



MMLC Group 

北京铭辉达知识产权代理有限公司

China Update

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Business News

Hong Kong is the Most Expensive Urban Centre for Renting an Office

Hong Kong has overtaken London to become the world's most expensive market for office space, for the first time since 2013. The average cost for operating an office space in Hong Kong has risen 5.5 per cent to US\$27,432 per workstation per year at the end of the second quarter, from the same period in 2016. Mainland Chinese companies have been occupying more prime real estate in Hong Kong's Central business district, inclusive of Sheung Wan, Central and Admiralty. They have expanded their footprint over the area's occupancy rate by 6 percentage points from 2013 to 2016, representing a net growth equivalent to 1 million square feet of space, or the size of the entire Cheung Kong Centre building.

FAW recalls faulty automobiles in China

FAW Car Co., Ltd. started recalling 206,570 vehicles in China due to problems with the braking system. It will recall Mazda 6 vehicles manufactured between 1 November 2012 and 31 March 2016. The recall was made due to the faulty design of a vacuum hose valve that is unable to function in cold weather, which could lead to malfunction of the braking system. All faulty parts will be replaced free of charge. Automakers recalled 4.49 million defective vehicles in China in the first five months of this year, compared with 11.34 million in all of 2016.

Microsoft's Skype Pulled from Apple and Android in China App Stores

Skype, Microsoft Corp's internet phone call and messaging service, has disappeared from app stores in China including that of Apple Inc. after the country's government said they violated local laws. China has increased scrutiny of internet applications this year, ordering firms to remove hundreds of apps that allow users to communicate confidentially or get around China's so-called Great Firewall system of censorship and use overseas social media.

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Partners and Associates in the MMLC Group are admitted to practice law in China, Australia and Europe (UK)

Wal-Mart Already Has a Thriving Online Grocery Business in China

Wal-Mart has already developed a big online grocery delivery business in China, capable of transporting fresh produce from its shelves to homes within an hour. To accomplish that feat, it's created a network of chilled mini-warehouses, used artificial intelligence to tailor inventories, and employed an army of crowd sourced deliverymen to rush meat, fruits, and vegetables to customers' doorsteps. Fresh food is considered the last frontier of Chinese e-commerce. Internet sales account for only a tiny fraction of China's 4.6 trillion-Yuan (\$695 billion) annual market for fresh foods. Wal-Mart's efforts in China, where it has more than 400 stores, revolve around trying to tap into a convenience-craving, smartphone-obsessed population that views errands such as going to the supermarket or bank as unwanted burdens.

Hong Kong Unveils Investor ID Plan for China Trading Link

International investors who trade Chinese stocks using the Hong Kong exchange link will be monitored in real-time by regulators in both jurisdictions. Authorities will be able to see a unique identifier for each investor or firm that uses the northbound connect, the trading link between the former British colony and the world's second-biggest stock market. Under current rules, only the broker sending the order is visible to Hong Kong's Securities and Futures Commission. The changes come as mainland China and Hong Kong integrate more closely, with two equity trading links connecting exchanges in Shenzhen and Shanghai with their southern counterpart. As the markets become more entwined, their respective regulators are looking at ways to bring surveillance more in line with one another.

Chinese Pumps Record Cash into Hong Kong Stocks as Rally Teeters

Chinese investors have helped to drive Hong Kong's stock surge in November, buying a record amount of equities in the city even as concern grows that the rally is starting to lose momentum. Net flows into Hong Kong's stock market swelled to 70.2 billion Yuan (\$10.6 billion) in November, the most since the first equity investment channel between the mainland and the city was opened in 2014. That's seen the Hang Seng Index jump 3.3 percent in November as heavyweights Tencent Holdings Ltd. and Ping An Insurance (Group) Co. helped it touch a decade-high. After failing to hold gains above the key 30,000-point level, the Hang Seng capped its steepest four-day decline in three months on 30 November. With only one month left in 2017, investors may look to cash in some of their winnings from the index's 33 percent rally this year. On top of that, there's concern China will curb the pace of flows into Hong Kong equities.

