

# Weekly Alert

## 2022 ISSUE 27

## RSM TAX ADVISORY (HONG KONG) LIMITED

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Welcome to 2022 issue 27 of Weekly Alert covering technical development in taxation around the globe.

### TAX – Hong Kong

#### 1. Tax Obligations of Taxpayers and Employers

On 7 July 2022, the Inland Revenue Department (“IRD”) published a notice to remind taxpayers and employers of their tax obligations to furnish information to the IRD and the details of the information required.

##### **Tax Obligations of Taxpayers and Employers**

<https://www.ird.gov.hk/eng/pdf/2022/oblig.pdf>

#### 2. Fraudulent emails purportedly issued by IRD

The IRD alerted the public to fraudulent emails purportedly issued by the department inviting recipients to claim tax refunds. A hyperlink to a website is provided in the message to obtain the recipient’s personal information.

IRD clarified that it has no connection with the fraudulent emails and has reported the case to the police for further investigation. The public is reminded not to open any suspicious emails.

##### **Fraudulent emails purportedly issued by Inland Revenue Department**

<https://www.ird.gov.hk/eng/ppr/archives/22070401.htm>

#### 3. Stock Borrowing Relief - Filing of Return of Stock Borrowing Transactions

On 4 July 2022, the Stamp Office published a circular to remind borrowers under stock borrowing and lending agreement of their tax obligations of filing a return of stock borrowing transactions to the IRD. Details of the information required to be furnished by borrowers are set out in the circular.

##### **Stamping Circular No. 02/2022**

[https://www.ird.gov.hk/eng/pdf/sdo/ext\\_cir/so\\_ext\\_cir\\_02\\_2022\\_e.pdf](https://www.ird.gov.hk/eng/pdf/sdo/ext_cir/so_ext_cir_02_2022_e.pdf)

## TAX – PRC

### 1. The Bilateral Tax Agreements and Protocols between China and Congo, Angola and Rwanda Enter into Force

The State Taxation Administration (“STA”) recently issued <Announcement on the Entry into Force and Implementation of the Bilateral Tax Agreements and Protocols between China and Congo, Angola and Rwanda> 《關於中國與剛果（布）、安哥拉、盧旺達等國雙邊稅收協定及議定書生效執行的公告》 (“the Announcement”).

According to the Announcement, the effective dates of the Agreement between China and the respective countries are as follows:

Country	Agreement signed	Entry into force
Congo	5 September 2018	1 January 2023
Angola	9 October 2018	1 January 2023
Rwanda	7 December 2021	1 January 2023

國家稅務總局公告 2022 年第 13 號

<http://www.chinatax.gov.cn/chinatax/n810341/n810825/c101434/c5176966/content.html>

## TAX – International

### 1. ATO’s compliance approach to foreign investment in residential real estate

Australian Taxation Office (“ATO”) recently updated its website with information on its compliance approach to foreign investment in residential real estate, covering the information below:

- Foreign investment rules
- ATO’s compliance strategy
- ATO’s compliance actions
- Report a breach of the foreign investment rules
- Where to get help

Foreign persons who are considering investing in Australian residential real estate may have to notify the ATO or request approval from the Treasury before the purchase. In addition, the foreign investor must follow and comply with the conditions listed on the approval.

**Foreign investment in residential real estate: our compliance approach**

<https://www.ato.gov.au/General/Foreign-investment-in-Australia/Foreign-investment-in-residential-real-estate--Our-compliance-approach/>

## RSM Tax Advisory (Hong Kong) Limited

RSM Hong Kong's dedicated and experienced tax specialists can:

- Advise on tax efficient holding and operational structures for new cross-border investment, including the formation of Hong Kong and Chinese business entities.
- Review existing cross-border investment structures, advise on identified deficiencies, quantify any potential exposure from such deficiencies, and further advise on restructuring approach and procedures.
- Assist clients to discuss and clarify matters with tax officials, including transfer pricing and advance rulings.
- Act as client representative in tax audits and tax investigations.
- Provide transaction support services on mergers and acquisitions, including tax due diligence, deal structure advice, tax health checks, related human resources arrangements and other tax compliance and consultation services.
- Provide tax expert witness services at Courts.
- Act as tax advisor on transfer pricing and tax compliance reviews for IPO applications.
- Advise on human resources and structuring employment arrangements in a tax-efficient manner.
- Advise on tax equalization schemes.
- Provide tax compliance services for individual and corporate clients in Hong Kong and China.

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