

BRIGHTURE NEWSLETTER

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BRIGHTURE, 23 Years in financial and tax services

Mission Statement :

Add value to clients by professionalism, be a respected financial consultant

Vision :

Be a leader in financial service sector and a century business

Values :

Always focus on the clients and serve them with professionalism, integrity and efficiency

1. On December 25, 2024, the 13th Meeting of the Standing Committee of the 14th National People's Congress passed the **"Value-Added Tax Law of the People's Republic of China"**, announcing its implementation as of **January 1, 2026**.

(1) Integration of tax items: Labor services integrated into services.

"Processing, repair and fitting services" are incorporated into the tax category of "services", thus unifying taxable transactions into four major categories--the sale of goods, services, intangible assets, and real estate.

(2) Determination of the place where taxable transactions occur: from the place of occurrence to the place of consumption. The prevailing principle of place of consumption is determined. For enterprises selling services or intangible assets, as long as such services or intangible assets are consumed within the territory, they are treated as domestic taxable transactions.

(3) Changes in value-added tax (VAT) collection rate: Based on the comparison between the new VAT Law and the Provisional Regulations on VAT, the simplified collection rate of the VAT Law has only been raised to 3%, and the previous bottom-line provisions have been removed.

(4) The scope of "deemed sales" has been significantly reduced

A: Self-produced or consigned processed goods used for collective welfare or personal consumption;

B: Free transfer of goods;

C: Free transfer of intangible assets, real estate or financial products.

(5) Adjustment of tax-exempt items: Among the tax-exempt items, "contraceptive drugs and devices" has been cancelled.

(6) Adjustment of non-taxable items

Non-taxable transactions: Services provided by employees to their employers for wages or salaries; Collecting administrative and public service charges and government funds; obtaining compensation for being duly requisitioned; interest income from deposits.

(7) Scope of "mixed sales" is expanded

Where a taxable transaction involves two or more tax rates or collection rates, the tax rate applicable to the main business shall apply.

(8) Scope of "input tax deduction" is expanded

Only catering services, daily services for residents and entertainment services purchased and directly used for consumption are not deductible.

2. The Ministry of Finance and the State Taxation Administration have issued the **"Announcement on Value-Added Tax Policies for Individuals Selling Housing" (CAI SHUI [2025] No. 17)**, with the following provisions:

(1) Individuals (excluding general taxpayers among individual industrial and commercial households, the same below) who sell houses purchased for less than two years shall pay value-added tax in full at a collection rate of 3%. Individuals who sell houses purchased for more than two years (inclusive) are exempt from value-added tax.

(2) This Announcement shall come into effect as of January 1, 2026. Article 5, Paragraph 1 of the "Provisions on Transitional Policies for the Pilot Program of Value-Added Tax Reform" in Annex 3 of the "Notice of the Ministry of Finance and the State Administration of Taxation on Fully Implementing the Pilot Program of Value-Added Tax Reform" (CAISHUI [2016] No. 36) shall be simultaneously suspended. **For individuals selling housing before January 1, 2026, if the value-added tax involved has not been declared and paid and meets the provisions of this Announcement, this announcement may apply.**

3. The Ministry of Finance and the State Taxation Administration have issued the **"Announcement on Adjusting Export Rebate Policies for Photovoltaic and Other Products"** (CAISHUI [2026] No. 2), with the following provisions:

(1) Starting from April 1, 2026, value-added tax export rebates for photovoltaic and other products will be abolished.

(2) From April 1, 2026 to December 31, 2026, the value-added tax export rebate rate for battery products will be reduced from 9% to 6%. Starting from January 1, 2027, the value-added tax export rebate for battery products will be abolished.

(3) For the products subject to consumption tax among the above-mentioned products, the export consumption tax policy will not be adjusted and the consumption tax refund (exemption) policy will continue to apply.

(4) The export rebate rate applicable to the products listed herein shall be determined based on the export date indicated on the export declaration form.

4. The State Taxation Administration issued the **"Announcement on Relevant Matters Concerning the Registration and Administration of General Taxpayers of Value-Added Tax"** (SAT [2026] No. 2) for the matters concerning the registration and administration of general taxpayers of value-added tax (hereinafter referred to as "general taxpayers"), with the following provisions:

(1) Taxpayers whose annual VAT taxable sales do not exceed the prescribed standard (annual VAT taxable sales revenue RMB5 million), with sound accounting systems and the ability to provide accurate tax-related information, may be registered as general taxpayers.

(2) Annual VAT taxable sales refer to the cumulative VAT taxable sales of a taxpayer within a continuous operating period not exceeding 12 months or four quarters. The operating period refers to the continuous operating period within the taxpayer's existence, including the months or quarters when no sales revenue was generated. **The revenue from occasional sale of intangible assets and transfer of immovable property by taxpayers shall not be included in the annual VAT taxable sales. The sales adjusted by taxpayers due to self-supplementation or correction, risk control verification, and tax inspection should be included in the sales of the corresponding tax period when the tax liability occurred.**

(3) Taxpayers should register themselves as general taxpayer with the competent tax authority and truthfully fill in the "Value-Added Tax General Taxpayer Registration Form". If a taxpayer chooses to pay taxes as a small-scale taxpayer, he shall submit a "Statement on the Situation of Choosing to Pay Taxes as a Small-Scale Taxpayer" to the competent tax authority.

