

China Tax Alert



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New Exit/Entry Policies to Facilitate Mainland Travel from Hong Kong, Macao SARs

Summary:

Effective on July 10, 2024, The Exit and Entry Administration of P.R. China will issue the Mainland Travel Permit ("the Permit") to permanent residents of Hong Kong and Macao Special Administrative Regions ("SARs") who are non-Chinese citizens ("Non-citizens"). The purpose of the change is to:

- facilitate exchanges between mainland China and Hong Kong and Macao SARs, and
- expedite the integration of Hong Kong and Macao into the overall national development initiatives

Highlights

- Non-citizens who wish to travel to the Chinese mainland for short-term stay and for purposes such as investment, visiting relatives, tourism, seminars may apply for the Permit.
- The Permit which will be issued by the exit-entry administration will be multi-entry and valid for five years. The Permit
 holder will be eligible to remain in the Chinese mainland for a period not exceeding 90 days for each stay, and shall not
 engage in work, study or engage in news interview activities.
- First-time applicant may lodge their application to China Travel Service (Holdings) Hong Kong Limited and China Travel Service (Macao) Ltd. which are authorized by the Exit and Entry Administration.
- In case of damage or loss of the Permit, or if the personal information of the holder changes or upon expiry of the Permit, the holder shall apply for renewal or replacement.

KPMG observations

This change in policy will enable qualified non-citizens to travel to the Chinese mainland for short-term visit without the need to obtain visas.

Along with introduction/reinstatement of visa-free policy to over 50 countries and the 72/144-hour port visa policy to 54 countries, China's relaxation on its immigration policy have given rise to more tourism and business exchanges in the last 6 months.

KPMG suggestions

As the purpose and length of issue of the Permit for non-citizens are restricted, and differ from that of the Mainland Travel Permit for Hong Kong and Macau residents, it is critical for non-citizens who intend to travel to Chinese mainland on the Permit to monitor the relevant purpose of entry and period of stay. Where the purpose of travel or length of intended stay is beyond the scope of the Permit, the non-citizen should apply for an appropriate entry visa.

Please consult your KPMG consultant for guidance or assistance with assessment and application of entry visa or permit.



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