



Shanghai Consulate News for Americans

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Still Grappling With Your Tax Returns?

U.S. citizens residing overseas are allowed an automatic 2-month extension to file tax returns, but must attach a [statement to their tax return regarding the extension](#). That means for many overseas residents, your **tax return is due on June 15**.

Visit the IRS website for information on [U.S. Citizens and Resident Aliens Living Abroad](#). This website has links to detailed topics such as the foreign earned income exclusion, foreign tax credit, and reporting foreign bank accounts. They provide answers to tax [FAQs About International Individual Tax Matters](#), information on how to contact the IRS and links to obtain additional assistance. Be sure to check out the link to [International Taxpayer](#).

Please note that the IRS does not have an office in Shanghai and that Consular staff is not authorized to answer inquiries on preparing or filing U.S. tax returns. Any inquiries on tax matters should be directed to the regional [IRS office in Beijing](#) or to the International Taxpayer Helpline in Philadelphia (Tel: 267-941-1000, open 6 AM – 11 PM Eastern Standard Time).

Keep informed of tax tips, deadlines, phishing schemes and other news by visiting the IRS, [Latest News](#) webpage.

Leaving China?

Did you know that you can end your enrollment with the Smart Traveler Enrollment Program (STEP) by visiting the step.state.gov site? If you previously submitted a paper enrollment form to the U.S. consulate, you may end your enrollment by sending an email request to: ShanghaiACS@

Nanjing Beefs Up Prep Work As YOG Marks 100-Day Countdown

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Source: Xinhua | May 8, 2014

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Nanjing 2014 Summer Youth Olympic Games marked 100-day countdown on Thursday as preparation for the YOG has entered its final stretch.

"Venue construction and renovation is coming to an end. At the 35 competition and training venues, all fixed facilities have been in place by April 30 and the temporary facilities will be completed before June 30. The Youth Olympic Village has been delivered for use at the end of April," said Yang Weize, chairman of the Nanjing 2014 organizing committee. According to Yang, rehearsals of the opening and closing ceremonies are carried out smoothly. The proposal for the ceremonies has been refined so as to hail the origin of sport, highlight Chinese characteristics, reflect the Olympic spirit and youth elements and allow the young people to play a major role. "It's a good opportunity for the world youth to know and understand China. Different from many other sporting events, the YOG is a grand gala for cultural exchanges between young people," added Yang.

According to Xiao Tian, a top Chinese sports official, said China will send a 123-strong delegation to 110 events over all 28 sports. The final list will be decided in July. The flame of Nanjing 2014 was lit at Panathenaic Stadium, Athens on April 30 while the Virtual Torch Relay was launched simultaneously. In August, the Torch Relay will be held.

The Nanjing 2014, another Olympic hosted by China following the Beijing 2008 Olympic Games, will be staged in Nanjing from August 16-28.

Upcoming Holidays & Other Closures

A full list of all of our closures is online at <http://shanghai.usembassy-china.org.cn/service.html>. The ACS Unit will be **CLOSED** to the public on:

<u>June 13, 2014, Friday</u>	Administrative Closure	行政管理日	Xíngzhèng Guǎnlǐ Rì
<u>July 4, 2014, Friday</u>	Independence Day	独立日	Dúlì Rì
<u>September 1, 2014, Monday</u>	Labor Day	美国劳动节	Měiguó Láodòng Jié

Recent Option For Hanging Out: Parks At Night

Source: Pan Zheng, Shanghai Daily | May 6, 2014

In a long-time tradition in Shanghai, neighbors like to leave their houses and sit together in the neighborhood and chat on summer nights to enjoy the natural coolness and relieve their fatigue. Since 2011, Shanghai residents have been granted another option to enjoy the nighttime outdoors as dozens of local parks started to remain open well into the evening.

Nighttime in the park provides a different experience than being there in the daytime. The soft lights put an attractive glow on flowers and plants, and it often is quieter, with fewer people. Many parks will open in the evening only in summer, usually from July to September. But here are three that are already open in the evening.

Zhongshan Park

In central Changning District, the century-old park offers a great escape from the city and bustling crowds with a large collection of trees and flowers. Take a stroll in the park and you will pass many ancient trees such as metasequoia, plane trees and yellow sandalwood as well as beautiful flowers like purple wisteria, red plum flowers and pink-white sakura blossoms.

