

# Memorandum of Reform on Optimizing the Tax Business Environment of Beijing

2024



Beijing Municipal Tax Service,  
State Taxation Administration



**Memorandum of Reform  
on  
Optimizing the Tax Business  
Environment of Beijing**

**2024**



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# Preface



Optimizing the business environment is a foundational endeavor to bolster market confidence, enhance economic resilience and spur innovation. Under the strong leadership of the State Taxation Administration of the People's Republic of China (STA), the CPC Beijing Municipal Committee, and the People's Government of Beijing Municipality, the Beijing Municipal Tax Service, State Taxation Administration (hereinafter referred to as the "BMTS") has diligently implemented the "Beijing Service" guidelines. Focusing on the reform goals and key tasks in the field of taxation, the BMTS has carried out various reform initiatives with the highest standards and the most stringent requirements, targeting existing shortfalls and challenges. It is committed to steadfastly advancing the practice of Chinese-style modern taxation in Beijing and contributing to its high-quality development through tax-related efforts.

Since 2024, the BMTS has made notable progress in its service development. Tax and fee reduction policies have been implemented with precision, ensuring the effective execution of the principle of "one policy, one plan." Risk prevention and control have been strengthened, and taxpayers and fee payers have been provided with access to all entitled benefits. Actively serving Beijing's major events, the BMTS has successfully completed eight tasks under the "Beijing Service Reform" initiative. In collaboration with the Tianjin Municipal Tax Service and the Hebei Provincial Tax Service, the BMTS has jointly launched 28 key measures across six aspects of tax support and services to promote the coordinated development of the Beijing-Tianjin-Hebei region. The BMTS has effectively implemented the tax-related tasks for the construction of the "Two Zones", with the number of tax refund stores in the city ranking first nationwide. To continuously optimize the tax business environment, the BMTS has established a regular communication mechanism that enables face-to-face interaction between tax authorities and enterprises. It persists in carrying out the "Spring Breeze Campaign for Enhanced Tax Services" and the "Spring Breeze Nurtures Seedlings" initiative, to more effectively provide one-stop services. The BMTS has established a "One Question per Month" Governance Task List, focusing on deepening the "Proactive Complaint Resolution" initiative. It has also taken the lead in realizing "Full-Process Online Handling" for individual equity transfers and ranked second nationwide in terms of the satisfaction level of taxpayers and fee payers.

The BMTS has compiled the *Memorandum of Reform on Optimizing the Tax Business Environment of Beijing (2024)*. Centered around four key areas—serving the broader development agenda, enhancing the tax legal framework, improving tax service efficiency, and facilitating high-level opening up—the Memorandum systematically highlights the reform achievements and innovative practices in Beijing's tax business environment in 2024. It aims to enhance the transparency of the BMTS's work and provide authoritative information for taxpayers and fee payers.

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# Chronicle of Key Events in Optimizing the Tax Business Environment of Beijing

## January

- The standardized version of the social insurance system was launched in Beijing, featuring streamlined processes for declaring and paying social insurance premiums. This is followed by the migration and verification of legacy data from social security and medical insurance departments. Since January 1, 2024, the declaration and payment process for social insurance premiums has been streamlined, enabling payers to directly declare and pay such premiums to the tax authorities without having to visit multiple departments.

## February

- In line with the overall requirements of the “one main line of work” and the “six key efforts”, the Beijing Tax Work Conference was convened in Beijing. The conference emphasized the continuous optimization and improvement of the following areas: “Party building leading the way”, the “three constructions” to enhance quality, the “two supports” to solidify foundations, and risk prevention to ensure stability. By focusing on key points and identifying priorities, the conference aimed to forge a new path for tax work in Beijing.
- For the sixth consecutive year, the BMTS has published the *Memorandum of Reform on Optimizing the Tax Business Environment of Beijing*. This year’s edition systematically reviews and summarizes the reform measures and practical experiences in optimizing Beijing’s tax business environment in 2023, highlighting the latest achievements in this area.

## March

- The tax authorities in the Beijing-Tianjin-Hebei region launched a pilot project of the “Remote Virtual Window”, which enabled taxpayers to handle cross-regional tax and fee matters both within the districts of Beijing and across the entire Beijing-Tianjin-Hebei region. This initiative has been endorsed by the State Taxation Administration and has been replicated nationwide.

## April

- The General Office of the Beijing Municipal Government released the *2024 Key Points for the Comprehensive Optimization of the Business Environment in Beijing*, which included eight tax-related tasks. These tasks focused on formulating and issuing benchmarks for tax administrative penalty discretion in North China, as well as deepening the development of intelligent taxation.
- The BMTS released the *Interim Measures for Advance Tax Rulings*.
- The BMTS released the *Implementation Plan for the 2024 “Spring Breeze Campaign for Enhanced Tax Services”*. Themed around “Continuous Improvement of Efficiency and Serving the People”, the plan focused on the core objective of “efficiently providing one-stop services”. It continued to advance the campaign by integrating and launching 36 service measures across four key areas for the public and enterprises, to further enhance the sense of gain and satisfaction among taxpayers and fee payers.
- The 33rd National Tax Publicity Month campaign kicked off.

## May

- The nationwide standardized Electronic Tax Bureau was launched on a pilot basis in Dongcheng District and Haidian District, Beijing.
- The tax authorities of Beijing, Tianjin, and Hebei signed the *Implementation Plan for Data Sharing of Vehicle and Vessel Tax in the Beijing-Tianjin-Hebei Region*.

## June

- The 2024 SME Service Month campaign, themed “Tax Incentives for New Momentum: Supporting New Business Development”, was launched. It focused on implementing tax and fee reduction policies, supporting SME innovation, and promoting high-quality development in the manufacturing sector. The campaign aimed to innovate and optimize tax and fee services to better support SME development.

# 2024

## July

- A series of thematic press conferences titled “Welcoming the 75th Anniversary of the Founding of New China” were held in the business sector. For seven consecutive years, Beijing has implemented over 1,500 measures to reform the business environment, continuously refining the “Beijing Service” business brand.
- In collaboration with the Beijing Federation of Industry and Commerce, the BMTS released the Implementation Plan for the 2024 “Spring Breeze Nurtures Seedlings” Special Campaign to Support the Development of Small and Micro Business Entities. Themed “Promoting Stable Growth of Small and Micro Business Entities”, the plan focused on promoting various tax and fee policies and innovative service initiatives to benefit small and micro business entities in a timely manner.
- The nationwide standardized Electronic Tax Bureau was fully rolled out and expanded across Beijing.

## November

- The revised version of the *Regulations of Beijing Municipality on Optimizing Business Environment* was released.

## August

- The 2024 Joint Conference on Tax Cooperation between Beijing, Tianjin, and Hebei was held. The conference reviewed and adopted documents such as the *Key Points of Tax Support and Service for the Coordinated Development of Beijing, Tianjin, and Hebei (2024–2025)*. Additionally, the *Compilation of Tax and Fee Policies for Supporting and Serving the Coordinated Development of Beijing-Tianjin-Hebei Region* was released.
- The third “National Individual Business Service Month” campaign kicked off.

## October

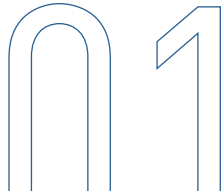
- The nationwide standardized Electronic Tax Bureau APP was officially launched.

## December

- On December 1, the pilot project for converting water resource fees into taxes was fully implemented.
- The pioneering initiative for full-process online handling of personal equity transfers was rewarded the honorary title of the Best Service Case in Beijing’s 2024 Annual Innovation Awards.

## September

- In conjunction with the tax authorities of neighboring cities, provinces and automatic regions, the BMTS released the *North China Regional Benchmarks for Tax Administrative Penalty Discretion*. This initiative aimed to standardize the exercise of administrative discretion in tax penalties, effectively safeguard the legitimate rights and interests of tax-related parties, and promote the unification of tax enforcement standards across the region.
- A team of tax and fee policy experts was dispatched to the 5th China International Fair for Trade in Services (CIFTIS) to provide tax-related consulting and policy guidance services to exhibitors and visitors.
- The BMTS provided support for the fifth “Belt and Road” tax collection and management cooperation forum.



# Chapter I

**Serving the overall development agenda in a vigorous, effective, and efficient manner**

Guided by General Secretary Xi Jinping's directive that metropolises like Beijing should take the lead in intensifying reforms to optimize the business environment, the BMTS has earnestly implemented the decisions and plans of the State Taxation Administration as well as the CPC Beijing Municipal Committee and the Beijing Municipal Government. In alignment with Beijing's strategic positioning, and rooted in Beijing, the BMTS is dedicated to setting the highest tax standards in the country, extending its influence across the region, serving the nation, and engaging with the world. It fully leverages the functions of taxation, and supports major national strategies, to contribute to the high-quality development of Beijing.

# 1.1

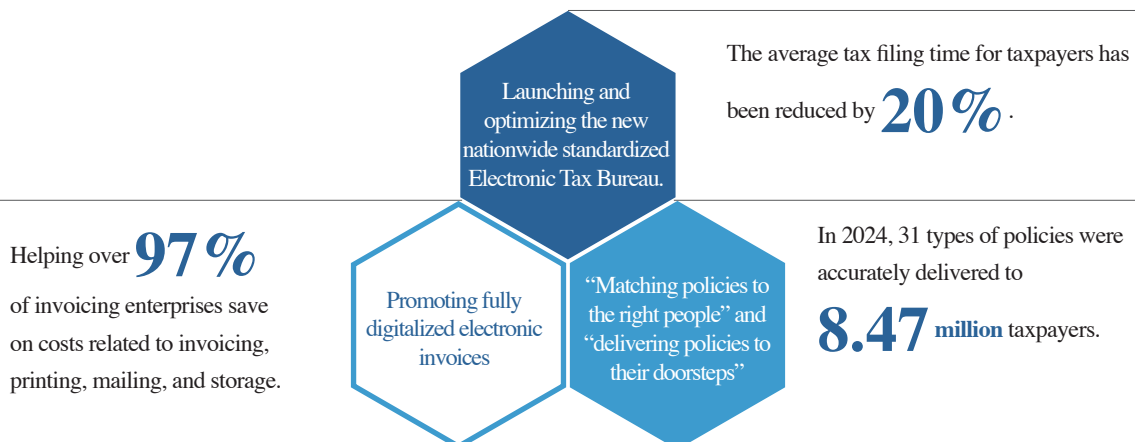
## Implementing the “Beijing Service” opinions

The BMTS focuses on the tax-related reform tasks outlined in the *Key Points of Beijing’s Comprehensive Optimization of Business Environment in 2024 (JZBF [2024] No.10)*. It implements the “Beijing Service” opinions, steadily promotes the implementation of measures, and further advances the construction of a tax-friendly business environment.

### Innovation Initiatives

## Implementing digital governance to enhance quality and efficiency

### 1 Deepening the implementation of intelligent taxation



### 2 Piloting the implementation of a tax advance ruling system

The BMTS has released the *Interim Measures for Advance Tax Rulings*, to formally inform enterprises of how to apply current tax policies to specific complex and significant tax-related matters that are expected to occur in the future.

### 3 Developing an interactive tax service system that integrates business handling and inquiry

The BMTS has established an interactive service operation mechanism that integrates business inquiry and handling. This mechanism streamlines business processes and provides scenario-based tax and fee services. It aims to quickly and efficiently address taxpayers’ concerns through a combination of intelligent interaction, manual support, audio and video communication, and screen sharing. Taxpayers can obtain tax and fee guidance at any time during the tax handling process, thereby realizing a new tax experience that is both accessible and collaborative.

## 4 Promoting the transformation and upgrading of intelligent consultation services

By fully leveraging the advantages of artificial intelligence and non-contact tax payment channels, the BMTS integrates and expands the resources of its intelligent consultation database, continuously optimizes the functionality of intelligent consultation, and completes knowledge base operations and maintenance. Additionally, it intensifies the promotion of intelligent consultation, promptly adjusts and optimizes model algorithms, and improves the utilization rate and accuracy of intelligent consultation services.

## Building a coordinated and efficient government service environment in the Beijing-Tianjin-Hebei region

## 5 Jointing formulating and issuing benchmarks for tax administrative penalty discretion for the North China region

In September 2024, the BMTS, together with the tax bureaus of Tianjin, Hebei, Shanxi, and the Inner Mongolia Autonomous Region, jointly formulated and issued the *Benchmarks for Tax Administrative Penalty Discretion for the North China Region*,



aiming to further clarify the penalty standards for **54** types of tax violations across **7** categories.

## Consolidating and deepening the reform of the commercial system

## 6 Fully implementing the “New Intelligent Business Opening” application scenario

The BMTS has fully implemented the “New Intelligent Business Opening” application scenario for business registration and tax services. Enterprises can now apply for a business license (including a free official seal and employee information collection), as well as tax-related services (including invoice collection), all in one go via the Beijing Corporate Service e-Window Platform.

## 7 Providing one-stop service for verification of enterprise bankruptcy information

In coordination with the Beijing Municipal Market Supervision Administration, the Beijing Municipal Commission of Planning and Natural Resources, the Beijing Municipal Commission of Housing and Urban-Rural Development, the Beijing Municipal Public Security Bureau, the Beijing Municipal Bureau of Human Resources and Social Security, the Beijing Municipal Medical Security Bureau, and the Beijing Housing Provident Fund Management Center, the BMTS has implemented the verification of enterprise bankruptcy information. This initiative integrates key elements and enables data sharing, thereby reducing the need for multiple visits and speeding up the verification of enterprise information during bankruptcy proceedings. As a result, it greatly boosts the satisfaction of bankruptcy trustees.

# 1.2

## Effectively implementing tax and fee reduction policies

The BMTS implements structural tax and fee reduction policies, effectively reducing the tax burden for enterprises. This stimulates greater innovative vitality among enterprises and promotes the transformation and upgrading of the industrial structure in Beijing.

### Innovation Initiatives

## Boosting scientific and technological innovation and new productive forces with tax incentives

The BMTS has compiled and distributed the *Compilation of Main Tax and Fee Preferential Policies for Supporting Scientific and Technological Innovation in Beijing*. This document aims to help enterprises access and utilize these preferential policies in a timely and accurate manner, thereby reducing the burden on emerging productive force.

Scan the QR code to view the *Compilation of Main Tax and Fee Preferential Policies for Supporting Scientific and Technological Innovation in Beijing*.



