

Tax Collection and Administration System Concerning Tax Registration

The tax registration is a statutory system for the tax department to register the economic activities of the taxpayers and to conduct tax administration over the taxpayers.

The enterprises, the branches set up by enterprises in other jurisdictions and the household industrial and commercial enterprises engaged in production and business operation and the institutions engaged in production and business operation should all make tax registration by law. Except the governmental organs, individuals and the mobile vendors of countryside without fixed production or business places, other taxpayers should also make tax registration by law.

The withholding agents (except for the governmental organs) liable to the obligation of withholding taxes should go to the tax department for tax withholding registration by law.

The offices (or branches) of SAT and local tax bureaus (or branches) at county (or district) level or above are the competent department for tax registration and are responsible for the establishment registration, change registration, de-registration and checking, change of the tax registration certificate and the handling of abnormal taxpayers and the checking registration.

The office of SAT and the local tax bureaus shall use the unified tax registration numbers. The tax registration numbers shall be worked out jointly by the SAT offices and the local tax bureaus at provincial level and issued for execution uniformly.

The taxpayers have to provide the tax registration certificate when opening bank accounts and purchasing the invoices and handling other tax matters as well.

1) Establishment registration

The enterprises, the branches and places set up by enterprises engaged in production or business operation in other jurisdictions, individual industrial and commercial households and the institutions engaged in production or business operation (hereinafter referred to as taxpayers engaged in production and business operation in all) should go to the tax offices of their production, business operation location for tax registration:

- a. The taxpayers engaged in production and business operation should, within 30 days after receiving the industrial and commercial business license (or the temporary business license), come to the local competent tax offices for tax registration and the tax offices shall check and issue the tax registration certificate and the transcript thereof (in case of temporary business license, the tax offices shall issue the temporary tax registration certificate and the transcript thereof).
- b. Upon approval by the relevant department for establishment though without the business license, the taxpayers engaged in production and business operation should, within 30 days after the approval, come to the local competent tax offices for tax registration and the tax offices shall check and issue the tax registration certificate and

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- the transcript thereof.
- c. Without approval by the relevant department for establishment and without the business license, the taxpayers engaged in production and business operation should, within 30 days after the arising of the tax payment obligation, come to the local competent tax offices for tax registration and the tax offices shall check and issue the temporary tax registration certificate and the transcript thereof.
 - d. The subcontract takers or lessees with independent production and business operation right and independent financial accounting and regularly paying subcontract fees or rentals to the subcontract makers or lessors should, within 30 days after signing the subcontract or leasing contract, go to the local tax offices of the subcontract or leasing occurring location for tax registration and tax offices shall check and issue the temporary tax registration certificate and the transcript thereof.
 - e. The taxpayers engaged in production and business operation doing business in other jurisdictions should, within 30 days after the full period of accumulated 180 days within consecutive 12 months from the date of providing services or doing business actually in the same county (city), go to the local competent tax offices of the production and businesses operation location for tax registration and the tax offices shall check and issue the temporary tax registration certificate and the transcript thereof.
 - f. The overseas enterprises subcontracting the projects of construction, installation, assembling, surveying and providing labor services should, within 30 days from signing the contract or agreement, go to the local tax offices of the project location for tax registration and tax offices shall check and issue the temporary tax registration certificate and the transcript thereof.

Except the governmental organs, individuals and the mobile vendors of countryside without fixed production or business places, other taxpayers should, within 30 days after the arising of the tax obligation, go to the tax offices of the tax obligation for tax registration and the tax offices shall check and issue the tax registration certificate and the transcript thereof.

When making the tax registration, the taxpayers should fill in the tax registration form and, based on different conditions, provide the business license or other approval document for business, relevant contract, charter, agreement, organizational uniform code certificate, resident identification cards, passport or other legal documents of the legal representatives or chief persons and owners. The requirement for providing other relevant documents, materials shall be determined by the tax department at provincial level.

Where the tax registration form filled in by the taxpayers meets the rules and the documents and material provided by the taxpayer are complete, the competent tax department should timely issue the tax registration certificate. Where the tax registration form filled in by the taxpayers does not meet the rules or the documents and materials provided by the taxpayer are incomplete, the competent tax department should ask them to correct that or fill in the form again on the spot. In case of any doubt The copyright and/or other intellectual property rights of China Business Engine including related text, images, charts, sound, animation, and videos, and their arrangement on the China Business Engine website, are protected by copyright and other protective laws.

existing with the documents and the materials provided by the taxpayers, the tax department should make on-spot investigation and issue the tax registration certificate after verification.

