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Content

Title:	Regulations for Leasing National Non-Public Coastal Land Ch
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Legislative:	1.Promulgated of Decree No. 1246 by the Ministry of Finance on February 16, 1981 2.Revision of Decree No. 78015444 by the Ministry of Finance on October 4, 1989 3.Revision of Decree No. 83020340 by the Ministry of Finance on October 15, 1994 4.Revision of Decree No. 85012447 by the Ministry of Finance on June 26, 1996 5.Revision of Decree No. 87009811 by the Ministry of Finance on May 29, 1998 6.Revision of Decree No. 88029650 by the Ministry of Finance on December 13, 1999 7.Revision of Decree No. 0930022973 by the Ministry of Finance on August 11, 2004 8.Revision of Decree No. 11000048230 by the Ministry of Finance on March 9, 2011

Content: Article 1

These Regulations are formulated in accordance with Paragraph 2, Article 46 of the National Property Act.

Article 2

The governing authority prescribed in these Regulations is the National Property Administration, Ministry of Finance.

The leasing authority prescribed in these Regulations is the branches of the National Property Agency, Ministry of Finance.

Article 3

The coastal land defined in these Regulations refers to lands between the low tide line and certain limits of the seacoast prescribed in Subsection 1, Paragraph 1 of Article 14 of the Land Act, which are not yet used for specific purposes.

When the aforementioned lands are leased in accordance with these Regulations, but the national land outside certain limits of the adjacent seacoast is determined to be unable to achieve the purpose of leasing without leasing them together by the competent authority in charge of the relevant enterprise, the land may be jointly processed in accordance with these Regulations.

Article 4

Coastal land leased in accordance with these Regulations is subject to land use control and is limited to be used for tourism, bathing beaches, reforestation, and aquaculture operations.

The competent authority in charge of the relevant enterprise of each of the aforementioned businesses shall be determined in accordance with the Act for the Development of Tourism, the Forestry Act, the Fisheries Act, regulations of local authorities, and other relevant provisions respectively.

Article 5

The objects of leasing coastal land are limited to those who have been approved to establish or operate by the competent authority in charge of the relevant enterprise. Before granting approval, the competent authority in charge of the relevant enterprise shall conduct an investigation together with the relevant authorities and the leasing authority to verify the scope of its operations and the purpose of use. When two or more agencies (institutions), organizations, legal persons, or individuals request approval for the establishment or operation on the same target, except for users prior to the enforcement of these Regulations, priority shall be given to current users, and shall be determined according to the following provisions:

- 1. Industries of tourism, bathing beaches, and forestation:
- (1) Government agencies.
- (2) State-owned enterprises.
- (3) Civil associations.
- (4) Profit-seeking legal persons with the ability to operate businesses.
- (5) Profit-seeking natural persons with the ability to operate businesses.
- Aquaculture business: In accordance with Article 18 of the Fisheries Act.
 Article 6

The rent of the coastal land shall be decided in accordance with the following provisions:

- 1. For the use of tourism and bathing beaches businesses, the rental calculation is based on the declared land value of the land multiplied by the rental rate approved by the Ministry of Finance. However, if there is no declared land value, the rent may be calculated by referring to the average declared land value of neighboring land.
- 2. For the use of reforestation businesses, rent shall be calculated on the basis of the rent for leasing national non-public reforestation lands.
- 3. For the use of aquaculture businesses, the governing authority shall consult with the relevant authorities of the municipalities and counties (cities) directly under its jurisdiction to formulate a calculation method based on that of the rent of public agricultural land, and report it to the Ministry of Finance for approval before charging. However, appropriate incentives should be granted to farmers and fishermen who operate on a small scale.

Article 7

The lease term of coastal land shall be in accordance with the provisions governing the leasing of non-public land under the National Property Act. However, if the competent authority in charge of the relevant enterprise approves the establishment or operation of the enterprise for a shorter period of time, it shall comply with the provisions thereof.

Upon the expiration of the preceding lease term, if the establishment or operation approved by the competent authority in charge of the relevant enterprise is still valid, the lessee may apply for lease renewal in accordance with the provisions under Article 10.

Article 8

If the lessee changes the use of the leased coastal land without authorization or does not use the land within one year from the date of lease, the leasing authority may terminate the lease agreement by notice.

Article 9

If a lessee wishes to construct or remove a building on leased coastal land for the purpose of operation, the lessee shall not take such action unless and until he/she applies to the leasing authority for the issuance of a consent letter for the land use rights and obtains a building permit in accordance with the provisions of the law. The consent letter for the land use rights stated in the preceding paragraph shall be issued by the leasing authority after consulting with the competent authority in charge of the relevant enterprise and after the lessee has paid the deposit. If the lessee violates the provisions of Paragraph 1, the lessee shall pay a penalty of two times the amount of the rent for the month found by the leasing authority. The leasing authority shall notify the lessee to apply for the issuance of a consent letter for the land use rights and a building permit, or to remove the building and vacate the leased coastal land within a certain period of time. If the lessee fails to comply within the prescribed period, the leasing authority may terminate the lease agreement.

The deposit in Paragraph 2 was handled as follows:

- 1. If the lessee removes the building and vacates the leased coastal land on their own, the deposit will be returned without interest after the leasing authority verifies that there is no breach of the lease.
- 2. Upon the expiration of the lease term or termination of the lease agreement, if the lessee fails to remove the buildings, vacate and return the leased coastal land in accordance with the provisions set forth in Paragraph 2, Article 10, after counterbalancing the expenses incurred by the leasing authority on behalf of the lessee, outstanding rent, liquidated damages and compensation for damages and there is any deficiency, the lessee shall make up for it. If there is any remaining balance, it shall be refunded without interest.

Article 10

Upon the expiration of the lease term, unless otherwise prescribed by laws and regulations, the leasehold relationship shall be extinguished without further notice from the leasing authority.

Upon the expiration of the lease term or termination of the lease agreement, unless

the lessee obtains legal rights to continue to use the leased coastal land, the lessee shall, in accordance with the terms of the lease agreement, remove any non-national ground objects, vacate and return the leased coastal land and cease the use.

The lessee shall not demand any compensation for the removal of non-national ground objects in accordance with the preceding paragraph from the leasing

If the lessee intends to renew the lease, the lessee shall apply for lease renewal six months prior to the expiration of the lease term, and shall first obtain the approval of establishment or operation by the competent authority in charge of the relevant enterprise, or a certificate verifying that the original approval documents are still in effect.

authority, unless otherwise prescribed by laws and regulations.

Article 11

The lessee shall be bound to manage and maintain the leased land under the care of a good administration. In the event of force majeure causing loss of land, flooding, or terrain changes during the use of the land, the lessee shall promptly notify the leasing authority and conduct a joint inspection. The leasing authority may, depending on the extent of land changes and the severity of the disaster and loss, reduce or exempt the rent, revise, or terminate the lease agreement.

Article 12

The format of the lease agreement for leasing coastal land in accordance with these Regulations shall be determined by the governing authority based on the respective categories of enterprise.

Article 13

The implementation matters related to these Regulations shall be formulated by the governing authority, and submitted to the Ministry of Finance for approval.

Article 14

These Regulations shall come into force as of the date of promulgation.

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