Tesla Shifts China Presence up a Gear with Beijing R&D Center

Tesla recently set up a research and development (R&D) center in Beijing, one month after the central government confirmed the company is looking to open a factory in Shanghai's free trade zone. The new company, Tesla (Beijing) New Energy R&D Co. Ltd., has a registered capital of \$2 million, and its sole shareholder is Tesla's Hong Kong unit, Tesla Motors (Hong Kong) Co. Ltd. The new R&D center will work on electric vehicles, their parts and batteries. The scope of its business will also include the transfer of R&D achievements, technological services and consulting. The venture is Tesla's latest effort to infiltrate the Chinese market, which is now its second most important after the U.S.

Hong Kong Secondary Home Prices Rise for 19th Straight Month in October

Hong Kong's secondary home prices rose for the 19th straight month in October led by gains in large-sized flats. The home price index rose 0.53 per cent to 342.4. That compared with growth of

0.35 per cent in September. The price of homes sized 753 square feet to 1,075 sq ft rose 0.89 per cent in October, the biggest gain among all categories, while flats larger than 1,722 sq ft saw prices decline 0.16 per cent.

Guangzhou Automobile Plans Design Studios in LA, Shanghai

Guangzhou Automobile Group Co, a major automaker based in Guangdong province, plans to establish two design studios in Los Angeles and Shanghai in order to boost the company's technology research strength by focusing on advanced technologies in the automobile industry. To attract more young talents, its current engineering institute recently organized an automobile design contest, which attracted hundreds of students from 72 domestic higher educational organizations.

China Factory Gauge Unexpectedly Rises as Global Demand Firms Up

China's official factory gauge unexpectedly increased to near a five-year high, as foreign and domestic demand helped cushion the effects of parallel campaigns to clean up the environment and the financial system. The manufacturing purchasing managers index rose to 51.8 in November, compared with 51.6 the previous month. The non-manufacturing PMI climbed to 54.8 from 54.3 in October. Numbers is higher than 50 indicate improving conditions. Both overseas and domestic consumers are snapping up products from China's factories as global demand remains buoyant, and that's sustaining producer inflation and boosting corporate profitability. That solid demand has offered a buffer for economic growth for now, as shut-downs of polluting factories and an accelerated effort to curb risky borrowing and cool the property sector feed through the economy.

Chinese Bike-sharing Company OFO to Enter India

Chinese bike-sharing company OFO is set to enter India. An agreement has been reached and bikes are being transported to India. The bikes will initially be available in Chennai, Bangalore, Ahmedabad, and Indore. They can be used free of charge with no deposit required until the end of 2017. So far, OFO has announced services in 19 countries, with more than 10 million bikes available for 200 million users globally.

Health Insurer Cited by Regulator for Shareholding Violations

The China Insurance Regulatory Commission published regulatory letters for violations in shareholding arrangements, requiring three insurers including Kunlun Health to rectify their practices regarding corporate governance, compliance and risk control safter a year-long review of the Beijing-based insurer's opaque ownership. The Commission ordered Kunlun Health, Taishan Property & Casualty Insurance Co. and Yong An Insurance Co. to fix a range of problems covering board operations, internal auditing, information disclosure, and management of related-party transactions, among others. The companies are required to submit a report by 30 December on their steps to correct the problems.

China aims to Curb Irrational Investment

China's top economic regulator recently published detailed rules to punish discreditable enterprises, referring to those that are found to be involved in illegal outbound investments or in moves to book profits by short-selling the Yuan. Enterprises violating overseas investment rules will be blacklisted and face 39 penalties imposed by the nation's top regulators as China takes further steps to curb irrational and unauthentic offshore investment moves. In the future, the central government will issue a slew of measures to refine the current steps to regulate irrational

outbound investment, and might loosen some of its grip on outbound investment if irrational outbound buying sprees are effectively controlled.

Major Piano Maker Looks to Tap Right Success Keys

Guangzhou Pearl River Piano Group Co Ltd, the world's largest piano producer and seller, is banking on growing bilateral cultural exchanges and cooperation between China and the rest of the world to help further expand its market presence. After the purchase of Germany's largest and most famous piano maker Schimmel last year, it plans to participate in a series of international cultural, education and music events and competitions in 2018, in order to help expand exchanges and cooperation with its foreign counterparts and further raise its reputation at home and abroad. Meanwhile, it believes that Pearl River Piano would be able to tap opportunities in the Belt and Road Initiative-related countries and regions in tandem with China's growing bilateral engagements across the world.

