

Circular of the State Administration of Taxation on the Issuance of the “Requirements for Enterprise Annual Reporting Forms for Related-Party Transactions (2008 version)”

Circular Guoshuihan [2009] No. 72

To the state taxation bureaus and local taxation bureaus of all provinces, autonomous regions, municipalities directly under the Central Government and cities specifically designated in the state plan:

In order to implement the Circular of the State Administration of Taxation (SAT) on the Issuance of Enterprise Annual Reporting Forms for Related-Party Transactions of the People's Republic of China (Guoshuifa [2008] No.114), the SAT has generally finished modifying and improving its China Taxation Administration Information System (CTAIS 2.0 and CTAIS 1.1), which can be updated and put into use by local tax authorities. In addition to CTAIS, considering the different systems used in the administration of tax collection by different tax authorities, in order to facilitate the modification and improvement of Enterprise Annual Reporting Forms for Related-Party Transactions in the Information System for Administration of Tax Collection and to improve the quality and efficiency of reporting for related-party transactions, the SAT has released the “Requirements for Enterprise Annual Reporting Forms for Related-Party Transactions (2008 version)”. Please refer to and apply the Requirements, taking into account the administration system of tax collection you use in practice, and make necessary modifications as soon as possible to ensure that the annual reporting of related-party transactions proceeds smoothly. Should any problems arise in practice, please contact the SAT’s International Taxation Department as soon as possible.

17 February 2009

Attachment: “Requirements for Enterprise Annual Reporting Forms for Related-Party Transactions (2008 version)”

Requirements for Enterprise Annual Reporting Forms for Related-Party Transactions (2008 version)

Instructions

The Requirements have been developed for enterprises' 2008 reporting of related-party transactions and related practices, in accordance with the Circular of the State Administration of Taxation on the Issuance of Enterprise Annual Reporting Forms for Related-Party Transactions of the People's Republic of China (Guoshuifa [2008] No. 114) and the Implementation Measures for Special Tax Adjustments (Provisional) (Guoshuifa [2009] No. 2).

These Requirements can be divided into three parts, based on the contents that will be modified in the integrated software for administration of tax collection: overall functional requirements, detailed reporting requirements, and integrated research and statistics requirements. The overall functional requirements mainly clarify the link between the reporting of related-party transactions and the annual tax filing of the enterprise, the input order of each form, the checking and examination of the data, and so on; the detailed reporting requirements mainly elaborate on the reporting contents and requirements for the related-party transactions, outbound investment, and outbound payment between the enterprise and its related parties (included in Part II "Reporting" of the Requirements); and the integrated research and statistics requirements mainly elaborate on some frequently used methods of statistical queries (included in Part III "Queries" of the Requirements).

I. Overall Functional Requirements

1. The tax authorities' requirements on the manual input of reporting data, the reception of electronic reporting, and the reception of on-line reporting should be met.
2. Annual tax filing returns and the annexes can be preserved separately from the enterprise annual reporting forms for related-party transactions. However, when the data is saved after input, a reminder should appear: "If the enterprise is involved in related-party transactions, outbound investment or outbound payment, please fill in the reporting forms for related-party transactions in accordance with the provisions in the Corporate Income Tax Law."
3. When converting from the module of annual tax filing returns and the annexes to the module of reporting form of related-party transactions, the following dialog boxes need to be added:
 - 1) Dialog Box 1: "Are there any related parties or related-party transactions (Yes/No)? If "Yes" is chosen, Forms I to VII must be filled in. If "No" is chosen, there is no need to fill in the forms." When this dialog box appears, the following information will be presented:

Article 43 of the *PRC Corporate Income Tax Law*: Where an enterprise submits the annual enterprise income tax return to the tax authority; it shall enclose a form regarding the annual business transactions between the Enterprise and its affiliates.

Article 105 of the *Implementation Measures for Special Tax Adjustments (Provisional)*: Enterprises that fail to submit the annual reporting forms for the related-party transactions to the tax authorities or fail to preserve contemporaneous documentation or other related documents in accordance with the provisions in the Measures will be dealt with pursuant to Articles 60 and 62 of the Administration of Tax Collection Law.
 - 2) Dialog Box 2: "Are there any outbound investments (Yes/No)? If "Yes" is chosen, Form VIII must be filled in. If "No" is chosen, there is no need to fill in that form."
 - 3) Dialog Box 3: "Are there any outbound payments (Yes/No)? If "Yes" is chosen, Form IX must be filled. If "No" is chosen, there is no need to fill in that form."
4. The reporting forms for related-party transactions are to be filled in by means of the "bookmark page".
5. The names of the related parties covered in Forms III through VIII are all controlled by Form I *Related-Party Relationships*. The names of the related parties covered in Forms III through VIII do not need to be added manually, but can be filled automatically in accordance with the content in Form I (integrated with obscurity filter function for quick positioning).

6. All forms should meet the functions of inputting, modifying, saving, outputting in multiple formats, printing, and instruction inquiring.
7. The system should examine the data integrity of the forms before showing the confirmation: “Annual filing completed successfully” or invoicing and deducting the tax payment. The integrity examination of these forms should be performed in accordance with the requirements in “Section 3” of this instruction.
8. Where Forms I through VII must be filled in, since information is related through inclusion or links between Form I, Form II and Form III, Form IV, Form V, Form VI and Form VII, the system should be designed to monitor the order of completion. That means, when filling the annual reporting forms, Form I should be opened first, and only after Form I has been completed and saved can Form III, Form IV, Form V, Form VI, and Form VII be filled in. This relevant data will be transferred to Form II automatically after Forms III through VII are completed and saved. The last step is filling in the “Others” item in Form II. The data automatically transferred to Form II and the data in Forms III to VII as calculated according to the intra-form correlations cannot be changed, while others can be filled in manually.
9. The greyed items marked “——” cannot be filled in.

II. Detailed Reporting Requirements

2. Filing and collection

2.1 Annual tax filing

2.1.4 Enterprise Annual Reporting Forms for Related-Party Transactions

2.1.4.1 Cover

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

The forms are applicable to resident enterprises whose tax is levied according to accounting books as well as non-resident enterprises that have establishments in China and file and pay corporate tax on an actual basis.

3. Functionality

(1) Applicability

The forms are applicable to those taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Cover of the *Enterprise Annual Reporting Forms for Related-Party Transactions of the People's Republic of China*

(3) Instructions

1) Information to be provided by taxpayers:

- (1) For “Year”, please fill in the year for the related-party transactions reported.
- (2) For “Name of Taxpayer”, please fill in the whole name of the taxpayer as listed in the tax registration certificate.
- (3) For “Taxpayer Identification No.”, please fill in the number of the tax registration certificate issued by tax authorities.
- (4) For “Legal Representative”, please fill in the name of the legal representative of the taxpayer.
- (5) For “Telephone”, please fill in the telephone number of the department or staff in charge of the tax-related issues of the taxpayer.
- (6) For “Date of Reporting”, please fill in the date when the forms are submitted to tax authorities.

2) Information to be filled in by tax authorities:

(7) “Name of In-charge Tax Authorities”: the name of the tax authority in charge of the regular administration of the taxpayer.

(8) “Responsible Tax Officer”: the name of the tax officer who handles this reporting form.

(9) “Telephone”: the telephone number of the tax authority handling this reporting form.

(10) “Date of Acceptance”: the date when the forms are received by tax authorities.

4. Correlations within and among forms:

(1) Correlations within forms: N/A

(2) Correlations with other forms:

1) “Year” must be consistent with the “Year” of the “Tax period” in the header items in either the *Annual Income Tax Filing Return (Type A)* or the *Non-resident Enterprise Income Tax Filing Form (on an actual basis)*.

2) “Name of Taxpayer” and “Taxpayer Identification No.” must be consistent with “Name of Taxpayer” and “Taxpayer Identification No.” in the header items in either the *Annual Income Tax Filing Return (Type A)* or the *Non-resident Enterprise Income Tax Filing Form (on an actual basis)*.

(3) Special requirements

1) Since these forms comprise an appendix to the *Annual Income Tax Filing Return (Type A)* or the *Non-resident Enterprise Income Tax Filing Form (on an actual basis)*, all the information in “Information to be provided by taxpayers” and “Information to be filled in by tax authorities” as listed in the “Section 3.3 Instructions” above should be transferred automatically from the main table or the information already in the CTAIS system, except “Telephone” in “Information to be filled in by tax authorities”.

(4) Data output

Cover of the *Enterprise Annual Reporting Forms for Related-Party Transactions of the People’s Republic of China*

5. The form format

(See below for details)

The People's Republic of China
Enterprise Annual Reporting Forms for Related-Party Transactions

Year:

Name of Taxpayer (with company's stamp):

Taxpayer Identification No.: □□□□□□□□□□

Legal Representative:

Telephone:

Date of Reporting:

Name of In-charge Tax Authorities (with stamp for acceptance):

Responsible Tax Officer:

Telephone:

Date of Acceptance:

2.1.4.2 Related-Party Relationships (Form I):

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books as well as to non-resident enterprises that have establishments in China and file and pay corporate income taxes on an actual basis. This Form should include information about the related parties who have transactions with the taxpayer.

3. Functionality

(1) Applicability

This Form is applicable to those taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Related-Party Relationships (Form I)

(3) Instructions

1) For “Taxpayer Identification Number”, please fill in the number used for tax filing in the country or region where the related party is located.

2) For “Country/Region”, please fill in the name of the country or region where the related party is located.

3) For “Address”, please fill in the registered address of the related party and the address of its actual operation and management places, or the residence of the related individuals.

4) For “Type of Related-Party Relationship”, please fill in the codes A, B, C, etc. according to the following standards of related-party relationships; where multiple related-party relationships exist, multiple codes should be filled in:

- A. One party directly or indirectly owns 25 percent or more of the shares of the other party; or a third party directly owns 25 percent or more of the shares of both the party and the other party. If the party indirectly owns the shares of the other party through an intermediate party, as long as the party owns 25 percent or more of the shares of the intermediate party, then the percentage of shares of the other party indirectly owned by the party is calculated according to the percentage of shares of the other party directly owned by the intermediate party.
- B. Loans between one party and the other party (except a third party financial institution) account for 50 percent or more of the party's paid-in capital or 10 percent or more of the party's total loans are guaranteed by the other party (except a third party financial institution).
- C. More than half of the senior management personnel of one party (including the board members or managers), or at least one senior board member of one party which has the controlling power over the board, are appointed by the other party, or more than half of the senior management personnel of both parties (including the board members or managers), or at least one senior board member of either party which has the controlling power over the board, are appointed by the same third party.
- D. More than half of the senior management personnel from one party (including board members and managers) take the position of the senior management personnel of the other party (including board members and managers), or at least one senior board member of one party which has the controlling power over the board takes the position of the senior board member of the other party.
- E. The production and business operations of one party can be carried out in a normal manner only with licenses (such as industrial property rights or proprietary technology) from the other party.
- F. The purchase and sales activities of one party are controlled by the other party.

- G. The services one party receives or offers are controlled by the other party.
- H. Other relations that involve one party's actual control of the production, operation or transactions of the other party, or affiliations in terms of interests, including parties sharing almost the same interests as the main shareholders and family members or relatives while not reaching the shareholding percentage in item A.

4. Correlations within and among forms

(1) Correlations within forms

N/A

(2) Correlations with other forms

1) Field information on "Name of overseas related party" and the corresponding "Country/region" in "*Purchases and Sales*" (Form III) and "*Services*" (Form IV) should all come from this Form.

2) Field information on "Name of overseas related party", "Name of domestic related party" and the corresponding "Country/region" in "*Financing*" (Form VII) should all come from this Form.

(3) Special requirements

1) "Country/region" should be inputted by using the drop-down menu (with the obscurity filter function for quick positioning by country codes, Pinyin consonants and Chinese characters among others). Country/region codes will be maintained by the State Administration of Taxation.

2) "Type of Related-Party Relationship" should be inputted by using the drop-down menu (with options). The system needs to provide the support function for these classifications, which will be maintained by the State Administration of Taxation.

3) If the related party is a resident enterprise or non-resident enterprise in China, all information, such as its name, country/region, address and legal representative, will automatically be inputted according to its “Taxpayer Identification Number” (the State Administration of Taxation or the Provincial Taxation Bureau can, after encryption, distribute the relevant taxpayer registration information within the country or province to the competent tax authorities, so that the local search can be conducted and pressure on the network can be reduced).

(4) Data output

To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Related-Party Relationships* (Form I)

5. The form format

(See below for details)

2.1.4.3 Summary of Related-Party Transactions (Form II)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books as well as non-resident enterprises that have establishments in China and file and pay corporate income taxes on an actual basis. Taxpayers who have related-party transactions, such as purchase of material (products), sales of products (material), provision or receipt of services, transfer in and out of intangible or fixed assets, provision or receipt of financing, and other transactions that do not fall into the types listed above, need to complete this Form.

3. Functionality

(1) Applicability

- 1) This Form is applicable to taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.
- 2) In this Form, the data in the first, fourth and seventh columns of the first through eighth rows will automatically derive from reported data from Form III to Form VI, and the data in the fourth and seventh columns of the ninth and 10th rows will automatically derive from reported data from Form VII. The first through eighth rows of this Form can only be filled in after Form III to Form VII have been completed and have passed the data examination.
- 3) The logical correlations will be examined when this Form is completed and saved.

