Content

Title：	Land Tax Act Ch
Date：	2015.07.01
Legislative：	History 1.Full text（59 articles）promulgated on 14 July 1977 by Presidential Decree No.223. 2.Amendment to Article 34 promulgated on 25 July 1979 by Presidential Decree No.3729. 3.Amendment promulgated on 30 October 1989 by Presidential Decree No.5912. 4.Deletion of Article 56 promulgated on 30 July 1993 by Presidential Decree No.3702. 5.Amendments to Articles 39 and 39-1 promulgated on 7 January 1994 by Presidential Decree No.0095. 6.Amendments to Articles 31 and 55-2 promulgated on 18 January 1995 by Presidential Decree No.0247. 7.Amendment to Article 30 promulgated on 15 January 1997 by Presidential Decree No.8600011430. 8.Amendment to Article 39 and addition to Article 28-2 promulgated on 21 May 1997 by Presidential Decree No.8600115490. 9.Amendment to Article 30 promulgated on 29 October 1997 by Presidential Decree No.8600229650. 10.Amendments to Articles 10 and 39-2, addition to Article 39-3 and deletion of Article 55-2 promulgated on 26 January 2000 by Presidential Decree No.8900017400. 11.Amendments to Articles 2, 7, 13, 25 and 59, addition to Articles 3-1, 5-2, 28-3 and 31-1 promulgated on 13 June 2001 by Presidential Decree No.9000116090（Promulgated on 1 July 2001 with the approval of Executive Yuan). 12.Amendment to Article 33 promulgated on 30 January 2002 by Presidential Decree No.09100018250. 13.Amendments to Articles 28-2 and 33 promulgated on 14 January 2004 by Presidential Decree No.09300007291. 14.Amendment to Article 33 promulgated on 30 January 2005 by Presidential Decree No.09400016321. 15.Amendment to Article 54 promulgated on 11 July 2007 by Presidential Decree No.09600087981. 16.Amendment to Article 31 and 34 promulgated on 30 December 2009 by Presidential Decree No.09800323211. 17.Amendment to Article 54 promulgated on 24 November 2010 by Presidential Decree No. 09900317111. 18.Amendments to Articles 31-1, 35, and 53 promulgated on 1 July 2015 by Presidential Decree No. 10400077091.
Content：	Chapter 1 General Principles Section 1 General Provisions Article 1 The land tax is classified into land value tax, agricultural land tax, and land value increment tax.

Article 2

The competent authority of this Act shall be the Ministry of Finance at the level of central government, the municipal government at municipality level, and the county (city) government at county (city) level.

Agricultural products shall be collected by the agency in charge of food administration at the level of municipal or county (city) government.

Article 3

The taxpayers of land value tax or agricultural land tax shall be:

1. The land title owner.

2. For land with Dien created, the Dien holder.

3. For bestowed land, the bestowee.

4. For land assigned for farming, the farmer.

Where the land title depicted in subparagraph 1 of the preceding paragraph is publicly owned or commonly owned, the administration-in-charge or the administrator shall be the taxpayer; where the land title is generally and jointly owned, the joint owners shall
be responsible for payment of tax on their respective shares; in case of agricultural land, the representative appointed by the joint owners shall be the taxpayer, or the joint owners shall be responsible for payment of tax on their respective shares if no
such representative is appointed.

Article 3-1

In case the land is a trust property, the trustee shall be the taxpayer of land value tax or agricultural land tax during the life of the trust.

The aforesaid land shall be consolidated with other parcels of land owned by the settlor in the same municipality or county (city) in the calculation of total land value based on which land value tax is levied pursuant to the tax rates provided in Article 16
of this Act, and land value tax payable on each parcel of land shall be computed according to its proportion in the total land value.
Notwithstanding the foregoing, in case the beneficiary of a trust is not the settlor and the following conditions are satisfied,
the aforesaid land shall be consolidated with other parcels of land owned by the beneficiary in the same municipality or county (city) in the calculation of total land value:

1. The beneficiary has been determined and has interest in the entire trust; and

2. The settlor does not reserve the right to change beneficiary.

Article 4

For land having any of the following situations, the competent tax authority may designate land users to be responsible for paying land value tax or agricultural land tax on the portion of land used by them respectively:

1. The whereabouts of the legal taxpayer is unknown.

2. The title right of the land is unclear.

3. The land is under no one’s management.

4. The title owner of the land petitions for the occupier to pay the tax.

If the same landowner has two or more parcels of land in the same municipality or county (city) that are used by different users, and if the land value tax of said landowner is calculated based on progressive tax rate, the respective land user shall be obligated to pay land value tax on the portion of value of land used on behalf of the landowner.

The designated taxpayer of land value tax or agricultural land tax referred to in subparagraphs 1 to 3 in the first paragraph hereof may use the tax paid thereof to offset the rent on the land used or seek recourse from the legal taxpayer.

Article 5

Taxpayers of land value increment tax shall be:

1. For land transferred with consideration or compensation, the original title owner.

2. For land transferred without consideration or compensation, the acquired title owner.

3. For land with Dien created, the Dien maker.

The term “transfer with consideration or compensation” depicted in the preceding paragraph shall mean transfer by sale, exchange, government acquisition or requisition ad valorem.

The term “transfer without consideration or compensation” shall mean transfer by succession or gift.