### 北京市支持科技创新主要 税费优惠政策汇编

国家税务总局北京市税务局  
2024年3月

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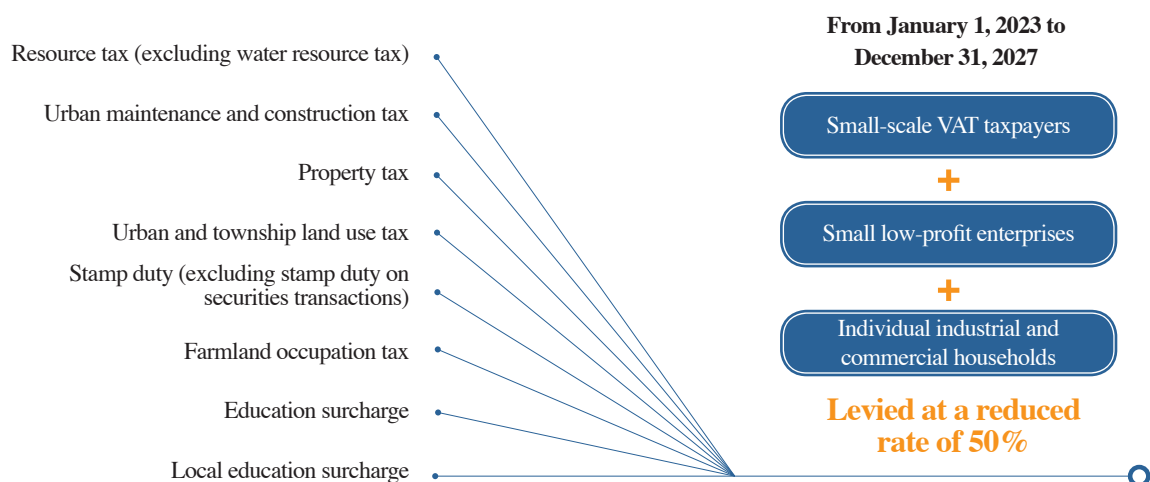
## Continuously reducing tax and fee costs and alleviating the labor burden on enterprises

### 8 Continuously implementing the value-added tax (VAT) credit refund policy

The BMTS actively implements the VAT credit refund policy, ensuring that financial benefits reach enterprises promptly.

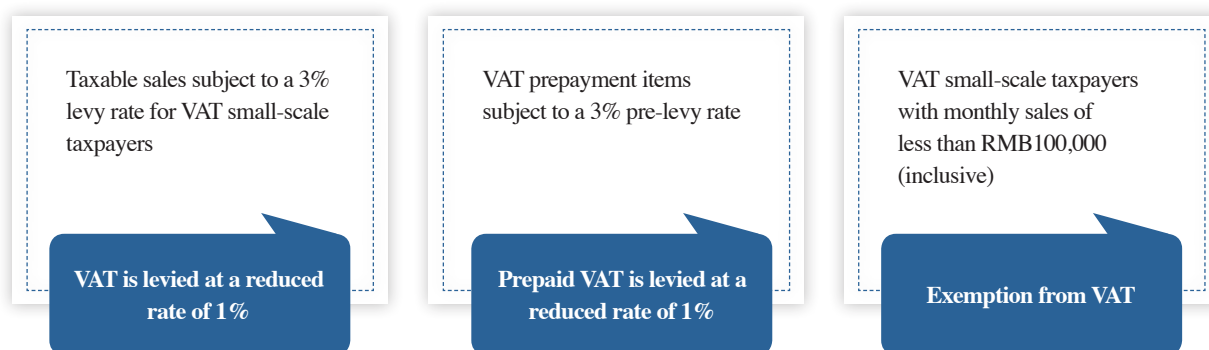
- 01 Small and micro enterprises that meet the requirements may apply to the competent tax authorities for a one-time refund of their retained input tax credits.
- 02 Enterprises in the manufacturing, wholesale, and retail sectors may apply for a monthly refund of their incremental VAT credits, as well as a one-time refund of their accumulated VAT credits.
- 03 Other eligible taxpayers should apply for the refund of their incremental VAT credits under the Announcement on Policies for Deepening Value-Added Tax Reform by the Ministry of Finance, the State Taxation Administration, and the General Administration of Customs (Announcement No. 39, 2019).
- 04 The BMTS will continue to optimize the VAT credit refund process and automatically push the policy tips to taxpayers expected to meet the requirements.
- 05 The BMTS will continue to improve the online declaration and pre-filling functions for VAT credit refunds, thereby further reducing the time taxpayers need to apply for such refunds.

### 9 Continuously implementing the “six local taxes and two fees” reduction and exemption policy for small and micro enterprises



## 10 Continuously implementing the VAT reduction and exemption policy for small-scale taxpayers

From January 1, 2023, to December 31, 2027. ■



## 11 Providing income tax incentives for small and micro enterprises and individual businesses

From January 1, 2023, to December 31, 2027. ■

For individual businesses, annual taxable income up to RMB 2 million is subject to a **50% reduction** in individual income tax.

For small and micro-profit enterprises, taxable income is calculated at 25% of the actual income, and corporate income tax is levied at a rate of **20%**.

## 12 Implementing the incremental VAT deduction policy for advanced manufacturing

From January 1, 2023, to December 31, 2027. ■

Advanced manufacturing enterprises may apply an additional **5%** offset on their deductible input VAT against the VAT due for the current period.

## 13 Extending the policy of phased reduction in unemployment insurance rates

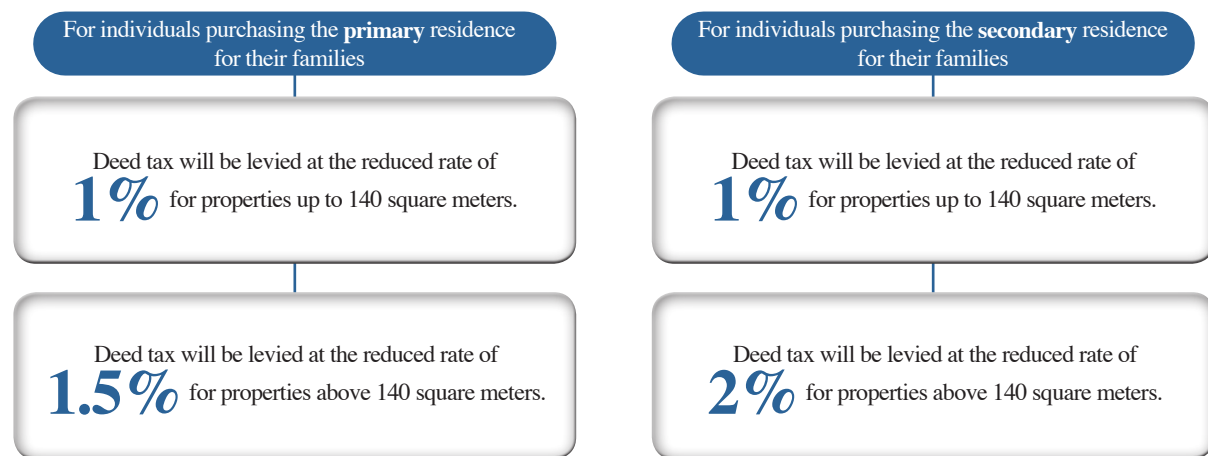
From January 1, 2023, to December 31, 2027. ■

The unemployment insurance rate will be temporarily reduced to **1%** on a phased basis.

## Actively implementing the preferential new deed tax policy

### 14 Implementing the new preferential deed tax policy

The BMTS is fully implementing the Announcement on *Tax Policies for Promoting the Steady and Healthy Development of the Real Estate Market*, issued by the Ministry of Finance, the State Taxation Administration, and the Ministry of Housing and Urban-Rural Development. The new policy raises the threshold for deed tax reductions and exemptions for primary family residences from 90 to 140 square meters and introduces a new preferential deed tax policy for secondary family residences.



### 15 Implementing the new preferential policy for individual income tax

Since December 15, 2024, the private pension scheme has been fully implemented nationwide. The BMTS is actively implementing the *Announcement on the Nationwide Implementation of Preferential Individual Income Tax Policies for Private Pensions*, issued by the Ministry of Finance and the State Taxation Administration. Taxpayers can now deduct private pension contributions from their consolidated income or operating income, up to the amount of RMB 12,000/year.

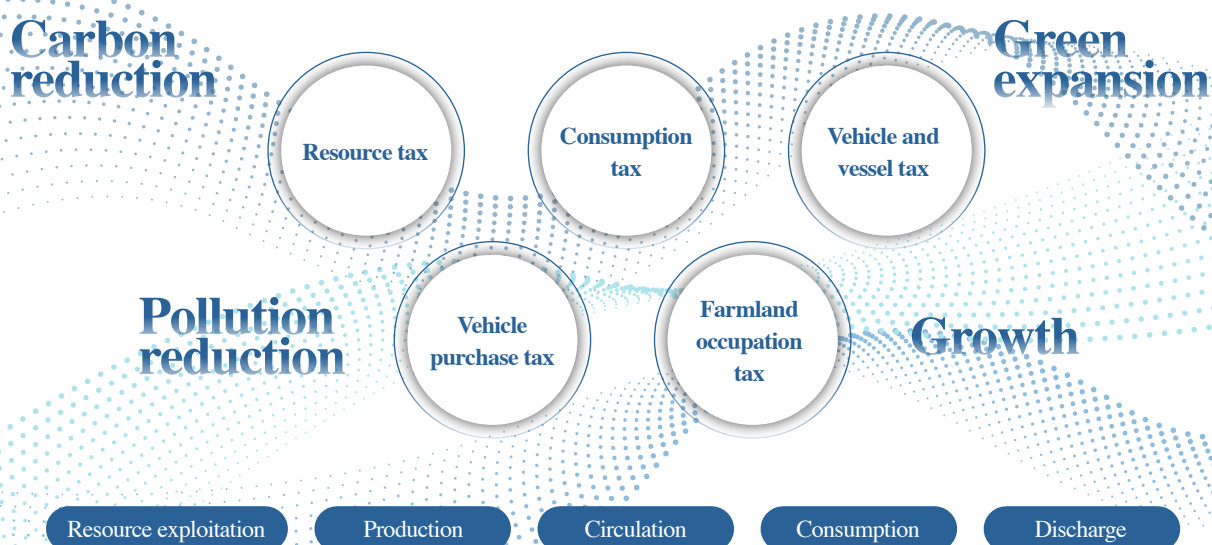
The BMTS has pushed targeted reminder messages to 22,000 taxpayers. As part of the 2023 comprehensive income settlement, the BMTS has introduced a one-stop declaration service for private pension deductions on the Natural Person e-Tax Bureau APP, enabling taxpayers to conveniently benefit from the new individual income tax policy.



The BMTS has precisely delivered reminder and alert messages to **22,000** taxpayers.

## Providing tax support for green initiatives to advance environmental and low-carbon development

The BMTS has been actively implementing a comprehensive set of green tax policies, centered around the environmental protection tax and supported by resource tax, consumption tax, vehicle and vessel tax, vehicle purchase tax, and cultivated land occupation tax. Additionally, supplementary green tax policies such as VAT and corporate income tax are also implemented. These policies focus on four key aspects: carbon reduction, pollution reduction, green expansion, and sustainable growth. The tax and fee policies cover all aspects of resource exploitation, production, circulation, consumption, and emission, providing comprehensive support for green development.



### 16 Steadily advancing the “Two New” initiative

The BMTS has steadily advanced policies supporting large-scale equipment renewal, thereby fostering the production and utilization of advanced equipment.

#### Implementing the new preferential corporate income tax policies for equipment renewal:

According to the *Announcement of the Ministry of Finance and the State Taxation Administration on the Enterprise Income Tax Policies for the Digital and Intelligent Transformation of Special Equipment for Energy Conservation, Water Conservation, Environmental Protection, and Work Safety*, “If the investment in digital and intelligent transformation of special equipment from January 1, 2024, to December 31, 2027, does not exceed 50% of the original tax base upon purchase, the enterprise’s taxable income for the current year will be reduced by 10% of the investment. If the tax payable by an enterprise in the current year is insufficient to fully offset the deduction, the shortfall may be carried forward to future years, with a maximum carry-forward period of five years.

## 17 Implementing the reform of the water resources tax on a pilot basis

Since December 1, 2024 when the pilot project of converting water resources fees into taxes officially kicked off, the BMTS has actively promoted policy publicity and interpretation. It has conducted follow-up analysis of the collection work, promptly assessed the pilot's effectiveness, considered reasonable feedback, and ensured the project's smooth progress.

### Taxpayer

Entities and individuals that directly use surface water and groundwater within the territory of the People's Republic of China;

### Object of taxation

Surface water refers to both dynamic and static water resources on the Earth's surface, including rivers, lakes (such as reservoirs), and other similar water bodies; Groundwater refers to various forms of subsurface water located beneath the Earth's surface.

### Taxation basis

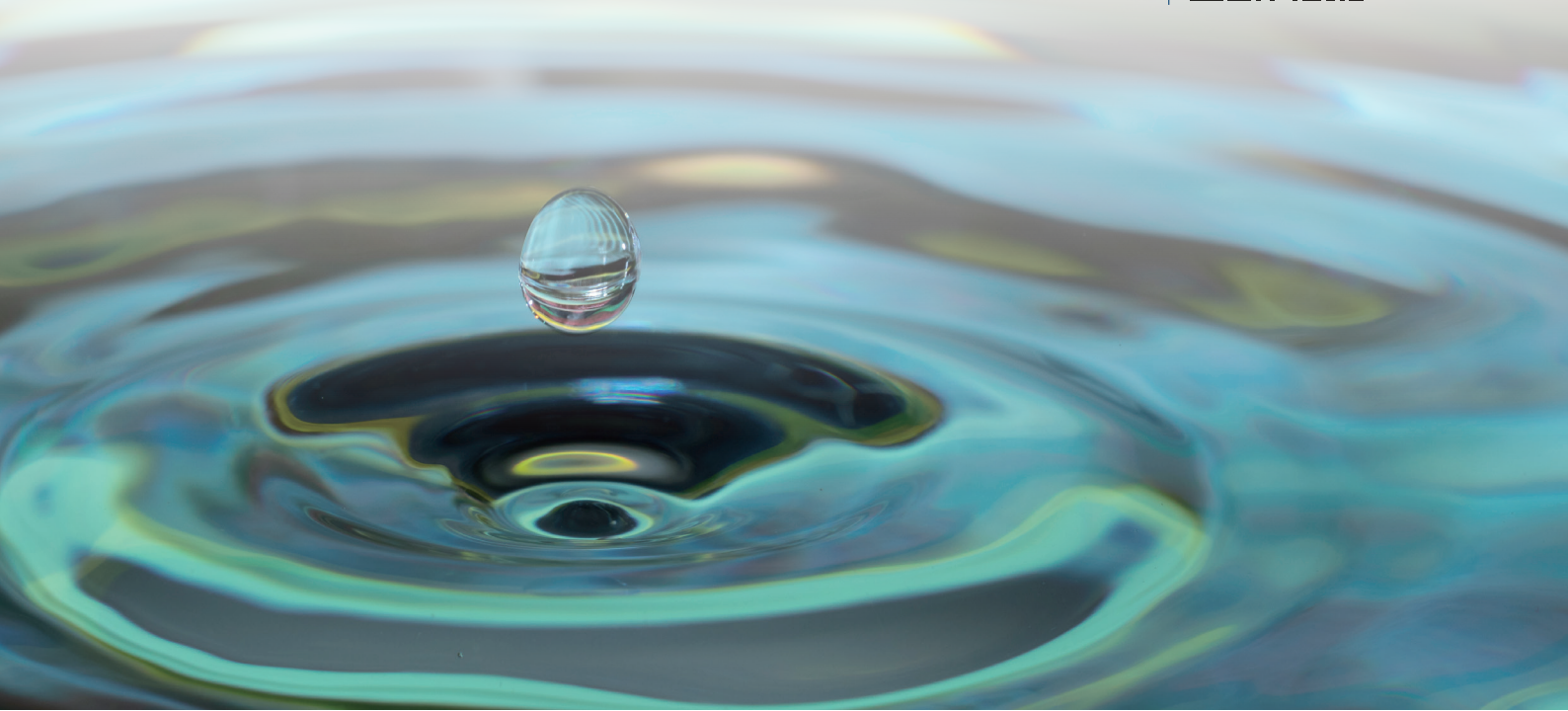
Quantity-based collection;

Tax payable = actual water extracted × applicable tax rate;

### Tax incentives

Exemption from water resource tax for five scenarios, including agricultural water abstraction within the specified limits, is implemented; Local governments have the authority to reduce or exempt water resources tax for agricultural water abstraction exceeding the prescribed limits and for rural centralized drinking water projects. Furthermore, water resources tax reductions will be applied to relevant entities whose water use efficiency reaches the national advanced water consumption standard.