The park has a large lawn where people can set up tents, have picnics or just sit down to enjoy the sunshine during the day. Boats are also available for rent, where you can ply the serene waters of the small lake. The park is a favorite hangout for local residents, with young couples taking their babies in strollers for a walk and old people practicing tai chi, kung fu, singing and dancing. Although the park is very busy on weekends, it is much more tranquil in the evening and worth a visit.

Address: 780 Changning Rd

Open hours: 5am to 9pm

Admission: Free

Fuxing Park

Built in 1909, the park has preserved a French classic garden design with over 1,700 plane trees more than 50 years old, providing a green haven that shields people from the summer sunshine. The park is a quiet retreat where you can hide from the hustle-bustle of the surrounding city and contemplate life beside a large statue of Marx and Engels.

It is nice to take a stroll on paved walking paths in the park in spring as flowers are blooming. There is an amusement area for children, and you're likely to see old people playing Chinese chess, cards or musical instruments.

Address: 2 Gaolan Rd

Open hours: 6am-8pm

Admission: Free

Xujiahui Park

The park was built in 2000 on the original site of the Shanghai Great China Rubber Factory, Shanghai EMI Record Co and residential areas nearby. It preserves the original chimney of the factory and the office building of the record company. The overall arrangement of the park resembles the geographic shape of Shanghai. It has a water area that looks like the Huangpu River, and a 200-meter-long bridge runs through it.

Visitors can also enjoy a pleasant dinner and a happy evening in the restaurant and bar in the former EMI office building, a historic red house where the national anthem of China was created and first recorded.

Address: 811 Hengshan Rd

Open hours: 24 hours

Admission: Free

US Business Whips Shanghai's 'Wave of Capital Migration'

Source: He Wei, China Daily | April 17, 2014

Shanghai has captivated Scott Minoie's imagination for as long as he can remember. It may have happened in Chinese history lessons at college. Or kung fu movies. Or the success of earlier foreign investors. It propelled the Bostonian to settle in Shanghai after a city tour fascinated him. He took a position teaching English at a local university, something common for young expats, even if he had worked as a chef in five-star hotels back in the United States.

As more foreign executives relocated to Shanghai, Minoie saw a need among expats for a healthy home-made working lunch. He bought ingredients from a Carrefour supermarket and prepared lunch for 80 people. Then he prepared to run his own business. "You have to stay conscious of the local taste here, and be careful not to be too 'localized', otherwise you will fail," said Minoie, whose chain has grown to 21 in China's business hubs. The majority of his clients are now Chinese. He remains confident that, with concerns over food safety, they will appreciate a Western-style bistro allowing diners to see their strawberry smoothies and laffa-bread salads being made.

His success contrasts sharply with the experiences of a string of big Western restaurant chains that failed to secure brand recognition in a growing market of middle-class earners who have a craze for Western flavors.

The "new wave of capital migration" from the US is driven largely by small and medium-sized enterprises mostly in niche businesses.

US SMEs are relative newcomers,

with almost one-third having been in China for five or fewer years, according to the annual survey published in February by the American Chamber of Commerce in Shanghai.

When looking at longer time frames, 36 per cent of SMEs reported having been in the country for at least a decade. Sixty-four per cent of larger companies said they had reached the 10-year point. A higher proportion of respondents - 37 per cent - consider themselves SMEs compared with 26 per cent a year ago.

The business aims of SMEs - companies with 500 or fewer employees worldwide - are distinct from larger firms, said Chris Wingo, founder of China Sage Consultants (Shanghai) Co, whose firm helps SMEs from the US prepare and manage their businesses in China.

A big "driver for SMEs to come to China was their larger business partners, namely multinational corporations, when they started manufacture in China and wanted their supply chain to be here with them. It was like a command," he said.

China came onto US entrepreneurs' radar in the late 2000s as more SMEs became interested in the country's economic growth and the US' performance remained lackluster, Wingo said.

The greater Shanghai region, including neighboring economic powerhouses Jiangsu and Zhejiang provinces, has proven attractive for smaller businesses due to its accessibility for global businesses, said Zhou Zhendong, president of Jiangsu Eastman Heavy Machinery Co Ltd.

