# A Company's Registered Address in China

## Requirements, risks and how to stay in good standing

**CNY 10,000–100,000**

fine + licence revocation

The price of an address that exists only on paper

## One company, one address

### Myth

An address can be bought as a service: a mailbox plus mail forwarding. That works in Hong Kong, but not in mainland China

### The rule

Article 11 of the PRC Regulations on the Registration of Market Entities (in force since 1 March 2022) allows a company exactly one domicile 住所

### Status

The address is one of the 6 core entries on the business licence, alongside the company name and registered capital

Provinces may introduce more lenient rules, so practice varies by region

# The address must match the actual place of business

## What the registrar checks

### Business licence 营业执照

The address on the licence is carried into the registers

Tax | Bank | Customs

### What AMR and tax inspectors verify on site

- Signage
- Staff
- The lease agreement

### Legal consequences

- Article 65 of the PRC Civil Code: until a relocation is registered, the actual office cannot be invoked against a good-faith counterparty
- Jurisdiction is determined by the principal place of business. The registered address applies only if the principal place of business cannot be established

### Bottom line

When the address and the office differ, disputes arise over which court will hear the case

# Which premises the AMR will accept

## Premises documents

### Basic set

- ✓ Lease agreement
- ✓ Property ownership certificate **不动产权证书**
- ✓ Lease term of at least 12 months: expected by many district AMRs

### Restrictions

- × Illegal structures are not accepted
- ! Residential premises are allowed only under local rules and with the unanimous consent of the affected owners (Article 279 of the PRC Civil Code)

### Self-declaration and commitment regime **自主申报承诺制**

No documents are attached, but the founder is liable for the accuracy of the information

### Common mistake

Signing a lease without checking whether another company is already registered at the address and whether the building permits the chosen business activity

# Lease, hosted address or “virtual office”

## Three address options

| Option | What is filed with the AMR | Assessment |
|---|---|---|
| **Lease in a business centre** | Lease agreement and ownership certificate | **Reliable.** No questions from the bank or the tax office. The most expensive option |
| **Hosted address in a cluster registration zone** | Agreement with the hosting organisation | **With caveats.** Not available in every district or for licensed activities. The bank may ask for a real office |
| **“Virtual address” from an intermediary outside the register** | An agreement the district does not recognise | **Risk.** In an on-site inspection the company is “not found” |

Centralised registration zones are set up by local authorities, for example in Putuo District (Shanghai) and Beibei District (Chongqing)

# 30 days to file and a 0.1% duty

## Lease agreement: two obligations

### Lease registration filing 租赁登记备案

- 30 days from the signing date to file the lease with the housing authority
- Fine for a legal entity: CNY 1,000–10,000
- The lease should state which party files

### Stamp duty 印花税

- 0.1% of the rent excluding VAT, payable by each party
- Small and micro enterprises pay 50% until 31 December 2027

### Example

Rent of CNY 240,000 a year (≈ US$35,700) → duty of CNY 240 for each party, CNY 120 for a small enterprise

### Must-have clause

If the AMR refuses registration because of the premises documents, the landlord refunds the deposit and the prepayment

# The chain of penalties for a “lost” address

## Penalties

### 1. Relocating without amending the registration

Rectification order; if it is not complied with, a fine of CNY 10,000–100,000 and, in serious cases, licence revocation (Article 46 of the Regulations)

**Solution**

Register the new address

### 2. The company cannot be reached at its address

Entry in the List of Enterprises with Abnormal Operations 经营异常名录

**Solution**

Change the address or re-establish contact. Removal from the list within 5 working days after verification

### 3. Two years without annual reports and unreachable at the address

Licence revocation (Article 18 of the Regulations on Enterprise Information Disclosure). The legal representative may not act as legal representative of other companies for 3 years

**Solution**

File the overdue reports before the AMR issues its decision

# Violations are visible to every counterparty

## The company's public status

### Open register

The list of non-compliant companies is available in the National Enterprise Credit Information Publicity System (gsxt.gov.cn)

### Consequences

Participation in government procurement and tenders is restricted

### Annual report

Filed from 1 January to 30 June

**Tip**

- Appoint an employee to receive correspondence at the registered address
- Check the company's status in the register once a quarter

# File the application before you move

## Relocation

### Within the same district

Amend the registration record within 30 days (Article 24 of the Regulations)

### To another district

Apply to the AMR of the new district before the actual move (Article 27). The previous registrar transfers the file

### Then update your records

Tax office → Bank → Customs → Social insurance

### Caution

Zone incentives may be tied to a commitment not to move out. In one reported case, the commitment runs for 10 years

# The registered address is a risk management tool

**Paradox**

Entry is getting easier (self-declaration regime, cluster registration), while the consequences of being unreachable are getting harsher (public lists of non-compliant companies)

## Three principles

**1** **Choose for the business**

The address is selected to fit the licensed activity and the bank's requirements; price comes second

**2** **The lease as a source of obligations**

The 30-day filing, the 0.1% duty and the deposit clause are built in before signing

**3** **Relocation as a registration act**

The application to the new district is filed before the move

**Bottom line**

The address determines service of documents, access to banking and the company's credit record

# CONTACTS

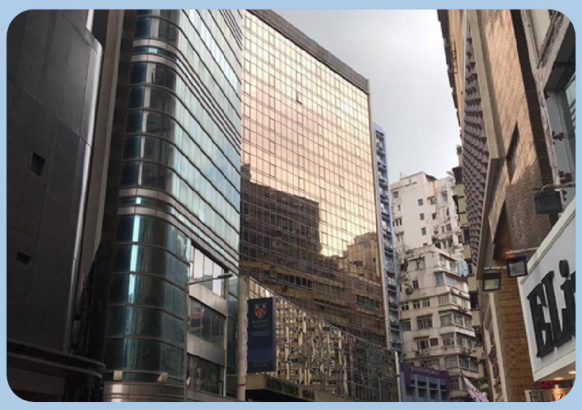
VITA LIBERTA LIMITED

**www.vitaliberta.hk**

Office room 68, 7/F, Woon Lee Commercial Building, 7 Austin Ave, Tsim Sha Tsui, Kowloon, Hong Kong

**+852 6841 6177**

legal@vitaliberta.com



### Hangzhou office (China):

Room 815, Building 3, Zhonghao Wangjiang International, No. 332 Wangjiang East Road, Shangcheng District, Hangzhou City

Direct line:

**+86 130 7361 7169**

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