

Notice of the Local Taxation Bureau of Beijing on the Administration of Tax Collection after the Adjustment of Tax Policies on Real Estate Transactions

(No. 250 [2008] of the Local Taxation Bureau of Beijing)

The local taxation bureaus and sub-bureaus of all districts and counties:

To better implement the Notice of the Ministry of Finance and the State Administration of Taxation on Adjusting the Tax Policies on Real Estate Transactions (No. 137 [2008] of the Ministry of Finance) and guarantee the normal administration of tax collection on real estate transactions and the consistency of tax policies thereon, we hereby notify the relevant issues as follows:

I. About the time for implementing the new policies

For real estate transactions whose transaction formalities are to be handled after November 1, 2008, the tax preferential policies prescribed in Document No. 137 [2008] of the Ministry of Finance shall apply.

II. About the specific administration of the collection of different taxes

1. Deed Tax

A taxpayer shall produce a Letter of Commitment on the First Purchase of House as the certificate on the first purchase of house before the construction commission issues the certificate.

2. Land Value Increment Tax

An individual will not have to put down the information about land value increment tax in the Tax Declaration Form on Individual Sales of Purchased Residential Houses for Verification

(Application Form for Issuing Invoices) for the sales of a residential house.

3. Stamp Tax

The local taxation bureaus and sub-bureaus of districts and counties that have authorized the administrative departments of real estate to collect stamp tax shall notify these departments of this Notice in a timely manner so as to guarantee accurate tax collection.

October 29, 2008