(2) Data input

- (1) Manually-inputted data: “Others” in the 11th row.
- (2) Automatically-filled data: the data in the first, fourth and seventh columns of the first through eighth rows; and the data in the fourth and seventh columns of the ninth and 10th rows.

(3) Data generated by logical calculation: the data in the second, third, fifth, sixth, eighth and ninth columns of the first through eighth rows; the data in the second, sixth and ninth columns of the ninth and 10th rows, and the data in the first, second, fourth, sixth, seventh and ninth columns of 12th row (“Total”).

(3) Instructions

1) For “Whether contemporaneous documentation has been prepared for the current year according to requirements: Yes No ”: Enterprises who have prepared contemporaneous documentation according to the relevant regulations should tick the box “Yes”; otherwise, please tick the box “No”.

2) For “Exempt from preparing contemporaneous documentation for the current year ”: please tick the box if the enterprise is eligible for exemption from preparing contemporaneous documentation.

3) For “Whether there is a Cost Sharing Agreement in place for the current year : Yes No ”: enterprises who have entered into a cost sharing agreement please tick the box “Yes”; Otherwise, please tick the box “No”.

4) This Form is a summary of Forms III through VII. Each of the transaction amounts in this Form should be equal to the corresponding total transaction amount in Forms III through VII, except for the transaction amount of “Others”.

5) “Others” in the 11th row refers to the amounts of the transactions that do not fall into the types of transactions listed above.

6) None of the items in this Form can be filled manually except “Others” (Automatically filled by virtue of correlations within and among forms).

4. Correlations within and among forms

(1) Correlations within forms

1) Second column = fourth column + seventh column;

2) Third column = second column / first column;

3) Fifth column = fourth column / first column;

4) Sixth column = fourth column / second column;

5) Eighth column = seventh column / first column;

6) Ninth column = seventh column / second column;

- 7) First column for the row of “Total” = sum of the first through 11th rows of the first column;
- 8) Second column for the row of “Total” = sum of the first through 11th rows of the second column;
- 9) Fourth column for the row of “Total” = sum of the first through 11th rows of the fourth column;
- 10) Sixth column for the row of “Total” = fourth column for the row of “Total” / second column for the row of “Total”;
- 11) Seventh column for the row of “Total” = sum of the first through 11th rows of the seventh column;
- 12) Ninth column for the row of “Total” = sum of the first through 11th rows of the ninth column;
- 13) Ninth column for the row of “Total” = seventh column for the row of “Total” / second column for the row of “Total”.

(2) Correlations with other forms

- 1) First column of “Purchase of material (products)” = first item of *Purchases and Sales* (Form III); fourth column of “Purchase of material (products)” = fourth item of *Purchases and Sales* (Form III); seventh column of “Purchase of material (products)” = seventh item of *Purchases and Sales* (Form III).
- 2) First column of “Sale of products (material)” = eighth item of *Purchases and Sales* (Form III); fourth column of “Sale of products (material)” = 11th item of *Purchases and Sales* (Form III); seventh column of “Sale of products (material)” = 14th item of *Purchases and Sales* (Form III).
- 3) First column of “Service income” = first item of *Services* (Form IV); fourth column of “Service income” = fourth item of *Services* (Form IV); seventh column of “Service income” = seventh item of *Services* (Form IV).

4) First column of “Service payment” = eighth item of *Services* (Form IV); fourth column of “Service payment” = 11th item of *Services* (Form IV); seventh column of “Service payment” = 14th item of *Services* (Form IV).

5) First column of “Transfer in of intangible assets” = first column of *Intangible Assets* (Form V); fourth column of “Transfer in of intangible assets” = second column of *Intangible Assets* (Form V); seventh column of “Transfer in of intangible assets” = fourth column of *Intangible Assets* (Form V).

6) First column of “Transfer out of intangible assets” = sixth column of *Intangible Assets* (Form V); fourth column of “Transfer out of intangible assets” = seventh column of *Intangible Assets* (Form V); seventh column of “Transfer out of intangible assets” = ninth column of *Intangible Assets* (Form V).

7) First column of “Transfer in of fixed assets” = first column of *Fixed Assets* (Form VI); fourth column of “Transfer in of fixed assets” = second column of *Fixed Assets* (Form VI); seventh column of “Transfer in of fixed assets” = fourth column of *Fixed Assets* (Form VI).

8) First column of “Transfer out of fixed assets” = sixth column of *Fixed Assets* (Form VI); fourth column of “Transfer out of fixed assets” = seventh column of *Fixed Assets* (Form VI); seventh column of “Transfer out of fixed assets” = ninth column of *Fixed Assets* (Form VI).

9) Fourth column of “Accrued interest income from financing” = the total “Accrued interest income from overseas fixed term financing” (ninth column) of *Financing* (Form VII); seventh column of “Accrued interest income from financing” = the total “Accrued interest income from domestic fixed term financing” (ninth column) of *Financing* (Form VII); fourth column of “Accrued interest expenses of financing” = the total “Accrued interest expenses of overseas fixed term financing” (eighth column) of *Financing* (Form VII); seventh column of “Accrued interest expenses for financing” = the total “Accrued interest expenses for domestic fixed term financing” (eighth column) of *Financing* (Form VII).

(3) Special requirements

N/A

(4) Data output

To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Summary of Related-Party Transactions* (Form II)

5. The Form format

(See below for details)

Summary of Related-Party Transactions (Form II)

1. Has contemporaneous documentation been prepared for the current year according to requirements: Yes No ;
2. Exempted from preparing contemporaneous documentation for the current year ;
3. Is there a Cost Sharing Arrangement in place for the current year: Yes No . Unit: RMB Yuan (rounded to two decimal places)

| Type of Transactions | Total Amount | Related-Party Transactions | | Overseas Related-Party Transactions | | | Domestic Related-Party Transactions | | |
|--|--------------|----------------------------|--------------|-------------------------------------|--------------|--------------|-------------------------------------|--------------|--------------|
| | | Amount | Percentage % | Amount | Percentage % | Percentage % | Amount | Percentage % | Percentage % |
| | 1 | 2 = 4 + 7 | 3 = 2/1 | 4 | 5 = 4/1 | 6 = 4/2 | 7 | 8 = 7/1 | 9 = 7/2 |
| Purchase of material (products) | | | | | | | | | |
| Sale of products (material) | | | | | | | | | |
| Service income | | | | | | | | | |
| Service payment | | | | | | | | | |
| Transfer in of intangible assets | | | | | | | | | |
| Transfer out of intangible assets | | | | | | | | | |
| Transfer in of fixed assets | | | | | | | | | |
| Transfer out of fixed assets | | | | | | | | | |
| Accrued interest income from financing | _____ | | _____ | | _____ | | | _____ | |
| Accrued interest expenses of financing | _____ | | _____ | | _____ | | | _____ | |
| Others | | | | | | | | | |
| Total | | | _____ | | _____ | | | _____ | |

Preparer: (Signature & Stamp)

Legal Representative (Signature & Stamp)

2.1.4.4 Purchases and Sales (Form III)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form is applicable to taxpayers who use the *Accounting Standards for Business Enterprises*, *Accounting Regulation for Business Enterprises*, or *Accounting Regulation for Small Business Enterprises*. Taxpayers should fill in this Form based on the “Inventory” and “Operating Income” as calculated under the accounting standards.

3. Functionality

(1) Applicability

1) This Form is applicable to those taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

2) The logical correlations will be examined when this Form is completed and saved. For online and floppy disk reporting, the check will only be performed when saving this Form.

(2) Data input

Purchases and Sales

(3) Instructions

1) For the first item “Total Amount of Purchases” in “Total Purchases and Sales”, please fill in the amount of tangible assets purchased during the year, including raw materials, semi-finished products, and materials (or products), excluding fixed assets, construction materials and low-value consumables. The amount is equal to the second item “Import Purchases” in “Total Purchases and Sales” plus the fifth item “Domestic Purchases” in “Total Purchases and Sales” of this Form. This amount should also be filled into the first column of the first row in Form II.

2) For the second item “Import Purchases” in “Total Purchases and Sales”, please fill in the amount of tangible assets purchased through import, including raw materials, semi-finished products, and materials (or products), excluding fixed assets, construction materials and low-value consumables. The amount is equal to the third item “From

Unrelated” in “Total Purchases and Sales” plus the fourth item “From Related” in “Total Purchases and Sales” of this Form.

3) For the fourth item “From Related” in “Total Purchases and Sales”, please fill in the amount of tangible assets purchased from overseas related parties, including raw materials, semi-finished products, and materials (or products), excluding fixed assets, construction materials and low-value consumables. This amount should also be filled into the fourth column of the first row in Form II.

4) For the fifth item “Domestic Purchases” in “Total Purchases and Sales”, please fill in the amount of tangible assets purchased domestically, including raw materials, semi-finished products, and materials (or products), excluding fixed assets, construction materials and low-value consumables. The amount is equal to the sixth item “From Unrelated” in “Total Purchases and Sales” plus the seventh item “From Related” in “Total Purchases and Sales” of this Form.

5) For the seventh item “From Related” in “Total Purchases and Sales”, please fill in the amount of tangible assets purchased from domestic related parties, including raw materials, semi-finished products, and materials (or products), excluding fixed assets, construction materials and low-value consumables. This amount should also be filled into the seventh column of the first row in Form II.

6) For the eighth item “Total Amount of Sales” in “Total Purchases and Sales”, please fill in the total sales of products (materials) during the year. The amount is equal to the ninth item “Export Sales” in “Total Purchases and Sales” plus the 12th item “Domestic Sales” in “Total Purchases and Sales” of this Form. This amount should also be filled into the first column of the second row in Form II.

7) For the ninth item “Export Sales” in “Total Purchases and Sales”, please fill in the total overseas sales of products (or materials) during the year. The amount is equal to the 10th item “To Unrelated” in “Total Purchases and Sales” plus the 11th item “To Related” in “Total Purchases and Sales” of this Form.

8) For the 11th item “To Related” in “Total Purchases and Sales”, please fill in the total overseas related-party sales of products (or materials) during the year. This amount should also be filled into the fourth column of the second row in Form II.

9) For the 12th item “Domestic Sales” in “Total Purchases and Sales”, please fill in the total domestic sales of products (or materials) during the year. The amount is equal to the 13th item “To Unrelated” in “Total Purchases and Sales” plus the 14th item “To Related” in “Total Purchases and Sales” of this Form.

10) For the 14th item “To Related” in “Total Purchases and Sales”, please fill in the total domestic related-party sales of products (materials) during the year. This amount should also be filled into the seventh column of the second row in Form II.

11) For “Contract Processing”, please fill in the amount of processing fee charged during the year.

12) For “Country/Region”, please fill in name of the country or region where the overseas related party or non-related party is located.

13) If “6. Other Methods” is chosen for “Pricing method”, taxpayers must specify the method used in the “Notes” column of this Form (which cannot be left blank).

14) The amount in “3. Descriptions of overseas parties to which export sales account for more than 10% of the total export sales and the relevant transactions: Amount” should be larger than or equal to “1. Total Purchases and Sales: Total amount of sales—Export sales (the ninth item)” *10% (an RMB0.50 error permitted); “4. Descriptions of overseas parties from which overseas purchases accounts for more than 10% of the total overseas purchases and the relevant transactions: Amount” should be larger than or equal to “1. Total Purchases and Sales: Total amount of purchases—Import purchases (the second item)” * 10% (an RMB0.50 error permitted).

15) The amount of “1 Total Purchases and Sales: Total amount of sales—Export sales (the ninth item)” should be equal to the total amount of all the items in “2. Overseas Sales by Export Trade Mode”.

4. Correlations within and among forms:

(1) Correlations within forms:

1) First item “Total Amount of Purchases” in “Total Purchases and Sales” = second item “Import Purchases” in “Total Purchases and Sales” + fifth item “Domestic Purchases” in “Total Purchases and Sales”

2) Second item “Import Purchases” in “Total Purchases and Sales” = third item “From

Unrelated” in “Total Purchases and Sales” + fourth item “From Related” in “Total Purchases and Sales”

3) Fifth item “Domestic Purchases” in “Total Purchases and Sales” = sixth item “From Unrelated” in “Total Purchases and Sales” + seventh item “From Related” in “Total Purchases and Sales”

4) Eighth item “Total Amount of Sales” in “Total Purchases and Sales” = ninth item “Export Sales” in “Total Purchases and Sales” + 12th item “Domestic Sales” in “Total Purchases and Sales”

5) Ninth item “Export Sales” in “Total Purchases and Sales” = 10th item “To Unrelated” in “Total Purchases and Sales” + 11th item “To Related” in “Total Purchases and Sales”

6) 12th item “Domestic Sales” in “Total Purchases and Sales” = 13th item “To Unrelated” in “Total Purchases and Sales” + 14th item “To Related” in “Total Purchases and Sales”

(2) Correlations with other forms:

1) First item “Total Amount of Purchases” in “Total Purchases and Sales” = first column of first row in Form II

2) Fourth item “From Related” in “Total Purchases and Sales” = fourth column of first row in Form II

3) Seventh item “From Related” in “Total Purchases and Sales” = seventh column of first row in Form II

4) Eighth item “Total Amount of Sales” in “Total Purchases and Sales” = first column of second row in Form II

5) 11th item “To Related” in “Total Purchases and Sales” = fourth column of second row in Form II

6) 14th item “To Related” in “Total Purchases and Sales” = seventh column of second row in Form II

(3) Special requirements

1) The name of the overseas related party will be automatically inputted from “Related-Party Relationships” (Form I) (integrated with obscurity filter function for quick positioning). The rows will adjust automatically according to the content (a button for

adding or deleting rows should be added). The corresponding “Country/Region” will be inputted automatically, too.

