

**Notice from the Guangzhou Municipal Office of the State
Administration of Taxation on Optimizing Taxation Matters Relating
to Registering the Transfer of Real Estate between Enterprises**

Sui Shui Ban Fa [2020] No. 5

To all district taxation bureaus in Guangzhou under the State Administration of Taxation, all departments and section-level offices of the Guangzhou Municipal Bureau of Local Taxation, all relevant agencies and all public institutions,

According to provisions of the *Regulations on Improving the Business Environment* (Guo Ling No. 722), the *Notice from the General Office of the State Council on Reducing Processing Time for Real Estate Registration* (Guo Ban Fa [2019] No. 8) and the *Notice from the General Office of the State Council on the Replication, Promotion and Adaptation of Measures to Improve the Business Environment* (Guo Ban Han [2019] No. 89), and in order to improve the business environment in Guangzhou, deepen reforms of tax policies related to real estate registration, and enhance the convenience of government services provided to enterprises, and in light of the realities in Guangzhou, the following matters related to tax policies related to the registration of real estate transfers between enterprises are hereby notified:

1. With respect to the taxation of real estate transfers registered at dedicated enterprise service counters (i.e. cases in which both the transferor and transferee are enterprises or only the transferee is an enterprise), relevant staff members shall collect application documents in their entirety to allow taxation authorities to collect taxes for the real estate transfer in real time according to the tax policies currently in effect. In particular, the applicable deductions for land value-added taxes (VAT) imposed on the transfer of existing properties between enterprises are hereby specified as follows:

(I) In the case that an assessed price is provided, the assessed price can serve as the

basis for calculating land VAT deductibles;

(II) In the case that an original property purchase invoice is provided, the land VAT deductibles shall be determined based on tax policies currently in effect;

(III) In the case that neither an assessed price nor a housing purchase invoice is provided, if the taxpayer can instead provide proof of payment of deed taxes, court documents showing the purchase price, or relevant past documents retrieved from property administrative departments, the taxation authority may establish the amount of applicable land VAT deductibles based on such documents and collect applicable taxes on the real estate transfer in accordance with tax policies currently in effect.

2. The abovementioned provisions shall apply to taxation of real estate transfers where the transferor is an enterprise and the transferee is an individual.

This notice shall take effect as of the date of issuance.

General Office of the Guangzhou Municipal Office of the State Administration
of Taxation

January 17, 2020