

个人所得税

财政部、国家税务总局于2007年2月8日发布财税[2007]13号文《关于单位低价向职工售房有关个人所得税问题的通知》规定：

- 在住房制度改革期间，按照所在地县级以上人民政府规定的房改成本价格向职工出售公有住房，职工因支付的房改成本价格低于房屋建造成本价格或市场价格而取得的差价收益，免征个人所得税。
- 单位按低于购置或建造成本价格出售住房给职工，职工因少支出的差价部分，属于个人所得税应税所得，应按照“工资、薪金所得”项目缴纳个人所得税。

对职工取得的上述应税所得，比照国税发[2005]9号规定的全年一次性奖金的征税办法，计算征收个人所得税。

征收管理

国家税务总局于2007年2月1日发布国税函[2007]149号文《关于简化纳税人向税务机关提供有关审验证件的通知》内容为：

- 纳税人依法第一次向税务机关提供营业执照、组织机构代码证书、法定代表人的个人身份证件、税务登记证件时，应当提供证件的原件和复印件。原件用于审验，复印件与原件核对无误后，由经办人在复印件上注明“经审验与原件相符”并签字后，留存税务机关备查。
- 纳税人以后办理涉税事项时，按规定需要提供以上证件时，税务机关只要求纳税人出示证件原件，经与信息系统中存储的“一户式”电子档案查验无误后，即可退回纳税人，不要求纳税人重复提供证件的复印件。证件内容发生变化的，纳税人应当申请变更，税务机关应当要求纳税人提供变更后的证件复印件，并对存入“一户式”电子档案的各项基础信息和纸质档案同时更新。

财政部、国家税务总局于2007年1月13日发布财政部、国家税务总局2007年第18号令《检举纳税人税收违法行为奖励暂行办法》规定：

- 对单位和个人实名向税务机关检举税收违法行为并经查实的，税务机关给予一定金额的奖励。
- 检举的税收违法行为经税务机关立案查实处理，并依法将税款收缴入库后，根据本案检举时效、检举材料中提供的线索和证据详实程度、检举内容与查实内容相符程度以及收缴入库的税款数额，按照以下标准对本案检举人计发奖金：

- 收缴入库税款数额在 1 亿元以上的，给予 10 万元以下的奖金；
 - 收缴入库税款数额在 5000 万元以上不足 1 亿元的，给予 6 万元以下的奖金；
 - 收缴入库税款数额在 1000 万元以上不足 5000 万元的，给予 4 万元以下的奖金；
 - 收缴入库税款数额在 500 万元以上不足 1000 万元的，给予 2 万元以下的奖金；
 - 收缴入库税款数额在 100 万元以上不足 500 万元的，给予 1 万元以下的奖金；收缴入库税款数额在 100 万元以下的，给予 5000 元以下的奖金。检举的税收违法行为经查实处理后没有应纳税款的，按照收缴入库罚款数额依照本办法第六条规定的标准计发奖金。
- 同一税收违法行为被两个或者两个以上检举人分别检举的，奖励符合本办法规定的最先检举人。检举次序以负责查处的税务机关受理检举的登记时间为准。