Scan the QR code to view the *Beijing Water Resources Tax Rate Table*.



## 18 “Reverse invoicing” adds impetus to the environmental protection industry

The BMTS has actively implemented the “reverse invoicing” mechanism and the “three flows-in-one” model for resource recovery enterprises. These measures address the difficulty of obtaining invoices from natural persons and significantly enhance transactional convenience for resource recovery enterprises.

### “Reverse invoicing”

When individuals sell waste products to resource recycling enterprises, eligible enterprises can issue invoices to the sellers, thereby establishing a “reverse invoicing” mechanism.

### “Three flows-in-one”

By integrating the invoice flow, the real-name taxpayer information flow, and the payment fund flow, a “three flows-in-one” system is created.

## Media coverage

On December 1, 2024, the Announcement on Tax Policies for Promoting the Steady and Healthy Development of the Real Estate Market (Announcement No. 16 of 2024 by the Ministry of Finance, the State Taxation Administration, and the Ministry of Housing and Urban-Rural Development) came into effect. In the first month of the new policy’s implementation, the BMTS processed 54,000 tax payments related to house purchases. Among them, 33,000 buyers benefited from the new policy’s preferential treatment, resulting in a reduction and exemption of deed tax amounting to RMB 1.92 billion. This effectively unlocked the tax reduction dividend, fueling 23,000 second-hand housing transactions in December. These measures have effectively put the central government’s real estate policies into practice.

—Source: Beijing Youth Daily

This year, China’s first domestic AAA game, “Black Myth: Wukong”, has ignited a “Journey to the West” craze in the global gaming market. Among them, the space computing OptiTrack optical positioning capture technology developed by Beijing Liade Optoelectronics Co., Ltd. has provided players with an immersive gaming experience. The research and development of this “hard-core” technology has been supported by preferential tax policies. Yuan Bo, CEO of Leyard Group, said, “Over the past four years, the group has enjoyed tax deductions on R&D expenses exceeding RMB 10 million. Thanks to these preferential tax and fee policies, we’ve been able to cut down on R&D costs and boost technological innovation. These policies have really helped us focus more on R&D and compliance, which is key to our long-term success”.

—Source: Science and Technology Daily

# 1.3

## Vigorously promoting regional coordinated development

Year 2024 marks the tenth anniversary of the implementation of the coordinated development strategy for the Beijing-Tianjin-Hebei region. Over the past decade, the tax authorities of the three areas have actively innovated service measures, enhanced cooperation, and achieved significant progress. They established the “Leading Group for the Joint Conference on Tax Cooperation in the Beijing-Tianjin-Hebei Region” and developed unified regional tax enforcement standards and other business cooperation mechanisms across the region. These efforts have comprehensively strengthened cooperation in tax collection and management, tax services, and information sharing, and will continue to contribute to the high-quality development of the region.



### Innovation Initiatives

## Strengthening standard unification and enhancing collaborative tax governance

### 19 Expanding the List of Tax Matters in the Beijing-Tianjin-Hebei Region that can be Completed with a Single Visit

With the objective of enhancing the tax experience for taxpayers, the BMTS, the Tianjin Municipal Tax Service, and the Hebei Provincial Tax Service have revised and expanded the *List of Tax Matters in the Beijing-Tianjin-Hebei Region that can be Completed with a Single Visit*, increasing it from 150 to 189 items. Provided that the taxpayer’s information is complete and meets the legal acceptance criteria, the taxpayer is required to visit the tax authorities only once to handle the matters on the list.

Scan the QR code to view the *List of Tax Matters in the Beijing-Tianjin-Hebei Region that can be Completed with a Single Visit*.



### 20 Developing a unified standard for invoice quota management

The BMTS and the Tianjin Municipal Tax Service have jointly developed the *Guidelines for the Management of Intelligent Invoice Quota Assignment (Trial)*. These guidelines aim to eliminate disparities in the initial invoice amount, the adjustment period for manual quota assignment, and the work flow for new taxpayers. They also aim to establish a unified intelligent quota assignment system with consistent standards across Beijing and Tianjin.

## 21 Setting unified tax law enforcement standards and norms

The BMTS, the Tianjin Municipal Tax Service, and the Hebei Provincial Tax Service have jointly developed the *Implementation Plan for the Sharing Mechanism of Tax Administrative Reconsideration and Litigation Cases in the Beijing-Tianjin-Hebei Region*. By compiling typical cases, sharing practical experience, and addressing key issues such as the application of law, the plan aims to guide work practice and gradually enhance the consistency of trial standards for tax administrative reconsideration cases across regions.

## Strengthening standard unification and enhancing collaborative tax governance

### 22 Implementing the inter-regional transfer of tax and fee-related inquiries on the Beijing-Tianjin-Hebei 12366 tax service hotline

The BMTS, the Tianjin Municipal Tax Service, and the Hebei Provincial Tax Service have jointly developed key strategies to efficiently and coordinately promote the transformation and upgrading of the Beijing-Tianjin-Hebei 12366 tax service hotline. They have decided to implement the “Beijing-Tianjin-Hebei Telephone Transfer Scheme”. This includes:

01

Establishing a personnel exchange and training mechanism, which will lay the foundation for integrating the hotline systems and enabling real-time transfer between the 12366 hotlines in the three regions.

02

Setting up a rapid response mechanism that allows the Beijing 12366 Tax Service Hotline to receive and efficiently handle tax-related inquiries from Tianjin and Hebei.

### 23 Jointly publishing a compilation of tax and fee policies

The BMTS, the Tianjin Municipal Tax Service, and the Hebei Provincial Tax Service have jointly issued a *Compilation of Tax and Fee Policies to Support and Serve the Cooperative Development of the Beijing-Tianjin-Hebei Region*. This document aims to comprehensively strengthen tax cooperation and promote co-governance in the region.

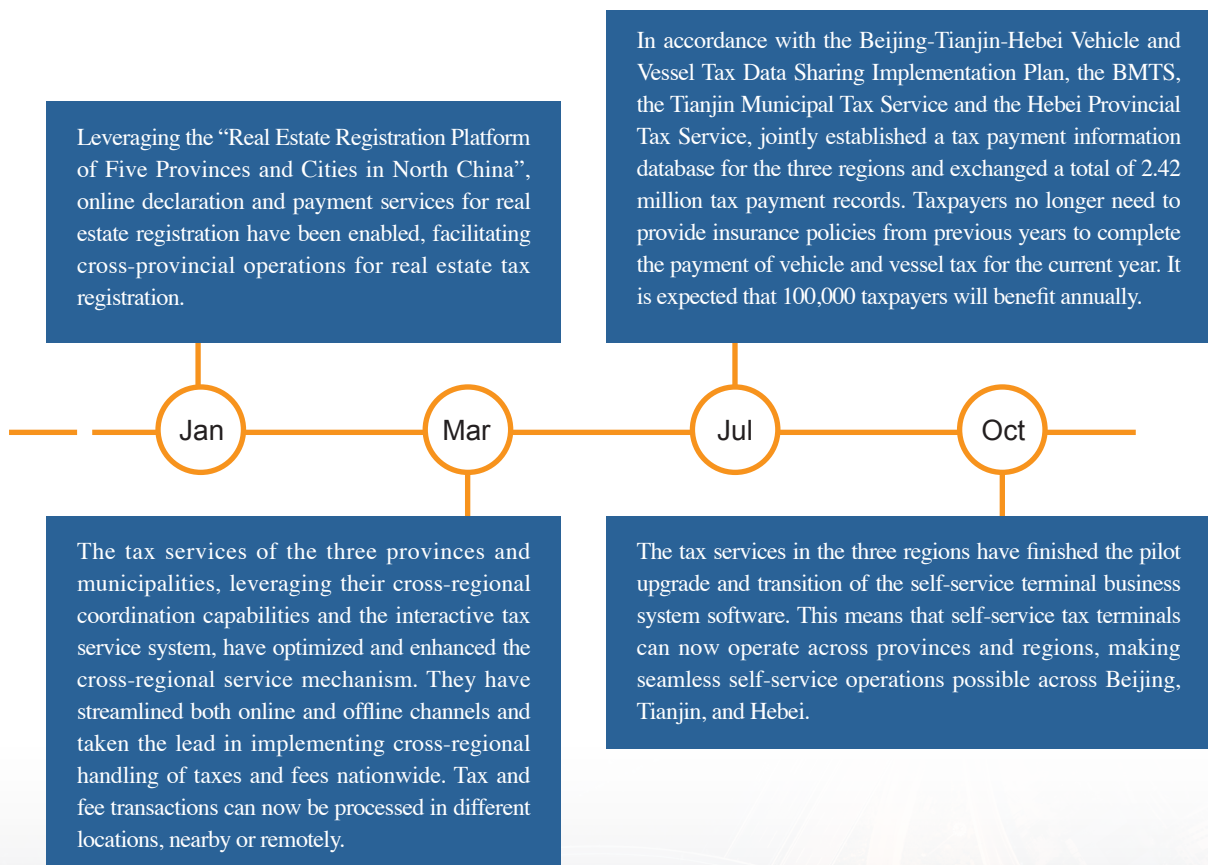
### 24 Jointly carrying out tax and fee policy publicity

In October 2024, the BMTS and the Hebei Provincial Tax Service jointly launched an export tax rebate policy publicity campaign at the Beijing Daxing International Airport Comprehensive Bonded Zone, targeting export enterprises in the zone. The campaign adopted a combined approach of “on-site teaching and exchange” as well as “policy theory and practical operation”, tailored to the characteristics of local enterprises. Business experts were invited to deliver key lectures on topics such as “Measures for Facilitating Export Tax Rebates” and “Tax Policies for Enterprises in Comprehensive Bonded Zones.” Dialogues were also held with enterprise representatives to address tax-related issues.

## 25 Optimizing the process for cross-regional relocation procedures

The BMTS, in collaboration with the tax authorities of Tianjin and Hebei, has actively explored strategies to facilitate cross-regional relocation. Through the sharing of inventory in advance, mutual recognition of qualifications during the process, targeted services to address deficiencies afterward, and follow-up management, the BMTS has successfully optimized the relocation process for enterprises. This includes removing obstacles before the relocation, simplifying complexities during the relocation, and ensuring seamless connection after the relocation. A tax-related data sharing mechanism for cross-regional relocating enterprises has been established, enabling high-tech and advanced manufacturing firms to query migration data in real-time via a cloud platform.

## 26 Smoothing the service channels for cross-regional tax and fee transactions



# 1.4

## Actively serving the construction of the “Two Zones” to high standards

In accordance with the key objectives of the “Two Zones” construction, the BMTS actively promotes the implementation of tax-related tasks in Beijing. It optimizes tax and fee services to higher standards, vigorously stimulates enterprise vitality, effectively supports high-quality development, thereby contributing to the construction of the “Two Zones.”

### Innovation Initiatives

#### 27 Implementing pilot tax reduction and exemption policies in Zhongguancun

In 2020, the state issued two pilot policies to support the construction and development of Zhongguancun in Beijing.

For the portion of corporate income tax exceeding RMB 20 million, the tax will be reduced by half. This policy raises the preferential threshold from RMB 5 million, which is standard in other regions, to RMB 20 million. It also represents a breakthrough in the scope of transfer and related parties. As a result, it has been recognized as one of the top ten influential policies for the construction of the “Two Zones.”

The pilot policy for income tax on corporate venture capital enterprises stipulates that for such enterprises in the Zhongguancun National Innovation Demonstration Zone in Beijing, if the proportion of equity transfers held for three or more years exceeds 50% of their total annual income from equity transfers, the corporate income tax for the year may be reduced by half or exempted based on the individual shareholders’ shareholding proportion at the end of the year. This policy encourages long-term investment in the field of scientific and technological innovation and helps create a favorable business environment.

#### 28 Launching VAT general taxpayer qualification pilot in the Tianzhu Comprehensive Bonded Zone

The BMTS will continue to conduct the general taxpayer qualification pilot in the Tianzhu Comprehensive Bonded Zone. Pilot enterprises will be able to issue special VAT invoices and participate in domestic tax credit. Additionally, the Tianzhu Comprehensive Bonded Zone will expand its market scope from the original international market to include both international and domestic markets, enabling pilot enterprises to access broader market opportunities and potentially increase their revenue.

As of December 2024



There are now **52** pilot enterprises registered as general VAT taxpayers in the zone, with **15** of them having claimed export tax rebates totaling RMB **113 million**. This pilot experience has been replicated and applied in the Daxing Comprehensive Bonded Zone.

# 1.5

## Helping build an international consumer center city

With a focus on boosting consumption, the BMTS actively increases the number of departure tax refund stores, continuously optimizes the departure tax refund service experience, and strives to create a “consumption + tax refund” atmosphere. These efforts help build Beijing into an international consumer center. In 2024, the city’s departure tax refund continued to grow at a high rate, with data reaching record highs.

