Residence Permits applications. Foreign talents who qualify for Category A work permit can now submit work permit and residence permit applications simultaneously to the "single window" and obtain both permits at the same time upon approval, and the entire process should be completed within 7 business days.

### **KPMG Observation**

Companies should proactively evaluate feasibility of applying new immigration policy and practice to its own foreign employees and aligning its deployment strategy and corresponding policies accordingly.

KPMG team is closely following updates from various authorities, and will keep you informed by way of future alerts and/or consultations as required.





# 并肩赋能 税道渠成

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2019 KPMG Advisory (China) Limited, a wholly foreign owned enterprise in China and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

# Contact us

## National



### Lewis Lu

Head of Tax  
KPMG China  
T: +86 (21) 2212 3421  
E: lewis.lu@kpmg.com



### Murray Sarelius

Head of People Services  
KPMG China  
T: +852 3927 5671  
E: murray.sarelius@kpmg.com

## Northern Region



### Vincent Pang

Head of Tax, Northern Region  
KPMG China  
T: +86 (10) 8508 7516  
E: vincent.pang@kpmg.com



### Sheila Zhang

Tax Director  
KPMG China  
T: +86 (10) 8508 7507  
E: sheila.zhang@kpmg.com



### Vivian Zhou

Tax Director  
KPMG China  
T: +86 (10) 8508 3360  
E: v.zhou@kpmg.com

## Eastern and Western Region



### Michelle Zhou

Tax Partner  
KPMG China  
T: +86 (21) 2212 3458  
E: michelle.b.zhou@kpmg.com



### Robin Xiao

Tax Director  
KPMG China  
T: +86 (21) 2212 3273  
E: robin.xiao@kpmg.com



### Joyce Wang

Tax Director  
KPMG China  
T: +86 (21) 2212 3387  
E: joyce.t.wang@kpmg.com



### Jimmy Jiang

Tax Director  
KPMG China  
T: +86 (21) 2212 3459  
E: jimmy.jiang@kpmg.com

## Southern Region



### Kelly Liao

Tax Partner  
KPMG China  
T: +86(20)3813 8668  
E: kelly.liao@kpmg.com



### Grace Luo

Tax Partner  
KPMG China  
T: +86 (20) 3813 8609  
E: grace.luo@kpmg.com



### Sophie Lu

Tax Director  
KPMG China  
T: +86 (20) 3813 8236  
E: ss.lu@kpmg.com



### Fiona Wu

Tax Director  
KPMG China  
T: +86 (20) 3813 8606  
E: fiona.wu@kpmg.com

## Hong Kong



### Murray Sarelius

Head of People Services  
KPMG China  
T: +852 3927 5671  
E: murray.sarelius@kpmg.com



### David Siew

Tax Partner  
KPMG China  
T: +852 2143 8785  
E: david.siew@kpmg.com



### Gabriel Ho

Tax Director  
KPMG China  
T: +852 3927 5570  
E: gabriel.ho@kpmg.com



### Kate Lai

Tax Director  
KPMG China  
T: +852 2978 8942  
E: kate.lai@kpmg.com



## Management Leaders

## National Leader



**Lewis Lu**  
Head of Tax, KPMG China  
+86 (21) 2212 3421  
[lewis.lu@kpmg.com](mailto:lewis.lu@kpmg.com)

## National Tax Markets Leader



**Lilly Li**  
Partner-in-Charge,  
KPMG China  
+86 (20) 3813 8999  
[lilly.li@kpmg.com](mailto:lilly.li@kpmg.com)

## National Tax Operations Leader



**Anthony Chau**  
Partner-in-Charge,  
KPMG China  
+86 (21) 2212 3206  
[anthony.chau@kpmg.com](mailto:anthony.chau@kpmg.com)

## Regional Leaders



**Vincent Pang**  
Regional Tax Partner-in-Charge,  
Northern Region  
+86 (10) 8508 7516  
[vincent.pang@kpmg.com](mailto:vincent.pang@kpmg.com)