Chinese Demand Drives Aussie Citrus Industry Boom

Australia's citrus fruit industry has experienced a boom on the back of high demand from China. Australian citrus exports for the 12 months ending in September were worth \$286 million, a 31-percent increase on the 12 months prior. Export volumes also rose considerably, up 18 percent to 220,754 tons of fruit. The average price per kg of Australian citrus fruit has risen from \$0.78 in 2011 to \$1.29 in 2017. China represented the biggest growth opportunity with 45,000 tons being exported to China alone, a 52 percent increase. The numbers into China are now off the charts.

China Mobile to Invest Two Billion Yuan on IoT Services in 2018

China Mobile recently said it will roll out a 2-billion-yuan (\$303 million) subsidy program next year for customers who purchase its Internet of Things (IoT) technology, which is mainly based on sensor systems and allows devices to communicate with each other and be remotely controlled via the Internet, as it aims to increase its share in the fast-growing IoT market through the ambitious subsidy plan. So far, about 200 million IoT devices are connected to China Mobile's service platform, higher than that of rivals China Unicom and China Telecom. The company expects the number to grow by 120 million by the end of 2018. Growth in the IoT market is expected to speed up with the development of fifth-generation (5G) networks that can transmit large volumes of data cheaply, and the three wireless service providers in China are investing more on IoT chips and modules.

Early China Indicators Signal the Economy Cooled in November

Confidence among China's sales managers and steel producers waned in November, matching the mood among international investors, while sentiment among small businesses improved. As the country's leaders underline a shift to more sustainable economic growth rates, and push through reforms to cut pollution and curb financial risk, China is on a long-term slowdown, even though output in 2017 has exceeded expectations.

Ping An Catches Tech Fever

Ping An shares have soared 122 percent this year, almost keeping pace with the 127 percent rally by Tencent, which became the first Chinese internet company to join the exclusive club of global technology giants with a market value of more than \$500 billion. Ping An is starting to behave more like a tech stock as it embarks on a digital expansion into new business areas including spanning financial services, health, autos and real estate. Its hit online offerings include Lufax, one

of the nation's largest peer-to-peer lenders; One Connect, which offers AI-powered services such as distribution channels and risk management to financial companies; Pinganfang, an online realtor; and the Good Doctor app, which offers free diagnosis and medical appointment.

New Zealand's a2 Milking China's Consumer Demand

New Zealand-based milk producer a2 Milk Company will invest in marketing and improving product quality, in hopes of tapping the tremendous consumer demand for high-quality milk in China. a2 Milk Company currently distributes its a2 Platinum infant formula and a2 Milk through major cross border e-commerce channels and 4,000 mother and baby retail stores in China. During the Singles' Day sales on Nov 11 this year, the a2 Platinum infant formula was ranked as the top selling infant formula on Kaola.com, ranked second on JD.com and third on T-mall.

WeChat Hitches Takes on Guangzhou Metro

Guangzhou Metro passengers can now pay for their rides with the WeChat messaging app, as Tencent Holdings Ltd. competes with its rival Alibaba Group Holding Ltd. to get on track in the public transportation sector. Since 16 November, commuters in the southern metropolis have been able to take the subway after allowing the turnstile to scan a QR code generated by a WeChat in-app mini program. The turnstiles can scan the codes within 0.3 seconds. The system also supports offline payments, where passengers without an internet connection can travel first and pay later when they are next online.

E-commerce Propels Singles Day Sales

Over 168 billion Yuan in 24 hours — that translates into \$1 billion per hour being spent by bargain hunters during the largest single-day shopping festival on Nov 11. That sheer number almost tripled the size of last year's Black Friday and Cyber Monday in the United States combined and accounted for 5 percent of China's total retail sales of consumer goods in October. While e-commerce is already big business in China, these stats exemplify just how deep-pocketed Chinese shoppers can be — and how technology can take retail to new heights. Singles Day had a humble beginning in 2009, taking its name from the way 11 November was written numerically as four 1's, which resemble the unattached. But today it has become the most watched event in the world's retail calendar, thanks to its scale, variety and sophistication.

Tencent Becomes Asia's Most Valuable Company

Chinese internet giant Tencent has become Asia's most valuable company with its shares closing at record high on the Hong Kong Stock Exchange. Shares of Tencent closed at HK\$420 per share, which puts its market value at \$510.7 billion. It became the sixth ranking company in market value in the world. Tencent is also the first Asian company to beat the \$500-billion mark. It said the new market value put Tencent in the same camp as US tech giants Apple, Alphabet, Microsoft, Amazon and Facebook, whose values have all exceeded the \$500-billion mark.

