

E-Fapiao: Are They Different from Paper Fapiao?

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Differences Between a Physical Fapiao and an E-Fapiao

Handling fapiao is an important and complex part of managing relocation expenses in China since these documents are required when companies deduct associated expenses for tax purposes and when individual assignees claim their own relevant expenses. [In a recent SIRVA blog post](#), we examined two types of standard paper fapiao, and their related considerations regarding tax compliance. In the post that follows, we'll discuss the recent introduction of the e-fapiao – a third, digital version. We'll also examine the differences between standard and digital versions and how these differences affect the ways organisations obtain and use them.

What is an E-Fapiao?

An e-fapiao is equivalent to the conventional paper fapiao, in that it is used for the same purpose and is supervised by tax authorities. However, because of its digital nature, it comes with the added benefits of being easy to store, easy to search for at a later date, and easier to retrieve when needed.

E-fapiao are fairly new and have not yet been adopted by all merchants, vendors or relocation services partners. SIRVA has started navigating the change with clients, so relocating employees or assignees can either submit e-fapiao or continue to submit expense claims as they always have, with traditional paper versions. Relying on strong expense management expertise, SIRVA has designed a framework that addresses the evaluation and implementation of financial process compliance in China, while supporting client finance requirements, billing processes and fapiao collection, whether paper or digital.

Paper Fapiao Versus E-Fapiao

The table below demonstrates key differences between traditional, paper fapiao, and the recently introduced e-fapiao.

	Physical Fapiao	E-Fapiao
Required Information	<ul style="list-style-type: none"> Legal entity full name Tax code 	<ul style="list-style-type: none"> Legal entity full name Tax code

Validity	A valid tax receipt	A valid tax receipt
Format	Paper format, including 2 copies: the original for the assignee and a copy for the merchant	Digital format (A link to the digital fapiao will be issued by the merchant, to be used by the assignee to retrieve and download the fapiao, which can be printed on a standard A4-sized paper)
Format Used to Submit for Reimbursement	Only an original paper fapiao is accepted (copies are not acceptable)	The e-fapiao can be printed on A4-sized paper or downloaded in PDF format to submit for reimbursement
How to Obtain the Fapiao	<p>STEPS</p> <ol style="list-style-type: none"> 1. The assignee asks for a fapiao when the bill is paid 2. The merchant will ask if the fapiao is under the individual's or company's name, and request the assignee's full company name and tax code information if the fapiao is under the company name; the merchant will issue and print out the fapiao for the assignee 	<p>STEPS</p> <ol style="list-style-type: none"> 1. The assignee asks for a fapiao when the bill is paid 2. The merchant will provide a QR code 3. The assignee scans the QR code and fills in personal fapiao information and contact information (mobile phone number or email address) and company information 4. The assignee will receive an email/message containing the fapiao link at a later date

Issue Date on Fapiao	The date the assignee requests a fapiao from the merchant	The date of the application submission via QR code
Reissuing a Fapiao	Requesting that a paper fapiao be reissued is difficult, as the assignee will have to go back to the merchant to request a paper fapiao, which can only be printed on special paper issued by the tax authority; in turn, this may also incur additional tax costs and raise auditing concerns	An e-fapiao can be easily be reprinted, provided the PDF version of the document was saved upon receipt
Requesting a Specific E-Fapiao Type	The type of fapiao received is subject to the format being used by the merchant; the assignee CANNOT request a preferred fapiao type	
Advantages	<ul style="list-style-type: none"> Fapiao can be obtained from the merchant, face-to-face, and details can be verified immediately 	<ul style="list-style-type: none"> A PDF of the fapiao can be saved on A4-sized paper, which can be printed when required The PDF of the fapiao can be easily emailed to process reimbursement E-fapiao are environmentally friendly, as the process is paperless
Disadvantages	An original, paper fapiao is required to process reimbursement (copies are not accepted); only 1 original copy is available/provided at the time of purchase, and cannot	<ul style="list-style-type: none"> The assignee needs to scan the QR code, being mindful to apply for the

	be reproduced due to tax audit concerns	<p>fapiao before the QR code expiry date</p> <ul style="list-style-type: none"> Receiving the e-fapiao is not immediate: The assignee must wait and follow up to ensure that a link has been issued after requesting one via the QR code
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E-Fapiao FAQs

Can e-fapiao be used for reimbursement?

Yes. An e-fapiao is a valid voucher for reimbursement, as approved by the State Administration of Taxation. The printed e-fapiao is of the same effectiveness and usage as the conventional paper fapiao.

How do I print my e-fapiao?

After the assignee or company has received the e-fapiao by email, it can be printed on A4 paper on a standard printer. Please ensure the full copy of the e-fapiao is printed within the margins or fit to paper size.

How can I verify whether the e-fapiao is authentic?

Generally, it is difficult to counterfeit an e-fapiao. If required, assignees or mobility managers can verify authenticity on the [e-fapiao search platform](#) provided by the local tax authority.

Why is the e-fapiao issue date not the same day as the date the charge or service occurred?

An e-fapiao is only issued after an assignee scans the QR code to submit his/her application for the e-fapiao. Since the date on the e-fapiao will reflect the day of application, it may differ from the date of purchase if the assignee waits to scan/utilise the QR code.

What is the validity period/expiration date of the QR code on the receipt?

The validity period for use of a QR code is set by the merchant and is usually 7-30 days. Assignees are encouraged to submit the application as soon as the receipt has been received.

What can I do if the QR code is invalid?

Assignees should contact the merchant that has issued the fapiao and request that s/he resend the e-fapiao to the assignee's email address. Information from the receipt will need to be provided, such as the slip number and fapiao title.

What can I do if I have lost the receipt?

Assignees or the designated mobility team representative will need to contact the merchant, provide a record of payment, and ask the merchant to reissue the e-fapiao.

As mentioned earlier in this post, managing fapiao is an important but complex part of expense management in China. With this in mind, it's important to partner with a mobility services provider that has robust client financial expertise and can evaluate and determine how your current programme is designed for any inbound/outbound assignments and/or domestic moves. Whether paper or e-fapiao, proper collection and use is critical for compliance, achieving and providing favourable tax benefits, and ensuring adherence to local regulations.

To learn more about how SIRVA can help your company conduct a thorough review of your company's expense management, designed to help ease the financial burden on organisations and their relocating employees, contact us at conciierge@sirva.com.

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