

Supplementary Notice of the 2008 CIT Filing

Circular Guoshuihan [2009] No. 134

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:

Enterprises involved in related party transactions should fulfil the obligation of annual related party transaction reporting according to the provisions in the CIT law and its Implementation Rules. The tax authorities in all the provinces and cities should follow the relevant provisions in *Circular of the State Administration of Taxation on Printing and Issuing the Annual Reporting Forms on the Related Party Transactions of Enterprises of the People's Republic of China* (Circular Guoshuifa (2008) Number 114); *The Implementation Measures of Special Taxation Adjustments* (Circular Guoshuifa (2008) Number 2); and *Circular of the State Administration of Taxation on the Issuance of "Requirements for the Enterprise Related Party Transaction Annual Reporting Forms (2008 version)"* (Circular Guoshuihan (2009) Number 72), to incorporate annual related party transaction reporting in the annual filing. This practice should be organized and deployed on a unified basis, and the internal training as well as the external communication and guidance should be conducted in the same way. The coordination and cooperation between the income tax administration department and the international tax administration department should be reinforced, and the review and evaluation of related party transaction filing after the annual filing should be done properly, so as to ensure a successful completion of 2008 annual filing.

March 17, 2009