2) The rows for overseas unrelated parties will be adjusted automatically according to their content (a button for adding or deleting rows should be added). The corresponding cells of “Pricing methodology” do not need to be filled in.

3) “Country/region” should be inputted using the drop-down menu (with the obscurity filter function for quick positioning by country codes, Pinyin consonants and Chinese characters among others). Country codes will be maintained by the State Administration of Taxation.

4) “Pricing methodology” should be inputted using the drop-down menu, with the following options: 1. Comparable uncontrolled price method; 2. Resale price method; 3. Cost plus method; 4. Transactional net margin method; 5. Profit split method; and 6. Other methods (only one method can be selected). The system should provide the support function of this classification of methods, and should be maintained by the State Administration of Taxation. If “Other methods” is chosen, taxpayers must specify the method used in the “Notes” column of this Form (this cannot be left blank).

(4) Data output

1) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Purchases and Sales* (Form III)

2) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: the first, fourth, and seventh columns of the first and second rows in *Summary of Related-Party Transactions* (Form II)

5. The form format

(See below for details)

Purchases and Sales (Form III)

Unit: RMB Yuan (rounded to two decimal places)

| 1. Total Purchases and Sales | | | | | |
|---|-------------------------------|---------------------------------|----------------------------------|-------------------------------|---------------------------------|
| Purchase of material (products) | | Amount | Sale of products (material) | | Amount |
| Total amount of purchases 1 = 2 + 5 | | | Total amount of sales 8 = 9 + 12 | | |
| Where: | Import Purchases 2 = 3 + 4 | | Where: | Export Sales 9 = 10 + 11 | |
| | Where: | From unrelated 3 | | Where: | To unrelated 10 |
| | | From related 4 | | | To related 11 |
| | Domestic Purchases 5 = 6 + 7 | | | Domestic Sales 12 = 13 + 14 | |
| | Where: | From unrelated 6 | | Where: | To unrelated 13 |
| | | From related 7 | | | To related 14 |
| 2. Overseas Sales by Export Trade Mode | | | | | |
| Contract Processing | Amount of Related-Party Sales | Amount of Unrelated-Party Sales | Other Trading Modes | Amount of Related-Party Sales | Amount of Unrelated-Party Sales |
| | | | | | |
| 3. Descriptions of Overseas Parties to which Export Sales Accounts for more than 10% of the Total Export Sales, and the Relevant Transactions | | | | | |
| Name of overseas related party | Country/region | Amount | Pricing methodology | Notes | |
| | | | | | |
| | | | | | |
| | | | | | |
| Name of overseas unrelated party | Country/region | Amount | Pricing methodology | Notes | |
| | | | — | | |
| | | | — | | |
| | | | — | | |
| 4. Description of Overseas Parties from which Overseas Purchases Accounts for more than 10% of the Total Overseas Purchases, and the Relevant Transactions | | | | | |
| Name of overseas related party | Country/region | Amount | Pricing methodology | Notes | |
| | | | | | |
| | | | | | |
| | | | | | |
| Name of overseas unrelated party | Country/region | Amount | Pricing methodology | Notes | |
| | | | — | | |
| | | | — | | |
| | | | — | | |

Preparer: (Signature & Stamp)

Legal Representative (Signature & Stamp)

2.1.4.5 Services (Form IV)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books as well as non-resident enterprises that have establishments in China and file and pay corporate tax on an actual basis. All the taxpayers which provide or receive services should fill in this Form according to “Sales from principal activities”, “Sales from other operations”, “Cost of sales from principal activities”, “Cost of sales from other operations”, and other related cost items as calculated under the accounting system.

3. Functionality

(1) Applicability

This Form is applicable to those taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Services

(3) Instructions

- 1) For "Overseas services income", please fill in the services income earned from overseas for the provision of services; for "Overseas services disbursement", please fill in the service payment remitted overseas for the receipt of services.
- 2) First item (Service Income) of the "Total Service Transaction" = second item (Overseas service income) + fifth item (Domestic service income). The total amount should also be filled into the first column of the third row (Service Income) in Form II.
- 3) Second item (Overseas service income) of the "Total Service Transaction" = third item (Income from unrelated parties) + fourth item (Income from related parties).
- 4) Fourth item (Income from related parties) of the "Total Service Transactions" should also be filled into the fourth column of the third row (Service Income) in Form II.
- 5) Fifth item (Domestic service income) of the "Total Service Transaction" = sixth item (Income from unrelated parties) + seventh item (Income from related parties).

6) Seventh item (Income from related parties) of the "Total Service Transaction" should also be filled into the seventh column of the third row (Service Income) in Form II.

7) Eighth item (Disbursement for Service) of the "Total Service Transaction" = ninth item (Overseas service disbursement) + 12th item (Domestic service disbursement). The total amount should also be filled into the first column of the fourth row (Service disbursement) in Form II.

8) Ninth item (Overseas service disbursement) of the "Total Service Transaction" = 10th item (Disbursement to unrelated parties) + 11th item (Disbursement to related parties).

9) 11th item (Disbursement to related parties) of the "Total Service Transaction" should also be filled into the fourth column of the fourth row (Service disbursement) in Form II.

10) 12th item (Domestic service disbursement) of the "Total Service Transaction" = 13th item (Disbursement to unrelated parties) + 14th item (Disbursement to related parties).

11) 14th item (Disbursement to related parties) of the "Total Service Transaction" should also be filled into the seventh column of the fourth row (Service disbursement) of Form II.

12) The amount in "2. Overseas Parties from which the Overseas Services Income Accounts for more than 10% of the Total Service Income, and the Respective Transactions: Amount" should be larger than or equal to "1. Total Service Transactions: Service Income (first item)" * 10% (an RMB0.50 error permitted); the amount in "3. Overseas Parties to whom Overseas Services Disbursement Accounts for more than 10% of the Total Services Disbursement and the Respective Transactions" should be larger than or equal to "1. Total Service Transactions: Disbursement for services (eighth item)" * 10% (an RMB0.50 error permitted).

13) If taxpayers choose "6. Other method" for the "Pricing method" column, they must specify the method used in the "Notes" Column of this Form (which cannot be left blank).

4. Correlations within and among forms:

(1) Correlations within forms

- 1) First item = second item + fifth item
 - 2) Second item = third item + fourth item
 - 3) Fifth item = sixth item + seventh item
 - 4) Eighth item = ninth item + 12th item
 - 5) Ninth item = 10th item + 11th item
 - 6) 12th item = 13th item + 14th item
- (2) Correlations with other forms:
- 1) First item = first column (Total Amount) of third row (Service income) in Form II
 - 2) Fourth item = fourth column (Overseas Related-Party Transactions: Amount) of Third row (Service income) in Form II
 - 3) Seventh item = seventh column (Domestic Related-Party Transactions: Amount) of third row (Service income) in Form II
 - 4) Eighth item = first column (Total Amount) of fourth row (Service disbursement) in Form II
 - 5) 11th item = fourth column (Overseas Related-Party Transactions: Amount) of Fourth row (Service disbursement) in Form II
 - 6) 14 item = seventh column (Domestic Related-Party Transactions: Amount) of fourth row (Service disbursement) in Form II
- (3) Special Requirements
- 1) The name of the overseas related party will be automatically inputted from “Related-Party Relationships” (Form I) (integrated with obscurity filter function for quick positioning). The rows will adjust automatically according to the content (a button for adding or deleting rows should be added). The corresponding “Country/Region” will be inputted automatically, too.
 - 2) The rows for overseas unrelated parties will adjust automatically according to the content (a button for adding or deleting rows should be added). The corresponding cells of “Pricing method” do not need to be filled in.
 - 3) “Country/Region” should be inputted using the drop-down menu (with the obscurity filter function for quick positioning by country codes, Pinyin consonants and Chinese characters among others). Country codes will be maintained by the State Administration of Taxation.
 - 4) “Pricing method” should be inputted using the drop-down menu, with the

following options: 1. Comparable uncontrolled price method; 2. Resale price method; 3. Cost plus method; 4. Transactional net margin method; 5. Profit split method; and 6. Other methods (only one method can be selected). The system should provide the support function of this classification of methods, and should be maintained by the State Administration of Taxation. If “Other methods” is chosen, then taxpayers must specify the method used in the “Notes” column of this Form (this cannot be left blank).

(4) Data Output

1) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Services* (Form IV)

2) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: First column, fourth column and seventh column of the third row in *Summary of Related-Party Transactions* (Form II)

3) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: First column, fourth column and seventh column of the fourth row in *Summary of Related-Party Transactions* (Form II)

5. The form format

(See below for details)

Services (Form IV)

Unit: RMB Yuan (rounded to two decimal places)

| 1. Total Service Transaction | | | | | | |
|---|-----------------------------------|---------------------------------|-------------------------------------|--|--------------------------------------|--|
| Service Income | | Amount | Disbursement for Service | | Amount | |
| Service Income 1 = 2 + 5 | | | Disbursement for Service 8 = 9 + 12 | | | |
| Where: | Overseas service income 2 = 3 + 4 | | Where: | Overseas service disbursement 9 = 10 + 11 | | |
| | Where: | Income from unrelated parties 3 | | Where: | Disbursement to unrelated parties 10 | |
| | | Income from related parties 4 | | | Disbursement to related parties 11 | |
| | Domestic service income 5 = 6 + 7 | | | Domestic service disbursement 12 = 13 + 14 | | |
| | Where: | Income from unrelated parties 6 | | Where: | Disbursement to unrelated parties 13 | |
| | | Income from related parties 7 | | | Disbursement to related parties 14 | |
| 2. Description of Overseas Parties from which the Overseas Services Income Accounts for more than 10% of the Total Service Income, and the Respective Transactions | | | | | | |
| Name of overseas related party | | Country/region | Amount | Pricing methodology | Notes | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Name of overseas unrelated party | | Country/region | Amount | Pricing methodology | Notes | |
| | | | | — | | |
| | | | | — | | |
| | | | | — | | |
| 3. Overseas Parties to whom the Overseas Services Disbursement Account for more than 10% of the Total Services Disbursement, and the Respective Transactions | | | | | | |
| Name of overseas related party | | Country/region | Amount | Pricing methodology | Notes | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Name of overseas unrelated party | | Country/region | Amount | Pricing methodology | Notes | |
| | | | | — | | |
| | | | | — | | |
| | | | | — | | |

Preparer: (Signature & Stamp)

Legal Representative (Signature & Stamp)

2.1.4.6 Intangible Assets (Form V)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books as well as non-resident enterprises that have establishments in China and file and pay corporate income tax on an actual basis. The taxpayers who transfer in or out intangible assets (including rights for use and ownership) should fill the Form according to “Manufacturing overhead”, “General and administrative expenses”, “Selling expenses”, “Intangible assets”, “Sales from principal activities”, “Non-operating income”, and “Sales from other operations” as calculated under the accounting system.

3. Functionality

(1) Applicability

This Form is applicable to those taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Intangible Assets

(3) Instructions

1) For the first column “Transfer In: Total transaction amount”, please fill in the sum of the second, third, fourth, fifth columns of this Form.

2) For the second column “Transfer in of intangible assets from overseas source: Amount of related-party transaction”, please fill in the total amount paid to overseas related parties for ownership or use-rights of intangible assets.

3) For the third column “Transfer in of intangible assets from overseas source: Amount of unrelated-party transaction”, please fill in the total amount paid to overseas unrelated parties for ownership or use-rights of intangible assets.

4) For the fourth column “Transfer in of intangible assets from domestic source: Amount of related-party transaction”, please fill in the total amount paid to domestic related parties for ownership or use-rights of intangible assets.

