1950	Speeches/Documents
Title: Regulation on the implemantation of currency control	
Author: GAC	
Date: 25 December 1950	**Source : RMRB 30-12-1950**
Description: summary and full text	

Section 1 defines the goal and scope of the currency-control

program, whose aim is the "further strengthening of the control of currency, the carrying out of a clearance system, centralization of short-term credit, and supervision of investment in basic reconstruction work." The program applies to the following "units": state-operated enterprises, including enterprises operated by central and local governments as well as by government organs and military units; government organs, including public schools and hospitals; military units; popular organizations and cooperatives. Enterprises jointly operated by government and private individuals may follow the program (of currency control) if they so desire. The People's Bank of China is empowered to supervise and check the execution of the various measures in the program.

Section 2 deals with the control of cash (including drafts and bills). The provisions stipulate that: (l) All cash resources of the various "units" must be deposited in the People's Bank on the very day of receipt, with a few exceptions. (2) Currency amounting to a sum of three days expenditure may be retained by the respective units in areas where there are banking agencies, enough for one month if there are no banking facilities. (3) All units are required to clear their transactions through the bank, except in cases where the use of cash is absolutely necessary (as for salaries, travel expenses, sundry daily expenses). (A) All "units" must submit monthly and quarterly reports on cash receipts and expenditures. Funds earmarked for a particular expenditure cannot be used for other items.

Section 3, dealing with clearance, contains the following major points:

All units must set up accounts with the bank the locality. All transactions, whether local, national, or international, should be cleared through the bank and no direct payment is allowed. A duplicate copy of all business contracts must be deposited in the bank by the units. Funds received from and sent to the national depository by all units are to be handled through the Bank.

Section 4, entitled "short-term credit," makes the following stipulations: No commercial credit relations, such as loans, drafts, advance payment for goods ordered, are allowed among the various units. Those units that do not engage in productive enterprises are not entitled to credit from the bank. Units that engage in productive enterprises must possess the following qualifications in order to get credit from the bank: They must have adopted the system of economic accounting, have an independent accounting system, and have their own current assets. Loans contracted for a specific purpose cannot be used for any other purpose.

Section 5 deals with the supervision (by the bank) of investment in capital construction. Its provisions are: The People's Bank may designate a specialized bank as the business and supervising agent. The designated specialized bank must check the various papers (budget, designs, progress reports, etc.) submitted by a unit before any payment is made. The specialized bank must submit periodic reports to the Ministry of Finance through the Peopled Bank on the payment and budgeting of funds. If any discrepancy is discovered between the actual construction work and the plan reported by a unit, the specialized bank must cease payment of funds and report to the superior organs. When a construction project is completed by a unit, the specialized bank, together with the superior organ of the unit concerned, must jointly check and approve the work.

The GAC Finance and Economic Committee has approved and published the "Implementation Measures for Monetary Management" and the "Methods for the Compilation of Monetary Revenue and Expenditure Plans." The full text is as follows:

(I) Implementation Measures for Monetary Management

Chapter 1 General Provisions

Article 1: These measures are formulated based on the principles of further implementing monetary management as decided by the GAC of the People's Republic of China. They are designed to strengthen cash management, implement allocation and settlement, and achieve the purpose of concentrating short-term credit and supervising basic construction investment.

Article 2: These measures apply to national enterprises (including central and local enterprises and production units of military organizations), institutions (including state-owned public schools and hospitals), military units, groups, and cooperatives (hereinafter referred to as various units). Private-public joint ventures that voluntarily participate in cash management, allocation and settlement, or are designated as the sole currency manager may jointly execute various business contracts with banks based on the principle of mutual benefit, according to different circumstances.

Article 3: In accordance with the decision of the GAC, the People's Bank of China (hereinafter referred to as the Bank) has the right to inspect relevant units on the implementation of work such as cash management, allocation and settlement, short-term credit, and supervision of basic construction investment. The inspection includes checking cash inventories, execution of revenue and expenditure plans, purposes of loans, and the use of government basic construction investment. If any violation of regulations is found, suggestions or reports can be made to the higher authorities. The Bank has the right to suspend or retract loans at any time and suspend the allocation of funds for basic construction investment.