Article 5-1

If the legal taxpayer of land value increment tax fails to pay tax due within the prescribed period upon the transfer of land title, the acquired title owner may pay the tax on his/her behalf. In cases where the right holder
should declare the present value of the land being transferred independently pursuant to Article 47 of the Equalization of Land Right Act, the land value increment tax payable shall be paid by the right holder.

Article 5-2

Where a trustee transfers the title of land under trust with consideration or compensation, or creates Dien, or changes the land to own land pursuant to Paragraph 1, Article 35 of the Trust Act during the life of the trust, the trustee shall be the taxpayer for land value increment tax.

When a trustee transfers the title of land under trust to a person or entity other than the settlor in accordance with the purpose of the trust, the transferee shall be the taxpayer for land value increment tax.

Article 6

For the sake of economic development, promoting land utilization, and enhance social welfare, land used for national defense, government administration, public facilities, passages under balconies or hallways, academic
research, education, transportation, irrigation, water supply, salt mining, religious purpose, health care, sanitation, public or private cemetery, charity or public interest enterprises, and reasonable self-use residence, as well as reconsolidated, reclaimed
and ameliorated land may receive appropriate reduction or exemption; the relevant reduction and exemption criteria and procedures shall be prescribed by the Executive Yuan.

Section 2 Definitions

Article 7

The term “public land” as used in this Act refers to land owned by central government, municipalities, counties (cities), hsiangs, or townshing（cities）.

Article 8

The term “urban land” herein means land covered under urban planning promulgated according to law; the term “non-urban land” means land other than urban land.

Article 9

The term “self-use residential land” herein means residential land under which the landowner or his/her spouse and/or relatives of direct lineage have their household registration and such land is not rented or used for business purpose.

Article 10

The term “agricultural land” as used in this Act refers to non-urban land or urban land in agricultural zone or conservation zone and used for any of the following purposes as provided by law:

1. Crops farming, forestry, culture, livestock farming, and conservation;

2. Farmhouse, animal quarters, barn and storage facilities, drying field, distribution court, roads, irrigation, drainage, and other agricultural purposes that are inseparable from farming operation.

3. Warehouse, refrigerator (cold-storage), farming machine center, silkworm seed (rearing) farm, distribution court and inspection yard owned by farmers’ associations or cooperative farms and supplied directly for agricultural use.

The term “industrial land” as used in this Act refers to land in legally approved industrial zone or park, or land approved by the government for industrial or factory use; the term “mining land” as used in this Act refers to surface land actually used by the mining industry.

Article 11

The term “vacant lot” as used in this Act refers to private land or public land not for public use that has finished roads, sewage system, power facilities, as well as running water system if available in the area, but is not yet built on and used; or such land that has been built on and used, but the construction improvement is valued less than 10% of the declared land value of the base for the construction, and determined by the

municipal or county (city) government as requiring further development, alteration of existing structure, or rebuilding.

Article 12

The term "assessed present value" as used in this Act refers to the present value of land as assessed and announced by the municipal and county (city) governments in accordance with the Equalization of Land Right Act.

Article 13

The terms for the levy of agricultural land tax depicted in this Act are defined as follows:

1. Land category: Category of land use as documented in the municipal or county (city) cadastre.

2. Grade: The grade assigned to different categories of land according to the annual yield or value per unit area of land.

3. Taxable unit: The unit of taxation for different categories and grades of land determined by the annual yield or value per unit area of land.

4. Taxable amount: The product of taxable unit multiplied by area of land under different categories and grades.

5. Payment in kind: Rice, wheat, or other kinds of crops in place of rice or wheat grown in a region used for payment of agricultural land tax.

6. Monetary substitution: Cash in substitution of payment in kind.

7. Impurities: Sand, mud, soil, stone or grass contained in payment in kind.

Chapter 2 Land Value Tax

Article 14

Except for land that is subject to agricultural land tax pursuant to Article 22 herein, land that has been assigned a value shall be subject to land value tax.

Article 15

Land value tax shall be levied based on the total value of all parcels of

land owned by a title owner in the same municipality or county (city).

The “total value of land” as referred to in the preceding paragraph means the total value of all parcels of land owned by a title owner that have been assessed or reassessed according to the statutory procedure and recorded in the landowner register.

Article 16

The basic rate for land value tax shall be 1%. Where the total value of land owned by a title owner in the same municipality or county (city) does not exceed the starting cumulative value (SCV) in said municipality or county
(city), the land value tax shall be levied at the basic rate. If the total value of land exceeds the SCV, the land value tax shall be levied progressively as follows:

1. For total value in excess of SCV by less than 5 times, 1.5% for amount in excess of SCV.

2. For total value in excess of SCV by more than 5 times, but less than 10 times, 2.5% for amount in excess of 5 times of SCV.

3. For total value in excess of SCV by more than 10 times, but less than 15 times, 3.5% for amount in excess of 10 times of SCV.

4. For total value in excess of SCV by more than 15 times, but less than 20 times, 4.5% for amount in excess of 15 times of SCV.

5. For total value in excess of SCV by more than 20 times, 5.5% for amount in excess of 20 times of SCV.

The SCV as referred to in the preceding paragraph shall be determined by the average land value of seven acres of land in respective municipality or county (city), excluding land used for factories, mining or agriculture, and land exempted from tax.