- 5) For the fifth column “Transfer in of intangible assets from domestic source: Amount of unrelated-party transaction”, please fill in the total amount paid to domestic unrelated parties for ownership or use-rights of intangible assets.
- 6) For the sixth column “Transfer out: Total transaction amount”, please fill in the sum of the seventh, eighth, ninth and 10th columns of this Form.
- 7) For the seventh column “Transfer out of intangible assets to overseas recipient: Amount of related-party transaction”, please fill in the total amount received from overseas related parties for ownership or use-rights of intangible assets.
- 8) For the eighth column “Transfer out of intangible assets to overseas recipient: Amount of unrelated-party transaction”, please fill in the total amount received from overseas unrelated parties for ownership or use-rights of intangible assets.
- 9) For the ninth column “Transfer out of intangible assets to domestic recipient: Amount of related-party transaction”, please fill in the total amount received from domestic related parties for ownership or use-rights of intangible assets.
- 10) For the 10th column “Transfer out of intangible assets to domestic recipient: Amount of unrelated-party transaction”, please fill in the total amount received from domestic unrelated parties for ownership or use-rights of intangible assets.
- 11) For the first row “Land use right”, please fill in the amount paid or received for transactions of rights for the use of land.
- 12) For the second row “Patent right”, please fill in the amount paid or received for transactions of rights for the use of patents.
- 13) For the third row “Non-patented technology”, please fill in the amount paid or received for transactions of rights for the use of non-patented technology.
- 14) For the fourth row “Trademark”, please fill in the amount paid or received for transactions of rights for the use of trademarks.
- 15) For the fifth row “Copyright”, please fill in the amount paid or received for transactions of rights for the use of copyrights.
- 16) For the sixth row “Others”, please fill in the amount paid for the transfer in of rights for the use of other intangibles not listed above but in the accounts of “Manufacturing overhead”, “General and administrative expenses”, and “Operating expenses”, as well as the amount received for the transfer out of the right for use of

other intangibles which are not listed above but in the accounts of “Sales from principal activities”, “Non-operating income”, and “Non-operating income”.

17) For the seventh row “Including: ___”, please specify the amount paid for the transfer in, or the amount received for the transfer out, of rights for the use of intangibles. (This row is supplementary to the sixth row “Others”.)

18) For the eighth row “sub-total”, please fill in the sum of the first, second, third, fourth, fifth and sixth rows of this Form.

19) For the ninth row “Patent right”, please fill in the amount paid or received for transactions of the ownership of patents.

20) For the 10th row “Non-patented technology”, please fill in the amount paid or received for transactions of the ownership of non-patented technology.

21) For the 11th row “Trademark”, please fill in the amount paid or received for transactions of the ownership of trademarks.

22) For the 12th row “Copyright”, please fill in the amount paid or received for transactions of the ownership of copyrights.

23) For the 13th row “Others”, please fill in the amount paid for the transfer in of ownership of other intangibles not listed above but in the accounts of “Intangible assets,” as well as the amount received for the transfer out of ownership of other intangibles not listed above but in the accounts of “Non-operating income.”

24) For the 14th row “In these transactions: _”, please specify the amount paid for the transfer in, or the amount received for the transfer out, of ownership of intangibles. (This row is supplementary to the 13th row “Others”.)

25) For the 15th row “sub-total”, please fill in the sum of the ninth, 10th, 11th, 12th, and 13th rows in this Form.

26) For the 16th row “Total”, please fill in the sum of the eighth row and 15th row in this Form. In the 16th Row, the data in the first column should be filled into the first column of the fifth row in Form II; the data in the second column should be filled into the fourth column of the fifth row in Form II; the data in the fourth column should be filled into the seventh column of the fifth row in Form II; the data in the sixth column should be filled into the first column of the sixth row in Form II; the data in the seventh column should be filled into the fourth column of the sixth row in Form II;

and the data in the ninth column should be filled into the seventh column of the sixth row in Form II.

4. Correlations within and among forms:

(1) Correlations within forms:

- 1) First column = second column + third column + fourth column + fifth column
- 2) Sixth column = seventh column + eighth column + ninth column + 10th column
- 3) Eighth row = first row + second row + third row + fourth row + fifth row + sixth row
- 4) 15th row = ninth row + 10th row + 11th row + 12th row + 13th row
- 5) 16th row = eighth row + 15th row

(2) Correlations with other forms:

- 1) First column of the 16th row = first column of the fifth row in Form II
- 2) Second column of the 16th row = fourth column of the fifth row in Form II
- 3) Fourth column of the 16th row = seventh column of the fifth row in Form II
- 4) Sixth column of the 16th row = first column of the sixth row in Form II
- 5) Seventh column of the 16th row = fourth column of the sixth row in Form II
- 6) Ninth column of the 16th row = seventh column of the sixth row in Form II

(3) Data output

- 1) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Intangible Assets* (Form V)
- 2) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: the first, fourth, and seventh columns of the fifth and sixth rows in *Summary of Related-Party Transactions* (Form II)

5. The form format

(See below for details)

Intangible Assets (Form V)

Unit: RMB Yuan (rounded to two decimal places)

| Items | | Transfer in | | | | Transfer out | | | | | |
|---------------|-------------------------|--------------------------|---|---------------------------------------|---|---------------------------------------|--------------------------|---|---------------------------------------|---|---------------------------------------|
| | | Total transaction amount | Transfer in of intangible assets from overseas source | | Transfer in of intangible assets from domestic source | | Total transaction amount | Transfer out of intangible assets to overseas recipient | | Transfer out of intangible assets to domestic recipient | |
| | | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction |
| | | 1 = 2 + 3 + 4 + 5 | 2 | 3 | 4 | 5 | 6 = 7 + 8 + 9 + 10 | 7 | 8 | 9 | 10 |
| Right for use | Land use right | | | | | | | | | | |
| | Patent right | | | | | | | | | | |
| | Non-patented technology | | | | | | | | | | |
| | Trademark | | | | | | | | | | |
| | Copyright | | | | | | | | | | |
| | Others | | | | | | | | | | |
| | Sub-total | | | | | | | | | | |
| Ownership | Patent right | | | | | | | | | | |
| | Non-patented technology | | | | | | | | | | |
| | Trademark | | | | | | | | | | |
| | Copyright | | | | | | | | | | |
| | Others | | | | | | | | | | |
| | Sub-total | | | | | | | | | | |
| Total | | | | | | | | | | | |

Preparer (Signature & Stamp):

Legal Representative (Signature & Stamp):

2.1.4.7 Fixed Assets (Form VI)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books as well as non-resident enterprises that have establishments in China and file and pay corporate income taxes on an actual basis. The taxpayers who transfer in or out fixed assets (including use right and ownership) should fill in this Form according to “Manufacturing overhead”, “General and administrative expenses”, “Selling expenses”, “Fixed assets”, “Sales from principal activities”, “Sales from other operations”, and “Non-operating income” as calculated under the accounting system.

3. Functionality

(1) Applicability

This Form is applicable to those taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Fixed Assets

(3) Instructions

- 1) For the first column “Transfer in: Total transaction amount”, please fill in the sum of the second, third, fourth and fifth columns of this Form.
- 2) For the second column “Transfer in of fixed assets from overseas source: Amount of related-party transaction”, please fill in the amounts paid to overseas related parties for ownership or use-rights of fixed assets.
- 3) For the third column “Transfer in of fixed assets from overseas source: Amount of unrelated-party transaction”, please fill in the amounts paid to overseas unrelated parties for ownership or use-rights of fixed assets.
- 4) For the fourth column “Transfer in of fixed assets from domestic source: Amount of related-party transaction”, please fill in the amounts paid to domestic related parties for ownership or use-rights of fixed assets.

- 5) For the fifth column “Transfer in of fixed assets from domestic source: Amount of unrelated-party transaction”, please fill in the amounts paid to domestic unrelated parties for ownership or use-rights of fixed assets.
- 6) For the sixth column “Transfer out: Total transaction amount”, please fill in the sum of the seventh, eighth, ninth, and 10th columns of this Form.
- 7) For the seventh column “Transfer out of fixed assets to overseas recipient: Amount of related-party transaction”, please fill in the amounts received from overseas related parties for ownership or use-rights of fixed assets.
- 8) For the eighth column “Transfer out of fixed assets to overseas recipient: Amount of unrelated-party transaction”, please fill in the amount received from overseas unrelated parties for ownership or use-rights of fixed assets.
- 9) For the ninth column “Transfer out of fixed assets to domestic recipient: Amount of related-party transaction”, please fill in the amounts received from domestic related parties for ownership or use-rights of fixed assets.
- 10) For the 10th column “Transfer out of fixed assets to domestic recipient: Amount of unrelated-party transaction”, please fill in the amounts received from domestic unrelated parties for ownership or use-rights of fixed assets.
- 11) For the first row “Buildings”, please fill in rental expenses or income for renting or leasing buildings.
- 12) For the second row “Aircraft, trains, ships, machines, and other equipment”, please fill in rental expenses or income for renting or leasing aircraft, trains, ships, machines, and other equipment.
- 13) For the third row “Equipment, tools, and furniture related to production and operation”, please fill in rental expenses or income for renting or leasing equipment, tools, and furniture related to production and operation.
- 14) For the fourth row “Transportation vehicles other than aircraft, trains, and ships”, please fill in the rental expenses or income for renting or leasing transportation vehicles other than aircraft, trains, and ships.
- 15) For the fifth row “Electronic equipment”, please fill in the rental expenses or income for renting or leasing the electronic equipment.
- 16) For the sixth row “Others”, please fill in the rental expenses or income for renting or leasing other fixed assets not listed above.

- 17) For the seventh row “Sub-total”, please fill in the sum of the first, second, third, fourth, fifth, and sixth rows of this Form.
- 18) For the eighth row “Buildings”, please fill in the income or expenses for property transactions.
- 19) For the ninth row “Aircraft, trains, ships, machines, and other equipment”, please fill in the payment for purchasing aircraft, trains, ships, machines, and other equipment, or the income from selling aircraft, trains, ships, machines, and other equipment.
- 20) For the 10th row “Equipment, tools, and furniture related to production and operation”, please fill in the payment for purchasing equipment, tools, and furniture related to production and operation, or the income from selling the equipment, tools, and furniture related to production and operation.
- 21) For the 11th row “Transportation vehicles other than aircraft, trains, and ships”, please fill in the payment for purchasing transportation vehicles other than aircraft, trains, and ships, or the income from selling transportation vehicles other than aircraft, trains, and ships.
- 22) For the 12th row “Electronic equipment”, please fill in the payment for purchasing electronic equipment or the income from selling electronic equipment.
- 23) For the 13th row “Others”, please fill in the payment for purchasing other fixed assets not listed above or the income from selling other fixed assets not listed above.
- 24) For the 14th row “Sub-total”, please fill in the sum of the ninth, 10th, 11th, 12th, and 13th rows.
- 25) For the 15th row “Total”, please fill in the sum of the eighth row and the 14th row in this Form; for the 15th Row, the data in the first column should be filled into the first column of the seventh row in Form II; the data in the second column should be filled into the fourth column of the seventh row in Form II; the data in the fourth column should be filled into the seventh column of the seventh row in Form II; the data in the sixth column should be filled into the first column of eighth row in Form II; the data in the seventh column should be filled into the fourth column of the eighth row in Form II; and the data in the ninth column should be filled into the seventh column of the eighth row in Form II.

4. Correlations within and among forms:

(1) Correlations within forms:

- 1) First column = second column + third column + fourth column + fifth column
- 2) Sixth column = seventh column + eighth column + ninth column + 10th column
- 3) Seventh row = first row + second row + third row + fourth row + fifth row + sixth row
- 4) 14th row = ninth row + 10th row + 11th row + 12th row + 13th row
- 5) 15th row = seventh row + 14th row

(2) Correlations with other forms

- 1) First column of the 15th row = the first column of the seventh row in Form II
- 2) Second column of the 15th row = the fourth column of the seventh row in Form II
- 3) Fourth column of the 15th row = the seventh column of the seventh row in Form II
- 4) Sixth column of the 15th row = the first column of the eighth row in Form II
- 5) Seventh column of the 15th row = the fourth column of the eighth row in Form II
- 6) Ninth column of the 15th row = the seventh column of the eighth row in Form II

(3) Special requirements

N/A

(4) Data output

- 1) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Fixed Assets* (Form VI)
- 2) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: the first, fourth, and seventh columns of the seventh and eighth rows in *Summary of Related-Party Transactions* (Form II)

5. The form format

(See below for details)

Fixed Assets (Form VI)

Unit: RMB Yuan (rounded to two decimal places)

| Items | | Transfer in | | | | Transfer out | | | | | |
|---------------|---|--------------------------|--|---------------------------------------|--|---------------------------------------|--------------------------|--|---------------------------------------|--|---------------------------------------|
| | | Total transaction amount | Transfer in of fixed assets from overseas source | | Transfer in of fixed assets from domestic source | | Total transaction amount | Transfer out of fixed assets to overseas recipient | | Transfer out of fixed assets to domestic recipient | |
| | | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction |
| | | 1 = 2 + 3 + 4 + 5 | 2 | 3 | 4 | 5 | 6 = 7 + 8 + 9 + 10 | 7 | 8 | 9 | 10 |
| Right for use | Buildings | | | | | | | | | | |
| | Aircraft, trains, ships, machines, and other equipment | | | | | | | | | | |
| | Equipment, tools, and furniture related to production and operation | | | | | | | | | | |
| | Transportation vehicles other than aircraft, trains, and ships | | | | | | | | | | |
| | Electronic equipment | | | | | | | | | | |
| | Others | | | | | | | | | | |
| | Sub-total | | | | | | | | | | |
| Ownership | Buildings | | | | | | | | | | |
| | Aircraft, trains, ships, machines, and other equipment | | | | | | | | | | |
| | Equipment, tools, and furniture related to production and operation | | | | | | | | | | |
| | Transportation vehicles other than aircraft, trains, and ships | | | | | | | | | | |
| | Electronic equipment | | | | | | | | | | |
| | Others | | | | | | | | | | |
| | Sub-total | | | | | | | | | | |
| Total | | | | | | | | | | | |

Preparer: (Signature & Stamp)

Legal Representative (Signature & Stamp)

2.1.4.8 Financing (Form VII)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books as well as to non-resident enterprises that have establishments in China and file and pay corporate tax on an actual basis. Enterprises that receive debt investment from related parties or that provide debt investment to related parties should fill in this Form. Debt investments include those occurring in the current year and those that occurred in previous reporting years and continue into the current reporting year. General enterprises should fill in the Form according to “Short-term borrowings”, “Long-term borrowings”, “Other receivables”, “Accrued interest” and “Financial expenses” as calculated under the accounting system, while financial enterprises should fill this Form according to “Placements with banks”, “Loan and receivables”, “Issuance of Deposit Certificates and Inter-bank borrowing”, “Bonds issued”, “Operating income” and “Operating expenses”.