(4) Taxpayers shall handle relevant procedures subject to the provisions hereof within the following prescribed time limits: **1) The sales adjusted by taxpayers with annual VAT taxable sales exceeds the prescribed standard as a result of self-supplementation or correction, risk control verification, and tax inspection, within 10 working days from the date of adjustment; 2) where the VAT taxable sales exceeds the prescribed standard in other years, within the tax declaration and payment period of the following month in which the standard is exceeded.**

(5) **General taxpayers who have declared value-added tax as small-scale taxpayers since the effective date should correct their declarations on a phased basis as general taxpayers.** For general taxpayers, value-added tax deduction vouchers that have been obtained but whose purposes have not been confirmed since the effective date shall be confirmed on a phased basis for deduction purpose.

Background:

Relying on its solid foundation in the European market, A reputable European enterprise in international jewelry processing has chosen to set up a production base in Qingdao which is rich in human resources, marking an important step in globalization.

With enterprise development and organizational structure adjustment, the original cashier was transferred, and the enterprise's collection and payment operation in Qingdao was facing the risk of a "window period". As a long-term partner of the enterprise, Brighture received an urgent request from the headquarters to quickly take over the cashier's function under the premise of ensured compliance.

Service provided:

In response to this demand, our team was not contented with the simple "personnel replacement", but initiated the "fund security check-up" process:

In-depth diagnosis: We first conducted in-depth interviews with the enterprise's decision-making level to comprehensively grasp the existing payment processes and management problems.

Process reengineering: Based on the management standards of international enterprises, we have redesigned the SOP (Standard Operating Procedure) for fund management and established a closed-loop management system from "fund application" to "approval" and then to "online banking/cash payment".

Permission isolation: We strictly implemented the principle of "separation of incompatible positions". In our service model, Brighture, as a third-party service provider, merely plays the role of an "operator". The key authority related to the approval of funds is always held by the authorized personnel within the enterprise.

Friendly Reminder:

Although the cashier function is often viewed as a singular role, it is vital to the enterprise's operations.

In fund management, "trust" cannot substitute for "systems." By outsourcing cashier services and integrating them into a standardized approval workflow, professional third parties not only bridge the human resource gap but, more importantly, establish a financial security barrier combining "human oversight" with "technological control." This ensures that every fund flow is traceable and verifiable, providing peace of mind to European headquarters regarding the security of funds at the Chinese facility.

As the financial and tax manager, Brighture offers comprehensive one-stop services—including financial & tax outsourcing and cashier outsourcing—to safeguard the company's growth.



The Kreston Central Asia Regional Summit was successfully held in Bangalore, India, from December 18 to 20, 2025, convening leaders from nine member firms across the region.

The event not only strengthened strategic dialogue and networking within the region but also provided a valuable platform for knowledge sharing and exchange of expertise. The conference agenda was both broad and in-depth, covering cutting-edge professional fields such as digital transformation, artificial intelligence applications, audit quality enhancement, and transfer pricing. Through a series of productive workshops and interactions, participants jointly explored new opportunities for industry development and strategies to address emerging challenges.

The summit further reinforced the collaborative spirit of the Kreston global network, underscoring the pivotal role of quality, innovation, and cooperation in driving the sustained growth and resilience of regional member firms.



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- 10 Years

Motto:

Self-discipline, being lenient towards others

Brighture was incorporated at the beginning of 2003 and has been committed to provide domestic and foreign enterprises with financial outsourcing, legal, audit and business services. Our mission is to provide clients with high quality tax services and tailored solutions to meet their different needs, while building trust and long-term partnership with them.

In 2015, Brighture became a member of Kreston Global, the 13th largest accounting network in the world. We not only provide services for domestic clients, but also provide resource docking and service assistance for other clients from all over the world based on our international vision and local resources.

Scope of services

Financial and taxation services: Perennial fiscal and tax consultation, fiscal and tax outsourcing, tax planning, export duty rebate, merger and reorganization, transfer pricing, tax training

Legal services: Daily legal consultation, legal due diligence, contract review, compliance review, intellectual property protection, labor relations

Audit services: internal control audit, financial statement audit, fiscal and tax due diligence, asset evaluation, capital verification

Business services: registration of domestic and foreign-funded enterprises, change of registration items, enterprise liquidation and cancellation, personnel outsourcing

We provide domestic and foreign enterprises with financial, tax, legal, audit and business services leveraging our 23 year's experience. It is a prudent decision to cooperate with a time-honored consultant with international vision, local resources, one-stop solutions, a member of Kreston Global which is the 13th largest accounting network in the world.

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