Article 17

The land value tax on self-use residential land in following conditions shall be subject to 0.2% tax rate:

1. The portion of urban land less than three acres in area; and

2. The portion of non-urban land less than seven acres in area.

Tax rate described in the preceding paragraph shall apply to land for public housing or dormitories of private or publicly-owned enterprises,

starting from the date of construction or the date of land title acquisition.

A landowner, his/her spouse, and his/her minor dependents may be eligible for the tax rate described in the first paragraph hereof for one parcel of land used for the purpose of self-use residence.

Article 18

Land used directly by the following enterprises or for the following purposes shall be taxed at 1% for land value tax, excluding land not used in accordance with the purpose or project approved by the competent authority
in charge of the industry:

1. Land for industrial or mining use.

2. Land used for private park, zoo, or sports stadium.

3. Land used for temple, church, or government-designated scenic spot or historical site.

4. Land used for gas station approved by the competent authority, and public parking lot established according to Urban Planning Act.

5. Other land as approved by the Executive Yuan.

The preceding paragraph may apply to land used directly for government-approved factory set up in previously non-industrial zone or on non-industrial land prior to the designation of industrial zone or announcement of industrial land.

Land described in the first paragraph herein may have land value tax reduced or exempted if it meets the requirements for reduction or exemption pursuant to Article 6 herein.

Article 19

Except for land used for the purpose of self-use residence pursuant to Article 17 herein, land reserved for public facilities under urban planning, but is still built on and used during the reserve period shall be subject
to 0.6% land value tax. Notwithstanding the foregoing, if the aforesaid land is not in use for any purpose and segregated from other land in use, no land value tax will be imposed.

Article 20

Public land shall be levied land value tax at basic tax rate; public land for public use is exempted from land value tax.

Article 21

Taxable vacant lot as determined by the municipal or county (city) government shall be subject to additionally a vacant lot tax equal to 2 to 5 times the basic land value tax payable.

Chapter 3 Agricultural Land Tax

Article 22

Non-urban land designated as agricultural land by law or not having an assessed value shall be subject to agricultural land tax. The preceding provision also applies to urban land that meets any of the following conditions:

1. Designated as agricultural zone or preservation zone under urban planning and limited for agricultural use only.

2. Used for agricultural purpose prior to the completed construction of the public facilities（under-construction public facilities ）.

3. Used for agricultural purpose due to restricted construction according to law.

4. Used for agricultural purpose due to no construction allowed （construction prohibition）according to law.

5. Designated as reserved land for public facilities under urban planning, but still used for agricultural purpose.

The lands referred to in Subparagraphs 2 and 3 in the preceding paragraph are limited to the lands cultivated by the owner farmer or leased by the tenant under the “37.5% Arable Rent Reduction Act”.

Land used for warehouse, refrigerator (cold-storage), farming machine center, silkworm seed (rearing) farm, distribution court, inspection yard, paddy rice seedling, water cistern, agricultural greenhouse, agricultural wholesale market that is owned by farmers' associations or cooperative farms and supplied directly for agricultural use shall be subject to agricultural land tax.

Public land for public use and reserved land under urban planning that is not in use for any purpose and segregated from other land in use during the reserve period are exempted from agricultural land tax.

Article 22-1

Idle agricultural land shall be subject to additionally a uncultivated land tax equal to 1 to 3 times the agricultural land tax payable if the landowner receives a notice from the municipal or county (city) government with
the approval of the Ministry of Interior, requiring the use of land by landowner or others entrusted by the landowner within a prescribed period, but fails to comply accordingly; if the agricultural land has been levied uncultivated land tax for three years
and is still not in use, the municipal or county (city) government may purchase the land ad valorem, unless the land has in any of the following conditions:

1. The land lies fallow necessitated by agricultural production or policy;

2. The land lies fallow due to regional production being deemed non-economical;

3. The land cannot be tilled due to public hazard or environmental pollution;

4. The land cannot be tilled due to the damage of irrigation or drainage system; or

5. The land cannot be tilled due to force majeure.

The aforesaid provisions shall be implemented in accordance with the Equalization of Land Right Act.

Article 23

Levy on agricultural land will be paid in kind with rice or wheat; if the land does not produce rice or wheat, or has special circumstances, equivalent local grains or monetary substitution may be paid in lieu of rice or
wheat.

The measurements of payment in kind shall use uniformly the metric system in the unit of kilogram (kg) and be rounded off to the nearest hectogram (hg); monetary substitution shall be in the unit of yuan.

Article 24

Levy on agricultural land to be paid in kind shall be computed by the following standards:

1. For land in rice-growing area, 27 kg of rice per taxable unit.

2. For land in wheat-growing area, 25 kg of wheat per taxable unit.

The Executive Yuan may lower the aforesaid standards in view of the local situation of land tax burden.

Article 25

Acceptance of payment in kind shall be limited to newly harvested crops of the same kind that is uniform in texture and color, and undamaged by pest; its contents of sand, stone, mud, soil, grass and other impurities and moisture shall meet the following standards:

1. Rice: For rice with weight over 53.2kg per hectoliter, impurity content shall be less than 0.5%, and moisture content shall be less than 13%.

2. Wheat: For wheat with weight over 74kg per hectoliter, impurity content shall be less than 0.4%, and moisture content shall be less than 13%.

In case of disaster or due to seasonal or special factors that it becomes difficult for payment in kind to achieve the aforesaid standards, the municipal or county (city) government has the discretion to lower the standards in view of the actual circumstances.

