



Tax Alert

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Produced by KPMG in China, this issue brings you the latest tax developments in China.

Foreign Invested Enterprise investment in China companies facilitated

Huifa [2019] No.28, issued by the State Administration of Foreign Exchange (SAFE) and effective from 25 October 2019, introduces twelve new measures to facilitate China cross-border trade and investment. This includes the removal of restrictions on foreign invested enterprises (FIEs) from using their registered capital for domestic equity investments. Restrictions previously applied where these were not 'FIE investment enterprises' (i.e. FIEs with equity investment as a listed activity in their registered scope of business). The change, which builds on earlier pilot schemes, should facilitate the expansion of foreign business and investment in China.

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[Policies on annual comprehensive income tax reconciliation under the new individual income tax system published](#)

[China Immigration Trends](#)

[Release of the draft PRC VAT Law consultation paper](#)

[Foreign Banks and Insurers Granted Greater China Market Access](#)

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[Tay Hong Beng](#)
Partner
Head of Tax
KPMG in Singapore



[Ajay K Sanganeria](#)
Partner
Deputy Head of Tax
KPMG in Singapore



[Gan Kwee Lian](#)
Partner
Head of China Tax
Desk
KPMG in Singapore



[Chiu Wu Hong](#)
Partner
Head of Infrastructure,
Government, Healthcare,
Tax
KPMG in Singapore



[Gordon Lawson](#)
Partner
Head of Energy &
Natural Resources,
Tax
KPMG in Singapore



[Alan Lau](#)
Partner
Head of Financial
Services, Tax
KPMG in Singapore



[Teo Wee Hwee](#)
Partner
Head of Asset
Management & Real
Estate, Tax
KPMG in Singapore



[Felicia Chia](#)
Partner
Head of Transfer
Pricing
KPMG in Singapore



[Lam Kok Shang](#)
Partner
Head of Indirect Tax
KPMG in Singapore



[Aria Jiang](#)
Manager
China Tax Desk
KPMG in Singapore

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