The tax withholding agents having already finished the tax registration should, within 30 days after the arising of the withholding obligation, go to the tax office of the tax registration for tax withholding registration. Where the tax offices have already registered the withholding items in their tax registration certificates, the tax offices shall not issue the tax withholding items in their tax registration certificates; the tax offices shall not issue the tax withholding certificates anymore.

The tax withholding agents that may ignore the tax registration by laws should, within 30 days after the arising of the withholding obligation, go to the tax department of the institution location for tax withholding registration. The tax offices shall issue the tax withholding

2) Tax registration for changes

In case of any change occurring to the contents of the registration, the taxpayers should report to the tax offices of original tax registration for registration of changes.

- a. The taxpayers who have already made registration of change with the industrial and commercial administration should, within 30 days after the registration of change, bring to the original tax offices for tax registration of change the industrial and commercial registration form of change and industrial and commercial business license, the relevant proof documents for the change of registration, the original tax registration certificate and other relevant materials.
- b. The taxpayers who don't need to make registration of change with the industrial and commercial registration should, within 30 days after the date of the actual change of the registration content or after the date of approving or announcing the change by relevant department, bring to the original tax offices for tax registration of change the relevant proof documents for the change of registration, the original tax registration certificate and other relevant materials.

The taxpayers providing complete documents as required should fill in the tax registration form of change. Those meeting the rules after examination shall be accepted by the competent tax department and those not meeting the rules after examination shall be notified by the tax department for remedy.

The tax department should examine and handle the tax registration of change within 30 days after accepting the application. Where the contents in the registration form and the certificate have changed, the tax department shall re-issue the tax registration certificate in line with the contents after change. Where the contents in the registration form have changed but the contents of the certificate have not, the tax department shall not re-issue the tax registration certificate.

3) Registration for business suspension and restoration

The industrial and commercial household taxpayers subject to periodical payment of taxes by fixed The copyright and/or other intellectual property rights of China Business Engine including related text, images, charts, sound, animation, and videos, and their arrangement on the China Business Engine website, are protected by copyright and other protective laws.

amount of tax who need to suspend businesses should report to the competent tax department for registration of suspension of business. The time period of the suspension should not be longer than one year.

When dealing with the suspension registration, the taxpayers should fill in the application form for the business suspension, explaining the reasons for the suspension, the suspension period, the tax payment history before the suspension and the receipt, use and storage of invoices and clear up the tax payable, the late payment interest, the fines. The tax department should take back and store their tax registration certificates and the transcript thereof, the invoice purchase record books, the blank invoices and other tax documents.

The taxpayers incurring tax liability during the suspension should report to the competent tax department on time and pay the tax payable according to law.

The taxpayers should apply to the competent tax department for registration of restoration of business before restoration of production or business operation by filling in the Report of Business Suspension and Restoration, get back or start to use the tax registration certificate, the invoice recording book and the invoices purchased before suspension.

The taxpayers unable to restore production or business operation on time at the expiration of business suspension terms should apply to the competent tax department for extended suspension registration prior to the expiration of the suspension terms and fill in the Report of Business Suspension and Restoration.

4) De-registration

In case of disband, bankruptcy, cancellation or other which result in termination of tax payment obligation, the taxpayer should bring the relevant documents and materials to the tax department of the original registration for tax de-registration before the de-registration with the industrial and commercial administration department. The taxpayers who do not need to de-register with the industrial and commercial administration department or other department according to rules should go to the original tax department of registration for de-registration with 15 days after the date of approval or announcement of termination by relevant department.

The taxpayers whose business license have been revoked by the industrial and commercial administration department or whose registration is cancelled by other department should report to the original tax department of registration for de-registration within 15 days after the date of revoking or cancellation of registration.

The taxpayers who need to change the tax department of registration due to change of residence place or business location should bring the relevant documents and materials to the original tax department of registration for de-registration before making registration of change or de-registration with the industrial and commercial administration department or other department or before the change of The copyright and/or other intellectual property rights of China Business Engine including related text, images, charts, sound, animation, and videos, and their arrangement on the China Business Engine website, are protected by copyright and other protective laws.

location of residence or business and then apply to the local tax department of new location for tax registration within 30 days after the date of de-registration of tax.

The overseas enterprises sub contraction the projects of construction, installation, assembling, surveying and providing labor services within China should bring the relevant documents and materials to the tax department of the original registration for tax de-registration 15 days before departure from China after completion of the projects.

