

RESOLUTIONS OF THE STANDING COMMITTEE OF THE NATIONAL PEOPLE'S CONGRESS REGARDING THE APPLICATION OF PROVISIONAL REGULATIONS ON VALUE-ADDED TAX, CONSUMPTION TAX, BUSINESS TAX, ETC., TO ENTERPRISES WITH FOREIGN INVESTMENT AND FOREIGN ENTERPRISES

(Standing Committee, National People's Congress: 29 December 1993)

Whole Doc.

The Fifth Session of the Standing Committee Meeting of the Eighth National People's Congress has reviewed the proposals on the application of the provisional regulations of Value-Added Tax, Consumption Tax, Business Tax, etc., to enterprises with foreign investment and foreign enterprises submitted for examination and approval by the State Council. In order to unify the tax system, balance the tax burden, improve the investment environment of our Country, and cater for the need of establishing and developing the socialist market economy, the following resolutions were specifically made:

1. Before the relevant tax laws have been formulated, the Provisional Regulations on Value Added Tax, The Provisional Regulations on Consumption Tax and the Provisional Regulations on Business Tax promulgated by the State Council shall be applicable to enterprise with foreign investment and foreign enterprises with effect from January 1, 1994. The <DRAFT Regulations of the People's Republic of China on Industrial and Commercial Consolidated Tax> adopted in principle at the 101st Session of the Standing committee Meeting of the National People's Congress on September 11, 1958 and promulgated for trial implementation on September 3, 1958 by the State Council shall be repealed on the same date.

Value-Added Tax for the Chinese-foreign co-operative exploitation of offshore oil and natural gas shall be collected in kind. The tax rates and collection measures shall be separately formulated by the State Council.

2. Where the tax burden of the enterprise with foreign investment approved to be established before December 31, 1993 increases due to the imposition of Value-Added Tax, Consumption Tax, and Business Tax pursuant to Article 1 of these Resolutions, such enterprises may, upon application to and with the approval of the tax authorities, have a refund on the excess tax paid due to such increased tax burden within the approved operation period, with a maximum limit of not exceeding five years. If there is no limit on the operation period, the enterprise may, upon application to and with the approval of the tax authorities, have a refund on the excess tax paid due to such increased tax burden for a maximum of five years. The detailed measures shall be formulated by the State Council.

3. Apart from Value-Added Tax, Consumption Tax and Business Tax, the application of the other types of taxes for enterprise with foreign investment and foreign enterprises shall be 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.

implemented in accordance with the laws when there are provisions in the laws; and be implemented in accordance with the stipulations of the State Council where there are no provisions in the laws.

Enterprise with foreign investment mentioned in these Resolutions means Chinese-foreign equity joint ventures, Chinese-foreign contractual joint ventures and wholly foreign-owned enterprises that are established within the territory of China.

Foreign enterprises mentioned in these Resolutions means foreign companies, enterprises and other economic organizations which have set up establishments or places within the territory of China to engage in production or business operations, as well as which, though have not set up any establishments or places, have income sourced within the territory of China.

These Resolutions shall come into effect on the date of promulgation.



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.