3. Functionality

(1) Applicability

This Form is applicable to taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Financing

(3) Instructions

1) The ratio of debt investment received by the enterprise from related parties to equity investment received by the enterprise = the annual sum of monthly average debt investment amount from related parties / the annual sum of monthly average equity investment amount, where the monthly average debt investment amount from related parties = (book balance of debt investment from related parties at the beginning of the month + book balance at the end of the month) / 2; and the monthly average equity investment = (book balance of equity investment at the beginning of the month + book balance at the end of the month) / 2.

2) For fixed term financing, please fill in according to each financing arrangement. “Financing in” and “Financing out” items for the same related party should be filled into different rows. When the item “Financing amount: Financing in” is filled, “Financing amount: Financing out” and “Accrued interest income” in the same row cannot be filled in; and when the item “Financing amount: Financing out” is filled, “Financing amount: Financing in” and “Accrued interest expenses” in the same row cannot be filled in.

3) For “Country / region”, please fill in the name of the country or region where the overseas related party is located.

4) For “Interest rate”, please fill in the annual interest rate for financing.

5) For “Accrued interest expense” or “Accrued interest income”, please fill in the amount of accrued interest expense or accrued interest income on an accrual basis. Accrued interest expense should include capitalised interest expense.

6) If the amount is denominated in foreign currency, please convert it to RMB based on the median rate of the RMB exchange rates on the last day of the taxable year.

7) For debt investments provided by related parties through independent third parties or debt investments provided to related parties through independent third parties, “Name of overseas related party” or “Name of domestic related party” should be filled in with the names of the related parties. For debt investment provided by independent third parties and guaranteed by related parties with joint liability, “Name of overseas related party” or “Name of domestic related party” and “Name of guarantor” should be filled in with the names of the related parties.

4. Correlations within and among forms:

(1) Correlations within forms:

1) Overseas Sub-total = Overseas Fixed term financing + Overseas Others in total

2) Domestic Sub-total = Domestic Fixed term financing + Domestic Others in total

3) Total = Overseas Sub-total + Domestic Sub-total

(2) Correlations with other forms

1) “Total” of the “Overseas Accrued interest expenses” column = Fourth column of “Accrued interest expenses of financing” in Form II “*Summary of Related-party Transactions*”

2) “Total” of the “Domestic Accrued interest expenses” column = Seventh column of “Accrued interest expenses of financing” in Form II “*Summary of Related-party Transactions*”

3) “Total” of the “Overseas Accrued interest income” column = Fourth column of “Accrued interest income from financing” in Form II “*Summary of Related-party Transactions*”

4) “Total” of the “Domestic Accrued interest income” column = Seventh column of “Accrued interest income from financing” in Form II “*Summary of Related-party Transactions*”

(3) Special requirements

1) The name of the overseas or domestic related party will be automatically inputted from “Related-Party Relationships” (Form I) (integrated with obscurity filter function for quick positioning). The rows will adjust automatically according to the content (a button for adding or deleting rows should be added). The corresponding “Country/Region” will be inputted automatically, too.

2) “Country/Region” should be inputted using the drop-down menu (with the obscurity filter function for quick positioning by country codes, Pinyin consonants and Chinese characters among others). Country codes will be maintained by the State Administration of Taxation.

3) “Currency” should be inputted in the same way as “Country / Region”; currency codes are maintained by the State Administration of Taxation.

4) “Name of guarantor” should be inputted in the same way as “Name of overseas related-party” and “Name of domestic related-party”.

5) “Interest rate” and “Guaranty fee rate” should be in percentage form, and should be rounded to four decimal places (e.g. 1.4588%).

(4) Data output

1) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Financing* (Form VII)

2) To generate information on the corresponding fourth and seventh columns under “Accrued interest income from financing” and “Accrued interest expenses of financing” in *Summary of Related-Party Transactions* (Form II) of the Enterprise Annual Reporting Forms for Related-Party Transactions

5. The form format

(See below for details)

Financing (Form VII)

The ratio of debt investment received from related parties to equity investment received:

Unit: RMB Yuan (rounded to two decimal places)

| | Name of overseas related party | Country / region | Currency | Financing amount | | Interest rate | Financing start and end date | Accrued interest expenses | Accrued interest income | Name of guarantor | Guarantee fee | Guarantee fee rate |
|----------------------|--------------------------------|------------------|----------|------------------|---------------|---------------|------------------------------|---------------------------|-------------------------|-------------------|---------------|--------------------|
| | | | | Financing in | Financing out | | | | | | | |
| Fixed term financing | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Others in total | — | — | — | | — | — | — | | — | — | | — |
| | — | — | — | — | | — | — | — | | — | | — |
| Sub-total | | — | — | | | — | — | | | — | | — |
| | Name of domestic related party | Country / region | Currency | Financing amount | | Interest rate | Financing start and end date | Accrued interest expenses | Accrued interest income | Name of guarantor | Guarantee fee | Guarantee fee rate |
| | | | | Financing in | Financing out | | | | | | | |
| Fixed term financing | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Others in total | — | — | — | | — | — | — | | — | — | | — |
| | — | — | — | — | | — | — | — | | — | | — |
| Sub-total | | — | — | | | — | — | | | — | | — |
| Total | | — | — | | | — | — | | | — | | — |

Preparer: (Signature & Stamp)

Legal Representative (Signature & Stamp)

2.1.4.9 Outbound Investment (Form VIII)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books. All Chinese resident enterprises who own shares of an enterprise located in a foreign country (region) during the reporting year must also fill in this form. Ordinary enterprises should fill in this Form according to the "Long-term equity investment" calculated under the accounting system. Financial enterprises should fill in this Form according to "Investments in subsidiaries" and "Investments in associates and joint ventures".

3. Functionality

(1) Applicability

This Form is applicable to taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Outbound Investment

(3) Instructions

- 1) For "Basic Information of Invested Foreign Enterprise", please fill in the basic information of the foreign enterprise invested by the taxpayer. When the current form is completed and saved, the following system pop-up will appear: "Is there any additional information of invested foreign enterprises that needs to be filled in?" Where the taxpayer invests in more than one foreign enterprise, additional forms of *Outbound Investment* (Form VIII) need to be added and filled in for each invested foreign enterprise.
- 2) For "Exchange Rate to RMB", please fill in the median rate of the exchange rate of the reporting currency to RMB as at December 31 of the taxable year.
- 3) For "Information on Total Share of Invested Foreign Enterprises" and "Information on Shares held by Investment Enterprise in Invested Foreign Enterprise", please fill in the total amount of shares of the foreign enterprise and amount of shares held by the

investment enterprise by share type and timing of shares held. Share types include: common shares with voting rights, common shares without voting rights, preferred shares, and other equity capital of a similar nature.

4) "Foreign Enterprises" in this Form also applies to enterprises incorporated in Hong Kong SAR, Macau SAR and Taiwan.

4. Correlations within and among forms:

(1) Correlations within forms

1) Sixth column in "Information on Total Share of Invested Foreign Enterprise" and "Information on Shares held by Investment Enterprise in Invested Foreign Enterprise" = fifth column / first column

2) Ninth column (Profit After Income Tax) in "V. Annual Income Tax Payable by the Invested Foreign Enterprise" = seventh column (Taxable Income) - eighth column (Income Tax Actually Paid)

3) 10th column (Effective Tax Rate) in "V. Annual Income Tax Payable by the Invested Foreign Enterprise" = eighth column (Income Tax Actually Paid) / seventh column (Taxable Income)

4) 14th column (Percentage) in "VII. Annual Dividend Distribution of the Invested Foreign Enterprise" = 13th column (Dividends Distributed During the Year) / 12th column (Distributable Dividends for the Year)

(2) Correlations with other forms: N/A

(3) Special requirements

1) "Basic Information of the Enterprise" can be automatically inputted by "Tax Registration Information".

2) Company name, taxpayer identification number, legal representative and registered address in "Basic Information of Invested Foreign Enterprise" can be automatically inputted by the *Related-Party Relationships* (Form I) (integrated with obscurity filter function for quick positioning) or added manually. Use the drop-down menu to select the reporting currency (integrated with obscurity filter function for quick positioning). The currency code will be maintained by the State Administration of Taxation.

3) For the “Information on Total Share of Invested Foreign Enterprises” and “Information on Shares held by Investment Enterprise in Invested Foreign Enterprise”: Use the drop-down menu to select the types of shares (including common shares with voting rights, common shares without voting rights, preferred shares, and other equity capital of a similar nature). The row will automatically be adjusted according to the contents (a button for adding or deleting rows should be added).

4) For the “Information on All Shareholders of Invested Foreign Enterprise”: Name of Shareholder and taxpayer identification number can be automatically inputted from *Related-Party Relationships* (Form I) (integrated with an obscurity filter function for quick positioning) or added manually (when the shareholders are not included in *Related-Party Relationships* (Form I). “Country/Region” should be inputted by using the drop-down menu (with the obscurity filter function for quick positioning by country codes, Pinyin consonants and Chinese characters among others). Country codes will be maintained by the State Administration of Taxation. “Types of shares” should be inputted in the same way as the “Types of shares” in “Information on Total Shares of Invested Foreign Enterprise”. The rows to fill in the names of shareholders can be automatically adjusted according to the contents (a button for adding or deleting rows should be added).

5) Data (name of shareholder, taxpayer identification number, and country/region) in the "Information on All Shareholders of Invested Foreign Enterprise" that have been inputted and saved successfully can be inputted automatically into the additional *Outbound Investment* (Form VIII) (if there are more than one invested foreign enterprises).

6) When completing the form, the relevant information can be exported from the previous saved data, which can also be added, deleted, and modified manually.

(4) Data output

1. To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Outbound Investment* (Form VIII)

5. The form format

(See below for details)

Outbound Investment (Form VIII)

Unit: RMB Yuan (rounded to two decimal places)

| I. Basic Information of Investment Enterprise | | | | | |
|--|--------------------------|-----------------------------|---|--|----------------------------|
| Company name | | | Taxpayer identification no. | | |
| Registered address | | | Legal representative | | |
| II. Basic Information of Invested Foreign Enterprise | | | | | |
| Company name | | | Taxpayer identification no. | | |
| Registered address | | | Legal representative | | |
| Principal place of operation | | | Date of establishment | | |
| Address of legal representative | | | Reporting currency | | |
| Core business scope | | | Exchange rate for RMB | | |
| | | | Start/end of the taxable year | | |
| Information on Total Shares of Invested Foreign Enterprises | | | Information on Shares Held by Investment Enterprise in Invested Foreign Enterprises | | |
| Total No. of Shares | Start/End Date | Types of Shares | Start/End Date | No. of Shares Owned | Percentage of Shares Owned |
| 1 | 2 | 3 | 4 | 5 | 6 = 5/1 |
| | | | | | |
| | | | | | |
| | | | | | |
| III. Is the Invested Foreign Enterprise Located in a Non-low Tax Rate Country or Region as Designated by the State Administration of Taxation? Yes <input type="checkbox"/> No <input type="checkbox"/> | | | | | |
| IV. Does the annual profit of the invested foreign enterprise not exceed RMB 5 million? Yes <input type="checkbox"/> No <input type="checkbox"/> | | | | | |
| V. Annual Income Tax Payable of the Invested Foreign Enterprise | | | | | |
| Taxable Income | Income Tax Actually Paid | Profit After Income Tax | Effective Tax Rate | Statutory Income Tax Rate of Invested Enterprise | |
| 7 | 8 | 9 = 7-8 | 10 = 8/7 | 11 | |
| | | | | | |
| VI. Information on All Shareholders of the Invested Foreign Enterprise | | | | | |
| Name of Shareholder | Country / Region | Taxpayer Identification No. | Types of Shares | Start/End Date | Percentage of Total Shares |
| | | | | | |
| | | | | | |

Outbound Investment (Form VIII) (Continued)

Unit: RMB Yuan (rounded to two decimal places)

| VII. Annual Income Statement of Invested Foreign Enterprise | | VIII. Balance Sheet of Invested Foreign Enterprise | |
|---|---------------------------------------|---|------------|
| Items | Amount | Items | Amount |
| Total Income | | Cash | |
| Cost | | Accounts Receivable | |
| Gross Profit | | Inventories | |
| Dividend Income | | Other Current Assets | |
| Interest Income | | Loans to Shareholders and other Related Parties | |
| Rental, Royalty Income | | Investments in Affiliates | |
| Income/Loss from Transfer of Property | | Other Investments | |
| Other Income | | Buildings and other Depreciable Property | |
| Deductible Compensation Expenses | | Land | |
| Rental and Royalty Expenses | | Intangible Assets | |
| Interest Payments | | Other Assets | |
| Depreciation | | Total Assets | |
| Taxes | | Accounts Payable | |
| Other Deductible Items | | Other Current Liabilities | |
| Annual Total Income | | Loans from Shareholders and Other Related parties | |
| | | Other Liabilities | |
| | | Share capital | |
| | | Undistributed profit | |
| | | Total Liability | |
| IX. Dividend Distribution of the Invested Foreign Enterprise | | | |
| Distributable Dividends for the Year | Dividends Distributed During the Year | | Percentage |
| 12 | 13 | | 14 = 13/12 |
| | | | |

Preparer: (Signature & Stamp)

Legal Representative (Signature & Stamp)

2.1.4.10 Outbound Payments (Form IX)

1. Policy rationale

Article 43 of the *PRC Corporate Income Tax Law*

2. Description

This Form applies to resident enterprises whose tax is levied according to accounting books as well as to non-resident enterprises that have establishments in China and file and pay corporate income taxes on an actual basis. Enterprises involved in any outbound payments should fill in this Form accordingly. Taxpayers can fill in this form according to the relevant accounts as calculated under the accounting system.