Before making the de-registration, the taxpayers should provide to the competent department the relevant documents and materials, clear up the tax payment, tax over-rebated (exempt), interest on late payment of taxes and fines, hand in the invoices, tax registration certificate and other tax documents. After examination by the competent tax department, the taxpayers may go to the tax de-registration formalities.

5) Registration for doing business in other jurisdictions

The taxpayers going to other county (city) for temporary production or business activities should bring the tax registration certificate to the tax department to apply for issuance of the Tax Administration Certificate for Doing Business in Other Jurisdiction (hereinafter referred to as the Certificate in short) before going out for production, business operation.

The tax department shall, in line with the principle of one certificate for one jurisdiction, issue the Certificate. The validity period of the Certificate is usually 30 days with 180 days at maximum.

Before starting production or business in other jurisdiction indicated in the Certificate, the taxpayers should report to the local tax department for registration and provide the Certificate and the tax registration certificate and transcript thereof. For the taxpayers selling goods in the jurisdiction indicated in the Certificate, they should fill in the Declaration Form for goods Sales in Other Jurisdiction for goods checking in addition to the Certificate, documents above.

Upon termination of the business activities in other jurisdictions, the taxpayers should fill in the Form of Business Activities in Other Jurisdictions and report that form to the local competent tax department where the business activities take place, and clear up the tax payment, hand in and write off the invoice not used yet.

The taxpayers should bring this noted Certificate, within 10 days at the expiration of the validity of the Certificate, to the competent tax department of their residence for the formalities of cancellation of the Certificate.

6) Treatment of abnormal taxpayers

Where the taxpayers having already made the tax registration fail to report and pay the tax on time by rules and even fail to make correction upon order by the tax department to correct that, the tax department should send staff to make on-spot inspection. Without finding the taxpayers and being The copyright and/or other intellectual property rights of China Business Engine including related text, images, charts, sound, animation, and videos, and their arrangement on the China Business Engine website, are protected by copyright and other protective laws.

unable to enforce the performance of tax payment obligation, the tax inspectors should prepare the identification report on the abnormal taxpayers that will be stored in the taxpayer's files and the tax department shall pause the use of their tax registration certificate, invoice purchase book and the invoices.

Three months after the taxpayers are identified as the abnormal taxpayers, the tax department may announce the invalidity of the tax registration certificate, but the tax payable shall be pursued according to the tax administration law and its detailed rules.

7) Administration of the certificate

The tax department shall strengthen the administration of tax registration certificates and administer the documents by no-spot investigation, door-to-door certification method or by matching the information exchanged between the tax department and the industrial and commercial administration department, the SAT offices (branches), the local tax bureaus (branches).

The re-issue of the new certificates due to the change of the pattern of the tax registration shall be up to the State Administration of Taxation for decision.

The taxpayers and withholding agents should properly keep and use the tax registration certificate by rules. In case of loss of the tax registration certificate, they should, within 15 days after the loss of the certificate, report in writing to the tax department, fill in the Form of Loss of Tax Registration Certificate, announce the invalidity of the taxpayer's name, name of the tax registration certificate, the number of the tax registration certificate, the valid period of the tax registration certificate, the name of the issuing department in the newspaper and magazines specified by the tax department and apply for a new tax registration certificate to the tax department by showing the announcement.

8) Joint handling of tax registration

The joint handling of tax registration refers to that the taxpayers shall only apply to one tax department for tax registration and the accepting tax department shall issue one tax registration certificate representing both the SAT office and the local tax bureau for tax administration.

The scope of the joint handling of tax registration covers the new tax registration, tax registration for change, de-registration of tax, tax registration offence treatment and other tax registration administration work for the taxpayers under the common administration of the SAT offices and the local tax bureaus.

The basic procedures for joint handling of tax registration are as follows:

- a. Establishment registration. Where the taxpayers fill in the tax registration form and hand in the attached materials completely, the accepting tax department should, after examination, grant the taxpayers qualified the identification number, print and issue the tax registration certificate with the stamps of the SAT office and the local tax bureau. The accepting tax department should send the tax registration form and the attached materials of the taxpayers to the other tax department on the same day or not later than the second day.

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- b. Change registration. The taxpayers with change of the tax registration contents should report to the tax department issuing the certificate for change registration and the issuing tax department shall handle the change registration after examination and pass the relevant information to the other tax department.
- c. De-registration. The taxpayers requesting for de-registration of tax should report to the tax department of issuing the certificate and the issuing department shall pass the information to the other tax department for joint handling.
- d. Dealing of offences. Where the taxpayers offend the relevant rules concerning the administration of tax registration, the case should be handled by the tax department finding the offence and the handling department should notify the other tax department so that the other department shall not handle that again.



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