

## Content

Title : Standards for the Reduction and Exemption of Land Value Tax, House Tax, and Deed Tax for Private Participation in Transportation Infrastructure Projects **Ch**

Date : 1996.01.10

Legislative : History

Full text (8 Articles) promulgated on January 10, 1996 by Executive Yuan Decree No. 00843 (All Articles were implemented on December 7, 1994).

Content : Article 1

These Standards are enacted pursuant to Paragraph 2, Article 31 of the Statute for Encouragement of Private Participation in Transportation Infrastructure Projects (hereinafter referred to as the Statute).

### Article 2

For private entities participating in transportation infrastructure projects after the promulgation and implementation of the Statute, the reduction or exemption of land value tax, house tax, and deed tax shall be governed by these Standards. For such matters not specified herein, other relevant laws and regulations shall apply. However, where other laws and regulations provide more favorable treatment to private entities, the most favorable provisions shall prevail.

### Article 3

Where only a portion of a parcel of land having the same lot number or a building having the same building number meets the requirements set forth herein due to its use, the reduction or exemption of land value tax, house tax, or deed tax may be granted proportionally based on the area of the building or the lot of land that satisfies such requirements.

### Article 4

Private entities participating in major transportation infrastructure projects as encouraged under Article 5 of the Statute shall be eligible for reduction or exemption of land value tax with respect to transportation land in accordance with the following provisions:

1. Land needed for transportation routes, highway interchanges, and airports approved by the competent authority shall be fully exempt from land value tax during the period of building and operation of the approved transportation infrastructure project.
2. Land used for transportation purposes other than those specified in the preceding subparagraph shall be subject to land value tax levied at a rate of 0.1% during the building period.

### Article 5

Private entities participating in major transportation infrastructure projects as encouraged under Article 5 of the Statute shall be eligible for reduction of the house tax for newly built, self-owned buildings directly used for such projects in accordance with the following provisions:

1. Buildings used for railways, mass rapid transit systems, and parking lots shall be subject to a 50% reduction in house tax from the date of completion of the construction of the building.
2. Buildings used by highway operators for highway-related operations shall be subject to a 50% reduction in house tax from the date of completion of the construction of the building.
3. Buildings used for airport terminals, harbors and related facilities, bridges, and tunnels shall be subject to a 50% reduction in house tax for a period of 5 years from the date of completion of the construction of the building.

4. Buildings used for major tourism and recreation facilities shall be subject to a 50% reduction in house tax for a period of 3 years from the date of completion of the construction of the building.

#### **Article 6**

Private entities participating in major transportation infrastructure projects as encouraged under Article 5 of the Statute shall be eligible for a 30% reduction in deed tax for real estate at the time of acquisition or establishment of Dien right for direct use during the building or operation period.

Where the real estate referred to in the preceding paragraph is transferred again or used for other purposes within 5 years from the date of filing a deed tax, the amount of deed tax previously reduced shall be collected. However, this requirement shall not apply where the transfer is made pursuant to compulsory purchase by the competent authority in accordance with Article 44 of the Statute.

Where the competent authority conducts compulsory purchase pursuant to Paragraph 1, Article 44 of the Statute, or acquires operating assets or ongoing construction with or without compensation pursuant to the original approved conditions in accordance with Article 45 of the Statute, the deed tax shall be exempt.

#### **Article 7**

For cases eligible for reduction or exemption under Articles 4 to 6, the taxpayer shall complete and submit an application for tax reduction or exemption along with relevant certification documents to the competent tax authority in accordance with the following procedures:

1. Applications for land value tax reduction or exemption under Article 4 must be submitted at least forty days before the commencement of the Land Value Tax collection period each year. Applications submitted after this deadline will have the special rate applicable starting the following year.
2. Applications for house tax reduction under Article 5 must be submitted within thirty days from the occurrence of the circumstances giving rise to the reduction. Applications made past the aforesaid deadline will have tax reduced or exempted starting from the month of the application.
3. Applications for the deed tax reduction under Paragraph 1, Article 6 shall be submitted upon filing the deed tax.

#### **Article 8**

The Standards come into effect on the date the Statute is implemented.