

Business Tax Taxable items and rates

There are nine taxable items under Business Tax for which all are taxed at flat rates as follows:

Table of Business Tax Taxable Items and Rates

Taxable items	Scope of levying	Tax rates
1. Transportation	By land (including railway, road, cable car, cableway), by water (including large river, river, lake, sea) by air, by pipeline, and by loading & unloading and delivery	3%
2. Construction	Including construction, installation, repair, decoration, tele-Communication project on agent, water conservancy, construction of road, dredge, well drilling, removing buildings, flattening soil land, setting up scaffold, dynamite	3%
3. Financial and insurance business	a. Finance: including loans making, financial leasing, transfer of financial products, financial brokerage industry and other financial b. Insurance	5% ^①
4. Post and tele-communications	a. Post. Including delivery of correspondence and packages, postal remittance, issuance of newspaper and magazines, sales of postal items, postal savings. b. Tele-communication. Including telegraph, fax, telephone, installation of telephone, sales of tele-items. c. Express delivery	3%
5. Culture and sports	a. Culture Including performance, broadcasting, exhibition, training, lecturing, lending of books, place for sightseeing. b. Sports. Including organizing sport matches and providing places for sport activities	3%
6. Entertainment	a. Singing halls, karaoke halls (including night clubs, song practice rooms, love song rooms), music tea houses (including bars), golf, games and amusement (like shooting, hunting, horse racing, game machines, Bungee Jumping, Karts, hot balloons, powered parachutes, arrow shooting, arrow throw), net bars b. Billiards, bowling	20% 5%
7. Services	Including agency, hotels, catering, tourism, warehousing, leasing, advertising, bathing, haircut, wash coloring, photo, art, picture mounting, copy out, typewriting, engraving, computation, testing, experiment, laboratory test, tape recording, video recording, duplicating, blueprint, design,	5%

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	drawing, surveying, prospecting(excluding aviation, drilling, well digging and explosion prospecting), packaging, consultation	
8. Transfer of intangible assets	Including transfer of land-use rights, patent rights, non-patent technologies, trademarks, copyrights, goodwill and film copy and display right	5%
9.Sale of immovable properties	Including sales of buildings and other attachments to land	5%

Note ① In the areas for countryside credit firm reform experiment (including the 29 provinces, autonomous regions and municipalities directly under the State council except Hainan Province and Tibet), the Business Tax rate for the countryside credit firms may be 3%.

Any adjustment to Business Tax items and rates shall be exclusively made by the State Council.

Where taxpayers are involved in different items eligible for different tax rates, the taxpayers should respectively calculate the turnover, transfer value and/or sales value (hereinafter referred to as turnover) for different taxable items. Otherwise, the tax department shall apply the highest rate in computing the Business Tax payable.

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