Alibaba Bets \$2.9 Billion It Can Take on Wal-Mart in China

China's biggest e-commerce company agreed to acquire 36 percent of Sun Art Retail Group Ltd., which operates about 400 hypermarkets under the Auchan and RT-Mart banners. As part of the deal, France's Auchan Retail SA will raise its stake in the Hong Kong-listed company to a similar level, and form an alliance with the internet giant to tackle the same Chinese food retail sector Wal-Mart's targeting.

Apple, Google CEOs Bring Star Power as China Promotes Censorship

Apple Inc.'s Tim Cook and Google's Sundar Pichai made their first appearances at China's World Internet Conference, bringing star power to a gathering the Chinese government uses to promote strict online censorship. Apple's chief executive officer gave a surprise keynote at the opening ceremony on Sunday, calling for future internet and AI technologies to be infused with privacy, security and humanity. The same day, Politburo member Wang Huning called for more aggressive government involvement online to combat terrorism and criminals online, even calling for a global response team to go well beyond China's borders.

Legal News

Intellectual Property

SAIC's Policy to Deepen the Reform of Trademark Registration Facilitation

On 14 November 2017, the SAIC issued a new policy named as *Opinions on Deepening Trademark Registration Facilitation Reform and Enhancing Trademark Registration Efficiency*. In accordance with the Opinions, before the end of 2018, the issuance term of acceptance notice for trademark registration application shall be shortened from two months to one month; examination periods for trademark registration, assignment, and change/renewal will be 6, 4 and 2 months respectively; and the blind period of trademark search will be reduced from 3 months to 2 months.

Tesla Gets a Win in the Beijing IP Court

Tesla recently won a case for the cancellation of a similar trademark registration under Application No.11485034 in class 9 on the grounds that the it is a similar trade mark relating to similar goods in comparison with Tesla's earlier trademarks under Registration No. 7792673 and 8008885 in Class 12 and it infringes Tesla's trademark rights on purpose. The Beijing IP Court found that the goods of these trademarks are similar and Tesla had rightly applied for annulment based on the justification that Tesla presented evidence such as demonstrations of her practice in the business, media reports and documents to demonstrate that batteries and electric vehicles are closely related to each other in terms of function, type of use, manufacturing department, distribution channel and target consumer; the most important part of an electric vehicle is the battery, which is always sold together with electric vehicles; when consumers need to change the battery, they will usually first visit the original manufacturer. And the original battery manufacturer is Tesla.

Trademark Applications will be examined in Chongqing

Trademark applications will be examined in Chongqing as well as Beijing and Guangzhou, following the opening of the Chongqing Trademark Examination Collaborative Centre on 1 December 2017. During the opening ceremony, a cooperation agreement for accelerating the construction of Chongqing into a western innovation center and trademark brand strong city was signed between the State Administration for Industry & Commerce and Chongqing government.

18 Model Cases Regulating Trademark Malicious Registration Issued by the Beijing IP Court

The Beijing IP Court recently issued 18 model cases that it hopes that CTO and TRAB will follow in relation to dealing with malicious registrations, such as bad faith registration of third party trademarks. These cases include six cases in terms of squatting well-known trademarks; one case is issued regarding squatting by an agent; two cases have been issued with respect to squatting trademark registrations in relation to identical or similar goods contrary to Article 30 of the *Trademark Law*; one case deals with squatting that infringes others' prior rights; seven cases are issued in terms of hoarding large numbers of trademarks in bad faith; and a "Michael Jackson" trademark case is referred to regarding personality rights issues. It remains to be seen whether the CTO and TRAB, as well as the court itself, will attempt to follow these model cases when dealing with similar factual scenarios.

Customs

China Customs Handles 2773 cases of smuggling from January-October

Chinese customs authorities handled 2,773 cases of smuggling in the first 10 months of this year. Among them, 474 cases related to illegal drugs and 86 related to endangered species; 56 of the cases involved rice smuggling, with traders trying to avoid paying duties on imports worth a total of 1.6 billion Yuan (\$242.09 million); some cases involved the import of Thai white sugar, with nine arrested for trying to evade customs inspections by disguising their ship as a domestic vessel and entering the port of Yancheng, which is not open to overseas traffic; and 259 people had been arrested for smuggling more than 300,000 tones of foreign waste into the country for recycling and reprocessing.

