Urban Real Estate Tax Provisional Regulations of the PRC

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

Promulgated by the Government Administration Council of the Central People's Government on August 8, 1951; revised and promulgated on September 15, 1986; amended in accordance with the Decision of the State Council on Abolishing and Amending Certain Administrative Regulations on January 8, 2011
Effective: October 1, 1986

Table of Contents

- Articles 1 — 10

Article 1 — Owners of housing property within the areas of cities, county seats, administrative towns, industrial and mining districts, and other areas designated by the people's governments of provinces, autonomous regions and municipalities directly under the Central Government shall be taxpayers of urban real estate tax and shall pay urban real estate tax in accordance with these Regulations. These Regulations shall mainly apply to foreign-invested enterprises, foreign enterprises, foreign nationals and residents of Hong Kong, Macao and Taiwan.

Article 2 — Urban real estate tax shall be calculated and levied on the basis of the standard price of the house at the rate of 1.2%, or calculated and levied on the basis of the standard rental price of the house at the rate of 18%. The standard price and standard rental price of a house shall be appraised once every few years by a committee formed by the relevant local departments. Where conditions permit, the standard price and standard rental price may be appraised each year.

Article 3 — Where a newly constructed house is not subject to the levy of tax at the standard price, the urban real estate tax shall be exempted for a period of three years from the date of completion. Where a renovated house exceeds 50% of the cost of a newly constructed house, the part of the renovation shall be exempt from tax for two years from the date of completion.

Article 4 — Urban real estate tax shall be exempted for the following houses: (1) houses used by state authorities, people's organizations and military units for their own use; (2) houses used by institutions with their funds allocated by the financial departments of the State for their own use; (3) houses used by religious temples, parks and scenic and historic spots for their own use; and (4) other houses exempted from tax or reduced in tax as approved by the people's governments of provinces, autonomous regions and municipalities directly under the Central Government.

Article 5 — Urban real estate tax shall be paid on an annual basis. Where the tax is paid in installments, the specific time limit for payment shall be determined by the tax authorities.

Article 6 — Urban real estate tax shall be collected by the tax authorities at the place where the house is located.

Article 7 — Where a taxpayer fails to file a tax return or pay tax within the prescribed time limit, the tax authority shall impose a late payment surcharge or other penalties in accordance with law.

Article 8 — The administration of the levy and collection of urban real estate tax shall be governed by the relevant provisions of the Law of the PRC on the Administration of Tax Collection.

Article 9 — The Ministry of Finance shall be responsible for the interpretation of these Regulations, and the detailed rules for implementation shall be formulated by the people's governments of provinces, autonomous regions and municipalities directly under the Central Government.

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Article 10 — These Regulations shall come into force as of October 1, 1986. The Provisional Regulations on Urban Real Estate Tax promulgated on August 8, 1951 shall be repealed simultaneously.

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