

**AGREEMENT
BETWEEN
THE GOVERNMENT OF THE PRINCIPALITY OF LIECHTENSTEIN
AND
THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF CHINA
FOR
THE EXCHANGE OF INFORMATION RELATING TO TAXES**

The Government of the Principality of Liechtenstein and the Government of the People’s Republic of China (“the Contracting Parties”),

Desiring to provide a framework for cooperation and facilitate the exchange of information with respect to taxes,

Have agreed as follows:

**ARTICLE 1
SCOPE OF AGREEMENT**

1. The competent authorities of the Contracting Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Contracting Parties concerning taxes covered by this Agreement. Such information shall include information that is foreseeably relevant to the determination, assessment, verification and collection of such taxes, the recovery and enforcement of tax claims, and the investigation or prosecution of tax matters.

2. Information shall be exchanged in accordance with the provisions of this Agreement and shall be treated as confidential in the manner provided in Article 8.

**ARTICLE 2
JURISDICTION**

A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession or control of persons who are within its territorial jurisdiction.

**ARTICLE 3
TAXES COVERED**

1. The existing taxes to which this Agreement shall apply are in particular:

- a) in the People's Republic of China:
all taxes except customs tariffs;
(hereinafter referred to as "Chinese tax")

 - b) in the Principality of Liechtenstein:
the personal income tax (Erwerbssteuer);
the corporate income tax (Ertragssteuer);
the corporation taxes (Gesellschaftssteuern);
the real estate capital gains tax (Grundstücksgewinnsteuer);
the wealth tax (Vermögenssteuer);
the coupon tax (Couponsteuer);
the value added tax (Mehrwertsteuer)
(hereinafter referred to as "Liechtenstein tax").
2. This Agreement shall also apply to any identical or substantially similar taxes that are imposed after the date of signature of this Agreement in addition to, or in place of, any of the existing taxes.
3. The taxes covered by this Agreement may be expanded or modified by mutual agreement of the Contracting Parties in the form agreed upon by both Contracting Parties.
4. The competent authorities of the Contracting Parties shall notify each other of any substantial changes to the taxation and related information gathering measures covered by this Agreement.

ARTICLE 4 DEFINITIONS

1. For the purposes of this Agreement, unless the context otherwise requires:
- a) the term "the People's Republic of China", when used in a geographical sense, means all the territory of the People's Republic of China, including its territorial sea, in which the Chinese laws relating to taxation apply, and any area beyond its territorial sea, within which the People's Republic of China has sovereign rights or jurisdiction in accordance with international law and its domestic law;

 - b) the term "Principality of Liechtenstein" means, when used in a geographical sense, the area of the sovereign territory of the Principality of Liechtenstein;

 - c) the term "person" includes an individual, a company, a dormant inheritance and any other body of persons;

 - d) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;

 - e) the term "publicly traded company" means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold "by the

public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors; and for this purpose, the term “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company. For the purposes of this paragraph the term “recognised stock exchange” means:

- (i) in the People’s Republic of China, the Shanghai Stock Exchange or the Shenzhen Stock Exchange;
- (ii) in the Principality of Liechtenstein, a stock exchange, that fulfils the material requirements of Article 4 of the Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004;
- (iii) any other stock exchange which the competent authorities agree to recognize for the purposes of this Agreement;

f) the term “collective investment fund or scheme” means any pooled investment vehicle, irrespective of legal form. The term “public collective investment fund or scheme” means any collective investment fund or scheme provided the units, shares or other interests in the fund or scheme can be readily purchased, sold or redeemed by the public. Units, shares or other interests in the fund or scheme can be readily purchased, sold or redeemed “by the public” if the purchase, sale or redemption is not implicitly or explicitly restricted to a limited group of investors;

g) the term “tax” means any tax to which this Agreement applies;

h) the term “competent authority” means:

- (i) in the case of the People’s Republic of China, the State Administration of Taxation or its authorized representative; and
- (ii) in the case of the Principality of Liechtenstein, the Fiscal Authority of the Principality of Liechtenstein or its authorised representative;

i) the term “information” means any fact, statement, document or record in whatever form;

j) the term “information gathering measures” means laws and administrative or judicial procedures that enable a Contracting Party to obtain and provide the requested information;

k) the term “requesting Party” means the Contracting Party requesting information;

l) the term “requested Party” means the Contracting Party requested to provide information.