Privacy

Emergency Response Plan for Cybersecurity Incidents

The Ministry of Industry and Information Technology published the Emergency Response Plan for Cybersecurity Incidents in Public Networks on 14 November 2017. According to the Plan, a Cybersecurity Emergency Response Office will be responsible for coordinating the relevant sectoral authorities and local authorities to handle public cybersecurity incidents which are divided into four categories, namely extremely significant incidents, significant incidents, relatively significant incidents and ordinary incidents. In addition, internet companies, network operators and cybersecurity institutions are required to update their cybersecurity software and hardware regularly, monitor the cybersecurity status during their daily operation, and carry out internal training and drills.

Draft Interim Measures for Punishment against Illegal and Dishonest Conduct in Online Transactions

On 14 November 2017, the SAIC released Draft *Interim Measures for Punishment against Illegal and Dishonest Conduct in Online Transactions* for public comment. It is drafted based on the law and regulations such as the *Law on the Protection of Consumer Rights and Interests*, *Anti-Unfair Competition Law*, *Interim Regulation on Enterprise Information Disclosure* and *Administrative Measures for Online Trading*. It is divided into six chapters, a total of twenty-four provisions, including the general provisions, serious violations of the law, general offense of untrustworthiness, illegal and untrustworthy list management, disciplinary measures and supplementary provisions.

Competition

The Law against Unfair Competition Amendment

On 4 November 2017, the 12th National People's Congress approved a bill to amend the Law against Unfair Competition, effective on 1 January 2018. This is the first amendment of the law since it came into effect on 1 December 1993. The specific amendments include: amending the definition of the unfair competing behaviors to make it more fit to the current need; adding that the State Council will establish coordinating system for anti-unfair competition work; adding new types of unfair competition behavior; adding provision on commercial bribery, especially the recognition of commercial bribery by employee; improving the protection for trade secret; adding unfair competition clause in the field of Internet; adding a miscellaneous provision concerning behaviors that violate the Anti Unfair Competition Law and severely damage the competing order, but are not stated in the current laws and regulations; adding that any entity or individual have the right to report unfair competing behaviors to supervision and inspection departments, and such departments shall notify the reporter of the result and keep them confidential; amending the liability chapter accordingly, especially establishing the principle of civil liability prevailing the administrative liability.

M&A/Corporate

Tighter Rules for Public-Private Partnerships

State-owned Assets Supervision and Administration Commission is moving to tighten oversight on projects where major state-owned companies are partnering with private investors amid rising concerns over financial risks arising from such cooperation. The Commission has specifically barred big state companies under its jurisdiction from entering into Private-Public Partnership ("PPP") projects not deemed economically viable or lack guaranteed funding, and also listed six other requirements to consider when large SOEs enter into partnership projects with private companies. The heightened control came after a flurry of moves by central government agencies to curb PPP programs by state-owned firms amid growing concerns that such projects were abused to raise money through illicit channels.

MOFCOM Gives Maersk/Hamburg Süd the Green Light subject to Commitments

On 7 November 2017, MOFCOM conditionally cleared the proposed acquisition by Maersk Line A/S of Hamburg Süd after a review period of around six months. MOFCOM concluded that the transaction would weaken competition in both general and refrigerated container shipping transportation on the Far East – South America West Coast and Far East – South America East Coast routes. The clearance is subject to the commitments such as Hamburg Süd must withdraw from the VSAs ASPA 1, 2, 3 on the Far East – SAWC route upon the expiration of the relevant VSAs; Hamburg Süd must withdraw from the VSA Asia 2 on the Far East – SAEC route; Maersk and Hamburg Süd must not join any VSAs or shipping alliances with other major rivals on routes between the Far East and SAWC or SAEC for five years from closing the deal; and Maersk must reduce its refrigerated container shipping transportation capacity on the Far East – SAEC route to 34-39 per cent, and maintain that share for three years.

MOFCOM Grants Conditional Clearance for Agrium/PotashCorp Merger

On 6 November 2017, MOFCOM conditionally cleared the proposed merger between Agrium Inc. and Potash Corporation of Saskatchewan Inc. after a review period of nearly 10 months.