本办法自 2007 年 3 月 1 日起施行。

增值税发票管理

国家税务总局于 2007 年 2 月 16 日发布国税发[2007]18 号文《关于修订增值税专用发票使用规定的补充通知》补充规定：

- 增值税一般纳税人开具增值税专用发票后，发生销货退回、销售折让以及开票有误等情况需要开具红字专用发票的，视不同情况分别按以下办法处理因专用发票抵扣联、发票联均无法认证的，应由购买方向主管税务机关申请出具《开具红字增值税专用发票通知单》。购买方不作进项税额转出处理。
- 购买方所购货物不属于增值税扣税项目范围，且取得的专用发票未经认证的，由购买方向主管税务机关申请出具通知单。购买方不作进项税额转出处理。因开票有误购买方拒收专用发票的，销售方须在专用发票认证期限内向主管税务机关申请出具通知单。销售方凭通知单开具红字专用发票。因开票有误等原因尚未将专用发票交付购买方的，销售方须在开具有误专用发票的次月内向主管税务机关申请出具通知单。销售方凭通知单开具红字专用发票。发生销货退回或销售折让的，除按照《通知》的规定进行处理外，销售方还应在开具红字专用发票后将该笔业务的相应记账凭证复印件报送主管税务机关备案。目前，通知单暂由一般纳税人留存备查，税务机关不进行核销。红字专用发票暂不报送税务机关认证。对 2006 年开具的专用发票，在 2007 年 4 月 30 日前可按照原规定开具红字专用发票。

- During the period of housing system reform, in the event that an employer sells public houses to employees at a cost price of housing system reform as regulated by the local people's governments at or above the county level where the employer is located, the gain obtained by the employees from the difference between the house construction cost price or market price and the cost price of housing system reform paid by the employees is exempt from IIT. In the event that an employer sells houses to employees at a price lower than acquisition or construction cost price, the amount of the price difference that is not paid by the employees is determined to be taxable income for IIT purpose, and shall be subject to IIT under the category of "income from wages and salaries".
- The IIT imposed upon the above taxable income acquired by employees shall be calculated by reference to the tax collection method for annual bonus set forth in Guo Shui Fa [2005] No.9.

Tax Levying Administration

The SAT issued Circular on Simplifying the Relevant Documents for Verification Submitted by Taxpayers to the Tax Authorities (Guo Shui Han [2007] No.149) on February 1, 2007, the content of which is:

- In the case that it is the first time that a taxpayer submits its business license, organizational code certificate, identification certificate of its legal representative, tax registration certificate to the tax authorities according to law, the originals and copies of such license and certificates shall be provided. The originals are for the verification, and the copies will be filed with the tax authorities after the in-charge tax officer checks the copies against the originals with no inconsistencies found and then

states with "in consistent with the originals upon verification" on the copies with the signature of the tax officer. Afterwards, if the said license and certificates are required again for submission while the taxpayer handles tax-related matters, the tax authorities shall just require the taxpayer to provide the originals of such license and certificates, which will be returned to the taxpayer right after such originals are checked against the "Yi Hu Shi" electronic file stored in the information system with no inconsistencies found. The taxpayer will not be required to provide copies of such license and certificates.

- In case of changes in the contents of such license and certificates, the taxpayer shall apply for alternation, and the tax authorities shall require the taxpayer to provide the copies of altered license and certificates and update the various basic information stored in the "Yi Hu Shi" electronic file as well as that in the paper file.

The Ministry of Finance (the "MOF") and the SAT issued Interim Measures for Rewards to Reporting Taxpayers' Tax Illegal Acts (Order No.18 of the MOF and the SAT in 2007) on January 13, 2007, stipulating:

- In the case that units and individuals report tax illegal acts to the tax authorities using their real names

and such reported tax illegal acts are authentic upon investigation, the tax authorities will give monetary rewards of certain amounts to such units and individuals.

- After the tax authorities register a reported tax illegal acts as a case and handle the case upon investigation, collect the tax payments and put into the state treasury according to law, the reporter of the case shall be granted a monetary reward the maximum amount of which is RMB 100,000 yuan, based upon the reporting time bar of the case, how detailed the clues and evidences presented in the reporting documents are, how many consistencies there are in the reported information with the information that is proved to be authentic upon investigation, and the amount of tax payments collected and put into the state treasury. In case that there is no tax payable after the tax authorities handle the tax illegal acts upon investigation, a monetary reward shall be given according to the standards as set forth in Article 6 of these Measures based upon the amount of fine collected and put into the state treasury.
- In the event that the same tax illegal acts are reported respectively by two reporters or more reporters, reward shall be given to the first reporter that conforms to the provisions of these Measures. The sequence of reportings is determined by the registration times recorded by the tax authorities in charge of investigation and punishment over such illegal acts accept the reportings.
- These Measures shall be implemented as from March 1, 2007.

