

Decision of the State Council on Revision of the Provisional Regulations of the People's Republic of China on Urban and Township Land Use Tax

State Council Order No. 483

Passed by the 163rd Session of the State Council on 30 December 2006 and promulgated on 31 December 2006

The State Council has decided to revise the *Provisional Regulations of the People's Republic of China Governing Land Use Tax in Cities and Towns* as follows:

1. Insert a new paragraph to Article 2 as the second paragraph which reads as: "Organisations mentioned in the preceding paragraph include State-owned enterprises, collective enterprises, private enterprises, enterprises with a shareholding structure, foreign investment enterprises, foreign enterprises and any other enterprises and institutions, social organisations, State departments, armed forces and other organisations; individuals mentioned in the preceding paragraph include individually-owned businesses and other individuals."
2. Article 4 shall be revised to read as: "The taxable amount per square metre for land use tax shall be as follows:
 - (1) RMB1.5 to RMB30 for large cities;
 - (2) RMB1.2 to RMB24 for medium cities;
 - (3) RMB0.9 to RMB18 for small cities;
 - (4) RMB0.6 to RMB12 for county towns, towns and industrial and mining areas."
3. Article 13 shall be revised to read as: "The implementation measures for these Regulations shall be formulated by the People's Governments of the provinces, autonomous regions and centrally-administered municipalities."

In addition, the wordings in individual articles of these Regulations have been revised.

This Decision shall take effect on 1 January 2007.

The *Provisional Regulations of the People's Republic of China on Urban and Township Land Use Tax* shall be revised and re-promulgated pursuant to this Decision.

Provisional Regulations of the People's Republic of China on Urban and Township Land Use Tax

Promulgated via State Council Order No. 17 on 27 September 1988

Revised on 31 December 2006 pursuant to the Decision of the State Council on Revision of the Provisional Regulations of the People's Republic of China on Urban and Township Land Use Tax

[Article 1](#)

These Regulations are formulated for the purposes of utilising urban and township land rationally, regulating differential land prices, raising land use efficiency and strengthening land administration.

[Article 2](#)

Organisations and individuals that use land within the region of a city, county town, town or industrial and mining area shall be taxpayers of the urban land use tax (hereinafter referred to as the "land use tax") and pay land use tax pursuant to the provisions of these Regulations.

Organisations mentioned in the preceding paragraph include State-owned enterprises, collective enterprises, private enterprises, enterprises with a shareholding structure, foreign investment enterprises, foreign enterprises and any other enterprises and institutions, social organisations, State departments, armed forces and other organisations; individuals mentioned in the preceding paragraph include individually-owned businesses and other individuals.

[Article 3](#)

Land use tax shall be calculated on the basis of the actual land area occupied by the taxpayer, and levied and collected pursuant to the stipulated taxable amounts.

The organisation that surveys the actual land area occupied by a taxpayer as mentioned in the preceding paragraph shall be determined by the People's Governments of provinces, autonomous regions and centrally-administered municipalities according to the actual circumstance.

[Article 4](#)

The taxable amount per square metre for land use tax shall be as follows:

- (1) RMB1.5 to RMB30 for large cities;
- (2) RMB1.2 to RMB24 for medium cities;

- (3) RMB0.9 to RMB18 for small cities;
 - (4) RMB0.6 to RMB12 for county towns, towns and industrial and mining areas.
- [Article 5](#)

The People's Governments of provinces, autonomous regions and centrally-administered municipalities shall, pursuant to conditions such as the level of municipal development, degree of economic prosperity, etc, determine the range of applicable tax amounts for their respective jurisdictions within the range of tax amounts stipulated in Article 4.

The People's Governments of municipalities and counties shall, pursuant to actual circumstances, divide the land in their respective jurisdictions into several grades and formulate a corresponding applicable tax amount standard, within the range of tax amounts determined by the People's Government of the respective province, autonomous region or centrally-administered municipality, and submit the standard to the People's Government of the respective province, autonomous region or centrally-administered municipalities for approval before implementation.

Upon approval by the People's Government of the province, autonomous region or centrally-administered municipality, the standard of applicable tax amount of land use tax in an economically undeveloped region may be reduced appropriately, provided the amount of reduction does not exceed 30% of the minimum taxable amount stipulated in Article 4. The applicable tax amount standard for land use tax in an economically developed region may be raised appropriately, provided the raise is approved by the Ministry of Finance.

[Article 6](#)

The following types of land shall be exempted from land use tax :

- (1) land used by State authorities, civil organisations and armed forces;
- (2) land used by organisations that receive allocated funding from the State finance authorities;
- (3) land used for religious buildings, parks, scenic and historic attractions;
- (4) municipal roads, squares, green zones and any other publicly used land;
- (5) land used directly for agriculture, forestry, husbandry and fishery purposes;
- (6) land from approved mountain clearings, sea reclamations and transformed abandoned land shall be exempted from land use tax for five to ten years from the month when the land is put to use; and
- (7) land used for energy, communications, water resources facilities and any

other form of land use that is granted tax exemption separately by the Ministry of Finance.

[Article 7](#)

With the exception of the provisions under Article 6, where a taxpayer has genuine difficulty paying land use tax and requires regular tax reductions or exemptions, the tax authorities of the province, autonomous region or centrally-administered municipality shall examine the case and report to the State Administration of Taxation for approval.

[Article 8](#)

Land use tax shall be calculated annually and paid in instalments. The payment period shall be determined by the People's Governments of provinces, autonomous regions and centrally-administered municipalities.

[Article 9](#)

Newly requisitioned land shall be subject to land use tax pursuant to the following provisions:

- (1) arable land which has been requisitioned shall be subject to land use tax with effect after one year from the date of approval of the requisition; and
- (2) non-arable land which has been requisitioned shall be subject to land use tax with effect in the following month after the date of approval of the requisition.

[Article 10](#)

Land use tax shall be levied and collected by the tax authorities at the location of the land. Land administration authorities shall provide information on land use and ownership to the tax authorities at the location of the land.

[Article 11](#)

The administration of levying and collection of land use tax shall be executed pursuant to the provisions of the *Law of the People's Republic of China on Administration of Tax Levying and Collection* and these Regulations.

[Article 12](#)

The revenue from land use tax shall be included in the Budget for administration.

[Article 13](#)

The implementation measures for these Regulations shall be formulated by the People's Governments of the provinces, autonomous regions and centrally-administered municipalities.

[Article 14](#)

These Regulations shall be effective 1 November 1988 and the land use fee measures promulgated by all localities shall cease to be implemented simultaneously.