More than **1.7 million**  
Departure Tax Refund  
Applications have been issued for  
over **1.3 million** passengers  
from 150 countries and regions

A year-on-year increase of  
**2.9** times

The sales revenue of  
departure tax refund stores  
reached RMB **950**  
**million**

A year-on-year increase of  
**1.4** times

The departure tax refund  
reached RMB **102**  
**million**

A year-on-year increase of  
**1.5** times

## Innovation Initiatives

### 29 Actively expanding departure tax refund stores

In 2024, the BMTS focused on simultaneously expanding scale and improving quality. Leveraging a two-tier linkage mechanism that integrates district-level promotion with municipal-level filing, the BMTS conducted tax refund publicity and exchanges at Xiangyun Town, Livat Centre, and the International Trade Mall. The BMTS expanded the network by adding 245 new departure tax refund stores, including 52 time-honored ones. Additionally, two stores were included in the “buy and refund” departure tax rebate pilot program. The number of departure tax refund stores in the city reached 1,147, the highest



in the country, covering all of 16 administrative districts and key business circles at the municipal level. Among these, 16 were “buy and refund” pilot stores, and 159 were time-honored tax refund stores. The city has gradually developed a new pattern for departure tax refund stores that integrates time-honored specialty stores, premium brand shops, and fashionable luxury boutiques. This pattern interweaves traditional characteristic blocks with modern fashion business districts and harmonizes urban core business circles with key routes in the Beijing suburbs. It blends Chinese, international, and local elements seamlessly.

## 30 Creating a tax refund atmosphere in an all-round way

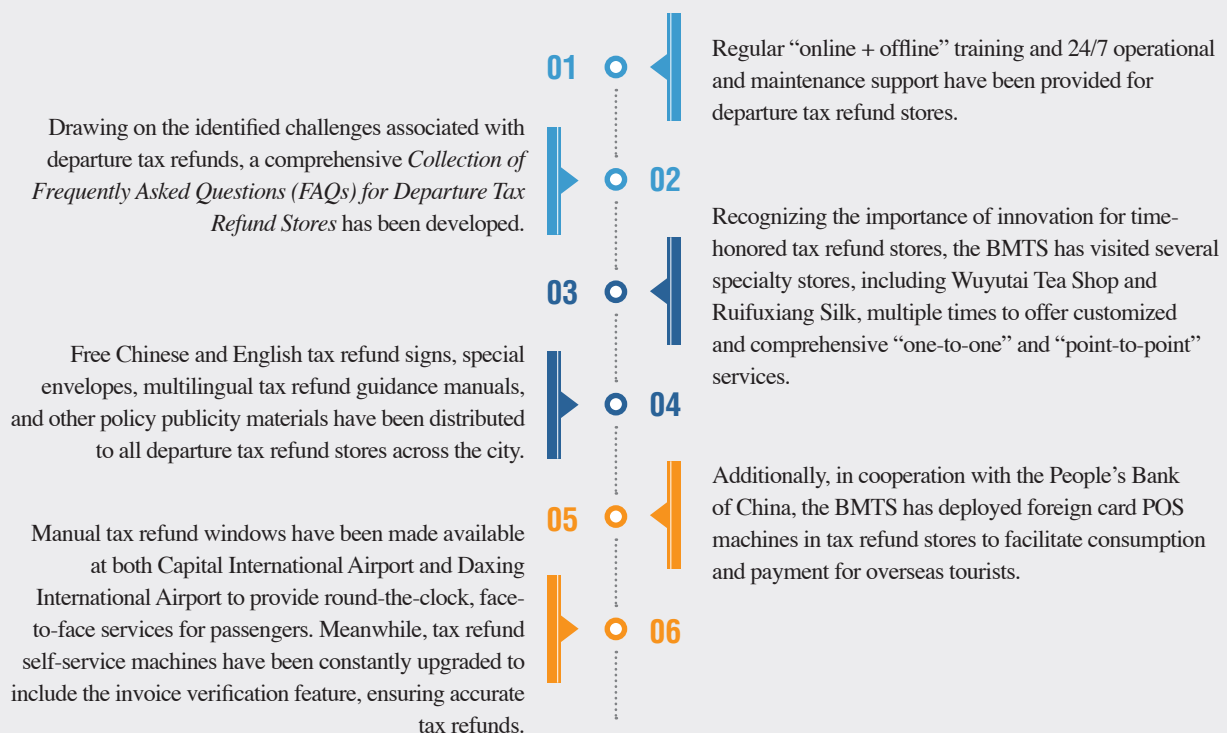
The BMTS continues to conduct comprehensive policy promotion targeting domestic and overseas audiences, as well as stores and tourists, and actively fosters an atmosphere of “consumption + tax refund.”

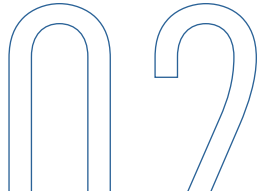
- In collaboration with the Bureau of Culture and Tourism, the BMTS has compiled the *Strategy for Foreigners to Travel in Beijing*, which introduces the policies and processes for enjoying departure tax refund.
- This policy was also introduced at the Beijing Inbound Tourism Development Conference.
- For four consecutive years, the BMTS has partnered with agencies to join the International Service Trade Association, conducting tax refund publicity and showcasing the results of their initiatives.
- In the “CBD × Sanlitun” International Consumption Experience Zone, taking the departure tax refund stores in the SKP and the International Trade Mall as models, multiple departments jointly carried out the “Campaign to Standardize Departure Tax Refund Signage.”



## 31 Optimizing tax refund service experience in multiple dimensions

The BMTS has actively improved the departure tax refund services to create a better tax refund environment.





## Chapter II

### Formulating rules and laws to consolidate the foundation of tax rule of law

With a focus on building the finest place in China under the rule of law, the BMTS fully implements the principle of tax legality, enforces tax and fee policies, and collects taxes and fees in accordance with laws and regulations. Additionally, the BMTS makes every effort to publicize and popularize tax laws, utilizing new technologies and media to conduct precise legal education and policy promotion. The BMTS also strictly standardizes fair and civilized law enforcement, continuously optimizes tax enforcement methods, and better safeguards the legitimate rights and interests of taxpayers and fee payers.

# 2.1

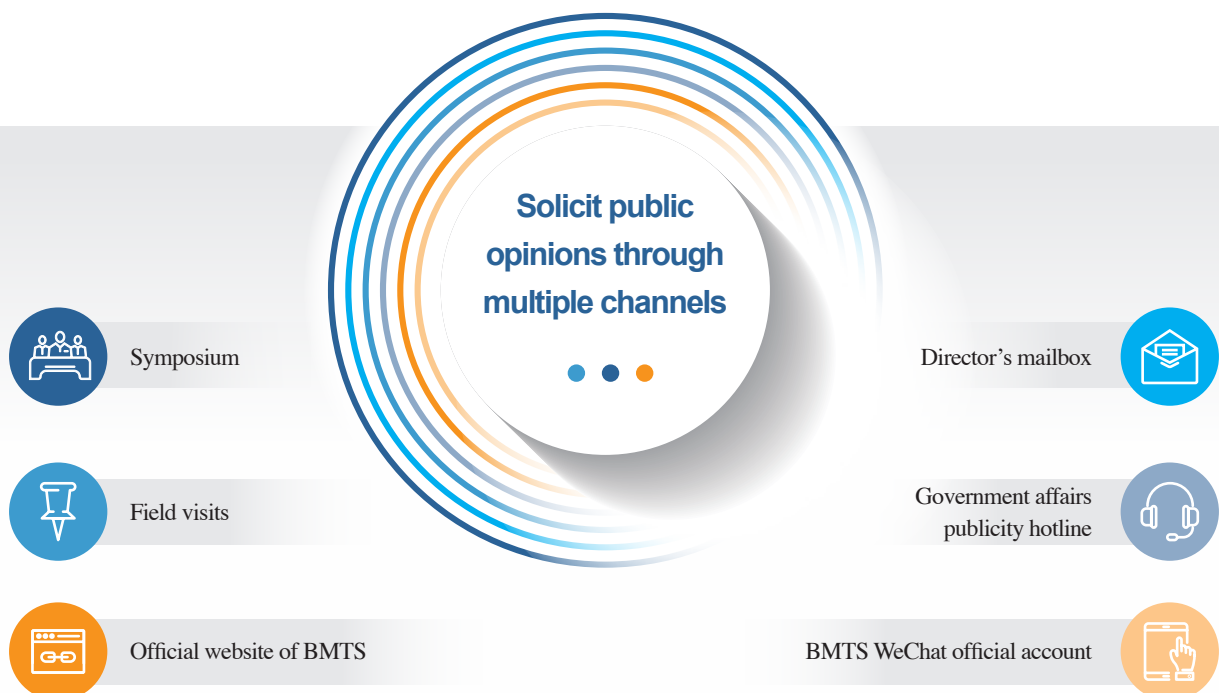
## Developing clear and transparent tax laws and regulations

The BMTS fully implements the government transparency policy, actively increases the scope of public affairs disclosure, and utilizes new technologies and media to achieve precise policy pushes, interpretations, and guidance. These efforts aim to enhance taxpayers' sense of gain.

### Innovation Initiatives

#### 32 Formulating documents in an open and transparent manner, while strengthening the review process to safeguard rights and interests of taxpayers

The BMTS strictly implements the *Measures for the Formulation and Management of Tax Normative Documents*. It conducts equity audits, legitimacy audits, and compliance assessments during the formulation of tax normative documents to ensure they do not impair the rights and interests of taxpayers and fee payers or increase their burden. Moreover, the BMTS integrates the protection of taxpayers' rights and interests into the entire lifecycle of these documents, from formulation to implementation and supervision. This approach effectively safeguards the legitimate rights and interests of small and medium-sized enterprises, individual businesses, and other private economic taxpayers, ensuring that all types of ownership enterprises are treated equally. At the same time, the principle of "public participation" is integrated into the entire policy formulation process. This involves soliciting rational and constructive feedback from taxpayers and experts to ensure that policy formulation aligns with actual needs.



### 33 Conducting various forms of tax publicity, while strengthening policy interpretation and explanation

The BMTS leverages new technologies, media, and products to optimize content delivery platforms and expand publicity channels. It actively publicizes and popularizes tax laws, pushes policies, and continuously guides taxpayers to enhance their compliance with tax laws.

- Focusing on the key policies that taxpayers are most concerned about, the BMTS has conducted comprehensive policy interpretation and clarification through multiple channels:** Twenty four online visual Q&A sessions have been conducted, attracting a total viewership of 278,000 people, with 1,569 questions answered on the spot. Centering around taxpayers’ hot issues, the BMTS has published training videos and animation works through taxpayer schools to deepen the publicity and promotion of tax and fee policies. Posts have been pushed through the BMTS WeChat official account to assist taxpayers in understanding and mastering tax and fee policies.
- Focusing on the concerns of taxpayers regarding tax and fee handling, and creating targeted guidelines and promotional materials:** In 2024, over ten thousand copies of carefully selected guidance materials, including policy interpretations, frequently asked questions and answers, and operation manuals, were compiled and printed. To address the typical and challenging issues identified in the tax and fee settlement and payment declarations for small and micro enterprises, the Guidelines for the Annual Declaration of Income Tax for Small and Micro-profit Enterprises (2024) was compiled. The BMTS also produced an animated micro-video titled Understanding Key Income Tax Preferential Policies for Science and Technology Innovation Enterprises!

Scan the code to watch the video.



BMTS Q & A Video



Guidelines for the Annual Declaration of  
Income Tax for Small and Micro-profit Enterprises (2024)



Taxpayer Training Video on the BMTS’s Official Website



Taxpayer Training Animation on the BMTS Official Website

## 34 Conducting joint campaigns to provide precise policy guidance

01

For the fourth consecutive year, the BMTS and the Beijing Federation of Industry and Commerce have jointly launched the “Spring Breeze Nurtures Seedlings” campaign. This campaign aims to promote various tax and fee policies as well as innovative service measures, thereby benefiting small and micro business entities in a timely manner. Around 1,330 publicity and counseling activities were conducted, benefiting more than 480,000 small and micro business entities.

02

In 2024, the BMTS conducted the National SME Service Month campaign under the theme “Tax Benefits Empower Enterprises to Grow.” This campaign focused on implementing tax and fee reductions, supporting the scientific and technological innovation of SMEs, and promoting the high-quality development of the manufacturing industry. Additionally, the BMTS innovated and optimized tax and fee service measures to further assist SME development.

03

The BMTS also joined forces with the market supervision department and 13 other departments to carry out the third “National Individual Business Service Month” campaign.

## 35 Exploring the path of advance rulings to enhance the certainty of tax policies

In April 2024, the BMTS released the *Interim Measures for Advance Tax Rulings*. These measures clarify the requirements for the subjects, scope, application, and acceptance processes of advance tax rulings, providing a systemic guarantee to steadily promote their effectiveness.



**What is advance tax ruling?** Tax authorities have provided written guidance on how to apply existing tax laws, regulations, rules, and normative documents to specific complex and significant tax-related matters that are anticipated to arise in the future.

**Scope of application?** It is applicable to corporate taxpayers in Beijing.

**Application materials?** Application Form for Tax Advance Ruling, Information Letter for Tax Advance Ruling and other required materials.

**Impact on enterprises?** The mechanism helps corporate taxpayers in Beijing achieve tax certainty on how tax policies apply to complex and significant tax-related matters expected to arise in the future.

The BMTS published advance ruling cases on its official website under the section titled “Optimizing the Business Environment,” providing case references for enterprises and enhancing the certainty of tax policy services.

## Classic cases

### Advance Ruling on the Applicable Tax Rate for Value-Added Tax (VAT) Declaration

**Applicant:** Company A plans to provide an intelligent tableware cleaning service in a district of Beijing. This service involves optimizing the cleaning process and using digital, full-process operation monitoring. Specifically, it includes installing intelligent tableware cleaning equipment at restaurant sites to handle core tasks such as cleaning, drying, and disinfecting tableware all in one place. The company has requested an advance ruling from the competent tax authorities to determine whether this business qualifies for the 6% VAT rate applicable to the modern service industry.

**Competent tax authority:** The ruling indicates that the costs associated with providing such services are relatively high. Given that the business is classified as cleaning services, it is subject to a VAT rate of 6%.

## 36 Making government affairs public and government information easily accessible

The BMTS strictly implements the requirements of the Municipal Committee, the Municipal Government, and the General Administration of Taxation regarding government transparency. With a focus on the rule of law, it improves the list of government affairs to be publicized and continuously enhances the quality of public disclosure.

More information can be found in the information disclosure section of the BMTS portal website.

Scan the QR code:



## Media coverage

During the 33rd National Tax Publicity Month, the Beijing Municipal Tax Service (BMTS), in collaboration with the Tianjin Municipal Tax Service and the Hebei Provincial Tax Service, launched the “Tax System Competition Cool: Beijing-Tianjin-Hebei Tax Knowledge Contest”. This event was held both online and offline for finance and taxation personnel in the Beijing-Tianjin-Hebei Development Zone. Since its launch, it has attracted over 2.25 million participants from enterprises across the three regions, with cumulative online time spent on answering questions exceeding 6,300 hours. The contest aims to drive “new quality” through the “tax system” and foster “development” through “contest”. By doing so, it provides tax-related support to high-tech enterprises in Beijing, Tianjin, and Hebei, accelerating the formation of new quality productivity.