MOFCOM concluded that the proposed deal may have the impact of eliminating or restricting competition in the global and Chinese potash markets as the combined entity may directly or indirectly control around 50 per cent of global potassium chloride production after the merger. The clearance is subject to the commitments such as (i) divest PotashCorp's share in Israel Chemicals Limited, Arab Potash Company and Sociedad Quimica y Minera de Chile SA; (ii) not acquire any other competitors in the potash market without the prior approval of MOFCOM; and (iii) convert PotashCorp's interest in a certain unnamed Chinese company into a restricted investment interest.

Draft Enterprise Outbound Investment Regulations

China's National Development and Reform Commission released the draft Administrative Measures for Enterprise Outbound Investment for public comment. The Draft would replace NDRC's existing outbound investment regulations, set forth in the Administrative Measure for the Verification and Approval and Record-Filing of Outbound Investment Projects and implement in part the guidance on outbound investment released by China's State Council in 2017. It would streamline NDRC's outbound approval process, expand the scope of the regulations to cover investments by non-Chinese entities controlled by Chinese investors, allow NDRC to subject a broader range of transactions to "verification and approval" rather than the less onerous "record-filing" process, and leave in place the basic hurdles that prevent outbound investors from using onshore funds to pay reverse termination fees if Chinese or foreign government approvals for a transaction are not obtained, a key stumbling block in many transactions.

China's Regulator to Halt Hong Kong-bound Funds

China's securities regulator will suspend the approval of new mutual funds that are meant for investing in Hong Kong's equity market. Chinese mutual funds which plan to allocate more than 80 per cent of their portfolio to Hong Kong-listed equities will no longer be approved for sale on the mainland. Only funds that allocate less than half of their portfolio to Hong Kong will be approved. This latest instruction reflects the concern that Hong Kong's key stock benchmark has risen too much too quickly to a level that was last attained in 2007 and wiped out billions of dollars of value.

Xiaomi Seeks Valuation of at Least \$50 Billion in IPO

Xiaomi Corp., the Chinese Smartphone maker that was once the most valuable startup in the world, is in talks with investment banks about a possible initial public offering and seeking a valuation of at least \$50 billion. The company is considering an offering as soon as next year with banks suggesting Hong Kong as the most likely destination. While banks have talked up Xiaomi's prospects as they seek to win the mandate, they have concerns about whether the company can reach the \$50 billion level, much less a \$100-billion target that some top executives have embraced. Xiaomi last raised money in 2014 at a \$46-billion valuation.

Four Banks Fined for Breaking Rules on Offshore Loan Guarantees

The State Administration of Foreign Exchange targeted branches of China Minsheng Bank and Xiamen International Bank Co. Ltd. on the Chinese mainland, the mainland subsidiaries of Hong Kong-based OCBC Wing Hang Bank Ltd. and South Korea's Industrial Bank of Korea that have violated rules on providing guarantees for loans issued by offshore banks, amid broader efforts to crack down on illegal capital outflows. The banks were criticized for failing to conduct due diligence regarding transaction details, the use of funds and debtors' qualifications and repayment abilities.

E-commerce

Draft Regulations Regarding Misleading Online Sales and Related Matters

MOFCOM has issued five draft industry standards, including the *Specifications for Monitoring Indicators for Online Retail and Administrative Rules for False Deals Concluded on Online Retail Platforms* for public comment. According to the Drafts, both merchants and users on online retail platforms are forbidden from any act in connection with false deals. Any merchant doing business on an online retail platform shall be subject to the real-name authentication system, and the platform is allowed to charge merchants a reasonable amount of cash deposits according to applicable legal provisions.

Taxation

New Rules Regarding the Source-based Withholding of Enterprise Income Tax on Non-resident Enterprises

The State Administration of Taxation released the “Public Notice on Issues concerning the Withholding of Corporate Income Tax at Source of Non-resident Enterprises” in October 2017. It comes into effect on 1 December 2017 when the Interim Administrative Measures for Source-based Withholding of Enterprise Income Tax on Non-resident Enterprises, Circular of the State Administration of Taxation on Strengthening the Administration of Enterprise Income Tax on Incomes from Equity Transfers of Non-Resident Enterprises and other provisions under certain tax regulations is simultaneously repealed.

This update is aimed at keeping our clients and partners informed as to the latest legal and business developments in the Greater China region. Whilst every care has been taken to ensure the accuracy of the information contained in this update, it should not be relied upon for any purpose prior to formal legal advice being obtained.