# Regulations on the Administration of Registration of Market Entities of the PRC

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## Chapter I — General Provisions

Article 1 — This Regulation is enacted for the purpose of regulating the registration administration of market entities, advancing the rule of law and the modernization of the market, safeguarding the legitimate rights and interests of market entities, maintaining market order, and optimizing the business environment.

Article 2 — For the purposes of this Regulation, "market entities" refers to natural persons, legal persons, and unincorporated organizations that engage in profit-making business activities within the territory of the People's Republic of China and are registered in accordance with this Regulation. Market entities shall register in accordance with this Regulation. Without registration, no entity may engage in business activities in the name of a market entity, unless otherwise provided by laws or administrative regulations.

Article 3 — The registration administration of market entities shall adhere to the principles of legality, openness, fairness, standardization, and efficiency.



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Article 4 — The market regulatory department of the State Council shall be in charge of the registration administration of market entities nationwide. The market regulatory departments of local people's governments at or above the county level shall be in charge of the registration administration of market entities within their respective administrative regions.

Article 5 — The registration administration organs of market entities shall optimize the registration process, improve registration efficiency, and implement on-time processing, online processing, and nearby processing, among other convenient measures.

Article 6 — The state shall promote the standardization and normalization of the registration administration of market entities. The market regulatory department of the State Council shall formulate unified standards for the registration administration of market entities, standardize registration matters, registration materials, registration procedures, and business forms, among others.

Article 7 — The state shall implement an electronic registration system for market entities. Market entities may apply for registration through the online registration system. The electronic business license shall have the same legal effect as the paper business license.

Article 8 — The registration administration organs of market entities shall strengthen the sharing and application of registration information, promote the interconnection of registration information among relevant departments, and provide information support for relevant government departments and market entities.

## Chapter II — Registration Matters

Article 9 — The registration matters of market entities include: (1) name; (2) type of entity; (3) business scope; (4) domicile or principal place of business; (5) amount of registered capital or registered capital contribution; (6) name of legal representative, executive partner, or responsible person; (7) shareholders or sponsors, investors, partners, and operators; and (8) other matters prescribed by laws and administrative regulations.

Article 10 — A market entity may register only one name. The name of a market entity shall comply with the provisions of laws and administrative regulations and shall not contain any content prohibited by laws and administrative regulations. The registration administration organ of market entities shall establish a system for the independent declaration of business names by market entities, regulate the application of business names, and promptly address issues concerning improper business names.

Article 11 — Market entities may register only one domicile or principal place of business. Where market entities use their own premises as their domicile or principal place of business, they shall submit proof of the right to use the premises. Where laws or administrative regulations provide otherwise, those provisions shall prevail.

Article 12 — A market entity shall register its type in accordance with the provisions of laws and administrative regulations. The types of market entities include limited liability companies, joint stock limited companies, sole proprietorship enterprises, partnership enterprises, individually owned businesses, specialized farmers' cooperatives, and unincorporated organizations, among others. The type of a market entity shall be registered by reference to the classification standards for market entities.

Article 13 — Market entities shall register their business scope in accordance with the provisions of laws and administrative regulations. The business scope of a market entity shall be registered in accordance with the industry classification standards, and market entities shall engage in business activities within the registered business scope. Market entities engaged in business activities that require administrative licensing approval in accordance with the law shall register such business activities in their business scope.

Article 14 — Market entities shall register their registered capital or registered capital contribution. Market entities shall contribute their registered capital or registered capital contribution in accordance with the



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provisions of the law, the articles of association, or the partnership agreement, and shall be liable for their debts to the extent of the amount of registered capital contributed or the capital contribution subscribed for. Market entities registered in the form of companies shall comply with the relevant provisions of the Company Law of the People's Republic of China.

Article 15 — Market entities shall register their legal representative, executive partner, or responsible person. The legal representative, executive partner, or responsible person of a market entity shall be the person who exercises authority and assumes responsibility on behalf of the market entity in accordance with the provisions of the law, the articles of association, or the partnership agreement.

Article 16 — Market entities shall register their shareholders or sponsors, investors, partners, and operators. The registration administration organs shall record the shareholders, sponsors, investors, partners, and operators of market entities in the register of market entities.

## Chapter III — Registration Procedures

Article 17 — Market entities shall apply for establishment registration with the registration administration organ. Where the applicant's application materials are complete and conform to the statutory form, the registration administration organ shall register the establishment on the spot; where on-the-spot registration cannot be made, a decision on whether to approve the registration shall be made within three working days. Where the relevant authorities need to verify the application materials, the verification period shall not exceed 15 working days.