2. As regards the application of this Agreement at any time by a Contracting Party, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Party for the purposes of the taxes to which this Agreement applies, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

ARTICLE 5
EXCHANGE OF INFORMATION UPON REQUEST

1. The competent authority of the requested Party shall provide upon request information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the conduct being investigated would constitute a tax offence under the laws of the requested Party if such conduct occurred in the requested Party.

2. If the information in the possession of the competent authority of the requested Party is not sufficient to enable it to comply with the request for the information, the requested Party shall use all relevant information gathering measures to provide the requesting Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting Party, the competent authority of the requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each Contracting Party shall ensure that its competent authorities for the purposes of this Agreement, have the authority to obtain and provide upon request:

a) information held by banks, other financial institutions, and any person acting in an agency or fiduciary capacity including nominees and trustees;

b) information regarding the ownership of companies, partnerships, trusts, foundations and other persons, including, within the constraints of Article 2, ownership information on all such persons in an ownership chain; in the case of trusts, information on settlors, trustees, and beneficiaries; and in the case of foundations, information on founders, members, beneficiaries and directors or other senior officers of the foundation.

5. Notwithstanding the preceding paragraphs, this Agreement does not create an obligation on the Contracting Parties to obtain or provide ownership information with respect to publicly traded companies or public collective investment funds or schemes, unless such information can be obtained without giving rise to disproportionate difficulties.

6. The competent authority of the requesting Party shall provide the following information to the competent authority of the requested Party when making a written request for information under this Agreement in order to demonstrate the foreseeable relevance of the information to the request:

a) the identity of the person under examination or investigation;

b) the taxable period for which the information is requested;

- c) the nature and type of the information requested, including a description of the information and/or specific evidence sought, and the form in which the requesting Party would prefer to receive the information;
- d) the tax purposes for which the information is sought;
- e) grounds for believing that the information requested is foreseeably relevant to the administration and enforcement of the domestic tax laws of the requesting Party with regard to the person specified in subparagraph a;
- f) grounds for believing that the information requested is present in the territory of the requested Party or is in the possession or control of a person subject to the jurisdiction of the requested Party;
- g) to the extent known, the name and address of any person believed to be in possession of the requested information;
- h) a statement that the request is in conformity with the law and administrative practices of the requesting Party, that if the requested information was within the jurisdiction of the requesting Party then the competent authority of the requesting Party would be able to obtain the information under the laws or in the normal course of administrative practice of the requesting Party and that it is in conformity with this Agreement;
- i) a statement that the requesting Party has pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulties.

7. The competent authority of the requested Party shall forward the requested information as promptly as possible to the competent authority of the requesting Party. To ensure a prompt response, the competent authority of the requested Party shall:

- a) confirm receipt of a request in writing to the competent authority of the requesting Party and shall notify the competent authority of the requesting Party of any deficiencies in the request within 60 days of receipt of the request; and
- b) immediately inform the competent authority of the requesting Party to explain the reasons for its inability or the obstacles or its refusal, if the competent authority of the requested Party has been unable to obtain and provide the information requested within 90 days of receipt of the request, including if obstacles are encountered in furnishing the information, or if the competent authority of the requested Party refuses to provide the information.

ARTICLE 6 TAX EXAMINATION ABROAD

1. The requested Party may, in accordance with its domestic laws, following receipt of notice of a reasonable time from the requesting Party, allow representatives of the competent authority of the requesting Party to enter the territory of the requested Party

in connection with a request to interview persons and examine records with the prior written consent of the persons concerned. The competent authorities of the Contracting Parties shall agree on the time and place of the intended meeting with the persons concerned.

