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BRIGHTURE, 20 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



Shanghai



Qingdao

1. In order to support the advanced manufacturing industry, the Ministry of Finance and the State Administration of Taxation issued the **Announcement on Value-added Tax Mark-up Deduction Policy for Advanced Manufacturing Enterprises** (CAISHUI 【2023】 No. 43), which provides:

(1) **Effective from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct the deductible input tax with a 5% mark-up from the value-added tax payables in the current fiscal period** (hereinafter referred to as "mark-up deduction policy"). The advanced manufacturing enterprises mentioned herein refer to the general taxpayers of the manufacturing industry among the high-tech enterprises (including the affiliated unincorporated branches), while the high-tech enterprises refer to the high-tech enterprises identified in accordance with the Notice of the Ministry of Science and Technology, the State Administration of Taxation of the Ministry of Finance on Issuance of the Administrative Measures for the Identification of High-tech Enterprises (GUOKEFAHUO [2016] No.32). The list of advanced manufacturing enterprises shall be determined by the departments of industry and information technology of the provinces, autonomous regions, municipalities directly under the Central Government and cities with independent planning status together with the departments of science and technology and the departments of finance and taxation of the same level.

(2) **An advanced manufacturing enterprise may provide an amount equivalent to 5% of the deductible input tax in the current period as the amount of mark-up deduction**, provided that such provision can not be made from the input tax that cannot be deducted from the output tax subject to the prevailing rules; where the input tax for which such provision has been made has been transferred as input tax as per the prevailing rules, the amount of mark-up deduction shall be adjusted accordingly in the period of the transfer.

(3) The advanced manufacturing enterprises shall, after the calculation of the tax payable (which is hereinafter referred to as the tax payable before deduction) under the general calculation method subject to the prevailing rules, effect the mark-up deduction in the following circumstances:

1) Where the tax payable before deduction is equal to zero, the current mark-up deductible amount may be carried forward in to the following period.

2) Where the tax payable before deduction is more than zero and the current mark-up deductible amount, the current mark-up deductible amount may be deducted in from the tax payable before deduction.

3) Where the tax payable before deduction is greater than zero but less than the current mark-up deductible amount, the current mark-up deductible amount may be deducted from the tax payable before deduction up to nothing, and the balance of the current mark-up deductible amount may be carried forward to the following period.

(4) Where an advanced manufacturing enterprise is eligible for more than one VAT mark-up deduction, it may opt to apply one of them only in one fiscal period.

2. In order to assist independantly-employed ex-soldiers to start businesses and get jobs, the Ministry of Finance, the State Administration of Taxation and the Ministry of Veterans Affairs jointly issued the **Announcement on Tax Policies in Supporting Independantly-employed Ex-Soldiers** (MOF SAT MVA [2023] No. 14), which provides:

(1) **From January 1, 2023 to December 31, 2027, Independantly-employed ex-soldiers engaged in individual business shall have the value added tax, urban maintenance and construction tax, education surcharge, local education surcharge and individual income tax payables deducted in sequence within 3 years (36 months, the same below) from the month of registration of individual household business, subject to a maximum of 20,000 Yuan per household business per annum.** This ceiling may be raised by 20%.

The people's governments of provinces, autonomous regions and municipalities directly under the Central Government may determine the criteria within this range based on the circumstances of their respective regions.

(2) **From January 1, 2023 to December 31, 2027, an enterprise recruits ex-soldiers who are seeking employment on their own account with labor contracts for terms of more than one year and duly pays social insurance premiums, shall have the value added tax, urban maintenance and construction tax, education surcharge, local education surcharge and corporate income tax payables deducted in sequence within 3 years from the month of the labor contract and payment of social insurances based on the number of such employees, subject to a maximum of 6,000 Yuan per employee per annum. This ceiling may be raised by 50%.The people's governments of provinces, autonomous regions and municipalities directly under the Central Government may determine the criteria within this range based on the circumstances of their respective regions.**

3. In order to support small and micro enterprises and alleviate financing problems, the Ministry of Finance and the State Administration of Taxation issued the **Announcement on Supportive Tax Policies for Financing Small and Micro Enterprises** (CAISHUI 【2023】 No. 13), which provides:

(1) **The interest income derived from small loans issued by financial institutions to small enterprises, micro-enterprises and individual industrial and commercial households shall be exempt from value-added tax.**

(2) **The loan contracts entered into between financial institutions and small and micro enterprises are exempt from stamp duty.**

