GUIDE

A company in China: how to launch a WFOE in 2026

Whether you need your own company in mainland China, which form to choose, how the launch works and what to know about capital and taxes.

100%
foreign capital — a WFOE needs no local partner

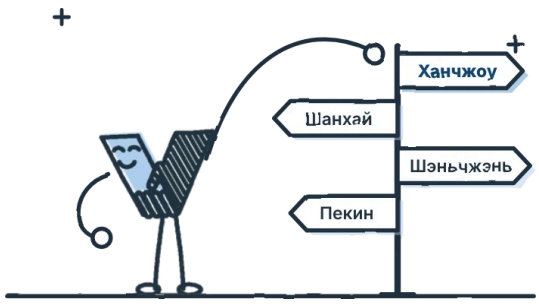
RMB 0
legal minimum capital — but the declared amount must be paid in within 5 years

From 7 days
to launch, if the director travels to China

1%
VAT for small-scale taxpayers until 31.12.2027

The key point. You need your own company in China if you sell inside the country or keep a warehouse, production or staff there. For buying and payments, a Hong Kong company is often enough.

The rule: first the task and the city — then the form and the documents.



Do you need a company in China

An agent or Hong Kong is enough

- One-off buying — an agent.
- Regular buying, contracts and payments without working inside China — a Hong Kong company.
- Sales through marketplaces without a warehouse in China.

You need your own company (WFOE)

- Sales to customers inside China.
- A warehouse, production or an office in China.
- Staff in China.
- Import and export in your own name.

Forms of presence



WFOE

100% foreign capital

WHAT FOR

Sales, import and export, a warehouse, staff. A commercial office is required; the activity must not be on the negative list.



Representative office

RO

LIMITS

Cannot trade or earn income. Foreign staff — a chief representative and up to 3 representatives.



Partnership

FIPE

IMPORTANT

Not a legal entity: general partners are liable with all their assets, limited partners up to their contribution. Rarely used.



A Hong Kong company

a bridge to China

WHAT FOR

Contracts and payments without currency controls. Gives no right to operate inside mainland China.

The launch path

1 Decision
Form, city, business scope.

2 Office
A commercial address only — residential and virtual addresses are not accepted.

3 Founder's documents
On site — straight away; remotely — apostille or legalisation, translation, courier.

4 Filing and seals
Filing with SAMR, making the company seals.

5 Tax and customs
Tax set-up, social insurance, import-export set-up.

6 Bank
The director has to travel to open the account.

Documents from abroad

Apostille

For countries party to the Apostille Convention. China joined it on 7 November 2023.

Legalisation

For countries outside the Convention: notary → that country's foreign ministry → Chinese consulate.

No export licence is needed for ordinary goods — since 30.12.2022, enrolment with Customs and the electronic port is enough.

Capital and taxes — as of 01.11.2026

Registered capital

- No legal minimum.
- The subscribed capital is paid in within 5 years (art. 47 of the PRC Company Law).

VAT

- 13% · 9% · 6% · 0% — from 01.01.2026 under the VAT Law.
- Small-scale taxpayers: 1% until 31.12.2027; up to RMB 100,000 a month — exempt.

Corporate income tax

- 25%; small enterprises — 5% on profits up to RMB 3 million.
- Above RMB 3 million — 25% on all the profits.

Dividends abroad

- 10%; under treaties: Russia 5% (a stake of 25% or more and an investment of EUR 80,000 or more), UAE 7%, Kazakhstan 10%.

Launching a business in China? We can help

Our team is in Hangzhou, between Yiwu and Shanghai. We will advise on the form, city and path for your task.

Message us on WhatsApp

Channels: Telegram · YouTube · Facebook · Instagram · Medium

Company in China

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