Administration of Value-added Tax (“VAT”) Invoice

The SAT issued Supplementary Circular regarding Amendments to Provisions for the Use of Special Invoices of Value-added Tax (Guo Shui Fa [2007] No.18) on February 16, 2007, stipulating that:

- In case of sales return, sale rebate, or error in a special VAT invoice issued by general VAT payers after the general VAT payers issue the special VAT invoice, a red-letter special VAT invoice shall be issued according to the following provisions depending on different circumstances. In case of a failure in authentication of both deduction page and invoice page of special VAT invoice, the buyer shall apply to the competent tax authorities for the issuance of “Notice on the Issuance of Red-letter Special VAT Invoice” (the “Notice”). The buyer shall not do accounting treatment as transfer-out of input VAT.
- Where the goods purchased by the buyer don’t fall into categories deductible for the purpose of VAT calculation, and the special VAT invoice obtained by the buyer has not undergone authentication, the buyer shall apply to the competent tax authorities for the issuance of the Notice. The buyer shall not do accounting treatment as transfer-out of input VAT. If the buyer refuses to accept the special VAT invoice due to error in the special VAT invoice, the seller shall apply to the competent tax authorities for the issuance of the Notice within the period of special VAT authentication. The seller shall issue the red-letter special VAT invoice with the Notice as supporting document. If the special VAT invoice has not been delivered to the buyer due to error in the special VAT invoice issued or for other reasons, the seller shall apply to the competent tax authorities for the issuance of the Notice in the following month after the issuance of the special VAT invoice with error. The seller shall issue the red-letter

special VAT invoice with the Notice as supporting document. In case of sale return or sale rebate, the seller shall do as specified in the Circular, and shall also file with its competent tax authorities a copy of the corresponding accounting voucher in relation to this transaction after the issuance of the red-letter special VAT invoice. Currently, the general VAT payer keeps the Notice for a future verification and the tax authorities don't cancel the Notice after the verification. The authentication of

the red-letter special VAT invoice by the tax authorities is not required for the time being. As for the special VAT invoice issued in the year of 2006, the red-letter special VAT invoice can be issued before 30 April 2007 according to the original regulations.

Administration of Investment

The Ministry of Commerce (the "MOFCOM") issued Supplementary Provisions II on Measures for Commercial Sector with Foreign Investment (Order No.22 of the MOFCOM in 2006) on 9 November 2006, giving supplementary provisions in respect to commercial sector with investment by Hong Kong and Macau service suppliers as follows:

- In the event that the same Hong Kong or Macau service supplier open more than 30 stores in aggregate in the mainland, with business operation of merchandises such as books, newspapers, magazines, medicine, pesticide, agricultural film, fertilizer, grain, plant oil, sugar, cotton etc. each category of which is under different brands and from different merchandise suppliers, the Hong Kong or Macau service supplier is allowed to hold a controlling share and its contribution proportion shall be no more than 65%.
- These Provisions shall go into effect as from 1 December 2006.

Tax Preferential Policies

The Ministry of Finance and the SAT issued Circular regarding Income Tax Preferential Policies Related to Propaganda Cultural Undertakings (Cai Shui [2007] No.24) on 6 February 2007, the content of which is:

- From 1 January 2006 to 31 December 2010 (the "Period"), in the event that an enterprise or individual makes charitable donations for propaganda cultural undertakings through non-profit organizations established upon the approval of the State or the government authorities, the portion of donations made by the enterprise within the scope of 10% of its taxable income for the Period can be deducted from its taxable income for the purpose of payment of enterprise income tax; the portion of donations made by the individual within the scope of 30% of his or her taxable income to be reported can be deducted from his or her taxable income for the purpose of payment of individual income tax. This Circular shall be implemented as from 1 January 2006.

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