(3) The term "small enterprises and micro enterprises" contained herein refers to small enterprises and micro enterprises that comply with the "Small and Medium-Sized Enterprise Classification Criteria" issued by the Ministry of Industry and Information Technology in 2011, which provides that: The total assets and number of employees are determined by the actual status as of the time of loan issuance; The operating income is determined by the aggregate of the 12 natural months before the loan is issued, and if it is less than 12 natural months, it is calculated as per the following formula:

Operating income (annum) = Operating income during the existence of the enterprise/number of existing months × 12

(4) The term "small loans" as mentioned herein refers to loans for small enterprises, micro-enterprises or individual industrial and commercial households with a single credit of less than 1 million Yuan (inclusive); In the absence of line of credit, it refers to the single loan with contract amount and the loan balance less than 1 million Yuan (inclusive).

(5) **This Announcement shall be in effect until December 31, 2027.**





Case of Financial and Taxation Services

Background: A client runs a marine technology company mainly engaged in marine environment services, with a friend of him in charge of financial operation. After some time, he discovered that his friend's performance was not as he expected, and intended to find a professional finance and taxation company. So he came to Brighture for help.

Service provided: After understanding the needs of the enterprise, we first had an in-depth discussion with the client and reviewed the accounting treatment. Based on the finance and taxation security of the company, we put everything right pertaining the previous accounting subject to the existing tax policies and regulations. The client was very satisfied with our services and subsequently engaged us for financial and tax operation and tax consulting.

Friendly Reminder

Enterprise operators need to make comprehensive consideration and analysis on the basis of real, detailed and specific financial information to make accurate decisions. Once the accounts are in a mess, the financial information will be unreliable and mislead decision-making.

In such a case, it is necessary to put the accounts right and make it reflect the real situation to avoid financial and tax risks, and lay a solid foundation for standardized and orderly operation and development of the enterprise.

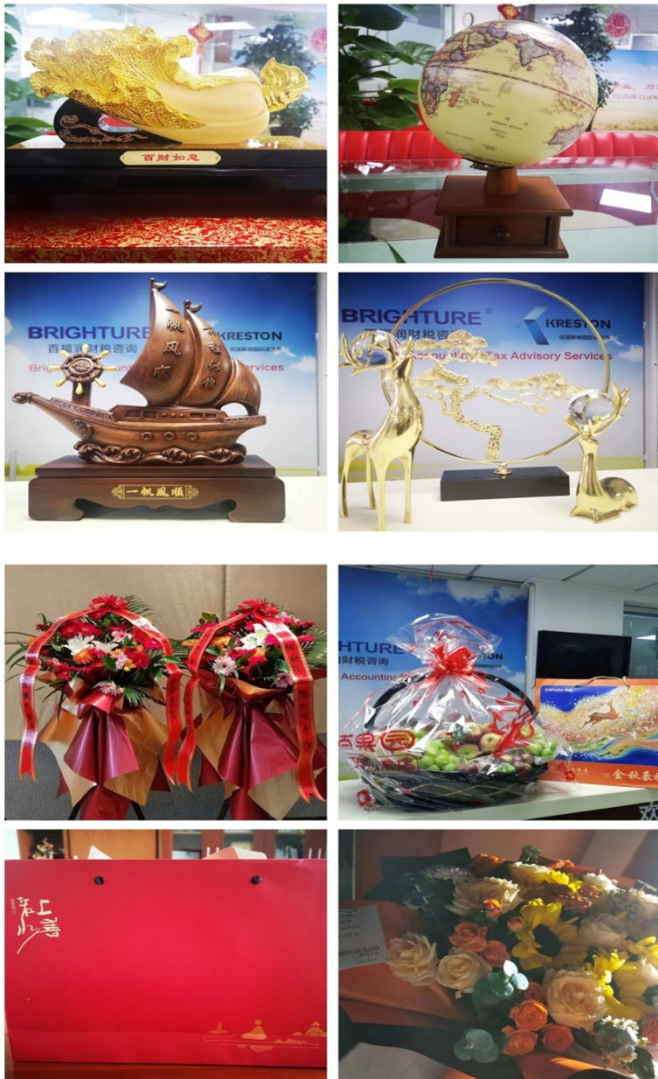
Participated by all Brighture colleagues and customer representatives, Brighture celebrated its 20th anniversary with Mid-Autumn Festival customer reception at Qingdao International Golf Club on September 23, 2023.