2. At the request of the competent authority of the requesting Party, and in accordance with its domestic laws, the competent authority of the requested Party may permit representatives of the competent authority of the requesting Party to be present at the appropriate part of a tax examination in the territory of the requested Party.

3. If the request referred to in paragraph 2 is granted, the competent authority of the requested Party conducting the examination shall, as soon as possible, notify the competent authority of the requesting Party of the time and place of the examination, the authority or official designated to carry out the examination and the procedures and conditions required by the requested Party for the conduct of the examination. All decisions regarding the conduct of the tax examination shall be made by the requested Party conducting the examination in accordance with its domestic laws.

ARTICLE 7 POSSIBILITY OF DECLINING A REQUEST

1. The competent authority of the requested Party may decline a request of the requesting Party, where:

- a) the request is not made in conformity with this Agreement;
- b) the requesting Party has not pursued all means available in its own territory to obtain the information, except where recourse to such means would give rise to disproportionate difficulty; or
- c) the disclosure of the information requested would be contrary to the public policy (ordre public) of the requested Party.

2. This Agreement shall not impose upon a requested Party any obligation:

- a) to provide information subject to any trade, business, industrial, commercial or professional secret or trade process, provided that information described in Article 5 paragraph 4 shall not by reason of that fact alone be treated as such a secret or trade process; or
- b) to carry out administrative measures at variance with its laws and administrative practices, provided that nothing in this subparagraph shall affect the obligations of a Contracting Party under Article 5 paragraph 4 of this Agreement.

3. The provisions of this Agreement shall not impose on a Contracting Party the obligation to obtain or provide information which would reveal confidential communications between a client and an attorney, solicitor or other admitted legal representative where such communications are:

- (a) produced for the purposes of seeking or providing legal advice; or
 - (b) produced for the purposes of use in existing or contemplated legal proceedings.
4. A request for information shall not be refused on the ground that the tax liability giving rise to the request is disputed by the taxpayer.
5. The requested Party shall not be required to obtain and provide information which the requesting Party would be unable to obtain under its own laws or in the normal course of administrative practice.
6. The requested Party may decline a request for information if the information is requested by the requesting Party to administer or enforce a provision of the tax law of the requesting Party, or any requirement connected therewith, which discriminates against a national of the requested Party as compared with a national of the requesting Party in the same circumstances.

ARTICLE 8 CONFIDENTIALITY

1. All information provided and received by the Competent Authorities of the Contracting Parties shall be treated as confidential. This information shall be disclosed only to persons or authorities (including courts and administrative bodies) in the jurisdiction of the Contracting Parties officially concerned with the purposes specified in Article 1 and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial decisions.
2. The information may not be used for any purpose other than for the purposes stated in Article 1 and may not be disclosed to any other person or entity or authority or any other jurisdiction without the express written consent of the competent authority of the requested Party.

ARTICLE 9 SAFEGUARDS

The rights and safeguards secured to persons by the laws or administrative practices of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

ARTICLE 10 COSTS

Unless the competent authorities of the Contracting Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the requested Party, and extraordinary costs in providing assistance (including costs of engaging external advisors in connection with litigation or otherwise) shall be reimbursed by the

requesting Party. The respective competent authorities shall consult from time to time with regard to this Article, and in particular the competent authority of the requested Party shall consult with the competent authority of the requesting Party in advance if the costs of providing information with respect to a specific request are expected to be significant.

ARTICLE 11 LANGUAGE

Requests for assistance and responses thereto shall be in English.

ARTICLE 12 MUTUAL AGREEMENT PROCEDURE

1. Where difficulties or doubts arise between the Contracting Parties regarding the implementation or interpretation of this Agreement, the competent authorities shall endeavour to resolve the matter by mutual agreement.
2. In addition to the endeavours referred to in paragraph 1, the competent authorities of the Contracting Parties may mutually agree on the procedures to be used under this Agreement.
3. The competent authorities of the Contracting Parties may communicate with each other directly for the purposes of this Agreement.
4. The Contracting Parties may also agree in writing on other forms of dispute resolution should this become necessary.

