

## Resource Tax Computation method

The tax payable for Resource Tax shall be computed in accordance with the assessable volume of the taxable products and the prescribed applicable tax amount per unit

The formula for computing the tax payable is as follows:

Tax payable = Assessable volume of taxable products \* Applicable tax amount per unit

The assessable volume of the taxable products is ruled as follows:

- a. For taxpayers exploiting or producing taxable products for sale, the sales value shall be the assessable volume.
- b. For taxpayers exploiting taxable products for self-use, the self-used volume shall be the assessable volume.

Examples:

- a. one coal mine has sold 2,000,000 tons of coal for the month and the applicable tax amount per unit stipulated in the Resource Tax regulations is 2 yuan per ton. The Resource Tax payable by this mine is computed as follows:  
Resource Tax payable = 2,000,000 tons \* 2 yuan / ton = 4,000,000 yuan
- b. One natural gas well sold gas 30 million m<sup>3</sup> this month. The statutory tax per unit is 4 yuan per thousand m<sup>3</sup>. The Resource Tax payable by this well is computed as:  
Tax payable = 30 million m<sup>3</sup> \* 9 yuan / 1000 m<sup>3</sup> = 270000 yuan

The taxpayers exploiting or producing the taxable products subject to different taxable items should separately account for the taxable products for different items. If the taxpayers fail to separately account or are unable to provide precisely the assessable volumes for different items, the tax department shall apply the highest tax amount per unit in levying Resource Tax.

Where taxpayers are unable to provide precisely the sales value or used up value of taxable products, the assessable volume shall be the value of the production of taxable products or that computed by the converting ration specified by the competent tax department. The Resource Tax shall be levied on that basis.

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