3. Functionality

(1) Applicability

This Form is applicable to taxpayers who meet the annual filing requirements for enterprises whose tax is levied according to accounting books.

(2) Data input

Outbound Payments

(3) Instructions

1) For “Outbound Payments for the Current Year”, please fill in the amount of outbound payments actually paid in the current taxable year, including the amount not yet paid but already accrued in costs or expenses in the current taxable year.

2) For the first row “Dividend”, please fill in the return on investment paid to equity investors.

3) For the second row “Interest”, please fill in the return on investment paid to debt investors.

4) For the third row “Rent”, please fill in the payments made to overseas lessors for rights for use of tangible assets such as fixed assets, etc.

5) For the fourth row “Royalties”, please fill in the overseas royalty payments for the use of patent, non-proprietary technology, trademark, copyrights, etc.

6) For the fifth row “Asset transfer expenses”, please fill in the overseas payment for obtaining the ownership of various assets.

7) For the sixth row “Commission”, please fill in the payments made to overseas third parties who provided referrals for suppliers or customers, including commission, handling charges, rebates, etc.

8) For the seventh row “Design fees”, please fill in the amounts paid to overseas commissioned parties for design of architecture, construction, system, software, etc.

9) For the eighth row “Consulting fees”, please fill in the fees paid for the receipt of overseas consulting services.

10) For the ninth row “Training fees”, please fill in the fees paid overseas for the receipt of training with respect to business skills, professional knowledge, system operation, equipment operation, etc.

11) For the 10th row “Management service fees”, please fill in the fees paid overseas for the receipt of the various kinds of management services.

12) For the 11th row “Contractor fees”, please fill in the fees paid overseas for the receipt of contracted assembly, exploration services, etc.

13) For the 12th row “Construction and installation fees”, please fill in the fees paid overseas for the receipt of construction, installation services, etc.

14) For the 13th row “Artistic and Athletic Performance fees”, please fill in the fees paid for literary or sports performances by overseas performing groups or individuals within China.

15) For the 14th row “Certification and testing fees”, please fill in the fees paid overseas for the receipt of accreditation, certification, product testing services, etc.

16) For the 15th row “Market development fees”, please fill in the fees paid overseas for the receipt of market development, expansion, penetration services, etc.

17) For the 16th row “After-sales service fees”, please fill in the fees paid overseas for the receipt of after-sales services such as product inspection, repair, maintenance, etc.

18) For the 17th row “Others”, please fill in the fees paid for services which cannot be classified into the above categories.

19) “Including ___”: is a supplement to the 17th row "Others". Please fill in the detailed items that account for more than 15% of the amount in “Others”.

20) For “Total”, please fill in the sum total of the first through 17th rows.

4. Correlations within and among forms:

(1) Correlations within forms:

N/A

(2) Correlations with other forms:

N/A

(3) Special requirements

1) “Whether entitled to preferential tax treatment under tax treaties” can be chosen by ticking “Yes” or “No”.

2) The row “Including___” under “17: Others” is a supplement for item “Others” that will adjust automatically according to the content (a button for adding or deleting rows should be added).

(4) Data output

1) To generate information on the Enterprise Annual Reporting Forms for Related-Party Transactions: *Outbound Payments* (Form IX)

5. The form format

(See below for details)

Outbound Payments (Form IX)

Unit: RMB Yuan (rounded to two decimal places)

| Item | Outbound Payments for the Current Year | Including: Outbound Payments to Overseas Related Parties | Withholding Income Tax Paid | Whether Entitled to Preferential Tax Treatment under Tax Treaties |
|--|--|--|-----------------------------|---|
| 1. Dividends | | | | |
| 2. Interest | | | | |
| 3. Rental | | | | |
| 4. Royalties | | | | |
| Including: Trademark payments | | | | |
| Technology license fees | | | | |
| 5. Asset transfer expenses | | | | |
| 6. Commissions | | | | |
| 7. Design fees | | | | |
| 8. Consulting fees | | | | |
| 9. Training fees | | | | |
| 10. Management service fees | | | | |
| 11. Contractor fees | | | | |
| 12. Construction and installation fees | | | | |
| 13. Artistic and athletic performance fees | | | | |
| 14. Certification or testing fees | | | | |
| 15. Market development fees | | | | |
| 16. After-sales service fees | | | | |
| 17. Others | | | | |
| Including: | | | | |
| | | | | |
| Total | | | | |

Preparer: (Signature & Stamp)

Legal Representative (Signature & Stamp)

III. Statistical Queries Requirements

4 Statistical Queries

4.4 Integrated queries into Related-Party Transactions Reporting Forms

(1) Functionality

A module for queries of the related-party transactions reporting forms has been added, so as to allow statistical queries into individual data as well as data classified by types of the taxpayers reporting related-party transactions.

(2) Input criteria

- 1) “Year”: mandatory item (a period can be set, for example, FY2008-2009);
- 2) “Taxpayer Identification No.” (tax registration information): non-mandatory item;
- 3) “Name of Taxpayer” (tax registration information): non-mandatory item;
- 4) “Status of Taxpayer” (tax registration information): non-mandatory item;
- 5) “Year of Starting Business (tax registration information): non-mandatory item, and corresponds to “Year and Date of Starting (Establishing) Business”;
- 6) “Industry” (tax registration information): non-mandatory item with multiple choices (expandable at multi-levels) and corresponds to “Main industry – international standard”;
- 7) “Registration type” (tax registration information): non-mandatory item with multiple choices;
- 8) “Whether contemporaneous documentation has been prepared” (See “*Summary of Related-Party Transactions* (Form II)”): non-mandatory item (Yes, No or N/A);
- 9) “Whether there is a Cost Sharing Agreement in place” (See “*Summary of Related-Party Transactions* (Form II)”): non-mandatory item (Yes, No or N/A);
- 10) “Exemption from preparing contemporaneous documentation for the current year” (See “*Summary of Related-Party Transactions* (Form II)”): non-mandatory item (Yes, No or N/A).

(3) Output results for the following items

The year, the taxpayer identification number, name of taxpayer, status of taxpayer,

the year of starting business, the industry, registration type, whether contemporaneous documentation has been prepared, whether there is a Cost Sharing Agreement in place, exemption from preparing contemporaneous documentation for the current year, operating income, cost of sales, business taxes and surcharges, selling expenses, general and administrative expenses, financial expenses, asset impairment losses, earnings from the changes of the fair value, investment income, operating profit, net value of non-operating income and expenses, total profit, total amount of related-party transactions, total amount of purchases, total amount of sales, the amount of related-party transactions for contracted processing, the amount of non-related-party transactions for contracted processing, total service income, total service payment, total amount of related-party transactions for intangible assets transferred in, total amount of related-party transactions for intangible assets transferred out, total amount of related-party transactions for fixed assets transferred in, total amount of related-party transactions for fixed assets transferred out, debt to equity ratio, total amount of accrued interest payments to related parties, the amount of accrued interest payments for overseas related-party financing, total amount of accrued interest income from related parties, amount of accrued interest income for overseas related-party financing, total guaranty amount, overseas guaranty amount, the distributable dividends of invested foreign enterprises, the actual amount of dividends distributed by invested foreign enterprises, total outbound payments, and total outbound payments to related parties.

1) “Operating income” is derived from the first row of the *Annual Income Tax Return of People's Republic of China (Type A)*;

2) “Cost of sales” is derived from the second row of the *Annual Income Tax Return of People's Republic of China (Type A)*;

3) “Business taxes and surcharges” is derived from the third row of the *Annual Income Tax Return of People's Republic of China (Type A)*;

4) “Operating expenses” is derived from the fourth row of *Annual Income Tax Return of People's Republic of China (Type A)*;

5) “General and administrative expenses” is derived from the fifth row of the *Annual Income Tax Return of People's Republic of China (Type A)*;

6) “Financial expenses” is derived from the sixth row of the *Annual Income Tax Return of People's Republic of China (Type A)*;

7) “Asset impairment losses” is derived from the seventh row of the *Annual Income Tax Return of People's Republic of China (Type A)*;

8) “Earnings from the change of the fair value” is derived from the eighth row of the *Annual Income Tax Return of People's Republic of China (Type A)*;

- 9) “Investment income” is derived from the ninth row of the *Annual Income Tax Return of People's Republic of China (Type A)*;
- 10) “Operating profit” is derived from the 10th row of the *Annual Income Tax Return of People's Republic of China (Type A)*;
- 11) “Net value of non-operating income and expenses” is derived by subtracting the value in the 12th row from the value in the 11th row of the *Annual Income Tax Return of People's Republic of China (Type A)*;
- 12) “Total profit” is derived from the 13th row of the *Annual Income Tax Return of People's Republic of China (Type A)*;
- 13) “Total amount of related-party transactions” is derived from the sum total of Column 2 of “*Summary of Related-Party Transactions*”;
- 14) “Total amount of purchase” is derived from the value in the first item of “*Purchases and Sales*”;
- 15) “Total amount of sales” is derived from the value in the eighth item of “*Purchases and Sales*”;
- 16) “The amount of related-party transactions for contracted processing” is derived from “Amount of related-party sales” of “Contracted processing” under “2. Overseas sales by export type” in “*Purchases and Sales*”;
- 17) “The amount of non-related party transaction for contracted processing” is derived from “Amount of unrelated-party sales” of “Contracted processing” under “2. Overseas sales by export type” in “*Purchases and Sales*”;
- 18) “Total service income” is derived from the value in the first item of “*Services*”;
- 19) “Total service payments” is derived from the value in the eighth item of “*Services*”;
- 20) “Total amount of related-party transactions for intangible assets transferred in” is derived from the sum total of the second column plus the sum total of the fourth column of “*Intangible Assets*”;

- 21) "Total amount of related-party transactions for intangible assets transferred out" is derived from the sum total of the seventh column plus the sum total of the ninth column of "*Intangible Assets*";
- 22) "Total amount of related-party transactions for fixed assets transferred in" is derived from the sum total of the second column plus the sum total of the fourth column of "*Fixed Assets*";
- 23) "Total amount of related-party transactions for fixed assets transferred out" is derived from the sum total of the seventh column and the sum total of the ninth column of "*Fixed Assets*";
- 24) "Debt to equity ratio" is derived from "The ratio of debt investment received from related parties to equity investment received: ___" in "*Financing*";
- 25) "Total amount of accrued interest payment to related parties" is derived from the "Total" of "Accrued interest expense" in "*Financing*";
- 26) "The amount of accrued interest payments for overseas related-party financing" is derived from the "Sub-total" of "Accrued interest expense" under "Fixed-term financing from overseas related parties" in "*Financing*" (the "Sub-total" of the first half items of the form);
- 27) "Total amount of accrued interest income from related parties" is derived from the "Total" of "Accrued interest income" in "*Financing*";
- 28) "The amount of accrued interest income for overseas related-party financing" is derived from the "Sub-total" of the "Accrued interest income" under "Fixed term financing from overseas related parties" in "*Financing*" (the "Sub-total" of the first half items of the form);
- 29) "Total guaranty amount" is derived from the "Total" of the "Guaranty amount" in "*Financing*";
- 30) "Overseas guaranty amount" is derived from the "Sub-total" of the "Guaranty amount" of "Fixed term financing from overseas related parties" in "*Financing*" (the "Sub-total" of the first half items of the form);
- 31) "Distributable dividends of invested foreign enterprises" is derived from the sum of the 12th items in each separate copy of "*Outbound Investment*" (enterprises invested in several foreign companies are required to fill in separate copies of "*Outbound Investment*");

32) “The actual amount of dividend distributed by the invested foreign enterprise” is derived from the sum of the 13th items in the separate copies of “*Outbound Investment*” (enterprises invested in several foreign companies are required to fill in separate copies “*Outbound Investment*”);

33) “Total outbound payments” is derived from the “Total” for the column of “Outbound Payments for the current year” in “*Outbound Payments*”;

34) “Total outbound payments to overseas related parties” is derived from the “Total” for the column “Including: Outbound Payments to Overseas Related Parties” in “Outbound Payment”;

(4) Others

1) The “authorisation tree” , which will be used to facilitate the categorisation by provinces, prefectures, cities, county and basic collection units (branches), is a mandatory item with multiple choices (combined with CTAIS user authorisation);

2) The columns of data shown can be “hidden” and adjusted (by toggling the display function), and the display mode (the number of columns) can be saved as a template for future output use;

3) The output results should support the function of “sort by multi-selection (integrated sorting)”, to support data export in multiple formats (such as excel \ txt \ db, etc.);

4) The system supports obscurity inquiry;

5) After the output line is positioned, the function of “drilling down” the “Annual Income Tax Returns and Attachment” and “Related-Party Transaction Annual Reporting Forms” is supported by right-clicking the mouse; “The Annual Income Tax Returns and Attachment” can be expanded by a secondary menu, and either a single form or all the forms can be selected and displayed in the option card format; “Related-Party Transaction Annual Reporting Forms” (nine in total) can be expanded by a secondary menu, and either a single form or all the forms can be selected and displayed in the option format; all the “drilled-down” forms should support data export in multiple formats (such as excel).

