Centre for
Chinese and Comparative Law
香港城市大學
City University of Hong Kong

Event Recap: The Jurisprudential Logic and Institutional Improvement of Corporate Tax Coordination in the Guangdong-Hong Kong-Macao Greater Bay Area

Date: 11 Sept 2026

Time: 11:00–12:00

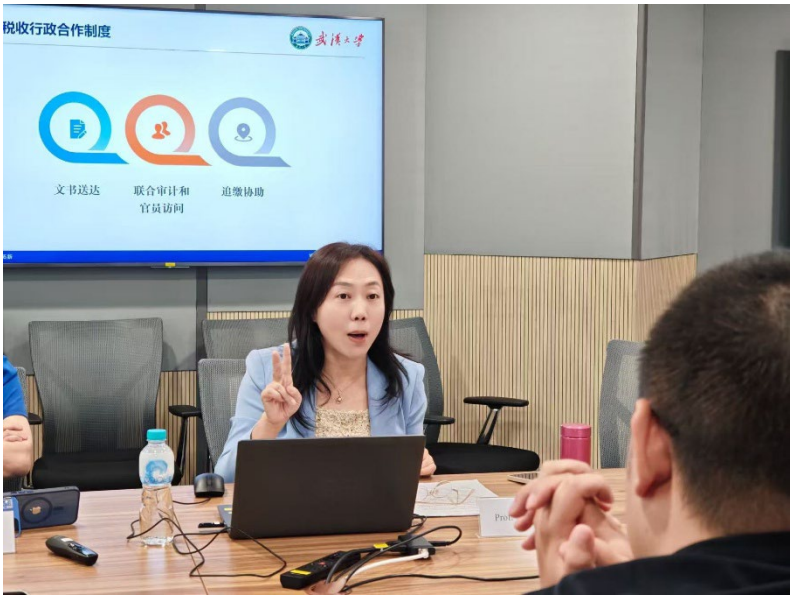
Organizer: Centre for Chinese and Comparative Law (CCCL)

On 11 September, the Centre for Chinese and Comparative Law (CCCL) hosted a seminar at the CityU School of Law Seminar Room. **Professor Cui Xiaojing** (Professor, School of Law, Wuhan University) was the speaker, while Professor Ding Chunyan (Professor & Director of CCCL, School of Law, City University of Hong Kong) moderated the event. Faculty members, students of the School of Law, industry practitioners and members of the public took part in the seminar. Centring on corporate-tax coordination in the Guangdong-Hong Kong-Macao Greater Bay Area, the speaker analysed existing institutional barriers through practical case studies and put forward tax-coordination theories and institutional proposals compatible with the "One Country, Two Systems, Three Legal Regimes" framework.

The seminar focused on tax-system barriers in the course of Greater Bay Area integration. Under one single sovereignty, mainland China, Hong Kong and Macao each enjoy independent tax-legislative authority, giving rise to institutional tensions between cross-border factor mobility and divergent tax regimes. Using Kaisa Group's cross-border equity structure as a practical example, Professor Cui unpacked the double-taxation dilemma under prevailing rules, where the overall effective tax burden could reach 46%. She also pointed out two prominent problems: excessively high eligibility thresholds for cross-border corporate restructuring and inadequate tax-administrative-co-operation mechanisms. At present, only tax-related-information-exchange mechanisms have been implemented between mainland China, Hong Kong and Macao. Gaps remain in administrative-co-operation instruments including tax-debt recovery, service of tax-related documents and joint tax audits.

Drawing on politico-jurisprudence theory, Professor Cui proposed a two-tier coordination model for the Greater Bay Area that combines "mainland adaptive coordination" and "interactive-co-operative coordination". Such coordination does not seek full harmonisation of the three tax systems. It shall abide by fundamental principles such as non-discrimination, tax neutrality and the principle of proportionality, with adjustments made only to institutional discrepancies that hinder the free movement of production factors. Learning from the EU's experience in tax coordination, she suggested establishing a cross-border participation-exemption regime, relaxing eligibility requirements for cross-border restructuring relief, and expanding cross-jurisdictional tax-administrative co-operation, so as to resolve practical bottlenecks through a combination of substantive rules and procedural mechanisms.

This topic bears relevance not only to corporate cross-border operating costs but also to the institutional competitiveness of the Greater Bay Area as a national hub for high-level opening-up. Participants engaged in lively Q-and-A discussions covering controlled-foreign-company rules, Variable Interest Entity (VIE) structures, and reservation clauses under multilateral tax conventions, debating relevant issues from multiple dimensions including practical implementation and institutional design. Going forward, the centre will continue to hold seminars on cutting-edge legal topics, bringing together scholars and legal professionals at home and abroad to advance academic exchange and policy-oriented research on Greater Bay Area tax-system coordination and regional rule-of-law development.



Professor Cui Xiaojing

Event Scene