

Total days of stay in china

Q: I understand that in case stay in china over 183 days then have to pay tax for china government. How do they consider for this 183days? They count from the entry date? In case we frequently go to china and total days accumulated are over 183days in 1 year, can consider over stay in china? Please advice.

A: According to a circular (2004) No. 97 issued by the PRC State Administration of Taxation, Day of arrival at China, and day of departure from China shall be counted as half day respectively. This tax rules shall apply to the following group of individuals: (a) non-PRC domiciled individuals who hold positions both in the PRC company and overseas company, and (b) those who only hold positions in overseas company.