6) The row “Total” should be designed in the form to sum up each item below: “Operating income”, “Cost of sales”, “Business taxes and surcharges”, “Operating expenses”, “General and administrative expenses”, “Financial expenses”, “Asset impairment losses”, “Earnings from the changes of the fair value”, “Investment income”, “Operating profit”, “Operating income” , “Net value of non-operating income and expenses”, “Total profit”, “Total amount of related-party transactions”, “Total amount of purchases”, “Total amount of sales”, “Amount of related-party transactions for contracted processing”, “Total service income”, “Total service payments”, “Total amount of related-party transactions for intangible assets

transferred in”, “Total amount of related-party transactions for intangible assets transferred out”, “Total amount of related-party transactions for fixed assets transferred in”, “Total amount of related-party transactions for fixed assets transferred out”, “Debt to equity ratio”, “Total amount of accrued interest payments to related parties”, “Amount of accrued interest payments for overseas related-party financing”, “Total amount of accrued interest income from related parties”, “Amount of accrued interest income for overseas related-party financing”, “Total guaranty amount”, “Overseas guaranty amount”, “Distributable dividends of invested foreign enterprises”, “Actual amount of dividends distributed by invested foreign enterprises”, “Total outbound payments”, and “Total outbound payments to related parties”.

4.5 Queries into the Related-Party Transaction Summary Reporting Forms by Types

(1) Functionality

This module for queries into related-party transaction summary reporting forms by type has been added to allow statistical queries into related-party transaction summaries by type as reported by the taxpayers.

(2) Input Criteria

1. “Year”: mandatory item (individual year);
2. “Status of Taxpayer” (tax registration information): non-mandatory item;
3. “Year of Starting Business (tax registration information): non-mandatory item, and corresponds to “Year and Date of Starting (Establishing) Business”;
4. “Industry” (tax registration information): non-mandatory item with multiple choices (expandable at multi-levels) and corresponds to “Main industry – international standard”;
5. “Registration Type” (tax registration information): non-mandatory item with multiple choices;
6. “Whether contemporaneous documentation has been prepared” (See "*Summary of Related-Party Transactions* (Form II)"): non-mandatory item (Yes, No or N/A);
7. “Whether there is a Cost Sharing Agreement in place” (See "*Summary of Related-Party Transactions* (Form II)"): non-mandatory item (Yes, No or N/A);
8. “Exemption from preparing contemporaneous documentation for the current year” (See "*Summary of Related-Party Transactions* (Form II)"): non-mandatory item (Yes, No or N/A);
9. “Debt to equity ratio”: non-mandatory item, self-defined, corresponds to “The ratio of debt investment received from related parties to equity investment received: ___” in “*Financing*”; individual or combined indicator(s) can be customised as “less than, greater than, greater than or equal to, less than or equal to, equal to, greater than or less than”;

(3) Output results

1. *Summary of Related-Party Relationships by Types*

(A) Description of queries: this form is used for making statistical queries into the number of related parties reported by taxpayers that meet the query criteria as categorised by country (region) and by types of related parties (altogether 8 types from A to H).

(B) Instructions:

(a) Number: Automatically generated

(b) The number in related-party relationship type A is the total number of related parties reported as type A. (Categorised by country /region)

(c) “Country/region” derives from the “Country/region” in *Related-Party Relationships*. All countries involved in the reporting should be listed. (No need to list all the countries from county/region code list).

(C) Special explanations:

(a) If one related-party reports several types of related-party relationships at the same time, the related-party relationship type listed foremost should be selected.

(b) The default output paper format is A4. If more forms need to be outputted, for example if one page is not enough to display or output the information, the page number should be inserted as “Page X of Y”.

(D) Correlations within the Form:

(a) “Sub-total” is the sum total of “Related-party relationship type A” through “Related-party relationship type H”.

(b) “Total” is the sum total of each column for the listed country (region) (from “Related-party relationship type A” to “Sub-total”).

(E) The form format (See below for details)

Summary of Related-Party Relationships by Types

In-charge Tax Authority: __ Year: __ Status of Taxpayer: __ Year of Starting Business: _____

Industry: _____ Tax Registration Type: _____

Whether contemporaneous documentation has been prepared for the current year: _____

Whether there is a Cost Sharing Arrangement in place: _____

Exempted from preparing contemporaneous documentation for the current year: _____

| No. | Country (Region) | Related- party relationship type A | Related- party relationship type B | Related- party relationship type C | Related- party relationship type D | Related- party relationship type E | Related- party relationship type F | Related- party relationship type G | Related- party relationship type H | Sub- Total |
|--------------|---------------------|---|---|---|---|---|---|---|---|---------------|
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| Total | | | | | | | | | | |

2. *Summary of Related-Party Transactions by Types*

(A) Description of queries: this form is used for statistical queries into the total amount of data in the *Summary of Related-Party Transactions*, as reported by taxpayers, which meets the query criteria. The “percentage %” is calculated by correlations within the Form, not by summing up, and not added by different items.

(B) Instructions: The data in this summary form is the sum of the data in the corresponding fields in *Summary of Related-Party Transactions* as reported by taxpayers who meet the query criteria.

(C) Special explanations: the “Unit” should be selected from the pull-down menu (with options: in RMB, in thousands of RMB, in ten-thousands of RMB, in millions of RMB, and in hundred millions of RMB). The default unit is “ten-thousands of RMB”.

(D) Correlations within the Form: the same as *Summary of Related-Party Transactions*.

(E) The form format (See below for details)

Summary of Related-Party Transactions by Types

In-charge Tax Authority: __ Year: __ Status of Taxpayer: __ Year of Starting Business: _____

Industry: _____ Tax Registration Type: _____

Whether contemporaneous documentation has been prepared for the current year: _____

Whether there is a Cost Sharing Arrangement in place: _____

Exempted from preparing contemporaneous documentation for the current year: _____

Unit: _____

| Type of Transactions | Total | Related-Party Transactions | | Overseas Related-Party Transactions | | | Domestic Related-Party Transactions | | |
|--|--------|----------------------------|--------------|-------------------------------------|--------------|--------------|-------------------------------------|--------------|--------------|
| | Amount | Amount | Percentage % | Amount | Percentage % | Percentage % | Amount | Percentage % | Percentage % |
| | 1 | 2 = 4 + 7 | 3 = 2/1 | 4 | 5 = 4/1 | 6 = 4/2 | 7 | 8 = 7/1 | 9 = 7/2 |
| Purchase of material (products) | | | | | | | | | |
| Sales of products (material) | | | | | | | | | |
| Service income | | | | | | | | | |
| Service payment | | | | | | | | | |
| Transfer in of intangibles | | | | | | | | | |
| Transfer out of intangibles | | | | | | | | | |
| Transfer in of fixed assets | | | | | | | | | |
| Transfer out of fixed assets | | | | | | | | | |
| Accrued interest income from financing | _____ | | _____ | | _____ | | | _____ | |
| Accrued interest expenses of financing | _____ | | _____ | | _____ | | | _____ | |
| Others | | | | | | | | | |
| Total | | | _____ | | _____ | | | _____ | |

3. *Summary of Purchases and Sales, Services and Financing by Types*

(A) Description of queries: this form is used for statistical queries into the sum total of part of the data in “*Purchases and Sales*”, “*Services*” and “*Financing*” as reported by taxpayers who meet the query criteria.

(B) Instructions: the data in this summary form is the sum total of part of the field values in *Purchases and Sales*, *Services* and *Financing* as reported by taxpayers who meet the query criteria.

(a) The data of the first through 14th items in the first section “Summary of Purchases and Sales” of this summary form is the sum of the data of the same item of the total export sales in Overseas Sales by Export Trade Mode from *Purchases and Sales*.

(b) The data of each item in the “Overseas Sales by Export Trade Mode” in the first section “Summary of Purchases and Sales” of this summary form is the sum of the data of the same item in “2. Overseas Sales by Export Trade Mode” of *Purchases and Sales*.

(c) The data of the first through 14th items in the second section “Summary of Services” of this summary form is the sum of the data of the same item (the first through 14th items) in *Services*.

(d) In the third section “Summary of Overseas and Domestic Fixed Term Financing” of this summary form, “Sub-total 1” of “Financing In”, “Financing Out”, “Accrued interest income”, “Accrued interest expenses” and “Guarantee fee” is derived from the “Sub-total” of “Financing In”, “Financing Out”, “Accrued interest income”, “Accrued interest expenses” and “Guarantee fee” in the first half “Overseas related-party financing” in *Financing*.

(e) In the third section “Summary of Overseas and Domestic Fixed Term Financing” of this summary form, the “Sub-total 2” of “Financing In”, “Financing Out”, “Accrued interest income”, “Accrued interest expenses” and “Guarantee fee” is derived from the “Sub-total” of “Financing In”, “Financing Out”, “Accrued interest income”, “Accrued interest expenses” and “Guarantee fee” in the first half “Domestic related-party financing” in *Financing*.

C) Special explanations: the “Unit” should be selected from the pull-down menu (with options: in RMB, in thousands of RMB, in ten-thousands of RMB, in

millions of RMB, and in hundred millions of RMB). The default unit is “ten-thousands of RMB”;

(D) Correlations within the Form: Total 3 = Sub-total 1 + Sub-total 2;

(E) The form format (See below for details)

Summary of Purchases and Sales, Services and Financing by Types

In-charge Tax Authority: ___ Year: ___ Status of Taxpayer: _____
 Year of Starting Business: _____ Industry: _____ Tax Registration Type: _____
 Whether contemporaneous documentation has been prepared for the current year: _____
 Whether there is a Cost Sharing Arrangement in place: _____
 Exempted from preparing contemporaneous documentation for the current year: _____

Unit:

| 1. Summary of Purchases and Sales | | | | | | |
|--|-----------------------------------|---------------------------------|----------------------------------|--|----------------------------------|--|
| Purchase of material (products) | | Amount | Sale of products (material) | | Amount | |
| Total amount of purchases 1 = 2 + 5 | | | Total amount of sales 8 = 9 + 12 | | | |
| Where: | Import Purchases 2 = 3 + 4 | | Where: | Export Sales 9 = 10 + 11 | | |
| | Where: | From unrelated 3 | | Where: | To unrelated 10 | |
| | | From related 4 | | | To related 11 | |
| | Domestic Purchase 5 = 6 + 7 | | | Domestic Sales 12 = 13 + 14 | | |
| | Where: | From unrelated 6 | | Where: | To unrelated 13 | |
| From related 7 | | To related 14 | | | | |
| Overseas Sales by Export Trade Mode | | | | | | |
| Contract Processing | Amount of Related-Party Sales | Amount of Unrelated-Party Sales | Other Trading Modes | Amount of Related-Party Sales | Amount of Unrelated-Party Sales | |
| | | | | | | |
| 2. Summary of Services | | | | | | |
| Service Income | | Amount | Service Payments | | Amount | |
| Service Income 1 = 2 + 5 | | | Service Payments 8 = 9 + 12 | | | |
| Where: | Overseas service income 2 = 3 + 4 | | Where: | Overseas service payments 9 = 10 + 11 | | |
| | Where: | Income from unrelated parties 3 | | Where: | Payments to unrelated parties 10 | |
| | | Income from related parties 4 | | | Payments to related parties 11 | |
| | Domestic service income 5 = 6 + 7 | | | Domestic service payments 12 = 13 + 14 | | |
| | Where: | Income from unrelated parties 6 | | Where: | Payments to unrelated parties 13 | |
| Income from related parties 7 | | Payments to related parties 14 | | | | |
| 3. Summary of Overseas and Domestic Fixed Term Financing | | | | | | |
| Overseas Fixed Term Investment | Financing amount | | Accrued interest expenses | Accrued interest income | Guarantee fee | |
| | Financing in | Financing out | | | | |
| Sub-total 1 | | | | | | |
| Domestic Fixed Term Investment | Financing amount | | Accrued interest expenses | Accrued interest income | Guarantee fee | |
| | Financing in | Financing out | | | | |
| Sub-total 2 | | | | | | |
| Total 3 | | | | | | |

4. *Summary of Intangible Assets by Types*

(A) Description of queries: This form is used for statistical queries regarding the sum total of the data in *Intangible Assets* as reported by taxpayers who meet the query criteria.