Article 18 — Where a matter registered by a market entity changes, the market entity shall apply for change registration with the registration administration organ within 30 days from the date of the change. Where the market entity fails to apply for change registration within the prescribed period, the registration administration organ shall order it to make corrections, and may impose a fine of not less than RMB 10,000 yuan and not more than RMB 100,000 yuan in accordance with the law.

Article 19 — Where a market entity ceases its business operations, is dissolved, or is declared bankrupt in accordance with the law, it shall apply for deregistration with the registration administration organ. The market entity shall settle its creditor-debtor relationships and complete tax clearance before applying for deregistration.

Article 20 — Market entities applying for deregistration shall submit their business licenses, deregistration applications, and other relevant documents to the registration administration organ. Where the market entity's application materials are complete and conform to the statutory form, the registration administration organ shall process the deregistration in accordance with the law.

Article 21 — Market entities that meet the conditions for simplified deregistration may apply for simplified deregistration in accordance with relevant state regulations. Market entities applying for simplified deregistration shall publish an announcement through the national enterprise credit information publicity system, and the announcement period shall be 20 days. If no objection is raised during the announcement period, the registration administration organ shall process the simplified deregistration within 20 working days.

Article 22 — Where a market entity ceases business operations for six consecutive months without cause, the registration administration organ may revoke its business license in accordance with the law. The registration administration organ shall make a public announcement before revoking a business license.

Article 23 — The registration administration organ shall establish a register of market entities and record the registration matters of market entities. The register of market entities shall be open to the public for inquiry in accordance with the law. Any entity or individual may inquire about the registration matters of market entities through the national enterprise credit information publicity system.



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Article 24 — The registration administration organ shall issue a business license to market entities in accordance with the law. The business license shall specify the name, type, legal representative, business scope, registered capital, date of establishment, term of operation, and domicile of the market entity, among other matters. Unless otherwise provided by laws and administrative regulations, the business license shall be the only lawful certificate for market entities to engage in business activities.

Article 25 — Where a market entity loses its business license or the business license is damaged, the market entity shall apply to the registration administration organ for a replacement. The registration administration organ shall process the replacement in accordance with the law and make a public announcement.

Article 26 — Where a market entity suspends its business operations, it shall file a record with the registration administration organ. The period of business suspension shall not exceed one year. Where the business suspension period expires and the entity is unable to resume business operations, it shall apply for an extension of the suspension period before the expiration of the suspension period.

Article 27 — Where the registration administration organ approves the registration of a market entity, it shall grant a registration number and issue a business license. The registration number of a market entity shall be uniquely determined and remain unchanged for the life of the entity. The state shall implement a unified social credit code system.

Article 28 — The registration administration organ shall disclose the registration information of market entities to the public through the national enterprise credit information publicity system in a timely manner. The disclosed registration information shall include registration matters, filing matters, annual reports, administrative licensing information, administrative penalty information, and other information as prescribed.

## Chapter IV — Supervision and Administration

Article 29 — The registration administration organ shall strengthen the supervision and inspection of market entity registration matters, and shall promptly investigate and deal with illegal acts of market entity registration in accordance with the law. The registration administration organ shall establish and improve the "double random, one open" supervision mechanism for market entity registration.

Article 30 — The registration administration organ shall, in accordance with the law, carry out supervision and management in the following areas: (1) supervising and inspecting whether market entities obtain business licenses in accordance with the law; (2) supervising and inspecting whether the registration matters of market entities are truthful and lawful; (3) supervising and inspecting whether market entities engage in business activities within the registered business scope; (4) supervising and inspecting whether market entities complete change registration and deregistration in accordance with the law; (5) supervising and inspecting whether market entities publish annual reports in accordance with the law; and (6) other supervision and management matters prescribed by laws and administrative regulations.

Article 31 — Market entities shall, from January 1 to June 30 of each year, submit their annual report for the preceding year to the registration administration organ through the national enterprise credit information publicity system, and publicize it to the public. The contents of the annual report shall include the basic information of the market entity, the status of capital contributions by shareholders and sponsors, business operations, and other information as prescribed.

Article 32 — Market entities shall be responsible for the truthfulness, legality, and completeness of their annual reports. Where a market entity fails to submit its annual report within the prescribed period, the registration administration organ shall include the entity in the list of enterprises with abnormal business operations and publicize it to the public.

Article 33 — The registration administration organ shall, in accordance with the law, carry out random inspections of annual reports submitted by market entities. The registration administration organ may entrust



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accounting firms, tax agent firms, or other professional service institutions to verify the annual reports of market entities, and the verification fees shall be borne by the government.

Article 34 — The registration administration organ shall establish a credit risk classification management system for market entities, and implement differentiated supervision measures for market entities with different credit risk levels. For market entities with good credit, the frequency of random inspections shall be reasonably reduced; for market entities with poor credit, the frequency of random inspections shall be increased.

