



International Trade Team

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Trade

GAC Further Clarified Matters on the Reduction/Exemption of Surcharges for Late Payment of Duties

Key Words :

- Reduction/Exemption of Surcharges for Late Payment of Duties
- Ruling on Interim Review
- Settlement of Pledge-style Repos
- Credit Guarantee Insurances

Recently, the General Administration of Customs has issued the Announcement on Further Clarifying Matters concerning the Reduction/Exemption of Surcharges for Late Payment of Duties, effective from August 1, 2017. The Announcement stipulates that for a taxpayer that satisfies the condition, in which it is eligible for reduction or exemption of surcharges for late payment of duties, as specified in Article 1 of the Announcement of the General Administration of Customs [2015] No.27, it should enter relevant information through the "Application for the Reduction/Exemption of Surcharges for Late Payment of Duties" function of the China E-port's enforcement system and submit the electronic data of relevant materials, and may check the progress of the application in such enforcement system.

Third Protocol on China-Pakistan Tax Treaty Takes Effect

The State Administration of Taxation recently issued an announcement on the effectiveness of the Third Protocol on the Agreement between the Government of the People's Republic of China and the Government of the Islamic Republic of Pakistan for the Avoidance of Double Taxation and the Prevention on Tax Evasion. According to the announcement, the Third Protocol has been effective from April 24, 2017.

MOFCOM Issued Ruling on Interim Review of Dumping and Dumping Margin of Nylon 6 Chips Imported from LANXESS Deutschland GmbH and LANXESS N.V.

The Ministry of Commerce released its decision on the interim dumping and dumping margin review concerning imported nylon 6 chips produced by LANXESS Deutschland GmbH and LANXESS N.V. via the announcement. Through investigation, MOFCOM has ruled that the margin of dumping committed by LANXESS Deutschland GmbH and LANXESS N.V. was 8.2%.

Matters on Invalidating the Ledger System of Caution Money Deposited at Banks for Processing Trade Clarified

Recently, the General Administration of Customs and the Ministry of Commerce have issued the Announcement [2017] No.33, a move to clarify relevant matters on the invalidation of the ledger system of caution money deposited at banks for processing trade. The Announcement will enter into force as of August 1, 2017. The Announcement states that, under circumstances in which the ledger of the caution money should be subject to the so-called "empty transfer" management, as specified in Announcement [2015] No.63 jointly issued by the MOFCOM and the GAC, enterprises do not need to establish the ledger of caution money or to provide guarantee for the processing trade in relation to restricted commodities, when they handle formalities for establishing the processing trade manual (ledger).

Capital and Corporate

CSDC Regulates the Settlement of Pledge-style Repos during the Temporary Market Closure

Recently, the China Securities Depository and Clearing Corporation Limited has issued the Interim Measures for the Settlement of Pledge-style Bond Repos during the Temporary Mar-

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ket Closure, effective from January 22, 2018. The Measures are comprised of 12 articles, among which Article 3 and Article 4 respectively specify how to deal with the settlement of the repo business in case of temporary market closure for the whole day and in the daytime. Specifically, where the market is suspended in the daytime but transactions resume later on the current day, with relevant transactions proceeding for at least two hours until the market is closed as usual, the repo business could be handled on the current day as usual.

SSE and SZSE to Further Promote ABS Business for PPP Projects

Recently, the Shanghai Stock Exchange and the Shenzhen Stock Exchange have respectively issued the Circular on Further Promoting Asset-backed Securitization Business for Public-Private-Partnership (PPP) Projects. The Circular proposes to encourage and support PPP project companies and their shareholders, other related parties of PPP project companies, and related intermediary agencies to actively do ABS business for PPP projects according to the law.

State Council Pushes Ahead the Restructuring of Central Enterprises toward Corporations

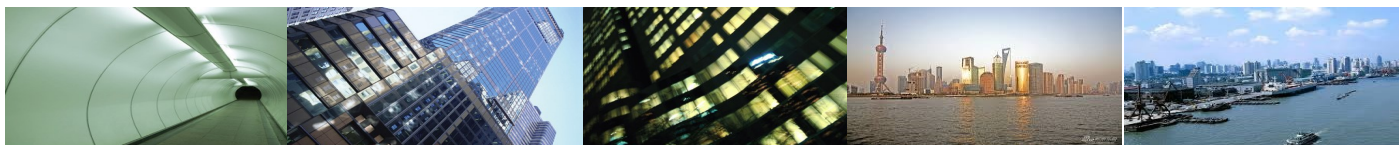
Recently, the General Office of the State Council has issued the Implementing Plan for Restructuring Central Enterprises toward Corporations. The Plan proposes that all central enterprises (excluding central financial enterprises and cultural enterprises) registered in accordance with the Law of the People's Republic of China on Industrial Enterprises Owned by the People and supervised and administered by the State-owned Assets Supervision and Administration Commission will have been restructured into limited liability companies or joint stock limited companies registered in accordance with the Company Law of the People's Republic of China by the end of 2017.

Operations on the Continuous Implementation of Relevant Preferential Tax Policies for Supporting and Promoting the Entrepreneurship and Employment of Key Population Regulated

Recently, five authorities including the State Administration of Taxation have issued the Announcement on Specific Operational Issues concerning the Continuous Implementation of Relevant Preferential Tax Policies for Supporting and Promoting the Entrepreneurship and Employment of Key Population, effective from January 1, 2017. The Announcement makes arrangements in several aspects, including the tax policies for individual businesses, tax policies applicable to enterprises and private non-enterprise units that employ the unemployed, and administration of preferential tax policies.

CIRC Issued the Interim Measures for the Regulation of Credit Guarantee Insurances

The China Insurance Regulatory Commission has recently issued the Interim Measures for the Regulation of Credit Guarantee Insurances, which will enter into force immediately from the date of promulgation and remain in force for a period of three years. The Measures introduce a negative list to provide for the business scope and market behaviors for credit guarantee insurances.



Our Team

International Trade Team of Shanghai AllBright Law Offices is a leading team in international trade legal service area. The team's accurate knowledge of domestic and foreign laws and procedures can help clients avoid the risk of international trade barriers, solve international disputes from trade remedies and customs.

Apart from international trade legal service, the team has expanded investment and financing service. With its international cooperation net, the team can design specific cross-border financing plan for local companies to solve their difficulties of financing.