

## Notice of the Ministry of Finance on Reduction and Exemption of Some Governmental Funds in Areas That Suffered Severely in the Wenchuan Earthquake

(No.49 [2008] of the Ministry of Finance)

The people's governments of Sichuan, Gansu and Shaanxi provinces, all ministries and commissions of the State Council, the institutions directly under the State Council:

In accordance with the Opinions of the State Council on the Policies and Measures for Supporting the Post-Wenchuan Earthquake Rehabilitation and Reconstruction (No. 21 [2008] of the State Council), and in order to relieve the economic burden of the enterprises, entities and individuals in seriously disaster-stricken areas, support the post-earthquake rehabilitation and reconstruction, we hereby notify the relevant issues on the reduction and exemption of some governmental funds in areas that suffered severely as follows:

I. From the date of the issuance of this notice up to June 30, 2011, the electricity-consuming enterprises, entities and individuals in areas that suffered severely in the earthquake shall be exempted from the Three Gorges Project Construction Fund, Final-Phase Fund for Supporting Relocating People of the Large and Mid-size Reservoirs. The enterprises and the relevant business operators in the areas that suffered severely in the earthquake shall be exempted from the Construction Fund for Cultural Undertakings, the Special Fund for the Development of the State Movies Undertakings, the Surcharge for Water and Land Cargo and Passenger Transportation, which belong to the central government.

II. The policies of exemption of the Three Gorges Project Construction Fund, Final-Phase Fund for Supporting Relocating People of the Large and Mid-size Reservoirs shall be fulfilled by the relevant entities when collecting the electric charges from the electricity-consumers by directly deducting the funds payable by them but which shall be exempted in the current period, and the specific amount of deduction shall be specified in the receipts they issue.

III. Sichuan, Gansu and Shaanxi provinces shall, at their discretion, reduce and exempt the governmental funds in the areas that suffered severely in the earthquake, which belong to the local government, and report to the Ministry of Finance for records. Meanwhile, the various funds set forth in violation of regulations shall be abolished.

IV. The enterprises, entities and individuals in other areas, which establish new enterprises in the areas that suffered severely in the earthquake and assist the production rehabilitation in those areas, shall enjoy the above policies of funds reduction and exemption.

V. The reduction and exemption of some governmental funds in the areas that suffered severely in the earthquake is an important measure taken by the state to promote the rehabilitation and reconstruction in those areas. All the relevant local governments and the departments thereof shall carry out the implementation and immediately submit the relevant information on the implementation of this notice in local areas and departments, including the funds reduced or exempted, the estimated amount of reduction and exemption etc., to the Ministry of Finance in written form.

VI. The fiscal departments of Sichuan, Gansu and Shaanxi provinces and the fiscal supervision commissioner's office in Sichuan, Gansu and Shannxi provinces of the Ministry of Finance shall strength supervision and examination on the implementation of the policies for reduction and exemption of some funds; the departments and entities, which fail to the carry out the policies of reduction and exemption according to regulations, shall be severely punished.

July 1, 2008