Article 26

The local government may, in view of the local production of crops, purchase agricultural products from farmers when collecting payment in kind; relevant criteria for the purchase shall be subject to the approval of the Executive Yuan.

Article 27

Land subject to agricultural land tax should undergo adjustment of land category and/or grade if its yield changes due to change of traffic condition, irrigation system, soil condition, soil conservation, or nature; the relevant measure shall be prescribed by the central land administration.

Article 27-1

For the sake of regulating agricultural production or in response to the needs of agricultural development, the Executive Yuan may decide to suspend

the levy of all or part of agricultural land tax.

Chapter 4 Land Value Increment tax

Article 28

Land that has been assigned a value shall be subject to land value increment tax based on the total amount of land value increment at the time of transfer of land title.

Land transferred by succession, public land sold or donated by all levels of government according to law, and private land transferred to any level of government by gift are exempted from land value increment tax.

Article 28-1

Land donated for the purpose of establishing social welfare enterprises or private school according to law is exempted from land value increment tax, provided the donation meets the following requirements:

1. The donee is a non-profit juristic person (“NPJP”);

2. Its articles of incorporation stipulates that upon dissolution, the remaining property of the entity will be transferred to the local government; and

3. The donor did not receive any interest in the donated land in any manner.

Article 28-2

Land bestowed to a spouse may apply for non-taxable status of land value increment tax. But if the land is subsequently transferred to a third party, the land value increment tax shall be assessed based on the increment
in value from the original decreed value prior to the first transfer or the present value at the time of previous transfer.

If the transferor or the transferee of the land in the preceding paragraph has, during the ownership of land, paid expenses for improvement of land according to subparagraph 2, Paragraph 1 of Article 31 herein or supplemental land value tax according to subparagraph
2 of the same article, the provisions in the same article on tax deduction or offset shall apply to the assessment of land value increment tax when the land title is transferred again. If the land in the preceding paragraph is reconsolidated, the provisions
on tax reduction or exemption as provided in Paragraph 4 of Article 39

herein shall apply. Where the land is transferred again and the title owner applies for the application of tax rate on land value increment tax as provided in Article 34 herein, the period
of land that was not used for business purpose or rented in the last year before its sale shall be combined in the assessment of tax.

Article 28-3

Transfer of land under trust between the following parties in a trust is not subject to land value increment tax:

1. Between the settlor and the trustee upon the creation of the trust deed;

2. Between the original trustee and the newly appointed trustee upon change to the trustee during the life of the trust;

3. Between the trustee and the beneficiary upon the extinguishment of trust, provided the trust deed stipulates the beneficiary of trust property to be the settlor;

4. Between the trustee and the beneficiary in a testamentary trust upon the distinguishment of trust; or

5. Between the settlor and the trustee upon the unsuccessful creation, invalidation, cancellation or nullification of the trust.

Article 29

When a Dien is created on land with an assigned value, the Dien maker shall prepay the land value increment tax according to the provisions herein.

Article 30

When the land title is transferred or has Dien created, the present transfer value declared shall be subject to review by the following rules:

1. If the declaration is filed in thirty days from the date the contract was entered, the assessed present value at the time the contract was entered shall be used as basis.

2. If the declaration is filed beyond thirty days after the date the contract was entered, the assessed present value at the time the declaration was received by the relevant government agency shall be used as basis.

3. For land transferred as gift causa mortis, the assessed present value at the time the legator passed away shall be used as basis.

4. For land transferred under court order, the assessed present value at the time the declarant filed action with the court shall be used as basis.

5. For land transferred under court auction, the assessed present value at the time the sale was finalized shall be used as basis; but if the auction price is lower than the assessed present value, the former shall govern; if the auction price has deducted
mortgages and other debts, the auction price plus such deductions shall govern.

6. For land acquired by government ad valorem or purchased at an agreed price, the assessed present value at the time of government acquisition or purchase shall be used as basis. But if the price paid by the government is lower than the assessed present value
at the time of acquisition or purchase, the former shall govern.

If the land transfer value as declared by the declarant in subparagraphs 1 ~ 4 of the preceding paragraph is lower than the assessed present value after review, the competent authority may acquire the land at the declared value or impose land value increment
tax based on the assessed present value. If the land transfer value as declared by the declarant in subparagraphs 1 ~ 3 of the preceding paragraph exceeds the assessed present value after review, the declared transfer value shall be used as basis for imposing
land value increment tax.

For cases of land title transfer under court order, court auction, government-approved acquisition ad valorem or government purchase under agreement that occurred before January 17, 1997 on which the amendment to this article takes effect, but the tax on which
has not been levied as is or determined by the time this amended article is promulgated and takes effect, the provisions under subparagraphs 4 and 6 of Paragraph 1 and Paragraph 2 hereof shall apply in the review of declared transfer value.

Article 30-1

For land exempted from land value increment tax as provided by law, the competent tax authority shall determine its transfer value by the following rules and issue a tax exemption certificate to effect the registration
of land title transfer:

1. For public land exempted from land value increment tax pursuant to Article 28 herein, its transfer value shall be based on the actual sale price; for land given away or received by all levels of government by gift, the assessed present value of land at the
time the donation contract was entered shall be the transfer value.

2. For private land exempted from land value increment tax pursuant to Article 28-1 herein, its transfer value shall be based on the assessed present value of the land at the time the donation contract was entered.

3. For land in lieu of compensation exempted from land value increment tax pursuant to Paragraph 2 of Article 39-1 herein, the value of land in lieu of compensation actually claimed at the time of zone expropriation shall be the transfer value.

