

➤ **Q: How to deal with the taxpayers who need to leave China but owe taxes?**

A: The taxpayer or its representative who needs to leave China but owes taxes should settle the amount of tax owed or provide a guaranty to the competent tax department before leaving China.

After making clear that the taxpayers in tax arrears neither clear up the tax liability and late payment interest nor provide guaranty, the competent tax department should first declare by law to the tax payers in tax arrears that they are not allowed to leave china if they are planning to leave China. The tax department may, according to rules, ask by letter the public security department to stop those having already obtained the exit documents and insisting to leave from leaving China.

If an individual owes tax, the individual shall be stopped from leaving China. If the tax is owed by a legal entity, the legal representative of the legal entity shall be stopped from leaving China. If the tax is owed by other economic organization, the chief of the organization shall be stopped from exit. Where the legal representative or the chief has changed, the legal representative or the chief after the change shall be stopped from exit. In case of the representative not in China, the key chief person in China shall be stopped from exit.

For those who have already settled the tax owed, or have already provided the guaranty equivalent to the amount of tax owed, or have already completed the liquidation procedures according to the law of bankruptcy by the enterprises owing tax, the competent tax department must send letter asking the public security department to release the control and allow them to exit.

The tax owing persons already transferred to the court for trail shall be handled by the court according to law.

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