Chapter 2 Cash Management

Article 4: In addition to the approved reserve limit, all cash and notes of various units must be deposited in banks or their designated agents on the same day. In case of special circumstances, with the consent of the bank, it can be postponed until the next morning for deposit.

Article 5: The amount of cash inventory for various units may be agreed upon and submitted to the local financial and economic committee (hereinafter referred to as the financial committee) for approval by providing materials and coordinating with local banks. In places where banks or their designated agents are established, the limit should not exceed the daily miscellaneous expenses for three days. In places where no bank institutions are set up, it should not exceed the daily miscellaneous expenses for one month.

Article 6: Various units should try to settle transactions through state-owned enterprises and cooperatives to promote transfers. If it is necessary to disburse cash to purchase essential goods, it must be approved by the financial committees at various levels within the following scope:

(1) Transactions with private enterprises.

(2) Transactions with urban residents or farmers.

(3) Payment of wages.

(4) Travel expenses.

(5) Miscellaneous expenses within a certain limit between units (the limit is determined by local banks and implemented after approval by the local financial committee).

Article 7: In order to achieve planned revenue and expenditure, various units should prepare quarterly monetary revenue and expenditure plans in accordance with regulations (if it is difficult to compile quarterly plans, monthly plans can be started first). Distinguish between cash and transfers, provide detailed information, ensure balance between revenue and expenditure, and the bank is not responsible for advances. The compilation methods and review procedures are as follows:

(1) Compilation and review of unit monetary revenue and expenditure plans.

1. Various units under special bureaus and county (city) governments (including administrative units of enterprises and non-enterprise units) should timely compile unit monetary revenue and expenditure plans based on production plans (production units), business plans (trade units), or budgets (expense units). Submit them to the financial committee of the special bureau or county (city) (if there is no financial committee, another agency designated by the special bureau, county, or city government is responsible) for approval, and submit one copy to the local bank. After approval by the financial committee or the designated agency, notify the units and banks at all levels to supervise implementation.

2. The unit monetary revenue and expenditure plans compiled by units under provincial and municipal governments and military regions (including enterprise and non-enterprise units) and units in their locations (excluding central directly managed units) should be reviewed by the competent authorities and submitted to the provincial or municipal finance committee for approval, and notify the competent authorities and banks for supervision after approval.

3. The unit monetary revenue and expenditure plans compiled by units under large administrative regions and large military regions (including units managed by central enterprises) and units in their locations (including all units except central directly managed units) should be reviewed by the competent authorities and submitted to the regional finance committee for approval, and notify the competent authorities and banks for supervision after approval.

4. The unit monetary revenue and expenditure plans compiled by central directly managed units (referring to units with established treasury, funds uniformly allocated and used by central ministries and commissions, and military and administrative units of enterprises directly managed by central ministries and commissions) at all levels and submitted step by step to the higher authorities. After review and approval by the central competent department, it is transmitted step by step, and is transmitted step by step by banks and various levels for supervision and implementation.

5. The monetary revenue and expenditure plans of field troops and their subordinate units (copies sent to local banks or army banks) are supervised and implemented after approval by the superior supply department or logistics department.

6. Local banks should compile unit monetary revenue and expenditure plans based on business plans and expense budgets for private businesses and individuals, submit them to the same-level financial committee and the superior bank.

(2) The quarterly (monthly) unit monetary revenue and expenditure plans of various units must be submitted to the local financial committee or the Ministry of Finance, supply department, and logistics department for approval 15 days in advance. After approval, the approved authorities should return them to various units 10 days in advance and notify local banks to compile comprehensive monetary revenue and expenditure plans and report them step by step.