4. For agricultural land exempted from land value increment tax pursuant to Paragraph 1 of Article 39-2, the assessed present value at the time of title transfer shall be the transfer value.

Article 31

For tax purpose, the total amount of land value increment shall be the balance of approved declared transfer value at the time of transfer or creation of Dien less the following deductions:

1. If the land has never been transferred after assignment of value, the original decreed value; otherwise the previous transfer value.

2. All expenses paid by the land title owner for improvement of land, including construction benefit charge, fees paid for land consolidation, and assessed present value of a certain portion of land donated for public facilities without compensation due to
rezoning of land.

The “original decreed land value” referred to in Subparagraph 1 of the preceding paragraph shall accord to the provisions of the Equalization of Land Right Act; the “previous transfer value” shall mean the assessed present value of land at the time of succession
if the land is transferred again after acquisition through succession.However,if the land transferred by succession is the land in lieu of compensation claimed under zone or section expropriation pursuant to subparagraph 3 of Article 30-1 herein before, and
the value of the land in lieu of compensation actually claimed is higher than the assessed present value of the land at the time of succession, the original decreed land value shall be the higher one in the case that the land is transferred again after acquisition
through succession.

For the purpose of tax payment at the time of land title transfer, if any supplemental payment of land value tax was paid consequential to the reassessment of land value during the ownership of land, tax thus paid prorated to the part of land being transferred
may be deducted from the land value increment tax, but the total deduction thereof shall be limited to 5% of the land value increment tax payable.

The measure for deduction of supplemental land value tax paid as described in the preceding paragraph shall be prescribed by the Executive Yuan.

Article 31-1

When the land which is not subject to land value increment tax pursuant to Article 28-3 has the title transferred, Dien created, or is changed to self-owned land of trustee pursuant to Paragraph 1, Article 35 of the Trust Act, the original land value of the land prior to its non-taxable status or the latest transfer value approved by the competent authority shall be used for computation of price increase amount and impose land value increment tax. But in the case that meets the proviso in Paragraph 2 of Article 39, the original land value shall be determined accordingly.

In a testamentary trust where land is the trust property, when the land becomes subject to land value increment tax according to the preceding paragraph, its original land value shall be the assessed present value at the time of death of the legator.

Transfer of self-owned land for trust and the trust deed stipulates the beneficiary of trust property to be the truster and to have interest in the entire trust, if the beneficiary of a trust dies during the life of the trust, when the land becomes subject to land value increment tax according to the first paragraph hereof, its original land value shall be the assessed present value at the time of death of the beneficiary.

In case the aforesaid truster is discovered to have improperly evaded or reduced the tax burden for him or for other person(s) by the trust deed transfer, the preceding provision does not apply.

If the land subject to land value increment tax as described in the first paragraph hereof has situation where the truster or trustee had paid improvement expenses or supplemental land value tax as described respectively in subparagraph 2 of Paragraph 1 or Paragraph 3 of Article 31 hereof prior to the creation of trust or during the life of the trust, the deductions provided in the same article are applicable; the trustee in the second and third paragraph hereof had paid the preceding expenses and the land value tax after the death of the legator and the beneficiary, the deductions provided in the same particle are applicable.

At the effective date of the amendment of this Act on June 12, 2015, the preceding three paragraphs shall be applicable to the cases not currently being assessed or pending final decision.

Article 32

The original decreed land value and previous transfer value for determination of then land value increment tax as stipulated in the foregoing article shall be adjusted by the consumer price index announced by the government,
if any, in the calculation of total amount of land value increment.

Article 33

The rate schedule and amount for land value increment tax are as follows:

1. If the total amount of land value increment is less than 100% of the original decreed land value or the previous transfer value (for calculation of then land value increment tax), 20% of the total increment.

2. If the total amount of land value increment is more than 100%, but less than 200% of the original decreed land value or the previous transfer value (for calculation of then land value increment tax), 30% tax rate on portion in excess of 100% in addition
to the tax rate provided under subparagraph 1 above.

3. If the total incremental value is more than 200% of the original decreed land valueor the previous transfer value for calculation of then land value increment tax, 40% tax rate on portion in excess of 200% in addition to the tax rate provided under subparagraphs
1 and 2 above.

The actual loss in tax revenue to municipal or county (city) governments resulting from the tax reduction stipulated in the preceding paragraph will be made up by the central government. The aforesaid dedicated funds for making up lost tax revenue shall not
be restricted by Article 23 of the Budget Act which forbids the use of proceeds from the issue of government bonds on current expenditure prior to the implementation of the amended Act Governing Allocation of Government Revenues and Expenditures which expands
the scale of tax revenues under the allocation of central government.

The calculation of actual loss in tax revenue described in the preceding paragraph will be decided by the central competent authority together with the municipal and county (city) governments through consultation.

The assessed present value of land should be adjusted to fair market price.

When the national average of assessed present value of land has been adjusted to more than 90% of the fair market value, the rate schedule stipulated in the first paragraph hereof will be reviewed and amended.

For land that has been owned for a period of over 20 years, its land value increment tax on the portion exceeding the lowest tax rate above shall be

reduced by 20%.

For land that has been owned for a period of over 30 years, its land value increment tax on the portion exceeding the lowest tax rate above shall be reduced by 30%.