— Source: China Economic Net

# 2.2

## Strengthening the protection of rights and interests of taxpayers

The BMTS insists on addressing tax-related disputes at their source and further strengthens the protection of taxpayers' and fee payers' rights and interests. It actively pushes risk control tips to low-risk taxpayers to improve tax compliance. Additionally, it promotes the application of the "Proactive Governance and Preemptive Resolution" model. It also deepens the construction of the "Fengqiao" style tax office in the new era to further enhance the efficiency of tax-related dispute resolution. Finally, it fully implements the newly established taxpayer credit review mechanism to better safeguard taxpayers' credit assets.

### Innovation Initiatives

#### 37 Focusing on strengthening the foundation and pushing risk control tips online

The BMTS has optimized the workflow for risk task coordination, risk classification and disposal, and risk response quality control. It has also strengthened the management of risk task plans and "one-household" data collection. Based on the risk level, taxpayers identified as high-risk will be referred to the relevant departments for handling, while those with low-risk, simple issues are subject to reminders and prompts through the online risk control system. In 2024, a total of 33,600 online risk control tips were pushed to taxpayers.

The BMTS has introduced an intelligent audit function in the electronic tax system, which automatically audits taxpayers with high tax compliance and those who have fully addressed the identified issues. This process eliminates the need for manual judgment. Additionally, an online inquiry function has been added to facilitate online interaction between taxpayers and tax authorities.

#### 38 Exploring the "intelligent governance of demands" and further deepening the "preemptive resolution" model

##### Relying on the "mechanism for handling tax and fee service demands and public opinion analysis at both municipal and district levels"

###### Grass-roots feedback:

- Inaccurate interpretation of policy guidelines;
- Insufficient authority to resolve issues directly;
- Frequent and complex problems requiring coordination across multiple departments...

Developing an annual task list featuring a "Question of the Month"

##### Relying on the "comprehensive analysis model for tax and fee service demands"

###### Collection and analysis:

- Demands from various channels;
- Prevailing trends;
- Taxpayers' pressing concerns and expectations;
- Analysis of swift response to public complaints and the positive and negative feedback...

Carrying out dynamic analysis of tax and fee service demands and public opinion

Undertaking targeted efforts to address potential disputes at their source, based on the task list and analysis conclusions, thereby effectively preventing the escalation of conflicts.

## 39 Strengthening dispute resolution and implementing “Fengqiao Experience” in the new era

Guided by the principle of “resolving contradictions at the grassroots level, addressing them at the outset, and nipping them in the bud”, the BMTS has established dispute resolution offices in the tax service halls of all 18 district-level tax services across the city. Effectively and promptly addressing livelihood issues and ‘key minor issues’ to prevent their further escalation; Establishing a multi-departmental governance framework to achieve integrated management of business needs and conflict resolution.

## 40 Optimizing the reconsideration process and promoting the substantive resolution of administrative disputes

### 1 Implementing the summary procedure for tax administrative reconsideration

While ensuring the quality of case handling, the BMTS actively promotes the “separation of complex and simple administrative reconsideration cases”. It advocates for the “quick settlement of simple cases” and, at the same time, adheres to the practice of “due diligence” during the case-handling process. The BMTS makes every effort to promote the substantive resolution of administrative disputes and to play its role as the primary channel for dispute resolution.

### 2 Conducting the pilot project of online administrative reconsideration

The BMTS has introduced an online application portal for tax administrative reconsideration, thereby expanding the channels for submitting applications. It now provides “contactless”, “24/7”, and “fast-track” application services to applicants, effectively bridging the “last mile” in facilitating public convenience.

### 3 Implementing people-oriented administrative mediation

When handling minor offences, the BMTS would meticulously examine the case facts, verify evidence, and thoroughly listen to the parties involved. It would also consider factors such as the severity of the offense, the timeliness of rectification, and the taxpayers’ attitude, before deciding whether to revoke the administrative penalty decision or resolve the case through criticism, education, and mediation. These achieved positive social and legal outcomes.

## 41 Implementing credit revaluation to help new enterprises accumulate credit as soon as possible

The BMTS has fully implemented the newly established tax credit revaluation mechanism for taxpayers. Taxpayers who have been under tax credit management for at least 12 months but have not participated in the annual revaluation due to having less than one year of inclusion in the credit management system are eligible to apply for a tax credit review. The tax authorities will assess their credit rating in the following month based on their tax compliance and creditworthiness over the past 12 months. They will also offer inquiry services to help newly established business entities accumulate credit assets more quickly.

## Classic cases

### Implementing “proactive governance and preemptive resolution” to boost holiday economy

Drawing on the experience from the 2023 “Double Eleven” shopping festival and anticipating the growing consumer spending during the 2024 Spring Festival, the BMTS decided to take proactive steps. It implemented a “proactive governance and preemptive resolution” model in key jurisdictions, regions, and industries that were identified. This significantly enhanced its overall capability and effectiveness in managing invoice-related complaints.

- The complaints related to “invoices that should have been issued but were not issued” were collected on a daily basis through channels such as 12366 and 12345, with a focus on eight key industries: catering, accommodation, transportation, offline sales, e-commerce, entertainment and culture, education and training, and beauty and hairdressing. These complaints were analyzed to identify common issues, and relevant district bureaus with high concentrations of complaints were promptly alerted and reminded to take action.
- A pilot program was launched to conduct intelligent analysis of the regular patterns of complaints at each stage—“invisibility, germination, formation, and resolution”. This initiative aimed to monitor in real-time high-frequency complaints regarding invoice issuance and changes in complaint hotspots before the Spring Festival. By doing so, it helped to refine the direction of publicity, guidance, and service measures, thereby shortening the cycle from problem detection to resolution.
- Through big data analysis, the BMTS identified enterprises with high demand for invoices during the Spring Festival, and then guided them to estimate the number of consumers and the volume of invoices needed. It also reminded them to prepare in advance, such as by upgrading their invoice editions and adjusting invoice allocations. These measures helped accelerate the progress of invoice applications and audits.

The number of “invoices that should have been issued but were not issued” during the 2024 Spring Festival holiday decreased by 55.03% compared with the 2023 National Day holiday.

After the Spring Festival (from February 18 to February 25), compared with the period before the Spring Festival (from January 25 to February 9), the efforts to address complaints about “invoices that should have been issued but were not issued” yielded significant results, with a clear downward trend. The average daily decline rate was 25.57%.

### Implementing “Fengqiao Experience” in the new era

- **The Haidian District Bureau** has established a special task force for tax-enterprise co-governance, comprising personnel from both enterprises and tax authorities. Together with leading platform enterprises such as Meituan, Didi, Douyin, and Xiaomi, it has developed a co-governance model featuring precise task allocation, meticulous management, and targeted guidance. This model aims to enhance enterprise compliance while further improving the quality and efficiency of addressing the invoicing needs of Internet platform enterprises, ultimately achieving a win-win situation for both tax authorities and enterprises.
- **The First Tax Office of the Dongcheng District Tax Service** has established the “Jinyan Office”, forming a processing mechanism characterized by “director’s responsibility, team coordination, and grid support.” This mechanism aims to achieve the following goals: “pre-emptive” one-time notification for immediate issues; “outpatient-style” services for complex issues; “Fengqiao-style” resolution for disputes. By categorizing and prioritizing responses to various requests, it provides comprehensive services for all types of business activities of market entities within its jurisdiction.
- Relying on the “Weilan+” brand, **the Party Branch of the Xindian Tax Office in Fengtai District** has created a “1 + N” service scenario inspired by the Fengqiao Model. It has launched customized innovative services, including providing copy and card-clearing services for secret-related enterprises at fixed times by designated personnel. By the end of 2024, it had served over 402 customers. It will continue to make sustained efforts to improve the quality and efficiency of policy implementation.
- **The First Tax Office of the Development Zone Bureau** has coordinated with the District Government Service Center and the Real Estate Registration Center to integrate efforts across multiple areas, including policy publicity, process guidance, information sharing, and complaint resolution. This collaboration has transformed their approach from individual efforts to collective action, achieving seamless integration of routine business operations and coordinated resolution of complex needs. It has also promoted the formation of efficient solutions to complaints and flexible handling of disputes.

# 2.3

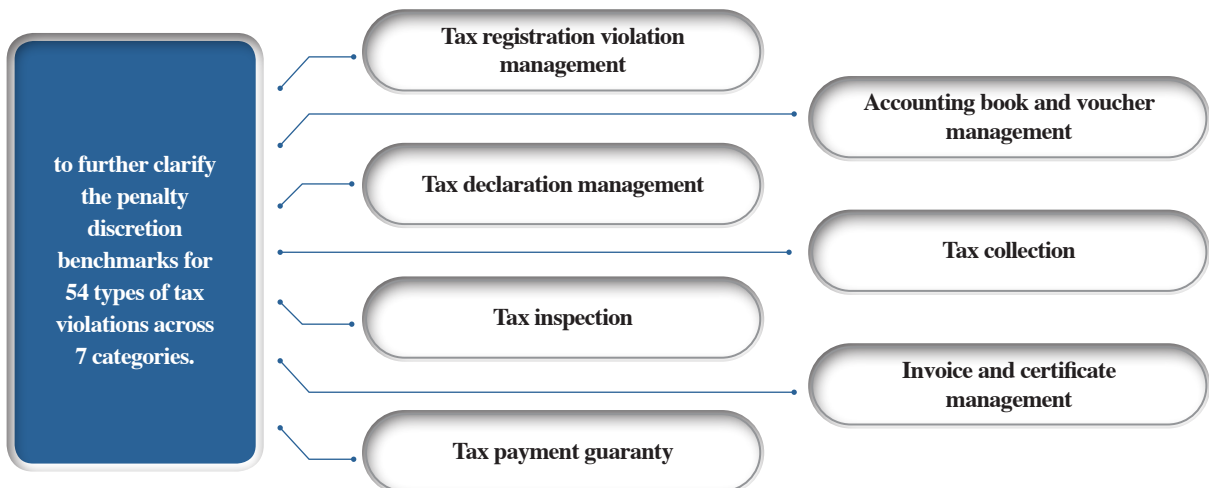
## Balancing rigidity and flexibility in tax enforcement

The BMTS is promoting precise law enforcement by standardizing enforcement practices. It has comprehensively implemented the “three systems” of tax law enforcement, to enhance enforcement transparency, strengthen enforcement supervision, and standardize enforcement behavior; The BMTS is committed to innovating law enforcement methods and actively exploring non-compulsory approaches. These include persuasive education, persuasion and demonstration, reasoning-based law enforcement, and non-punishment for minor violations. By adopting these methods, it aims to enforce the law in a fair and civilized manner and protects the legal business environment.

### Innovation Initiatives

#### 42 Formulating unified benchmarks for tax administrative penalty discretion for the North China region

To promote the unification of tax enforcement standards in the region, in September 2024, the BMTS, together with the tax bureaus of Tianjin, Hebei, Shanxi, and the Inner Mongolia Autonomous Region, jointly issued the *Discretion Benchmarks for Tax Administrative Penalties in North China*.



The levels of penalty discretion are determined based on the facts, nature, circumstances, and degree of social harm of the illegal acts, thereby establishing consistent and unified benchmarks for tax administrative penalties. These benchmarks fully reflect the actual enforcement practices in the North China region while balancing fairness, transparency, and practical operability.

Scan the QR code to view the *Discretion Benchmark for Tax Administrative Penalties in North China*.



### 43 Introducing flexibility in law enforcement by implementing a policy of ‘no penalty for first-time minor tax violations’

The BMTS has diligently implemented the “no penalty for first-time minor tax violations” system, lawfully correcting minor tax violations committed by taxpayers. Tax officials are now enforcing the law more accurately and efficiently. The average processing time for “summary penalty” cases at tax windows has been reduced to less than 10 minutes. Additionally, both “no penalty for first-time minor tax violations” and “summary penalty” cases handled through the electronic tax bureau are processed automatically and immediately.

### 44 Continuously optimizing tax inspection and enforcement methods focusing on key priorities

Inspection departments are targeting key industries, areas, and groups, leveraging big tax data to accurately identify and crack down on tax-related violations. These violations include false invoicing, tax evasion, tax fraud, and the misuse of tax preferences. By doing so, the departments are fully utilizing the functions of tax inspection to combat illegal activities, safeguard tax security, and promote effective tax governance. In the realm of tax inspection, it is essential to actively implement reasoning-based law enforcement. This includes conducting persuasive education, interview warnings, and other non-mandatory enforcement methods. By striking a balance between leniency and strictness, these measures can effectively prevent and resolve tax-related contradictions and disputes. This, in turn, enhances taxpayer satisfaction and compliance with tax laws. Ultimately, these efforts will contribute to creating a market-oriented, rule-of-law-based, and internationalized business environment in Beijing.





## Chapter III

### Enhancing the quality and efficiency of tax and fee services with dedication and empathy

In order to further advance the exploration and practice of tax digital transformation, the BMTS has continuously strengthened the application of digital technology to promote the digitalization of the tax payment process. By focusing on the interactive service model of “intelligent interaction, inquiry, and collaboration”, the BMTS will continue to enhance the intelligence and precision of tax and fee services. This includes resolutely promoting the normalization of data exchange and sharing with multiple departments to effectively address the cross-regional and multi-regional coordination needs of taxpayers and fee payers.

# 3.1

## Facilitating tax and fee payment with digital technology

The BMTS has fully leveraged information technology to advance smart taxation, using the new electronic tax bureau as a key platform to continuously enhance the convenience of tax filing and payment. In 2024, newly established enterprises can obtain their first invoice instantly, appointment-based tax services now cover all in-person operations, and the average waiting time in tax offices, as well as the average processing time at service counters, is controlled at approximately five minutes. Online real estate registration is highly efficient, with an average processing time of just 1-3 minutes. The average time for corporate tax deregistration has been reduced to about 2.57 days, while cross-regional tax migration now takes only around 1.3 days, further improving the experience and satisfaction of taxpayers.

### Innovation Initiatives

#### 46 Launching the new nationwide standardized Electronic Tax Bureau



**May**

The nationwide standardized Electronic Tax Bureau was launched on a pilot basis in Dongcheng District and Haidian District, Beijing.



