



## I. Legal News

### 1. NCP Outbreak: Tax Declaration Deadline Postponed to May 22, 2020

On April 27, 2020, PRC State Taxation Administration released a notification to postpone the deadline of tax filing of May (previously, the tax filing has been extended to February 28, 2020 in February, March 23, 2020 in March, and April 24 in April). Currently, the monthly tax filing in May has been extended as well and the new deadline is May 22, 2020.

In addition, deadline can be further postponed for taxpayers who still have financial difficulties (an application shall be made in advance).

(<http://www.chinatax.gov.cn/chinatax/n810341/n810755/c5149175/content.html>)

### 2. Inbound Foreign Investment in China Rises 11.8% in April

On May 14, 2020, the Ministry of Commerce of the People's Republic of China ("MOFCOM") held the regular press conference, where spokesman Gao Feng ("Gao") made an announcement on foreign investment in China during the Covid-19 epidemic.

According to Gao, the investment capital has decreased since 2020 due to the Covid-19 epidemic; however, in April 2020, it is reported that 70.36 billion yuan of investment capital were received, with an increase of 11.8% compared to the same period last year.

(<https://3g.163.com/news/article/FCJL5QC8053469OZ.html?from=history-back-list>)

### 3. China to Test Digital RMB in Four Cities

In late April 2020, the People's Bank of China started to test the first e-RMB in the following pilot places before it is introduced to the public:

- Shenzhen
- Suzhou
- Chengdu
- Xiong'an New Area in Hebei Province
- Payment scenarios related to 2022 Winter Olympics Games in Beijing and Zhangjiakou

The major characteristics of the e-RMB are summarized below:

- (1) It is a governmental backed digital currency, aiming to replace physical paper notes and currency.
- (2) E-RMB payment can be easily achieved when two mobile phones with electronic wallets get close to each other.
- (3) It is possible for people to received e-RMB without holding a bank account.

It is reported that during the Covid-19 epidemic, the contactless payment system is encouraged to be promoted, as it makes it easier for people to received payment or make online purchasing to avoid physical contact.

([http://www.cac.gov.cn/2020-05/12/c\\_1590834898708846.htm](http://www.cac.gov.cn/2020-05/12/c_1590834898708846.htm))

## II. Case

### A Compensation Amounting to RMB 8 Million Was Imposed for a Typical Trademark Case Released by SPC

On April 21, 2020, the Supreme People's Court ("SPC") released several typical trademark cases adjudicated in 2019<sup>1</sup>. Among which, one of the cases is a typical case of protecting well-known trademark and fighting with malicious trademark registration.

On June 18, 2019, Zhejiang High People's Court made a judgement in support of compensation on trademark infringement for the logo of "AOPU". According to the judgment, the Plaintiff sued the Defendant for manufacturing and selling products which infringed upon its own trademark "AOPU".

The Plaintiff (a Chinese listed company) has registered the logo AOPU in 1995 under certain classes, while the Defendant (a Chinese limited liability company) later successfully registered similar logo in 2001 under other classes (Not same classes, but the products are similar). Meanwhile, the defendant has been keeping filing infringement litigations and administrative litigations these years which increased the burden of the plaintiff. Finally, the Court ordered that the logo registered by the Plaintiff in 1995 is a well-known trademark, the logo registered by the Defendant in 2001 is invalid, and the defendant violated the Plaintiff's exclusive right to use the well-known trademark.

For the compensation amount, the defendant argued that according to article 63 of PRC Trademark Law applicable during the litigation, if it is hard to determine the right owner's actual losses or the infringer's interests obtained due to the infringement, the Court shall, based on the actual circumstance of infringement, bring in a verdict of amount up to **RMB 3 million**. The Court disagreed with such argument as pursuant to the clear evidences submitted by the Plaintiff (the actual trademark license fee, the sales amount of defendant as well as a series of litigation costs occurred these years), **RMB 8 million** shall be a reasonable amount.

We stress that according to the Revision of PRC Trademark Law 2019 which came into force as of November 1, 2019, if it is indeed hard to determine the right owner's actual losses or the infringer's interests obtained due to the serious malicious infringement, the People's Court may decide a compensation of an amount up to RMB 5 million (to replace the prior criteria of RMB 3 million).

([http://www.zjsfgkw.cn/art/2020/3/25/art\\_80\\_20123.html](http://www.zjsfgkw.cn/art/2020/3/25/art_80_20123.html))

1. See: <http://www.court.gov.cn/zixun-xiangqing-226511.html>

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