The theme of this ceremonial event is "Thanksgiving for 20 years and building a long way together". Thanks to our customers and friends for the support and trust in Brighture over the past 20 years, we will continue to work together in the future to create a better tomorrow; Thanks to the hard work of Brighture colleagues and the dedicated practice of corporate culture, we will uphold the core values of professionalism, integrity and efficiency, and continue to add value to our customers.

More than 100 customer representatives from Qingdao, Weifang, Shanghai, Jiangsu, Europe, the United States and other countries and regions were invited.



Our thanks also go to customers and friends for the beautiful gifts.



At 4 p.m., guests and friends began to sign in and take photos.



The celebration began at 5:00 p.m. with a welcome speech by **Ms. Sun**, General Manager and founder of Brighture. After many heartfelt thanks and warm welcome, he told the audience some moving stories about Brighture colleagues, showing Brighture people's sense of responsibility, dedication, integrity and gratitude.

Afterwards, **Ms. Sun** invited the members of the management and department representatives to express their deep gratitude to the guests and friends for their care and support. The precious trust of the customers and friends serves as alarm bells for us as a financial manager to exercise extra caution in our work. We will never forget the original aspiration, we will forge ahead for ever.



Ms. Li, Deputy General manager of Brighture, reported to the audience Brighture's service concept, service model and current work, and explained the future development.

Brighture will always adhere to the mission of "adding value to customers with professionalism, being a respected financial and tax consultant", practice the core values of "customer-centric, customer-motivation, professionalism and speed", and internalize the corporate culture in the mind and externalize in the operation.

Brighture offers comprehensive services covering finance, tax, law, audit and commerce, with Qingdao and Shanghai offices in close collaboration, and domestic and foreign resources in close alliance to provide one-stop financial solutions in the changing world.



Next is the Q&A session, in which our friends interacted warmly, reflecting their interest in and understanding of Brighture .



Subsequently, three guest representatives shared their stories with Brighture, saying that they trust Brighture's professional services in taking care of their financial and tax operation, so that they can focus on their business development and expand market.



The celebration attracted the attention of Creston International, who sent congratulatory messages to express their sincere wishes. Four representatives of Creston International, including Ms. Liza Robbins, Global CEO, Mr. Rich Howard, Chairman of the Board of Directors, Mr. Chen Jia-ling, Secretary General of Asia Pacific, and Mr. Ganesh Ramaswamy, Partner of the member firm in India, sent video messages.

The cake, which symbolizes completeness, longevity and blessing, was cut by two special guests---retired ex-staff members, jointly with Brighture executives for the happy moment.



Next, Brighture's colleagues and clients presented joyous programs, which were cheered by loud applause.





After dinner, the participants had a joyous time by the bonfire.



In the dinner time, everyone according to their own preferences, taste all kinds of food, wine and merry, happy.



The event came to a close with a chorus, and everyone said goodbye to each other reluctantly. Twenty years is a milestone and a new starting point. With a century-old dream, we will continue to work hand in hand with our customers and friends in the future.



Recent Events of Kreston

In order to promote the communication and cooperation among Kreston members, Kreston recently held the following activities:

1. Transfer Pricing Global Group expansion
The Kreston Global Transfer Pricing Group has expanded its membership. The group, led by Chair David Whitmer of CBIZ MHM, has a strategic focus to develop Kreston Global's Transfer Pricing offering globally.



2. Kreston Global has welcomed Nigerian firm, Pedabo, to the Kreston Global network.

Founded in 1998 by Ajibade Fashina and Albert Folorunsho, Pedabo will mark its 25th anniversary in November with a rebrand to Kreston Pedabo, part of a strategy to extend its international services offering to a wide range of private and listed companies. Made up of 10 partners and 150 staff across three locations in Nigeria, the firm specialises in audit, assurance, tax compliance and advisory, financial advisory and risk management, management consulting and other support services.

The addition of Pedabo to Kreston Global's network further strengthens its African regional presence, which consists of 30 member firms across 29 countries providing a range of financial, audit and accounting, taxation and other advisory services to businesses exploring inbound and outbound growth opportunities.



Lareina Chen
Chinese Speaking Dept.1
-6 Years

Motto:
Only the most rigorous
training warrants the
highest freedom.

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 International, 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

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We provide domestic and foreign enterprises with financial, tax, legal, audit and business services leveraging our 20 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 International which is the 13th largest accounting network in the world.