For land that has been owned for a period of over 40 years, its land value increment tax on the portion exceeding the lowest tax rate above shall be reduced by 40%.

Article 34

For self-use residential land sold by title owner, the land value increment tax shall be 10% of the total incremental value of the land for urban land up to 3 acres and for non-urban land up to 7 acres; the total incremental value for part of land in excess of 3 acres or 7 acres shall be taxed according to the rate schedule stipulated in the foregoing article.

The preceding provision does not apply to land that was used for business purpose or rented in the last year before its sale.

The provisions in the first paragraph hereof do not apply to land where the assessed value of the self-use residence thereon is less than 10% of the assessed present value of the land, unless the construction of the residence has been completed for more than one year.

Landowner may use the tax rate provided in the first paragraph hereof for calculation of land value increment tax once in his or her lifetime.

In the case that the landowner sells another self-use residential land after the terms of the preceding paragraph has been exhausted, the land value increment tax imposed thereon shall not be governed by the once in the lifetime restriction as provided in the preceding paragraph if the following conditions are met:

a) That the amount of the urban land sold doesn't not exceed an area of 1.5 acres and that of non-urban land sold doesn't not exceed 3.5 acres;

b) At the time of selling, the landowner, his or her spouse, and his or her minor children have no other house except the self-use residence sold;

c) The landowner has owned the self-use residential land for a period of over 6 years before its sale;

d) The landowner, his or her spouse, and his or her minor children have maintained their household registration at the location of on the self-use residential land and owned the self-use residence for a period of consecutive 6 years before its sale;

e) The land has never been used for business purposes or rented in the last 5 years before its sale.

The actual loss in tax revenue to municipal or county (city) governments resulting from the provisions in the preceding paragraph will be made up by the central government. The aforesaid dedicated funds for making up lost tax revenue shall not be restricted by Article 23 of the Budget Act which forbids the use of proceeds from the issue of government bonds on current expenditure prior to the implementation of the amended Act Governing Allocation of Government Revenues and Expenditures which expands the scale of tax revenues under the allocation of central government.

The calculation of actual loss in tax revenue described in the preceding paragraph will be decided by the central competent authority together with the municipal and county (city) governments through consultation.

Article 34-1

When a landowner applies for assessment of land value increment tax based on the tax rate for self-use residential land, he/she shall indicate the wording of “self-use residence” in the application for declaration of land transfer value and submit a photocopy of household registration record and document evidencing building improvement; if the applicant fails to indicate such information in the application, he/she may apply to make up the information with the local tax authority before the deadline for paying the land value increment tax; no such application will be accepted past the payment deadline.

For cases of land title transfer where the right holder is required to declare the present value of the land being transferred independently or the transfer declaration is not required, the tax authority should take the initiative to notify the title owner; if the land in question meets the criteria for self-use residential land, the title owner shall apply for the application of tax rate for self-use residential land in thirty days starting from the day following the receipt of such notice, and application made past the thirty-day deadline will not be accepted.

Article 35

When a landowner who has sold his/her land acquires another parcel of land within two years following the completion of transfer registration, and the acquisition meets any of the following provisions, if the value of the acquired land is in excess of the balance of the original value of land sold less the land value increment tax paid, the landowner may apply to the

tax authority for refund of the portion of land value increment tax paid to make up the difference to be paid
for the reacquisition of land:

1.After self-use residential land has been sold, the original owner acquires another parcel of urban land not exceeding 3 acres or non-urban land not exceeding 7 acres for his/her own residential use.

2.After self-operated factory land has been sold, the original owner acquires another parcel of land for factory building in another industrial zone as designated by urban planning or on government-designated industrial land.

3.After self-tilled agricultural land has been sold, the original owner acquires another parcel of agricultural land for self-tilling.

The provisions in the preceding paragraphs apply if a landowner sells his/her land within two years after the registration of title transfer for the acquisition of another parcel of land is completed.

Provisions in subparagraph 1 of Paragraph 1 and Paragraph 2 hereof do not apply if the land sold or requisitioned was used for business purposes or rented in the last year before transfer.

Article 36

The “original value of land sold” depicted in Paragraph 1 of the foregoing article shall be the land value used to assess the applicable land value increment tax for that transfer. The “value of the reacquired land” depicted
in Paragraph 1 of the foregoing article shall be based on the land value used to assess the applicable land value increment tax for that transfer; for land subject to deed tax, the value of the reacquired land shall be the land value used to assess the deed
tax for that transfer.

Article 37

If the land value increment tax has been refunded to a landowner due to reacquisition, and the landowner transfers the reacquired land within five years from the day the transfer registration is completed for the reacquisition,
said landowner shall be levied land value increment tax for subsequent transfer in addition to paying back the tax refunded; the preceding provision applies if the reacquired land is being used for purposes other than the original purpose.

Article 38

(Deleted).

Article 39

Requisitioned land is exempted from land value increment tax.

The provisions of the preceding paragraph applies to the transfer of land that has been designated as reserved land for public facilities under urban planning, but not yet been requisitioned. But if the aforesaid land is transferred again after it has been changed to non-reserved land, the total incremental value used to assess the land value increment tax payable for the transfer shall be based on the original decreed land value of the land prior to its first tax-exemption status or the previous transfer value.

The provision of the first paragraph hereof apply to situation where the owner of private land subject to requisition according to law voluntarily sells the land to the relevant government agency at the assessed present value.