**Jennifer Weng**  
Regional Tax Partner-in-Charge,  
Eastern & Western Region  
+86 (21) 2212 3431  
[jennifer.weng@kpmg.com](mailto:jennifer.weng@kpmg.com)



**Karmen Yeung**  
Regional Tax Partner-in-Charge,  
Southern Region  
+852 2143 8818  
[karmen.yeung@kpmg.com](mailto:karmen.yeung@kpmg.com)



**Curtis Ng**  
Regional Tax Partner-in-Charge,  
Hong Kong (SAR)  
+852 2143 8709  
[curtis.ng@kpmg.com](mailto:curtis.ng@kpmg.com)

## Service Lines Leaders

## Global Transfer Pricing Services



**Xiaoyue Wang**  
+86 (10) 8508 7090  
[xiaoyue.wang@kpmg.com](mailto:xiaoyue.wang@kpmg.com)

## Research &amp; Development Tax



**Bin Yang**  
+86 (20) 3813 8605  
[bin.yang@kpmg.com](mailto:bin.yang@kpmg.com)

## Legal &amp; Indirect Tax



**Lachlan Wolfers**  
+852 2685 7791  
[lachlan.wolfers@kpmg.com](mailto:lachlan.wolfers@kpmg.com)

## Global Compliance Management Services



**Stanley Ho**  
+852 2826 7296  
[stanley.ho@kpmg.com](mailto:stanley.ho@kpmg.com)

## M&amp;A Tax



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

## Tax Dispute Resolution



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

## International Tax



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

## People Services



**Murray Sarelus**  
+852 3927 5671  
[murray.sarelus@kpmg.com](mailto:murray.sarelus@kpmg.com)

## Tax Managed Services



**Maggie Mao**  
+86 (21) 2212 3020  
[maggie.y.mao@kpmg.com](mailto:maggie.y.mao@kpmg.com)

## Accounting &amp; Payroll



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

## Trade &amp; Customs



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

## Tax Transformation &amp; Tax Technology



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

## US Corporate Tax



**Wade Wagatsuma**  
+852 2685 7806  
[wade.wagatsuma@kpmg.com](mailto:wade.wagatsuma@kpmg.com)

## Sector / Market segment Leaders

## Auto



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



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

## Energy &amp; Natural Resources



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



**Ling Lin**  
+86 (755) 2547 1170  
[ling.lin@kpmg.com](mailto:ling.lin@kpmg.com)

## Technology, Media &amp; Telecommunications



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

## Financial Services



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



**John Timpany**  
+852 2143 8790  
[john.timpany@kpmg.com](mailto:john.timpany@kpmg.com)

## Enterprise



**Karmen Yeung**  
+852 2143 8818  
[karmen.yeung@kpmg.com](mailto:karmen.yeung@kpmg.com)



**Koko Tang**  
+86 (755) 2547 4180  
[koko.tang@kpmg.com](mailto:koko.tang@kpmg.com)

## Technology, Media &amp; Telecommunications



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

## Real Estate



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



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

## Domestic Chinese Market



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



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

## Asset Management Private Equity



**Darren Bowdern**  
+852 2826 7166  
[darren.bowdern@kpmg.com](mailto:darren.bowdern@kpmg.com)

## US Desk



**David Ling**  
+1 609 874 4381  
[davidxling@kpmg.com](mailto:davidxling@kpmg.com)



**Shirley Shen**  
+1 669 208 5352  
[yinghuashen1@kpmg.com](mailto:yinghuashen1@kpmg.com)

## Japanese Market



**Naoko Hirasawa**  
+86 (21) 2212 3098  
[naoko.hirasawa@kpmg.com](mailto:naoko.hirasawa@kpmg.com)



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

## Korean Market



**Henry Kim**  
+86 (10) 8508 7023  
[henry.kim@kpmg.com](mailto:henry.kim@kpmg.com)

## Operations

## China Tax Centre



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

## China Tax Centre



**Carol Cheng**  
+86 (10) 8508 7644  
[carol.y.cheng@kpmg.com](mailto:carol.y.cheng@kpmg.com)

## Learning &amp; Development Tax



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