

Weekly Alert

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RSM TAX ADVISORY (HONG KONG) LIMITED

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Welcome to 2021 issue 36 of Weekly Alert covering technical development in taxation around the globe.

TAX – Hong Kong

1. Stamp Duty Statistics (August 2021)

On 9 September 2021, the IRD released the statistics on Special Stamp Duty (“SSD”), Buyer’s Stamp Duty (“BSD”) and Doubled Ad Valorem Stamp Duty (“DSD”) / New Residential Stamp Duty (“NRSD”) collected in August 2021. During the month, the IRD collected SSD of HK\$15.8 million, BSD of HK\$169.7 million and DSD/NRSD of HK\$456.7 million.

Stamp Duty statistics (August 2021)

<https://www.ird.gov.hk/eng/pdf/2021/3d082021.pdf>

TAX – PRC

1. China to strengthen digital taxation, global tax cooperation

On 7 September 2021, the head of the State Taxation Administration (“STA”), Mr. Wang Jun, announced the plan to establish intelligent taxation at the Belt and Road Initiative Tax Administration Cooperation Forum. The three-day virtual conference, themed “Digitalization of Tax Administration”, has attracted representatives of 61 countries and regions and 12 international organizations.

The China government has been working on promoting the application of new technologies to get on board the digitalization of taxation. In addition, Mr. Wang called for more international exchanges, training courses, and a global cooperation mechanism to boost information-based taxation in the future.

China to strengthen digital taxation, global tax cooperation: official

<http://www.chinatax.gov.cn/eng/c101269/c5168872/content.html>

TAX – International

1. Tax Database 2021 update

On 8 September 2021, the OECD published the latest version of *Tax Database 2021*. The document consolidated information on a range of statutory tax rates and tax rate indicators in OECD countries, including personal income tax rates, social security contributions, corporate income tax rates and value-added taxes. These indicators provide a baseline of information on tax settings in 2020 and in early 2021.

Tax database – Key tax rate indicators (September 2021)

<https://www.oecd.org/tax/tax-policy/tax-database-update-note.pdf>

2. VAT movement of goods between Northern Ireland and EU

On 7 September 2021, the UK Government updated the information on the charges and account for VAT on the movements of goods between Northern Ireland and the EU on its website. In particular, Section 6 has been updated to reflect the changes to the distance selling threshold for each EU member state and the VAT treatment for distance sales from Northern Ireland to EU member states. The changes take effect from 1 July 2021.

VAT on movements of goods between Northern Ireland and the EU

<https://www.gov.uk/guidance/vat-on-movements-of-goods-between-northern-ireland-and-the-eu>

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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