Increment tax of reconsolidated land shall be reduced by 40% in its first transfer after the reconsolidation.

Article 39-1

Transfer of land requisitioned under zone or section expropriation where the landowner receives cash for compensation is exempted from land value increment tax according to Paragraph 1 of the foregoing article. If the landowner receives cash compensation pursuant to Paragraph 3, Article 54 of the Equalization of Land Right Act on grounds that the area of land in lieu of compensation claimed by the landowner is smaller than the minimum building unit, the transfer is also exempted from land value increment tax.

Transfer of land requisitioned under zone or section expropriation where the landowner receives land in lieu of compensation as compensation pursuant to Paragraphs 1 and 2, Article 54 of the Equalization of Land Right Act is exempted from land value increment tax. But for the first-time transfer of land in lieu of compensation after the claim, total incremental value used to assess the land value increment tax payable for the transfer shall be based on the value of land in lieu of compensation actually claimed by the original landowner, and provisions of Paragraph 3 of the foregoing article applies.

Article 39-2

Transfer of agricultural land used for agricultural purpose to an individual may apply for non-taxable status of land value increment tax.

If the transferee of the aforesaid land during his ownership failed to use the land for agricultural purpose as found by the competent authority and failed to resume farming before the deadline set by the competent authority or had complied with the order of the competent authority but subsequently failed again, land value increment tax shall be imposed at the time of subsequent transfer.

For tax purpose, the situation of the land transferee failing to use the land for agricultural purpose as described in the preceding paragraph and the situation where land is bestowed to a spouse shall be taken into consideration in the assessment of land value increment tax at the same time.

When the first-time transfer of agricultural land for agricultural purpose after this Act is amended on January 6, 2000 or subsequent transfer of land not subject to land value increment tax pursuant to the first paragraph hereof should be levied land value increment tax according to law, the total incremental value used to assess the tax shall be based on the assessed present value of land on January 6, 2000.

Subsequent to the promulgation of the amended Act on January 6, 2000, when agricultural land that has been levied land value increment tax is transferred again and becomes subject to land value increment tax, the total incremental value used to assess the tax shall be based on the latest transfer value of the land approved for assessment of land value increment tax, and the provisions of the preceding paragraph do not apply.

Article 39-3

For a landowner who applies for non-taxable status of land value increment tax pursuant to Paragraph 1 of the foregoing article, both the right holder and the obligor shall indicate the wording of “agricultural land” in the application for declaration of land transfer value; if the applicant fails to indicate such information in the application, he may apply to make up the information with the local tax authority before the deadline for paying the land value increment tax; no such application will be accepted beyond the payment deadline. But if law provides that the right holder may declare transfer value independently, said right holder may do so accordingly.

If declaration of land transfer value is not required for the transfer of

agricultural land, the tax authority should take the initiative to notify the right holder and obligator; if the right holder declares land transfer value independently, the tax authority
should notify the obligor. If the land in question meets the criteria for exemption of land value increment tax, the right holder or obligor shall make application in thirty days starting from the day following the receipt of such notice, and application made
past the thirty-day deadline will not be accepted.

Chapter 5 Tax Collection Procedure

Article 40

Land value tax shall be assessed by the tax authority under the municipal or county (city) government based on the landowner register and land registration change data provided by the land administration agency and collected
once a year, or in two periods if deemed necessary. The date for starting the collection of land value tax shall be determined by the provincial (municipal) government.

Article 41

For land to which special tax rates apply pursuant to Article 17 and Article 18 herein, the landowner shall apply for the application of special tax rate at least forty days before the collection starting date each year
(period); applications made past the aforesaid deadline will have special rate applied starting the following year. For land that has been approved for application of special rate, no application is required for subsequent years provided the use of land stays
unchanged.

Landowner shall report to the competent tax authority immediately when the condition for the application of special tax rate ceases to exist.

Article 42

Competent tax authority should make public announcement of conditions to which special tax rates apply as provided in Article 17 and Article 18 herein and related application procedure at least sixty days before land value
tax collection starts each year (period).

Article 43

After assessing the land value tax payable by the taxpayers each year

(period), the competent tax authority should prepare and send land value tax payment notice to the legal taxpayers or designated taxpayers, and make public announcement with regard to the payment deadline, penalty, name and place of public treasury, and method of tax computation.

Article 44

The legal or designated taxpayer of land value tax shall pay the tax at a designated public treasury in thirty days after the receipt of the tax payment notice.

Article 45

Agricultural land tax shall be assessed by the tax authority under the municipal or county (city) government based on the taxable amount for all land owned by each landowner and collected in two periods each year in principle.
The collection starts in one month after the harvest of the crops; the percentage of tax to be collected in each period may be decided by the volume of crops harvested in each period.

Article 46

The competent tax authority should make public announcement with regard to the collection starting date, place of payment and payment instructions, and prepare and send the payment notice to the legal taxpayers or designated
taxpayers at least ten days before the collection of agricultural land tax starts for the period.

Article 47

Within thirty days after the receipt of the agricultural land tax payment notice, the legal taxpayer or designated taxpayer shall make payment in kind at the designated place or make cash payment at a designated public treasury.

Article 48

For land where agricultural land tax is collected by payment in kind, but the landowner intends to apply for payment by monetary substitution due to change of land use necessitated by the environmental or natural constraints,
the taxpayer shall make such application to the hsiang (township), (city),

(district) office in thirty days after the seeds for the crops as payment in kind have been generally sowed in the area.

