

## Interim Regulations on Special Consumption Tax

(Promulgated by the Government Administration Council on January 16, 1951)

Article 1 The special consumption behavior tax shall be levied in accordance with these Regulations unless otherwise specified.

Article 2 Tax on special consumption behaviors is levied on an ad valorem basis, borne by consumers, and business operators as obligors.

Article 3 The tax items, tax collection category, tax rate and threshold of special consumption behavior tax are stipulated as follows:

### Film Theater and Entertainment

Movie theaters, drama theaters, acrobatic halls, entertainment halls, book halls, singing halls, ball rooms (pinball rooms) and other businesses for entertainment

ten percent to thirty percent based on ticket price

dance hall fifty percent based on ticket price

banquet Chinese and Western restaurants, restaurants, restaurants concurrently operated by hotels, kitchens for banquets, and other businesses that prepare banquets for guests to eat

ten percent to twenty percent RMB 30,000. Regardless of the number of people, it is calculated according to the amount of each consumption (including dishes, wine, rice, noodles, and points)

cold food Cold food shops, cafes and other businesses that also sell cold food

ten percent to twenty percent RMB 10,000. Regardless of the number of people, it is counted according to the amount of each consumption

hostels, hotels, restaurants and other accommodation for guests

five percent to twenty percent RMB 20,000. Calculated according to the daily rent or accommodation fee for each room in the hotel

Article 4 The people's governments of each province (city) shall, within the tax rate range specified in the preceding article, formulate the applicable tax rate according to the actual local conditions, submit it to the people's government (military and political committee) of the large administrative region for approval and implementation, and report it to the Ministry of Finance of the Central People's Government for record.

Article 5 For films or dramas with political and educational significance, the tax authorities may allow the obligors to collect tax at half the original tax rate after being examined and certified by the local people's government or the cultural and educational agency designated by the Exchange.

Article 6 Relevant account books, receipts and coupons, etc. of the agent collection obligor must be numbered and stamped by the tax authority for verification.

Article 7 The tax collection obligor shall hand over the tax payment certificate to the taxpayer when collecting the tax on behalf of the taxpayer, and the tax collection agent shall submit the tax payment to the treasury on schedule in accordance with the regulations of the local taxation authority. For movies, dramas and entertainment industries, the tax authorities will affix the approval stamp of the tax bureau on the tickets sold, and no tax payment certificate will be issued separately.

Article 8 Where the agent collection obligor completes the agent collection in accordance with the regulations and pays the tax on time, the tax authority may withdraw a performance fee of 1% from the agent tax collection.

Article 9 If the agent obligor fails to pay the tax within the prescribed time limit, in addition to recovering the payment within a limited period, he shall also be fined 1% of the tax payable on a daily basis.

Article 10 If the agent obligor covers up short collection, overreports and underpays tax, etc., in addition to recovering the evaded tax, he shall also be fined less than five times the evaded tax amount.

Article 11 All businesses listed in Article 3 of these Regulations shall report to the local tax authorities before opening, closing, changing, relocating or transferring. Violators shall be fined less than RMB 500,000.

Article 12 If a representative collection obligor violates Articles 10 and 11 of these Regulations, anyone may report it. After investigation and handling, a fine of 20% to 30% will be awarded to the reporter, and keep it a secret.

Article 13 The tax audit measures for special consumption behaviors shall be drafted by the provincial (city) tax authorities in accordance with these regulations, submitted to the provincial (city) people's government for approval and implementation, and reported to the Central People's Government's Ministry of Finance and the State Administration of Taxation for recordation.

Article 14 After the promulgation of these Regulations, all local regulations on special consumer behavior tax shall be abolished.

Article 15 This Regulation shall come into force on the date of promulgation of the items.