China vs Australia

More ownership. More scale. Room to grow.

A practical guide to ownership, tax, visas and business growth.

COMPARE	CHINA | THE OPPORTUNITY	AUSTRALIA
Foreign ownership	**100% foreign-owned** in many sectors; activity restrictions apply.	**100% foreign ownership** generally possible; investment screening and sector rules may apply.
Corporate income tax	**5% effective CIT** for qualifying small companies with annual taxable profit up to RMB3m.* Standard rate: 25%.	**30% standard company tax**; **25%** for qualifying base-rate entities.
VAT / sales tax	**1% on eligible transactions** for small-scale taxpayers, generally with sales up to RMB5m.*	**10% GST**; GST-free supplies and exemptions apply.
Dividend tax	**20% for foreign individuals** from 1 Sep 2026. Corporate shareholders have different rules.	Nonresident recipients: generally **30% on unfranked dividends**; fully franked dividends have no withholding.
Repatriating profits	**Permitted after tax and distribution compliance.** Banks review corporate, financial and tax records.	**Generally transferable abroad** after tax and company compliance; bank and sanctions checks apply.
Family visa rights	**S1:** eligible spouse, parents, children under 18 and parents-in-law; residence application required.	Eligible **partner and dependent children** may accompany qualifying visa holders; conditions vary by visa.
Hiring & capital	**No general nationwide 4:1 hiring rule.** Local work-permit and capital requirements apply.	A proprietary company needs **at least one ordinarily resident director**; sector capital rules may apply.
Work & residence	Eligible founders can apply through a **genuine operating company**; applicant and job criteria apply.	Incorporation grants no visa. **BIIP closed to new applicants in July 2024**; assess other work/innovation routes.
Market size	**Around 1.4 billion people.** A large domestic customer base; demand varies by product.	**Around 28 million people** (March 2026); a high-income but smaller domestic market.
Supply chain & talent	**Broad industrial supply chains** and a large workforce for sourcing and scaling.	Strong resources and professional expertise; China has broader manufacturing scale.
Banking & setup	**Multilingual local support** for documents, appointments and bank coordination. Bank approval required.	ASIC registration, director IDs and bank KYC; a resident director adds a local governance requirement.

* China: 5% CIT needs total profit <= RMB3m, <= 300 staff, assets <= RMB50m and eligible activity. Small-scale VAT conditions apply; input VAT generally not deductible. Both concessions end 31 Dec 2027. Standard China VAT rates differ. Dividend figures concern foreign individuals/nonresidents, not total personal tax; treaties may reduce rates. Family rights depend on route; work rights vary. Population figures are rounded 2025/26 estimates. Reviewed 29 Oct 2026.

LET'S TALK CHINA.

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