

LEHMAN, LEE & XU

雷曼律师事务所



PRESS RELEASE

New Regulation on Verification of General VAT Payer Status

Beijing, China –Nov 10, 2010

General VAT payer status facilitates business transactions when the business partners are general VAT payer. Meanwhile, it also help to built up business image of “larger size” business and better financial shape.

The Regulation on Verification of General VAT Payer took effect on March 20, 2010 (“VVAT”) requires VAT payer should apply for general VAT payer status to taxation authority if the annual taxable sales exceeds the standard for small-scale VAT tax payer, which is RMB five hundred thousand for manufacturing and processing, repair and replacement services, and RMB eight hundred thousand for wholesale and retail distributors.

VVAT also sets forth that once a company is verified as general VAT payer, it shall not be changed back to small-scale VAT payer status.

Lehman, Lee & Xu is a prominent Chinese corporate law firm and trademark and patent agency with offices in Beijing, Shanghai, Shenzhen, Hong Kong, Macau, and Mongolia. The firm has been recognized as one of the top trademark firms in China by several intellectual property magazines and is managed by Mr. Edward Lehman, a leading expert on corporate law with 20 years of practice experience in Mainland China.

To learn more about us, please visit our website at www.lehmanlaw.com.