ARTICLE 13 ENTRY INTO FORCE

The Contracting Parties shall notify each other in writing that they have completed the internal legal procedures necessary for the entry into force of this Agreement. This Agreement shall enter into force on the thirtieth day upon the receipt of the latter notification. This Agreement shall have effect in respect of taxable years beginning on or after the date of entry into force.

ARTICLE 14 TERMINATION

1. This Agreement shall remain in force until terminated by either Contracting Party.
2. Either Contracting Party may terminate this Agreement by giving notice of termination in writing by letter to the competent authority of the other Contracting Party. Such termination shall become effective on the first day of the month following

the expiration of a period of six months after the date of receipt of notice of termination by the other Contracting Party.

3. After termination of this Agreement, both Contracting Parties shall remain bound by the provisions of Article 8 with respect to any information obtained under this Agreement.

IN WITNESS whereof the undersigned, duly authorized thereto, have signed this Agreement.

Done at Vaduz on the 27th day of January, 2014, in duplicate in the Chinese, German and English languages, all three texts being equally authentic. In case of divergence in interpretation, the English text shall prevail.

**For the Government of the
Principality of Liechtenstein**

**For the Government of the
People's Republic of China**

**PROTOCOL
TO
THE AGREEMENT
BETWEEN
THE GOVERNMENT OF THE PRINCIPALITY OF LIECHTENSTEIN
AND
THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF CHINA
FOR
THE EXCHANGE OF INFORMATION RELATING TO TAXES**

On the occasion of the signing of the Agreement between the Government of the Principality of Liechtenstein and the Government of the People’s Republic of China for the Exchange of Information Relating to Taxes, the Contracting Parties have agreed upon the following provisions, which are an integral part of this Agreement:

1. With respect to Article 5 paragraph 6 subparagraph a, it is understood that it is not necessary to provide the name of the taxpayer in order to define its identity, if this identity can be deduced from equivalent elements.
2. With respect to Article 10, it is understood that:
 - a) costs that would be incurred in the ordinary course of administering the domestic tax laws of the requested Party will be borne by the requested Party when such costs are incurred for the purpose of responding to a request for information. Such ordinary costs would normally cover internal administration costs and any minor external costs;
 - b) all other costs that are not ordinary costs are considered extraordinary costs and will be reimbursed by the requesting Party. Examples of extraordinary costs include, but are not limited to, the following:
 - (i) reasonable fees charged by third parties for carrying out research;
 - (ii) reasonable fees charged by third parties for copying documents;
 - (iii) reasonable costs of engaging experts, interpreters, or translators;
 - (iv) reasonable costs of conveying documents to the requesting Party;
 - (v) reasonable litigation costs of the requested Party in relation to a specific request for information; and
 - (vi) reasonable costs for obtaining depositions or testimony.
 - c) The Parties will consult each other in any particular case where extraordinary costs are likely to exceed US \$1000 to determine whether the requesting Party will continue to pursue the request and bear the cost.

3. Formal communications, including requests for information, made in connection with or pursuant to the provisions of this Agreement entered into will be in writing directly to the competent authority of the other Contracting Party. Any subsequent communications regarding requests for information will be in writing between the earlier mentioned competent authorities or their authorised entities, whereas the possibility of direct consultation is being given.

IN WITNESS whereof the undersigned, duly authorized thereto, have signed this Protocol to this Agreement.

Done at Vaduz on the 27th day of January, 2014, in duplicate in the Chinese, German and English languages, all three texts being equally authentic. In case of divergence in interpretation, the English text shall prevail.

**For the Government of the
Principality of Liechtenstein**

**For the Government of the
People's Republic of China**