

**Annex D.8.AD6-4****CIRCULAR OF THE STATE ADMINISTRATION OF TAXATION ON THE IMPLEMENTATION OF IMPOSING A PREFERENTIAL ENTERPRISE INCOME TAX ON FOREIGN INVESTED ENTERPRISES ESTABLISHED IN THE MID-WEST REGIONS OF CHINA AT A REDUCED RATE OF 15% FOR A PERIOD OF THREE YEARS**

(Guo Shui Fa [1999] No. 172 September 17, 1999)

Promulgation date: 09-17-1999 Effective date: 01-01-2000

The State taxation bureaus of the various provinces, autonomous regions, municipalities directly under the Central Government and cities under central planning, and the local taxation bureau of Shenzhen city:

Recently, the State Council has decided that the foreign invested enterprises established in the mid-west regions of China and encouraged by the State shall be subject to the enterprise income tax at a reduced rate of 15% for a period of three years after the expiration of the period of enjoying current favorable tax policies. The particulars relating to the implementation of this preferential taxation policy are notified as follows:

1. Scope of Regions for the implementation:

The mid-west region of China for the implementation of this preferential taxation policy indicates the region on which the foreign invested enterprises are not subject to the reduced enterprise income tax (including the reduced rate of 15% and 24%) in accordance with the stipulations of Article 7 of *Law of the People's Republic of China on Income Tax of Enterprises with Foreign Investment and Foreign Enterprises* (hereinafter referred to as "Tax Law"), that is the region except for special economic zones, Shanghai Pudong New Zone, Suzhou Industrial Park, Economic and technological development zones, tariff free zones, hi-and-new tech industrial development zones, tourism and resort zones, costal open cities, provincial capital cities, open cities along rivers, costal open economic regions, open cities (counties, towns) along the boundary, etc.

2. Industrial scope for the implementation:

Foreign invested enterprises encouraged by the State having right to enjoy this preferential tax policy indicates the foreign invested enterprises carrying out the projects in the encouraged category or Group B of the restricted category of the Industrial Guidance Catalogue for Foreign Investment, which is approved by the State Council and jointly issued by the State Planning Commission, State Economic and Trade Commission and the Ministry of Foreign Trade and Economic Cooperation.

3. Calculation of the period for the preferential:

The period of the implementation of this preferential taxation policy shall be three years

**Annex D.8.AD6-4**

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after the completion of the implementation of the current preferential taxation policies, which means the period on which the foreign invested enterprises may be subject to the reduced or exempted taxes in accordance with the stipulations of paragraph 1 of Article 1 of the Tax Law.

During such period of three years, where the enterprise is confirmed as advanced technology enterprise or products-exporting enterprise and the exported value accounts for up to 70% of the gross output value of the year, it may be subject to the enterprise income tax at the reduced rate of 50% on the basis of abovementioned preferential tax rates in accordance with the stipulations of paragraph 7 or paragraph 8 of Article 75 of the *Rules for the Implementation of the Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprises*, provided that the tax rate after such reduction of 50% shall not be less than 10%.

**4. Procedures of approval:**

Enterprises having right to enjoy the preferential taxation policies shall submit the application, business license, articles of association and situations of production and operation of the enterprise to local competent taxation department for examination and approval. Specific application terms, examination and approval procedures and powers of approval relating to such preferential taxation policies shall be formulated by the taxation competent authorities at province (autonomous region, municipality directly under the Central Government and city under central planning) level in accordance with the stipulations of relevant tax laws and regulations and this Circular and in combination with local actual conditions and submitted to the State Administration of Taxation for record.

**5. Time for the implementation:**

This preferential taxation policy shall be implemented from January 1, 2000. Enterprises just within the period on which it shall have right to enjoy such preferential taxation treatment at stipulated in paragraph 1 of Article 3 of this Circular may enjoy such preferential treatment starting from January 1, 2000 for the remaining period. But if the enterprises go beyond such period up to January 1, 2000, it may not additionally enjoy this preferential treatment.

Annex D.8.AD6-4

**国家税务总局关于实施对设在中西部地区的外商投资企业给予三年减按 15% 税率  
征收企业所得税的优惠的通知**

国税发[1999]172 号 成文日期：1999-12-08

各省、自治区、直辖市和计划单列市国家税务局、深圳市地方税务局：

国务院最近决定，对设在中西部地区的国家鼓励类外商投资企业，在现行税收优惠政策执行期满后的三年内，可以减按 15% 的税率征收企业所得税。现就实施这一税收优惠政策的有关问题通知如下：

一、关于执行的地域范围

可执行本项税收优惠政策的中西部地区是指：山西、内蒙古、吉林、黑龙江、安徽、江西、河南、湖北、湖南、重庆、四川、贵州、云南、西藏、陕西、甘肃、青海、宁夏和新疆共 19 个省(自治区、直辖市)的全部行政区域。

二、关于执行的产业范围

可执行本项税收优惠政策的国家鼓励类外商投资企业是指：从事经国务院批准，由国家计划委员会、国家经济贸易委员会和对外贸易经济合作部联合发布的《外商投资产业指导目录》中鼓励类和限制乙类项目以及经国务院批准的优势产业和优势项目的外商投资企业。

三、关于优惠期的计算

在现行税收优惠政策执行期满后的三年内为本项税收优惠政策的优惠期间。在现行税收优惠政策执行期满后的三年是指，享受《中华人民共和国外商投资企业和外国企业所得税法》(以下称税法)第八条第一款和税法实施细则第七十五条第一款第(八)

**Annex D.8.AD6-4**

项规定的减免税期满后的三年。

在本项税收优惠期间，企业同时被确认为产品出口企业且当年出口产值达到总产值70%以上的，可再依照税法实施细则第七十五条第一款第(七)项规定，减半征收企业所得税，但减半后的税率不得低于10%。

**四、关于审批程序**

可享受本项税收优惠政策的企业应将其申请、营业执照、章程和生产经营情况等有关资料报当地主管税务机关审核。具体申报期限、审核程序和批准权限，由省(自治区、直辖市或计划单列市)级税务主管机关依据有关税收法律、法规和本通知规定，结合各地实际情况制定实施办法，并报国家税务总局备案。

**五、关于执行时间**

本项税收优惠政策自2000年1月1日起执行。至2000年1月1日尚处于本通知第三条第一款规定的税收优惠期间的企业，可就自2000年1月1日起的剩余优惠年限享受本项税收优惠政策；至2000年1月1日已过本项优惠期间的企业，不得追补享受本项税收优惠政策。

国家税务总局

一九九九年十二月八日