(B) Instructions:

(a) The data of the items in this summary form is the sum total of the respective field items in the *Intangible Assets* as reported by taxpayers who meet the query criteria;

(b) The data of the item “Including: __” in *Intangible Assets* is not included in the summation in this summary form;

(C) Special explanations: the “Unit” should be selected from the pull-down menu (with options: in RMB, in thousands of RMB, in ten-thousands of RMB, in millions of RMB, and in hundred millions of RMB). The default unit is “ten-thousands of RMB”;

(D) Correlations within the Form: the same as *Intangible Assets*;

(E) The Form format (See below for details).

Summary of Intangible Assets by Types

In-charge Tax Authority: __ Year: __ Status of Taxpayer: __ Year of Starting Business: _____

Industry: _____ Tax Registration Type: _____

Whether contemporaneous documentation has been prepared for the current year: _____

Whether there is a Cost Sharing Arrangement in place: _____

Exempted from preparing contemporaneous documentation for the current year: _____

Unit: _____

| Items | | Transfer in | | | | Transfer out | | | | | | | |
|---------------|-------------------------|--------------------------|---|---------------------------------------|---|---------------------------------------|--------------------------|---|---------------------------------------|---|---------------------------------------|-------------------|---|
| | | Total transaction amount | Transfer in of intangible assets from overseas source | | Transfer in of intangible assets from domestic source | | Total transaction amount | Transfer out of intangible assets to overseas recipient | | Transfer out of intangible assets to domestic recipient | | | |
| | | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction | | |
| | | | | | | | | | | | | 1 = 2 + 3 + 4 + 5 | 2 |
| Right for use | Land use right | | | | | | | | | | | | |
| | Patent right | | | | | | | | | | | | |
| | Non-patented technology | | | | | | | | | | | | |
| | Trademark | | | | | | | | | | | | |
| | Copyright | | | | | | | | | | | | |
| | Others | | | | | | | | | | | | |
| | Sub-total | | | | | | | | | | | | |
| Ownership | Patent right | | | | | | | | | | | | |
| | Non-patented technology | | | | | | | | | | | | |
| | Trademark | | | | | | | | | | | | |
| | Copyright | | | | | | | | | | | | |
| | Others | | | | | | | | | | | | |
| | Sub-total | | | | | | | | | | | | |
| Total | | | | | | | | | | | | | |

4. *Summary of Fixed Assets by Types*

(A) Description of queries: This form is used for statistical queries regarding the sum total of the data in *Fixed Assets* as reported by taxpayers who meet the query criteria.

(B) Instructions: The data of the items in this summary form is the sum total of the same field items in *Fixed Assets* as reported by taxpayers who meet the query criteria.

(C) Special explanations: the “Unit” should be selected from the pull-down menu (with options: in RMB, in thousands of RMB, in ten-thousands of RMB, in millions of RMB, and in hundred millions of RMB). The default unit is “in ten-thousands of RMB”.

(D) Correlations with other forms: the same as *Fixed Assets*.

(E) The form format (See below for details).

Summary of Fixed Assets by Types

In-charge Tax Authority: __ Year: __ Status of Taxpayer: _____ Year of Starting Business: _____
 Industry: _____ Tax Registration Type: _____
 Whether contemporaneous documentation has been prepared for the current year: _____
 Whether there is a Cost Sharing Arrangement in place: _____
 Exempted from preparing contemporaneous documentation for the current year: _____

Unit:

| Items | Transfer in | | | | | Transfer out | | | | |
|---------------|--------------------------|---|---------------------------------------|---|---------------------------------------|--------------------------|---|---------------------------------------|---|---------------------------------------|
| | Total transaction amount | Transfer in of intangible assets from overseas source | | Transfer in of intangible assets from domestic source | | Total transaction amount | Transfer out of intangible assets to overseas recipient | | Transfer out of intangible assets to domestic recipient | |
| | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction | | Amount of related-party transaction | Amount of unrelated-party transaction | Amount of related-party transaction | Amount of unrelated-party transaction |
| | 1 = 2 + 3 + 4 + 5 | 2 | 3 | 4 | 5 | 6 = 7 + 8 + 9 + 10 | 7 | 8 | 9 | 10 |
| Right for use | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | Sub-total | | | | | | | | | |
| Owner-ship | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | Sub-total | | | | | | | | | |
| Total | | | | | | | | | | |

5. Summary of Outbound Payments by Types

(A) Description of queries: This form is used for the statistical queries regarding the sum total of the data in *Outbound Payments* as reported by taxpayers who meet the query criteria.

(B) Instructions:

(a) The value in the rows of “Outbound payments for the current year” (first through 17th rows) in this summary form derives from the sum total of the corresponding rows of “Outbound Payments for the Current Year” in *Outbound Payments*;

(b) The value in the rows of “Including: Outbound Payments to Overseas Related Parties” (first through 17th rows) in this summary form derives from the sum total of the corresponding rows of “Including: Outbound Payments to Overseas Related Parties” in *Outbound Payments*;

(c) The value in the rows of “Withholding Income Tax Paid” (first through 17th rows) in this summary form derives from the sum total of the corresponding rows of “Withholding Income Tax Paid” in *Outbound Payments*;

(d) The value in the rows of “Number of Entities Entitled to Preferential Tax Treatment under Tax Treaties” (first through 17th rows) in this summary form derives from the total number in *Outbound Payments*, where the answer of “Whether Entitled to Preferential Tax Treatment under Tax Treaties” is “Yes”;

(C) Special explanations: the “Unit” should be selected from the pull-down menu (with options: in RMB, in thousands of RMB, in ten-thousands of RMB, in millions of RMB, and in hundred millions of RMB). The default unit is “ten-thousands of RMB”;

(D) Correlations with other forms: the same as *Outbound Payments*;

(E) The form format (See below for details).

Summary of Outbound Payments by Types

In-charge Tax Authority: _____ Year: ____ Status of Taxpayer: _____
 Year of Starting Business: ____ Industry: ____ Tax Registration Type: _____
 Whether contemporaneous documentation has been prepared for the current year: _____
 Whether there is a Cost Sharing Arrangement in place: _____
 Exempted from preparing contemporaneous documentation for the current year: _____

Unit:

| Item | Outbound Payments for the Current Year | Including: Outbound Payments to Overseas Related Parties | Withholding Income Tax Paid | Number of Entities Entitled to Preferential Tax Treatment under Tax Treaties |
|--|--|--|-----------------------------|--|
| 1. Dividends | | | | |
| 2. Interest | | | | |
| 3. Rental | | | | |
| 4. Royalties | | | | |
| Including: Trademark payments | | | | |
| Technology license fees | | | | |
| 5. Asset transfer expenses | | | | |
| 6. Commissions | | | | |
| 7. Design fees | | | | |
| 8. Consulting fees | | | | |
| 9. Training fees | | | | |
| 10. Management service fees | | | | |
| 11. Contractor fees | | | | |
| 12. Construction and installation fees | | | | |
| 13. Artistic and athletic performance fees | | | | |
| 14. Certification or testing fees | | | | |
| 15. Market development fees | | | | |
| 16. After-sales service fees | | | | |
| 17. Others | | | | |
| Total | | | | |

6. Summary of Outbound Investment by Types

(A) Description of queries: This form is used for statistical queries into the sum total of part of the data as well as the number of enterprises in *Outbound Investment* as reported by taxpayers who meet the query criteria.

(B) Instructions:

(a) “Whether located in a non-low tax rate country or region as designated by the State Administration of Taxation” of this summary form: non-mandatory item (Yes/No/N/A). Its value corresponds to “III. Is the invested foreign enterprise located in a non-low tax rate country or region as designated by the State Administration of Taxation” in *Outbound Investment*;

(b) “Whether annual profit does not exceed RMB 5 million” of this summary form: non-mandatory item (Yes/No/N/A). Its value corresponds to “IV. Does the annual profit of the invested foreign enterprise not exceed RMB 5 million” in *Outbound Investment*;

(c) “Statutory Income Tax Rate of the Invested Foreign Enterprise” of this summary form: Individual or combined indicator (s) can be customised as “less than, more than, greater than or equal to, less than or equal to, equal to, greater or less than”;

(d) The first item of this summary form, “Number of Enterprises”, refers to the number of taxpayers who meet the input criteria listed in the section “(II) Input criteria” of the Requirements as well as the requirements “(a) ~ (c)” of the “(B) Instructions” in this section;

(e) The second item of this summary form, “Number”, refers to the total number of invested foreign enterprises who meet the input criteria listed in the section “(II) Input criteria” of the Requirements as well as the requirements “(a) ~ (c)” of the “(B) Instructions” in this section;

(f) The third item of this summary form, “Taxable Income”, refers to the total taxable income of the invested foreign enterprises who meet the criteria (as stated in (d) and (e) of “(B) Instructions” in this section), and the total taxable income equals the sum total of the seventh item in *Outbound Investment*;

(g) The fourth item of this summary form, “Income Tax Actually Paid”, refers to the total income tax actually paid by the invested foreign enterprises who meet the criteria (as stated in (d) and (e) of “(B) Instructions” in this section), and the total income tax actually paid equals the sum total of the eighth item in *Outbound Investment*;

(h) The fifth item of this summary form, “Profit After Income Tax”, refers to the total profit after income tax of the invested foreign enterprises who meet the criteria (as stated in (d) and (e) of “(B) Instructions” in this section), and the total profit after income tax equals the sum total of the ninth item in *Outbound Investment*;

(i) The sixth item of this summary form, “Effective Tax Rate”, equals the fourth item of this summary form / the third item of this summary form;

(j) The seventh item of this summary form, “Distributable Dividends”, refers to the total distributable dividends of the invested foreign enterprises who meet the criteria (as stated in (d) and (e) of “(B) Instructions” in this section), and the total distributable dividends equals the sum total of the 12th item in *Outbound Investment*;

(k) The eighth item of this summary form, “Dividends Distributed”, indicates the total dividends distributed by the invested foreign enterprises who meet the criteria (as stated in (d) and (e) of “(B) Instructions” in this section), and the total dividends distributed equals the sum total of the 13th item in *Outbound Investment*;

(l) The ninth item of this summary form, “Percentage %” equals the eighth Item of this summary form “Dividends Distributed” / the seventh item of this summary form “Distributable Dividends”.

(C) Special explanations:

(a) The “Unit” should be selected from the pull-down menu (with options: in RMB, in thousands of RMB, in ten-thousands of RMB, in millions of RMB, and in hundred millions of RMB). The default unit is “ten-thousands of RMB”;

(b) In addition to “(II) Input criteria” in the second section of the Requirements, three criteria must be included in this summary form: “Whether located in a non-low tax rate country or region as designated by the State Administration of Taxation”, “Whether annual profit does not exceed RMB 5 million”, and “Statutory Income Tax Rate of the Invested Foreign Enterprise”.

(D) Correlations within the Form:

Fifth item = third item – fourth item

Sixth item = fourth item / third item

Ninth item = eighth item / seventh item

(E) The form format (See below for details)

Summary of Outbound Investment by Types

In-charge Tax Authority: __ Year: __ Status of Taxpayer: __ Year of Starting Business: _____
 Industry: _____ Tax Registration Type: _____
 Whether contemporaneous documentation has been prepared for the current year: _____
 Whether there is a Cost Sharing Arrangement in place: _____
 Exempted from preparing contemporaneous documentation for the current year: _____
 Whether located in a non-low tax rate country or region as designated by the SAT: _____
 Whether annual profit does not exceed RMB 5 million: _____
 Statutory Income Tax Rate of Invested Foreign Enterprise: _____

Unit:

| Number of Enterprises 1 | Information of the Invested Foreign Enterprise | | | | | Dividends information | | |
|----------------------------|--|---------------------|-------------------------------|------------------------------------|-------------------------------|------------------------------|----------------------------|-------------------------|
| | Number 2 | Taxable Income 3 | Income Tax Actually Paid 4 | Profit After Income Tax 5 = 3-4 | Effective Tax Rate 6 = 4/3 | Distributable Dividends 7 | Dividends Distributed 8 | Percentage % 9 = 8/7 |
| | | | | | | | | |

(4) Others

1. The “authorisation tree” is to be used to facilitate the categorisation by province, prefecture, city, county and basic collection units (branches), and is a mandatory item with multiple choices (combined with CTAIS user authorisation). The selection will be listed in the header “In-charge Tax Authority”.
2. The set query criteria can be saved in local systems for future output and use.
3. The system supports the query data export in multiple formats (such as excel or txt).
4. All the Summary forms mentioned above can be generated individually and collectively at the same time. If multiple forms are generated at the same time, they should be displayed in the “options card” (bookmark page) format.

This is a translation only. In case of discrepancy, the original version in Chinese shall prevail.