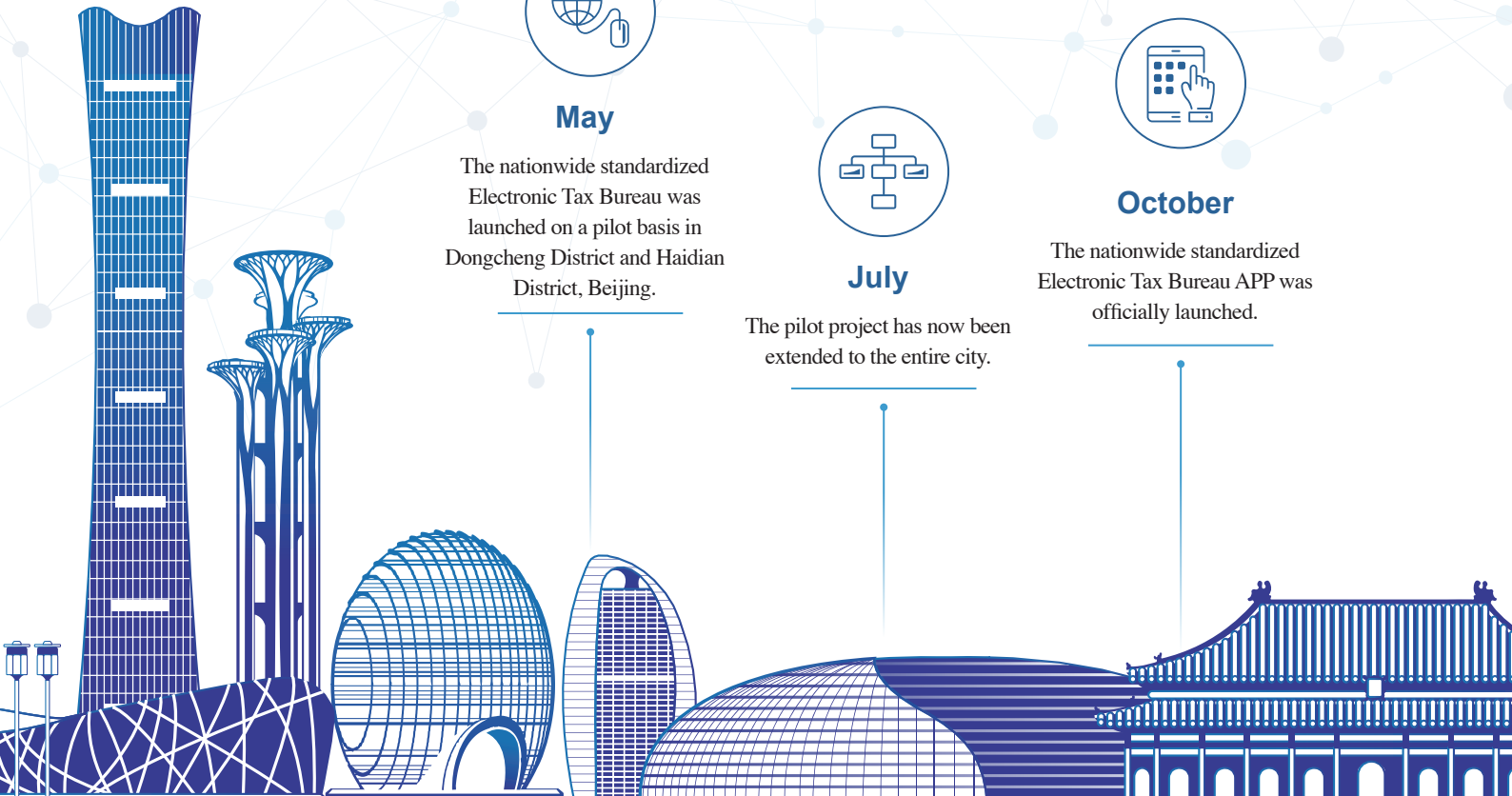
**July**

The pilot project has now been extended to the entire city.



**October**

The nationwide standardized Electronic Tax Bureau APP was officially launched.



## The BMTS continuously optimizes the features of the Electronic Tax Bureau across three dimensions: people, tasks and process

### People

#### Applying innovative human-centric design to deliver personalized services:

- Providing quick access to frequently used functions and recently accessed items.
- Precisely delivering essential information for taxpayers to the message center.
- Embedding convenient and conspicuous interaction entries for taxpayers and tax authorities within the business handling process.

### Tasks

#### Refining task-related strategies to boost tax handling efficiency:

##### One-Click Joint Declaration for Multiple Taxes and Fees

- Dynamically generating joint declaration forms to enable one-click joint declaration for multiple taxes and fees.
- Promoting guided and confirmation-based tax handling, allowing taxpayers to complete the entire process by simply clicking “Next”, thereby reducing learning costs.
- Supporting various methods of form completion, including manual filling and importing files. For example, when importing data externally, taxpayers can either manually enter data according to templates or generate data, which can then be imported with one click on the declaration page to complete the process.
- Introducing a one-click function to import taxpayers’ historical filling information, which significantly reduces the amount of data entry required and eases the burden of memorization.

##### Simplified Confirmation-based Declaration for Nine Types of Taxes and Fees

- Nine types of taxes and fees: Value-added tax, consumption tax, corporate income tax, cultural undertakings construction fee, resource tax, land value-added tax, education surcharge, local education surcharge, and urban maintenance and construction tax.
- The system will automatically extract data, calculate tax amounts, and generate elemental forms.
- Taxpayers can complete the declaration simply by confirming the tax and fee results, enabling a streamlined process of “one confirmation, one submission” for multiple taxes and fees.

### Process

#### Optimizing process-related procedures to enhance user experience:

- The business processing page provides easy access to common high-frequency transactions, with the cursor automatically positioned in the input field. Key information, processing progress, and results are highlighted to guide taxpayers to focus quickly.
- Descriptions of the purposes and usage scenarios of critical functions are added, and feedback is provided at every step of the operation. Operational guidance and functional explanations are also provided for any interruptions during the process.
- Timely notifications are sent through multiple channels, such as in-site messages, WeChat, and SMS, to keep taxpayers informed of the latest progress.

## 46 Promoting the application of comprehensive digital electronic invoice

Since the pilot project for comprehensive digital electronic invoices was launched in Beijing in November 2023, 97% of enterprise taxpayers have opted to use these digital invoices.

Starting in November 2024, the BMTS has actively promoted the use of comprehensive digital electronic invoices in the railway and civil aviation passenger transport sectors. This initiative aligns with the requirements to advance the electronic reform of invoices in these sectors.

## 47 Expanding the application of cross-provincial and off-site electronic tax payments, as well as digital RMB in tax collection

The BMTS has continuously expanded the coverage of cross-provincial and off-site electronic tax payments, and has extended the application scenarios of digital RMB in tax collection. ICBC, Agricultural Bank, Bank of China, Construction Bank, and four other operating institutions have completed the construction of digital RMB tax payment infrastructure. This infrastructure covers all tax collection services and supports “enterprise + individual” and “online + offline” digital RMB tax payments across all channels.

## 48 Enabling the simultaneous payment of the three social insurance premiums by flexibly employed individuals

Relying on the “Jingtong” applet and the Electronic Tax Bureau, the BMTS has pioneered a new feature for paying the “three insurance premiums”, including the basic old-age insurance, unemployment insurance, and basic medical insurance premiums for flexibly employed individuals. In the first month of the online collection period, 38,600 people used the new feature to make payments for all three insurance premiums simultaneously. The payment process was simplified by nearly 50%.

During the 24/7 collection period, flexibly employed individuals in the city can handle the three insurance payments through the “Jingtong” service applet on WeChat, Alipay, and Baidu platforms. The business processing time has been reduced from 3 minutes to 1 minute, a decrease of nearly 70%.

## 49 The “Cloud-based Tax Service Hall” enables full-process online handling of multiple non-tax-related business

Relying on the “Cloud-based Tax Service Hall”, the BMTS has developed a new model of “Non-tax + Cloud-based Hall.” This integrates six non-tax businesses, including forest vegetation restoration fees and revenue from the transfer of state-owned land use rights, to accelerate the construction of a new pattern that emphasizes equal importance, integration, and coordination of taxes and fees.

- Specialized personnel have been designated to collaborate closely with departments responsible for non-tax affairs, thereby enhancing the efficiency of cross-departmental communication and collaboration.
- Decentralized management has been transformed into integrated management to address the challenges of grassroots tax collection and administration.
- Breaking through the limitations of offline collection, a full cloud-based data pathway has been established, enabling taxpayers to complete payments with zero documents, zero visits, and just one tap on their fingertips.
- Focusing on “whole-process companionship”: pre-emptive precision push and proactive service delivery before the process; real-time guidance and integrated inquiry and handling during the process; and timely feedback and quality improvement after the process.

# 3.2

## Upgrading the interactive tax service to make it more efficient and intelligent

The BMTS remains focused on addressing the pain points, bottlenecks, and challenges that taxpayers and payers face during tax handling. It is continuously expanding the reach of the “interactive tax service”, and embedding intelligent, efficient, precise, and user-friendly interactions into the tax and fee service process. Additionally, it is leveraging multiple initiatives to broaden the “circle of collaboration” for cross-regional tax interactive services, thereby enhancing interoperability across regions and significantly improving the convenience and efficiency of business handling.

### Innovation Initiatives

#### 50 Enabling high-precision, targeted policy push to proactively reach individuals

The BMTS has refined the “one-policy-one-plan” mechanism for pushing tax and fee policies. By leveraging big data to categorize enterprises by industry, region, and information type, it has achieved precise policy push. In 2024, a total of 31 types of policies were pushed to 8.47 million taxpayers. The intelligent analysis and monitoring system can accurately assess the message reach rate and provide one-to-one, grid-based promotional guidance to enterprises that remain “uninformed” or “unaware” of the policies despite reminders.

The BMTS delivers the “First Lesson for Business Opening” to newly established enterprises in a timely manner, providing them with the essential policies, guidelines, and other key materials that new taxpayers need to know. The lesson has reached 574,100 newly established enterprises.



In 2024, 31 types of policies were accurately delivered to

**8.47 million** taxpayers.



## 51 Continuously enhancing the quality of intelligent consulting responses

The BMTS continuously meets the needs of taxpayers and fee payers by exploring innovative intelligent consulting services and enhancing personalized and precise service delivery, offering round-the-clock, efficient, accurate, and convenient consulting services.

### Upgrading the service form and improving the issue resolution rate

Focusing on key issues in tax and fee reforms that taxpayers and fee payers frequently ask about, such as individual income tax, social insurance premiums, and electronic invoice volumes, the BMTS has innovatively developed three specialized intelligent voice databases through the 12366 hotline. This initiative helps address taxpayers' practical issues more efficiently and accurately.

### Upgrading the optimization effect and further enhancing the issue resolution rate

Daily analysis of learning data from intelligent tax service robots and feedback from various channels helps to identify unsatisfactory issues accurately, optimize knowledge bases, enrich training samples for intelligent systems, refine intelligent algorithm rules, and improve the resolution rate of these issues.

### Upgrading knowledge carriers and further expanding hot spot coverage

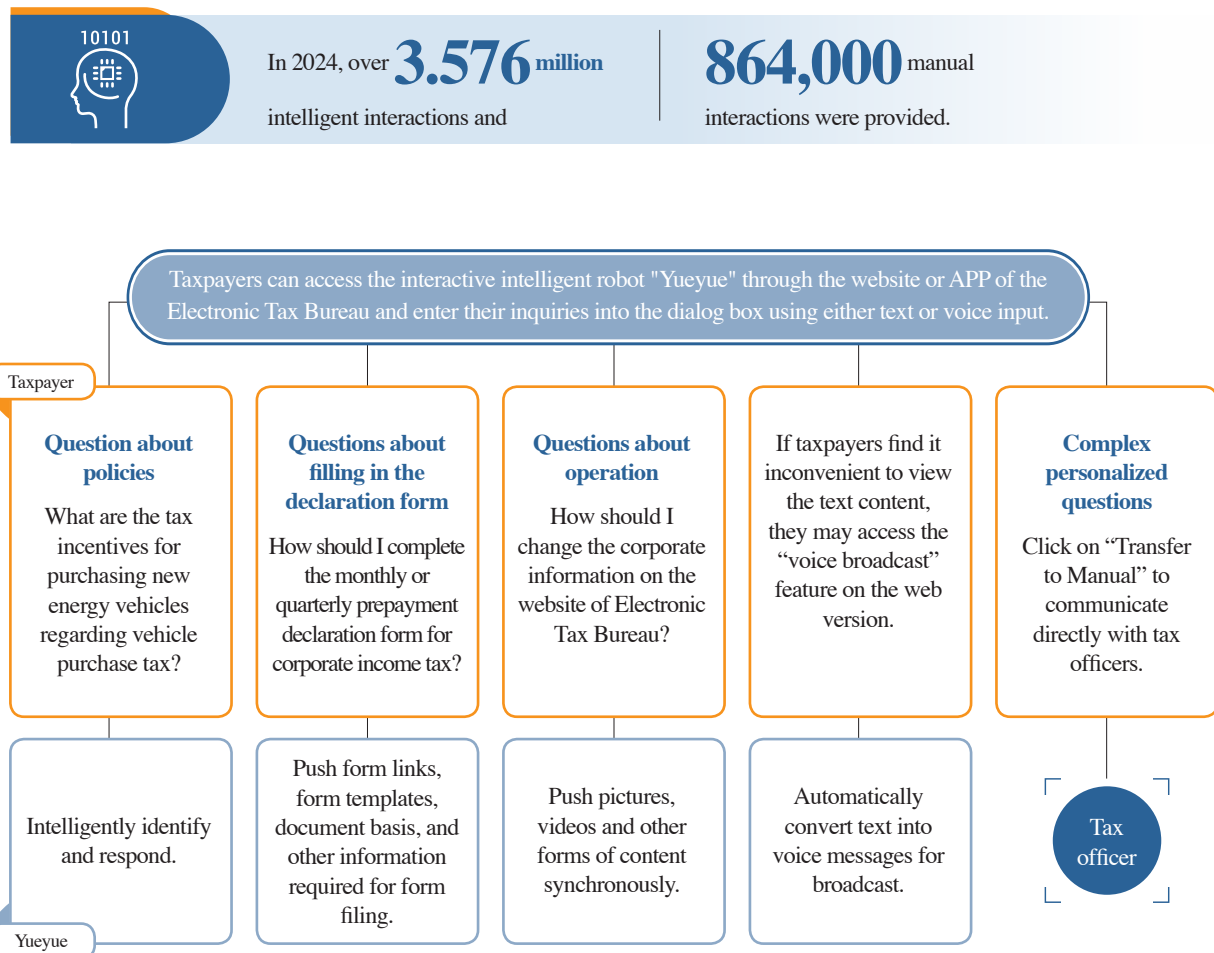
The BMTS has analyzed the actual tax and fee demands of taxpayers and fee payers, summarized the consultation patterns and characteristics of frequently asked questions, and expanded knowledge carriers from single-text formats to diverse carriers such as images and audio. It will continue to enrich and improve the intelligent knowledge base, to provide a solid foundation for intelligent consulting services and ensure comprehensive coverage of hot issues related to all types of taxes and fees.

### Upgrading promotional channels to further increase their awareness and usage rates

Focusing on the strengths of intelligent consulting services and the actual needs of taxpayers and fee payers, the BMTS has created promotional materials such as long infographics and short videos. These materials are promoted through platforms like the Beijing Tax WeChat official account, Weibo, and TikTok to guide more taxpayers and fee payers to use intelligent consulting services.