"Shanghai and the rest of the Yangtze River Delta region boast a strong network of distribution, suppliers, executives and engineers that are valuable to our business," said Zhou, whose company is a Sino-US joint venture.

Zhou said companies sourcing in the area tend to avoid top supply-chain risks such as infrastructure, bureaucracy, intellectual property rights and corporate transparency, and Shanghai has a record of being the most business-friendly city in the country, he said.

"Here you see a concentration of equipment-rental houses, construction projects as well as component suppliers," Zhou said. "It's easy for global customers to come visit and easily attract skilled labor, including managerial-level candidates."

In the bigger picture, a shift occurred when more Western manufacturers pulled investment out from China's coastal regions and moved either inland or to lower-cost markets within the Association of Southeast Asian Nations. ASEAN's 10 members include Myanmar, Vietnam and Cambodia.

The American Chamber of Commerce's survey showed US SMEs preferred to enter the service sector, with 76 per cent reporting services as their main activity, compared with 43 per cent for larger ones.

That trend has partly coincided with Shanghai's evolving structure of economic output, with over 62 per cent of its gross domestic product being generated by the service sector. It also means opportunities in the segment are much more widespread than in manufacturing, said Simon Northcott,

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Travel Warnings And Alerts

Travel Warnings are issued to describe long-term, protracted conditions that make a country dangerous or unstable. A Travel Warning is also issued when the U.S. Government's ability to assist American citizens is constrained due to the closure of an embassy or consulate or because of a draw-down of its staff. Travel Alerts are issued to disseminate information about short-term conditions generally within a particular country or region that pose imminent risks to the security of U.S. citizens. Natural disasters, terrorist attacks, coups, anniversaries of terrorist events, election-related demonstrations or violence, and high-profile events such as international conferences or regional sports events are examples of conditions that might generate a Travel Alert. The list of current Travel Warnings and Travel Alerts can be found at

<http://travel.state.gov/content/passports/english/alertswarnings.html>

Security reminder: It is advisable that you and your family review your personal security profile and be aware of your surroundings at all times. Since our previous Newsletter, the U.S. Department of State has issued new **Travel Warnings** and new **Travel Alerts** for the following countries:

5/27/2014	Libya Travel Warning
5/23/2014	Thailand Travel Alert
5/22/2014	Iran Travel Warning
5/20/2014	North Korea Travel Warning
5/19/2014	Philippines Travel Warning
5/17/2014	Kenya Travel Warning

5/13/2014	Central African Republic Travel Warning
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5/8/2014	Ukraine Travel Warning
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5/6/2014	Nigeria Travel Warning
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5/5/2014	Syria Travel Warning
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4/25/2014	El Salvador Travel Warning
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4/25/2014	Cameroon Travel Warning
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4/23/2014	Democratic Republic of the Congo Travel Warning
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4/23/2014	Republic of South Sudan Travel Warning
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US Business Whips Shanghai's 'Wave of Capital Migration'

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principal consultant of Competitive Capabilities International China. "The trend in the last 15 years is that big MNCs come here for manufacturing and for export," Northcott said. "Now that the Chinese market is changing together with the demand of the Chinese themselves, we see better shots in the service industries such as insurance, medical care and consultancy." CCI's business was buoyed by companies' growing willingness to invest in improving productivity, Northcott said. More companies in Shanghai are increasingly sophisticated, and their demands on promoting services are rapidly rising, he said.

Robert Theleen, CEO of the ChinaVest Ltd and chairman of the American Chamber of Commerce in Shanghai, said China's commitment to economic liberalization through initiatives such as the China (Shanghai) Pilot Free Trade Zone show it's only natural more firms are setting up in the country. "When you combine this improving infrastructure with the decades of experience that American businesses now have in this market, it's easier for US companies to profit from China's growth, regardless of their size," he said.

Wingo from China Sage echoed that. Proposed policy changes, including facilitating trade and allowing financial liberalization, could eventually afford big benefits to foreign SMEs. That may include available, reasonably priced financing for capital investment and business transactions and a more efficient import process at a lower cost. "SMEs should be able to focus more on the business at hand and less on inefficient manoeuvring to get things done," Wingo said. "You can imagine the increase in operational flexibility that theoretically could be enjoyed within the FTZ."