Article 35 — The registration administration organ of market entities shall strengthen coordination and cooperation with relevant departments, promote information sharing, and implement joint supervision of market entities. Relevant departments shall promptly notify the registration administration organ of information on administrative licensing, administrative penalties, and other information concerning market entities.

Article 36 — Where registration administration organs and their staff members fail to perform their duties in accordance with the law, they shall be subject to legal liability in accordance with the law. Any entity or individual shall have the right to report illegal acts in the registration administration of market entities to the relevant authorities.

## Chapter V — Legal Liability

Article 37 — Where a market entity engages in business activities without registration in the name of a market entity, the registration administration organ shall order it to make corrections, confiscate its illegal income, and impose a fine. Where the illegal business turnover exceeds RMB 10,000 yuan, a fine of not less than one time and not more than three times the illegal business turnover shall be imposed; where the illegal business turnover is less than RMB 10,000 yuan, a fine of not less than RMB 10,000 yuan and not more than RMB 50,000 yuan shall be imposed.

Article 38 — Where a market entity commits fraud in its registration application, conceals important facts, or obtains registration through other improper means, the registration administration organ shall revoke the registration, impose a fine of not less than RMB 50,000 yuan and not more than RMB 200,000 yuan, and include the entity's illegal act in the credit record. Where the circumstances are serious, the entity's business license shall be revoked.

Article 39 — Where a market entity fails to apply for change registration in accordance with the law after a change in registration matters, the registration administration organ shall order it to make corrections within a prescribed period; where the entity fails to make corrections within the prescribed period, a fine of not less than RMB 10,000 yuan and not more than RMB 100,000 yuan shall be imposed.

Article 40 — Where a market entity forges, alters, leases, lends, or transfers its business license, the registration administration organ shall confiscate its illegal income and impose a fine of not more than RMB 100,000 yuan. Where the circumstances are serious, a fine of not less than RMB 100,000 yuan and not more than RMB 500,000 yuan shall be imposed, and the business license shall be revoked.

Article 41 — Where a market entity fails to submit its annual report within the prescribed period or conceals facts or commits fraud in its annual report, the registration administration organ shall include the entity in the list of enterprises with abnormal business operations and may impose a fine of not less than RMB 10,000 yuan and not more than RMB 100,000 yuan.

Article 42 — Where a market entity fails to publicize relevant information in accordance with the law or conceals facts or commits fraud in its publicized information, the registration administration organ shall order it to make corrections within a prescribed period and may impose a fine of not less than RMB 10,000 yuan and not more than RMB 100,000 yuan.



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Article 43 — Where a market entity refuses or obstructs the registration administration organ's lawful performance of its supervisory and inspection duties, the registration administration organ shall order it to make corrections and may impose a fine of not more than RMB 50,000 yuan. Where the circumstances are serious, a fine of not less than RMB 50,000 yuan and not more than RMB 100,000 yuan shall be imposed, and the business license shall be revoked.

Article 44 — Where a staff member of a registration administration organ abuses their authority, neglects their duties, or engages in malpractices for personal gain, sanctions shall be imposed in accordance with the law; where a crime is constituted, criminal liability shall be investigated in accordance with the law.

## Chapter VI — Supplementary Provisions

Article 45 — The registration administration of specialized farmers' cooperatives shall be governed by the provisions of the Law of the People's Republic of China on Specialized Farmers' Cooperatives. Where the said Law does not provide, the relevant provisions of this Regulation shall apply.

Article 46 — The registration administration of branches established by foreign companies within the territory of China shall be governed by the relevant provisions of the Company Law of the People's Republic of China and the Special Administrative Measures for Foreign Investment Access.

Article 47 — The registration administration of resident representative offices of foreign enterprises within the territory of China shall be governed by the relevant provisions of the Regulations on the Administration of the Registration of Resident Representative Offices of Foreign Enterprises.

Article 48 — The registration administration of enterprises invested by investors from Hong Kong Special Administrative Region, Macao Special Administrative Region, and Taiwan Region within the mainland shall be governed by the relevant provisions of the state.

Article 49 — Individual industrial and commercial households shall be registered and administered in accordance with the provisions of this Regulation and the relevant provisions of the state.

Article 50 — The market regulatory department of the State Council may formulate specific implementation measures in accordance with this Regulation.

Article 51 — This Regulation shall come into force on March 1, 2022. The Regulations of the People's Republic of China on the Administration of Company Registration, the Regulations on the Administration of Registration of Enterprise Legal Persons, the Regulations on the Administration of Registration of Partnership Enterprises, the Measures for the Administration of Registration of Sole Proprietorship Enterprises, and the Measures for the Registration Administration of Enterprise Groups, all promulgated earlier, shall be repealed simultaneously.

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