

➤ **Q: What is the tax base of deed tax?**

A: The tax base of deed tax is classified into the following three circumstances:

- a. The tax base of the concluded price (refers to the price agreed in the contracts for transfer of land, house property titles, including the payment in cash, in kind, in intangible assets and other economic interest made by the transferee) for sales of state owned land use right, sales of land use right, buy and sell of houses.
- b. For land use right gifting and house gifting, the tax base shall be assessed by the collection department in reference to the market price for sales of land use right, sell and buy of houses.
- c. The tax base for exchange of land use rights and exchange of houses shall be the difference between the prices of the land use rights or houses for exchange.

Where the concluded price is obviously lower than market price without any acceptable reason, or where the price difference between the land use rights or houses for exchange is obviously not rational, the collection department shall assess the tax base in reference to the market price.

Besides, in case of receiving land use right by appropriation, the transferor should, in course of approving transfer of real estate, make up the deed tax based on the land use right charges or proceeds from the land repaid by the transferor.

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