

LEHMAN, LEE & XU

雷曼律师事务所



PRESS RELEASE

THE GENERAL ADMINISTRATION OF CUSTOMS ISSUE AN ANNOUNCEMENT REGARDING TAX PAYMENT OF RENTALS FOR AIRCRAFTS LEASE

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General Administration of Customs of People's Republic of China issued the announcement (No.47 [2010])(hereinafter to be referred as announcement)to regulate tax payment of rentals for aircrafts lease on July 19 of 2010.

The announcement mainly regulates the types of fees and costs which could be calculated as rentals and are required to pay taxes. For example, maintenance expenses for heavy maintenance under the aircraft lease, whether incurred onshore or offshore, it shall be calculated as rentals and pay taxes; compensation to the offshore lessor due to the aircraft's unfavorable condition on expiry of the lease shall be calculated as rentals and pay taxes; and so forth.

Edward Lehman, foreign legal counselor in Lehman, Lee & Xu said that the General Administration of Customs issued this announcement to strengthen the surveillance of aircraft lease market.

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 is managed by Mr. Edward Lehman who is a long-time China resident, and is recognized as a leading expert on corporate law with 21 years of practice experience in Mainland China.

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