## 52 Implementing an intelligent service model to facilitate the interactive tax service

Through the intelligent tax-handling assistant robot “Yueyue”, the BTMS has established seamless channels for business and tax guidance, providing taxpayers with an integrated service experience that allows them to make inquiries during business handling, ensuring comprehensive support throughout the process. This model integrates a variety of features, such as intelligent consultation, online manual interaction, audio and video interaction, and screen sharing. These capabilities provide taxpayers with enhanced interactive tax service. Taxpayers have access to tax and fee guidance at any point during the business handling process. In 2024, over 3.576 million intelligent interactions and 864,000 manual interactions were provided.



## 53 Real-name tax handling helps enhance the integration of tax processing and inquiry services

The BTMS uses real-name tax information to conduct online tax payment services via the 12366 platform. This transforms the business that originally relied on work order transfers into direct online processing, effectively reducing the waiting time for taxpayers.

Currently, the 12366 hotline leverages real-name information to address tax and fee requests. This approach not only promotes a steady increase in the online request resolution rate but also enhances the quality and efficiency of processing personalized requests. By breaking down barriers between the “processing” and “inquiry” stages, it further improves the integration of the two functions.

## 54 Achieving seamless cross-regional handling of tax and fee affairs, both online and offline

The BTMS focuses on meeting the requirements of “efficiently providing one-stop service” for enterprises operating across regions and individuals needing cross-regional tax handling. By leveraging the interactive tax service and various “remote assistant” cloud features, such as data sharing, voice, and video interaction, it has established a “remote virtual window.” This initiative transforms physical window services from offline to online, enabling the Beijing-Tianjin-Hebei region to lead the nation in cross-provincial and cross-city tax and fee handling. The service has since been extended nationwide. In 2024, 136,000 cross-regional business transactions were handled through the interactive tax service.

### Cross-regional handling of tax and fee matters, both online and offline

#### Online

Taxpayers who need to handle tax affairs in different locations or coordinate complex matters across multiple tax authorities can apply for tax payments through the remote virtual window of the interactive tax service. Upon receiving the application, tax authorities can process tax and fee transactions online via a one-stop service, facilitated by an online multi-party communication feature involving the taxpayer, the receiving entity, and the handing unit.

#### Offline

After the taxpayer submits an application at any tax service office, the handling unit can transmit the business application and electronic data via the internal multi-party communication feature of the interactive tax service. This facilitates seamless processing of tax and fee transactions.

### Media coverage

“Developing the intelligent consultation feature involves building an intelligent Q&A library, which is particularly challenging. It requires extracting keywords and synonyms from hundreds of similar questions in tens of thousands of historical consultation recordings and summarizing them into standardized consultation questions”, Zou Zhengzhi, a member of the Intelligent Transformation and Digital Innovation Team of the 12366 Beijing Center, said, “Recently, we’ve focused on consultation needs of taxpayers related to the annual settlement of individual income tax, the declaration and payment of social security premiums, and the volume of electronic invoices. We’ve also strengthened the application of big data and artificial intelligence technologies.” Zou added, “On the 12366 hotline, we’ve innovatively built specialized intelligent voice libraries for social security premiums, personal income tax, and digital tickets. This initiative aims to solve tax and fee-related problems more accurately and improve the efficiency of handling inquiries.”

— Source: People’s Daily

## Classic cases

### The “First Lesson for Business Opening” offers targeted services for new taxpayers

“By participating in the ‘First Lesson for Business Opening’ organized by the tax authorities, we gained a more intuitive understanding of relevant tax and fee policies and the tax payment process. This experience also enhanced our awareness of lawful tax payment”, said the head of Beijing Hedun Medical Science and Technology Research Co., Ltd., expressing gratitude to the tax authorities for their meticulous service and training. He noted that the training provided valuable guidance for newly established enterprises in their initial stages and was immensely beneficial for smoother business development. Specifically, the training session for new taxpayers organized by the Dongcheng District Office of the BTMS proved to be highly advantageous.

### “Interactive tax service” enables cross-regional handling of taxes and fees

A corporate taxpayer had a project in Xiongan New Area in 2020 and now needs to obtain the final prepaid tax payment certificate. However, the cross-regional tax-related matters report expired in 2022, and the taxpayer can no longer access the website of the Hebei Provincial Electronic Tax Bureau. To address this, the Dongcheng District Office of the BTMS initiated cross-regional collaboration with staff from Rongcheng County in Xiongan New District through the “interactive tax collection and payment” feature, which is designed to facilitate cooperation within the Beijing-Tianjin-Hebei region. During the interaction, staff in Rongcheng County helped the taxpayer obtain the tax payment certificate and sent an electronic scanned copy. This resolved the issue to the taxpayer’s satisfaction. Many taxpayers have praised the “interactive tax service” feature for effectively addressing their needs when handling business across different regions or even provinces. It breaks through the time and space barriers of traditional cross-provincial operations, truly realizing cross-regional collaboration. By integrating “inquiry” and “handling” functions, this feature provides an efficient and convenient tax experience, giving taxpayers a real sense of gain.



# 3.3

## Collaborating across departments to provide one-stop services

The BTMS continues to streamline processes, promote business integration, expand data sharing, and enhance interdepartmental collaboration. It consistently implements the requirement of “effectively providing one-stop service”, driving overall improvements in both online and offline tax service efficiency. It aims to build a convenient and efficient service chain that covers the “whole life cycle” of taxpayers.

### Innovation Initiatives

#### 55 Launching the New Intelligent Business Opening to stimulate the vitality of entrepreneurship

The BTMS has fully implemented the “New Intelligent Business Opening” scenario, reducing the processing time for tax-related matters from 90 minutes to just **5 minutes**—a 92% automation rate.

- Through the Beijing Corporate Service e-Window Platform, enterprises can obtain a business license and initiate tax-related procedures simultaneously using just one set of materials and a single submission.
- Based on the enterprise’s registration address, industry, and business scope, the backstage system intelligently allocates the competent tax authorities, maintains tax and fee information, and automatically verifies invoice types according to taxpayer needs. It achieves automatic pre-examination of all process materials, automatic checking of key points, and automatic circulation of business tasks.

Since the launch of the “New Intelligent Business Opening” feature, processing speed has reached a new level, enabling invoicing upon business opening. In 2024, 27.88 million new enterprises were registered through the e-Window.



The processing time for tax-related matters was reduced from 90 minutes to just

**5 minutes.**

In 2024, **27.88 million** new enterprises were registered through the e-Window.

#### 56 Providing one-stop deregistration service for enterprises

The BTMS has continued to promote “efficient one-stop deregistration service for enterprises” by strengthening information sharing with market supervision, human resources, and other departments. It has optimized the deregistration process, transforming it from a cumbersome, multi-visit system to an efficient, one-stop service that offers coordinated support. Authorities now provide instant processing and deficiency-tolerant services for eligible entities, significantly enhancing deregistration efficiency.

## 57 Integrating real estate transaction information to optimize pre-filling functions for tax reporting

The BTMS is integrating real estate transaction information with the source information for real estate tax and urban land use tax, enabling automatic pre-filling of the collection forms. It is also exploring information exchanges with natural resources and other departments to improve the accuracy and completeness of pre-filled data. After taxpayers supplement, correct, and confirm the data, they can complete the tax source information collection, thereby reducing their tax compliance burden.

## 58 Enabling real-time inquiry of real estate registration information, to alleviate the burden of document retrieval for taxpayers

The BTMS, in conjunction with the Beijing Municipal Commission of Planning and Natural Resources issued the *Notice on Further Deepening Information Sharing to Facilitate Real Estate Registration and Taxation (JGZF [2023] No. 215)*. It developed an online feature for the “real-time inquiry of real estate registration information”, enabling tax officers to access various registration details, such as the original purchase time, through data sharing. This streamlines audit and comparison processes, effectively reducing the document retrieval burden on taxpayers.

## 59 Further facilitating real estate transactions, to include housing provident fund services as part of the “one-stop” service

The BTMS, in collaboration with the Beijing Municipal Commission of Planning and Natural Resources, the Beijing Municipal Commission of Housing and Urban-Rural Development, and the Beijing Housing Provident Fund Management Center, has formulated and issued the “One-Stop Service Plan for Beijing Housing Provident Fund Personal Housing Loans for Home Purchase” (JFGJJF [2024] No. 59). This initiative integrates the housing provident fund loan into the one-stop service for real estate transactions, streamlining the processes of trading, tax payment, and registration into a single online declaration and handling process. This will further optimize the tax process for real estate transactions in the city and enhance the effectiveness of ongoing business environment reforms in this sector.

## 60 Supporting online declaration of land deed tax, to enable simultaneous handover of land and certificates

Drawing on the land transfer contract information shared by the Beijing Municipal Commission of Planning and Natural Resources, the BTMS has launched an online declaration feature for land deed tax. This new feature allows taxpayers to access contract data with a single click, automatically fill in the tax source information, complete the declaration and payment of the deed tax online, print the tax payment certificate immediately, and transmit the deed tax payment data to the land management department via blockchain technology. This streamlined process helps achieve the goal of “certificate delivery upon land delivery.”

## 61 Launching the “Bank-Tax Interaction” platform, to alleviate the financing pressure on SMEs

In 2024, the BTMS collaborated with 30 banks to complete the construction of the bank-end system. They conducted docking and testing with the system of the new Electronic Tax Bureau and officially launched the “Bank-Tax Interaction” feature module within the system. This module provides banks with data points, including “Corporate Basic Evaluation Information” and “Corporate Tax Information.”

## 62 Enhancing the personal equity transfer process as an integrated “one-stop” service, and enabling full-process online handling

The BTMS, in collaboration with market regulation authorities and other relevant departments, has successfully implemented online self-declaration for personal equity transfers. This initiative enables full online processing of three critical steps: tax declaration, tax verification under the “tax first, certification later” principle, and change registration. These measures provide convenient government services for nearly 500,000 taxpayers and registrants annually, empowering taxpayers to take the initiative to pay taxes, simplify the tax payment procedures, and enhance the handling efficiency, thus supporting the virtuous cycle of enterprise funds and technology.

## 62 Launching one-stop service for payment of Disabled Employment Security Fund (DEPF)

The BTMS, in collaboration with the Beijing Municipal Administration of Government Services and Data Management and the Beijing Municipal Disabled Persons’ Federation, has introduced an integrated service feature for the collection of the Disabled Employment Security Fund on the homepage of the Beijing Municipal Administration Service Network. This initiative aims to enhance service efficiency by moving from “reducing legwork of taxpayers” to “faster processing”, through refined services and the implementation of scenario-based measures.

### Media coverage

“Thank you so much for helping us complete the registration for the equity transfer and obtain a new business license within such a short span.” With the support of the Changping District Office of the BTMS, the State Taxation Administration of the People’s Republic of China (STA), and the Changping District Administration for Market Regulation, Beijing Beimo Hi-Tech Friction Material Co., Ltd., a listed company, successfully completed the registration for the equity transfer and the change registration for its business license. This enabled the company to complete the acquisition as scheduled. The initiative, undertaken by the Changping District Office of the BTMS and the Changping District Administration for Market Regulation in partnership with the BTMS and the Beijing Municipal Administration for Market Regulation, is designed to optimize one-stop services. It addresses the challenges individuals face when having to prepare materials separately for each authority and travel between them during equity transfers. Additionally, it establishes a scenario-based cooperation mechanism to enhance efficiency in this area.

—Source: China Taxation News

The BTMS has deepened communication and cooperation with the Real Estate Registration Center and the Housing Authority. They have established robust information-sharing mechanisms, and continuously streamlined the real estate registration process, significantly reducing the time costs for taxpayers. After paying taxes and fees for her real estate transaction, Ms. Wang, the first beneficiary of the optimized inter-departmental information-sharing feature, said happily, “Now it’s really convenient. In the past, it would take at least one or two hours to repeatedly submit materials to the real estate, tax, and other departments. Now, with less information required and simpler procedures, the process is becoming more and more efficient!”

—Source: Beijing Youth Daily



# Chapter IV

## Promoting two-way exchanges and providing high-level services for opening up to the outside world

In order to implement Beijing's high-level opening-up system and mechanism, the BTMS has made significant efforts to promote the "Shui Lu Tong (Cross-Border Tax Service Platform)" initiative. This includes supporting the construction of the "Belt and Road" initiative and providing tax service support for both "bringing in" and "going out" enterprises. The initiative also focuses on optimizing the layout of departure tax refund stores, supporting the development of new formats such as cross-border e-commerce and overseas warehouses. These measures aim to underpin Beijing's high-level opening to the outside world with specialized, standardized, and internationalized tax services.

# 4.1

## Improving the efficiency of cross-border tax and fee services for enterprises

### Innovation Initiatives

#### 64 Accelerating export tax rebate to support the development of foreign trade

The BTMS, in collaboration with the Beijing Municipal Commerce Bureau and Beijing Customs, has conducted over ten policy consultation activities. They have fully implemented the “full-process online handling” for export tax rebates for export enterprises, continued to streamline procedures by “reducing information needed, reducing paper certificates, and reducing administrative procedures”, and simplified 11 types of business documents. The BTMS has also vigorously promoted “non-contact” processing to facilitate export tax rebates. Annually, enterprises submit over 50,000 digital images through the Electronic Tax Bureau.

The average processing time for normal export tax rebates across the city has been reduced from 10 working days in 2019 to less than six working days now. The average processing time for normal export tax rebates for Class I and Class II enterprises is less than three working days.



The average processing time for normal export tax rebates in the city has been shortened from 10 working days to within

**6** working days.

The average processing time for Category I and II applications is within

**3** working days.

#### 65 Strictly implementing the simplified procedures for tax filing for outbound payments

The BTMS has fully implemented the policy of “one-time filing, multiple payments” for tax filings related to outbound payments in service trade and other projects. By leveraging digital connectivity, it has enabled real-time data exchange between the State Taxation Administration and the State Administration of Foreign Exchange. This initiative creates a closed-loop information flow among enterprises, tax authorities, foreign exchange regulators, and banks.

- The volume of outbound payment filings processed through the Electronic Tax Bureau has reached 99.7% of the city’s total volume.
- Since the policy was implemented, over 5,500 enterprises in Beijing have benefited, with the total number of filings reduced by 85.7%.

To support this initiative, the BTMS, the Beijing Branch of the State Administration of Foreign Exchange, and local banking institutions have established specialized personnel, dedicated positions, and a dedicated hotline to implement a deficiency-tolerant mechanism. This mechanism enables real-time monitoring and resolution of any abnormal payment situations. Any issue related to information transmission among the three parties, will be verified through the dedicated hotline and handled under the deficiency-tolerant mechanism, ensuring that enterprises can complete outbound payments promptly. To date, payment filings for over 70 enterprises have been processed under this mechanism.