Upon receiving the application for monetary substitution, the hsiang (township), (city), (district) office should send staff to investigate the actual situation and report the same to the competent tax authority, which will, together with the local food administration, make inspection and decide whether to approve the application.

Article 49

In case of land title transfer or creation of Dien, the right holder and obligor shall, in thirty days after the signing of contract, jointly file the declaration of land transfer value with the competent tax authority and submit a photocopy of the contract and other support documents. The right holder may apply for transfer registration independently if it is so provided by law.

The competent tax authority should assess the land value increment tax payable in seven days from the date of receiving the declaration of land transfer value and prepare and send the payment notice to the taxpayer. For applications for assessment of land value increment tax by the tax rate for self-use residential land, the aforesaid assessment period may be extended to twenty days.

After paying the land value increment tax, the right holder and the obligor shall jointly apply to the competent land administration for the registration of title transfer or Dien creation. If the competent land administration finds error in the assessed present value of the land, its original decreed value and/or previous transfer value when processing the registration cases, it shall immediately forward the case to the competent tax authority for reassessment of land value increment tax.

Article 50

The taxpayer of land value increment tax shall pay the tax at a designated public treasury in thirty days after the receipt of the tax payment notice.

Article 51

Land having unpaid land tax may not be registered for title transfer or creation of Dien before all taxes owed are paid off.

For land auctioned by the court, if the auction price is not sufficient to pay for its land value increment tax assessed based on the transfer value determined according to the proviso in subparagraph 5, Paragraph 1 of

Article 30 herein, the auction court shall not issue the title transfer certificate before the buyer of the land has paid the land value increment tax owed.

With respect to unpaid land tax as described in the first paragraph hereof, the land transferee may pay the tax owed on behalf of the transferor or deduct the tax owed from the sale price or Dien price and pay the same to the competent tax authority; the transferee may seek recourse from the taxpayer for tax paid on his/her behalf.

Article 52

For land requisitioned or acquired by government, the land administration under the municipal or county (city) government or the acquiring agency shall submitting the land record and compensation record to the competent tax authority and notify the tax authority to assess land value increment tax and land value tax or agricultural land tax payable. The competent tax authority should, within fifteen days after the receipt of such notice, produce tax withholding notice and deliver the same to the requisition or acquiring agency, who will then withhold the tax accordingly from the purchase price or compensation to be released to the landowner.

Chapter 6 Penal Provisions

Article 53

A delay penalty that amounts to one percent (1%) of tax due for every two days of delay shall be imposed on legal taxpayers or designated taxpayers who fail to pay their land tax before the deadline as stated in the payment notice; the tax authority should immediately forward the case to the administrative enforcement branches in each jurisdiction of the Administrative Enforcement Agency, Ministry of Justice for compulsory enforcement, provided the tax owed is more than thirty days past due. If a draft is accepted for tax payment, the cashing date of the draft shall be deemed the payment date.

The monetary substitution for agricultural land tax owed and amount to be paid or refunded for purchase of agricultural products shall be calculated according to government-approved standards prevailing at the time of payment or purchase.

Article 54

If a taxpayer attempts to evade or reduce his/her tax payment obligation by means of modifying or concealing the category or grade of land, or hiding or not reporting to the competent tax authority when the fact or reason

qualifying him/her for the application of special tax rate or tax reduction or exemption disappears, the said taxpayer shall be subject to the following penalty:

1. For evasion or non-qualified reduction of tax, the taxpayer shall be subject to a fine of no more than three times the amount of tax evaded or wrongfully reduced in addition to making up the tax owed.

2. For evasion of payment in kind, the taxpayer shall be fined one time the amount of payment in kind payable in addition to making up the payment owed.

For land that is resold before the previous transaction has completed the registration of title transfer, a fine equal to 2% of the reselling value shall be imposed.

After receiving the payment notice for tax or payment in kind owed, or penalty imposed as described in the first paragraph hereof, the taxpayer shall make payment accordingly in one month; otherwise the case will be forwarded for compulsory enforcement.

Article 55

For unpaid agricultural land tax and penalty thereof as described in the foregoing article, payment in kind owed shall be paid as such; monetary substitution and penalty shall be collected based on the conversion standards
prevailing at the time of payment. The amount to be paid for the purchase of agricultural products shall be determined by the approved standards prevailing at the time of purchase.

Article 55-1

If a non-profit juristic person (“NPJP”) that receives donation of land as described in Article 28-1 herein has any of the following situations, land value increment tax shall be made due retroactively and a fine equal to two times the land value increment tax payable shall be imposed:

1. The NPJP failed to use the land according to the designated purpose of donation;

2. The NPJP acted in violation of the purpose of its establishment;

3. Income generated from the land was not spent entirely on the established enterprise; or

4.The donor received interest from the donated land in any manner as discovered by the tax authority or reported by others.

Article 55-2

(Deleted).

Article 56

(Deleted).

Chapter 7 Supplemental Provisions

Article 57

The administrative regions covered by this Act shall be determined by the decree of Executive Yuan.

Article 58

The enforcement rules of this Act shall be prescribed by the Executive Yuan.

Article 59

This Act shall be in force from the date of promulgation.

The date of promulgation for clauses of this Act amended on 29 May 2001 shall be determined by the Executive Yuan.

Data Source：Ministry of Finance, R.O.C. Laws and Regulations Retrieving System