Over **5,500** enterprises in Beijing have benefited,

with the total number of required filings reduced by

**85.7%**.

A total of over **70** enterprises have had their payment filings processed under the “deficiency-tolerant processing” mechanism.

## 66 Simplifying the deferred tax filing process to promote reinvestment

The BTMS has developed publicity materials on preferential deferred tax policies (available in both Chinese and English) and precisely distributed them to foreign-invested enterprises. This initiative further simplifies the filing process, enabling online independent filing for deferred tax payment and helping these enterprises quickly obtain policy support.

Since January 1, 2018, China has implemented a deferred tax policy for foreign investors who reinvest profits from domestic resident enterprises into domestic direct investments. Under this policy, enterprise income tax is temporarily exempted.

The scope of application has been extended from projects encouraged by foreign investment to all projects and fields that are not prohibited to foreign investment.

In 2024, 56 foreign-funded enterprises in Beijing handled deferred tax filings, with a reinvestment amount of RMB 8.42 billion and a deferred tax amount of RMB 840 million. This has achieved remarkable results in stabilizing and promoting further foreign investment.



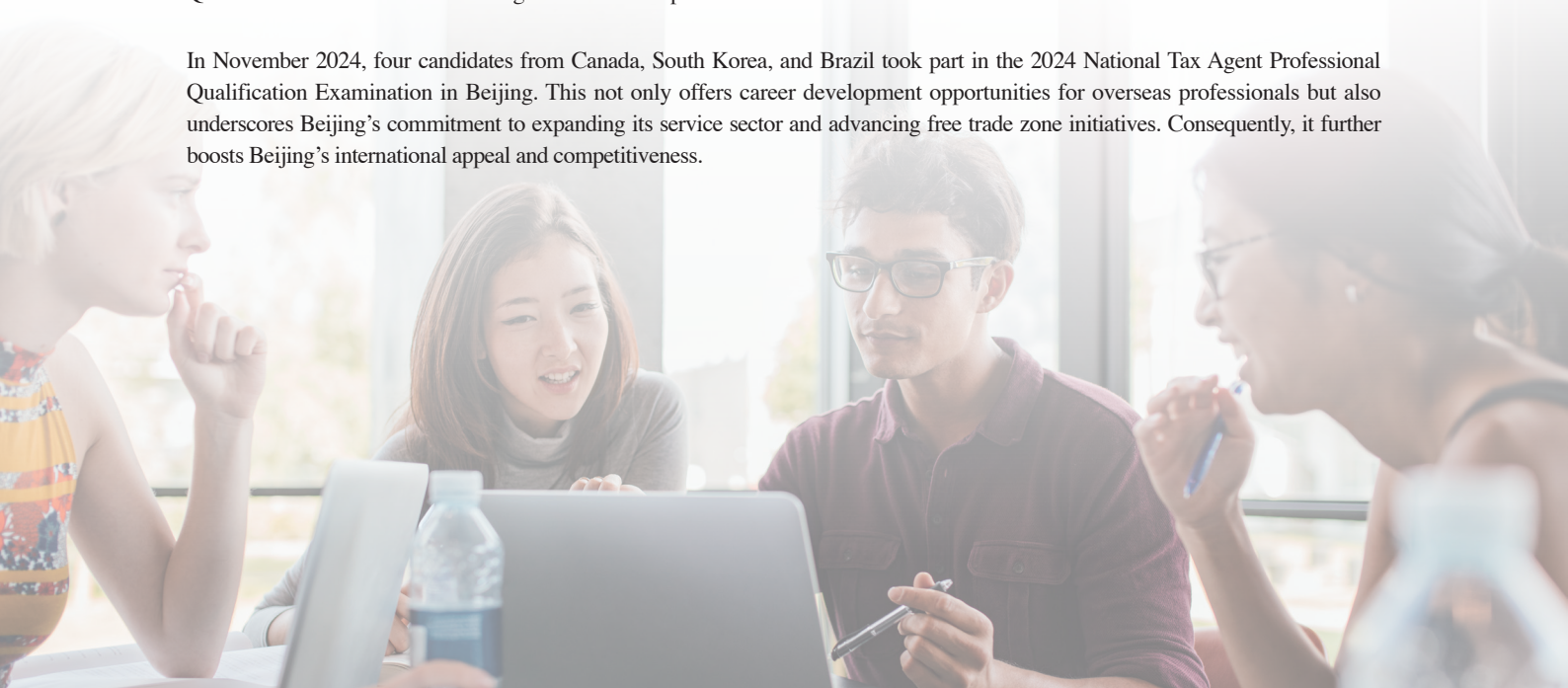
In Beijing, **56** foreign-funded enterprises  
filed for deferred tax payment,

deferred taxes totaling  
RMB **840** million.

## 67 Extending the tax professional qualification exam to overseas candidates

The BTMS has released the *Implementation Measures for Overseas Personnel to Take the Tax Professional Qualification Examination in the Beijing National Comprehensive Demonstration Zone for Expanding Opening-Up of the Service Sector and the China (Beijing) Pilot Free Trade Zone (Trial)*. This makes Beijing the first city in China to formally extend the Professional Qualification Examination for Tax Agents to overseas personnel via an official announcement.

In November 2024, four candidates from Canada, South Korea, and Brazil took part in the 2024 National Tax Agent Professional Qualification Examination in Beijing. This not only offers career development opportunities for overseas professionals but also underscores Beijing's commitment to expanding its service sector and advancing free trade zone initiatives. Consequently, it further boosts Beijing's international appeal and competitiveness.



# 4.2

## Implementing openness and sharing, and optimizing the service mechanisms for opening up to the outside world

### Innovation Initiatives

#### 68 Continuously enhancing the “Shui Lu Tong” Beijing Service Package

The BTMS has launched a series of policy publicity and guidance activities under the framework of the State Taxation Administration’s “Shui Lu Tong” brand. The “Shui Lu Tong” Beijing Service Package (first batch) includes six service products, including tax guides for “going-out” enterprises and promotional materials on tax treaties. These services are designed to support the entire lifecycle of cross-border investments and bolster the confidence of “going-out” enterprises in expanding overseas with high quality.

##### Service communication

The BTMS has launched a series of publicity activities titled “Joining Hands with Social Organizations” in Beijing as part of the “Shui Lu Tong” initiative. In collaboration with the China Banking Association and Foreign Chambers of Commerce, these efforts aim to promote the “Shui Lu Tong” service brand and disseminate relevant tax policies. Three 12366 online interviews were held, focusing on hot issues related to overseas investment and income reporting by resident enterprises, advance pricing arrangements, and tax services for the “Belt and Road” Initiative.

##### International tax developments

The BTMS has translated articles such as International Tax Gaps and Compliance Status — An Overview of Canada’s Federal Individual Income Tax System, tracked and analyzed the implementation dynamics of the “Two Pillars” program for the Global Economy, and kept abreast of the latest international tax policy developments. Additionally, it has extensively collected and collated tax-related information. Through the Beijing Tax WeChat official account, the BTMS has launched the ninth issue of the “Beijing Shui Lu Tong” series, focusing on tax issues related to Chinese residents’ investments in the US. This initiative helps “going-out” taxpayers stay informed about the latest overseas tax developments.

##### Media coverage

The BTMS and the China Banking Association held a series of publicity activities in Beijing under the theme “Joining Hands with Social Organizations.” As part of Beijing’s “Shui Lu Tong” initiative, these events aimed to boost Belt and Road cooperation and strengthen ties between tax authorities and financial institutions. Gao Feng, Director of the Overseas Dept. of the STA, introduced the tax system’s service brand and cross-border knowledge products, offering tailored suggestions for banks to leverage “Shui Wu Tong” in advancing international finance. BTMS experts briefed banks on the latest overseas investment info submission policies, using policy interpretation, case studies, and demonstrations to address key tax-related concerns. They also explained tax agreement interest clauses to support banks “going global”, helping them navigate overseas investments and operations.

# 4.3

## Serving international events and sharing compelling stories of China's service trade

The BTMS approaches international activities with a strong sense of political responsibility and mission. It continues to deliver excellent service and support for major international events. Through these efforts, it demonstrates its tax expertise and contributes to promoting Sino-foreign economic and trade cooperation, global economic development, and the building of a community with a shared future for mankind.

### Innovation Initiatives

#### 69 Contributing to the successful hosting of the China International Fair for Trade in Services (CIFTIS) by providing tax services

The BTMS has appointed business experts to form a tax and fee policy support team. This team will enter the venue of the China International Fair for Trade in Services to provide tax-related consultation and policy guidance for exhibitors and visitors. The "Blue Dandelion" volunteer service station has been established to conduct tax preferential policy publicity and provide timely and accurate tax policy consulting services for exhibitors.

The continuous growth of China's trade in services is inseparable from a series of preferential tax policies implemented in the country. The tax preferential policies for the service industry are robust and comprehensive, providing substantial support for the stable development of China's service industry. These policies include: A 10% deduction on value-added tax (VAT) for the life service industry; exemption from VAT on loan interest income for small and micro enterprises by financial institutions; exemption from VAT for small-scale VAT taxpayers with monthly sales of less than RMB 100,000. The tax preferential policies for the service industry are robust and comprehensive, offering significant financial support to boost the stable development of China's service sector.

### Media coverage

In 2024, Beijing Skylimit International Culture and Technology Development Group Co., Ltd. participated in the service trade fair for the fourth time. The company launched the world's first "Journey to the West" themed VR large-space immersive experience game, titled "VR Wukong: Journey to the West Universe". "To tell Chinese stories well and spread Chinese aesthetics, we rely on the support of the tax department", said a spokesperson for Skylimit. He noted that the Shijingshan tax department regularly delivers policies and offers precise guidance to the company, which helps the company have a clearer understanding of tax policies when conducting business activities.

—Source: China Youth Daily

# Reflecting on the Past and Envisioning the Future

Deep waters bring joy to fish; a strong city brings prosperity to merchants. The year 2025 marks the concluding year of the 14th Five-Year Plan and serves as a pivotal year for deepening comprehensive reforms of China. The BTMS will focus on establishing a solid foundation and maintaining high standards. Rooted in the realities of Beijing's tax landscape, the BTMS will take a higher political stance and implement more practical measures to enhance the tax business environment. It will spare no effort to steadily and sustainably advance the modern tax practices with Chinese characteristics in Beijing.

The BTMS will comprehensively advance the "Strong Foundation Project" and reforms in tax and fee collection and management. It will actively identify shortcomings and problems, explore effective solutions, and implement targeted governance measures. Focused on achieving excellent management, the BTMS will address existing issues and optimize tax declaration processes; empower grassroots operations through enhanced data utilization; strengthen collaborative management across various business processes and taxes. Focused on risk prevention and improving quality and efficiency, the BTMS will strengthen efforts to address weak links and shortcomings in key areas; enhance the management of new economic models and business practices, and improve overall quality and efficiency. Focused on promoting the implementation of consolidation and upgrading reforms, and relying on the reform of electronic invoices, the BTMS will strengthen the construction of smart Beijing taxation; continuously optimize and improve application systems for taxpayers and decision-makers. The BTMS will also implement structural tax and fee reduction policies to fully support the high-quality development of Beijing, further facilitate tax payment and thoroughly address tax-and-fee-related issues; optimize tax and fee services, standardize tax enforcement, and improve the quality and effectiveness of tax supervision; strengthen the deterrence of tax inspections and maintain a balance between service and management. It will embed compliance guidance throughout the entire process of tax and fee services and management.

Guided by the goal of "building a highly efficient tax system in Beijing", the BTMS will consistently strengthen the leadership of Party building to create first-class tax authorities; enhance the construction of a robust and intelligent Beijing taxation; optimize the tax business environment; and prevent and resolve various risks. The BTMS will optimize intelligent tax services and establish a regular face-to-face communication mechanism between tax authorities and enterprises. It will deepen the interactive tax service, continuously improve tax enforcement methods, and enhance the satisfaction and sense of gain among taxpayers and fee payers in Beijing.

# Appendix I

## Relevant Data on Beijing's Tax Business Environment Optimization (2022-2024)

Serial No.	Item	2022	2023	2024
1	Time needed for newly established enterprises to apply for invoices for the first time	Instantly	Instantly	Instantly
2	The ratio of scheduled tax services to on-site tax services	99%	99%	100%
3	Average waiting time of taxpayers in the Tax Service Hall	About 5 minutes	About 5 minutes	About 5 minutes
4	Average time needed for handling tax-related matters at the window of the Tax Service Hall	About 5 minutes	About 5 minutes	About 5 minutes
5	Proportion of small and micro enterprises enjoying preferential policies	100%	100%	100%
6	Average time needed for handling credit refund	About 5 days	About 5 days	About 5 days
7	Average time needed for online real estate registration (intelligent tax calculation)	1~3 minutes	1~3 minutes	1~3 minutes
8	Average time needed for enterprises' tax deregistration	About 3.31 days	About 2.94 days	About 2.57 days
9	Average time needed for enterprises' cross-regional relocation	About 1.8 days	About 1.5 days	About 1.3 days

# Appendix II

## List of Documents

Serial No.	Document Title	Reference No.	Date of Issue
1	Announcement of the Beijing Municipal Tax Service of the State Taxation Administration on Issuing the Implementation Measures for Overseas Personnel to Take the Tax Professional Qualification Examination in the Beijing National Comprehensive Demonstration Zone for Expanding Opening-up of the Service Sector and the China (Beijing) Pilot Free Trade Zone (Trial)	Announcement No.1 of 2024 by the Beijing Municipal Tax Service of the State Taxation Administration	February 8, 2024
2	Notice of the General Office of the Beijing Municipal Government on Issuing the 2024 Key Points for the Comprehensive Optimization of the Business Environment in Beijing	J.Z.B.F. [2024] No.10	April 17, 2024
3	Notice of the Beijing Municipal Tax Service of the State Taxation Administration on Issuing the Interim Measures for Advance Tax Rulings	J.S.B.F. [2024] No.8	April 18, 2024
4	Notice of the Beijing Municipal Tax Service of the State Taxation Administration on Issuing the Implementation Plan for the 2024 “Spring Breeze Campaign for Enhanced Tax Services”	J.S.F. [2024] No.17	April 24, 2024
5	Announcement of the Beijing Municipal Tax Service and Other Departments of the State Taxation Administration on Issuing the Discretionary Benchmark for Tax Administrative Penalties in North China	Announcement No.3 of 2024	September 14, 2024
6	Notice of the Beijing Municipal Tax Service, Tianjin Municipal Tax Service, and Hebei Provincial Tax Service of the State Taxation Administration on Updating the List of Tax Matters in the Beijing-Tianjin-Hebei Region that Can Be Completed with a Single Visit	J.S.F. [2024] No.46	November 19, 2024
7	Regulations of Beijing Municipality on Optimizing Business Environment	Announcement No. 28 of the Standing Committee of the [16th] Beijing Municipal People’s Congress	November 29, 2024