(3) When reviewing the monetary revenue and expenditure plans of various levels, financial committees should be responsible for auditing in strict accordance with the spirit of being strict with cash and lax with transfers. The revenue and expenditure plans of each unit must be balanced, and it is not allowed to transfer payments between different units.

(4) Local banks should compile comprehensive monetary revenue and expenditure plans based on approved revenue and expenditure plans at the same level and those transmitted by higher-level banks. The plans should be reported step by step through telegrams and written reports to higher-level banks for the record, and copies should be sent to the same-level financial committees. The higher-level banks should compile comprehensive national monetary revenue and expenditure plans based on the plans reported by lower-level banks and submit them to the Central Finance Committee for the record.

(5) The head office compiles the national comprehensive monetary revenue and expenditure plan based on the reports from lower-level branches and submits it to the Central Finance Committee for record.

Article 8: The monetary revenue and expenditure plans of various units are only valid for the current quarter or month and cannot be carried over to the next period. If there are receivables or payables at the end of the quarter or month that cannot be settled within the same period, resulting in deviations from the original plan, and the next quarter or month's plan does not include these, a separate explanatory note should be attached. After obtaining approval from the local bank, it can be deducted within the approved amount in the next quarter or month's revenue and expenditure plan.

Article 9: The approved amounts of various items under the expenditure items of the quarterly and monthly monetary revenue and expenditure plans of various units shall not be mutually interchangeable. If the monetary revenue and expenditure plan for the current quarter or month has been submitted but not yet approved and there is a need for payment, with the consent of the local bank, up to one-third of the total plan amount can be used first. After the plan is approved, the deduction should be made.

Article 10: If various units need to exceed the approved plan due to special circumstances, an additional plan must be submitted. The compilation and review procedures are the same as for the formal plan. Units without a plan are not allowed to use any surplus they may have, and if income exceeds the plan, it must be deposited with the bank at any time, along with an explanation of the reason for the excess income.

Chapter 3: Allocation and Settlement

Article 11: All state-owned enterprises, institutions, military units engaged in production, and cooperatives engaged in business operations must establish settlement accounts in local banks. Units such as government agencies and military units that only have expenditure funds must also establish current accounts with local banks.

Article 12: For units that have established settlement accounts or current accounts with banks, the principle is to establish one account per independent accounting unit. If a unit has more than two accounting units and is approved by the bank, it can establish more than two accounts. The basic construction funds of the settlement account should be handled separately and must not be confused.

Article 13: Both settlement accounts and current accounts must have sufficient balance in the bank for the bank to carry out disbursements according to the approved plan.

Article 14: For all transactions between units within the same city, between cities, and internationally, except for the specified use of cash, all must be settled through the bank where the account is opened. Direct receipts and payments through transfers are not allowed (international settlement methods are separately stipulated).

Article 15: Copies of all contracts signed by units for external transactions must be submitted to their bank. When banks handle the allocation and settlement of units, if they find any discrepancies, transfers will not be made.

Article 16: For transactions between units, the following methods are used for allocation and settlement within the same city:

(1) Between settlement accounts, the "Settlement Receipt and Payment Voucher" is used, issued by the paying unit and submitted directly to its bank or the receiving unit's bank for transfer. This voucher cannot be cashed or transferred.

(2) Between current accounts and settlement accounts, and between current accounts and settlement accounts, the "Transfer Cheque" is used, issued by the paying unit and submitted to the receiving unit's bank for transfer. This cheque cannot be cashed or transferred.

(3) For cash payments to individuals, private enterprises, and self-withdrawals, the "Special Cheque" is used. This cheque can be cashed or transferred.

Article 17: For transactions between units, the following methods are used for allocation and settlement between different locations:

(1) Entrusted Payment: When units need to make payments in places outside their jurisdiction according to the monetary revenue and expenditure plan and contracts, they should issue transfer cheques to their bank for entrusted payment or handle import bills of exchange. Follow the general exchange and bill of exchange procedures. After the remittance arrives, it should be supervised and used for the original purpose in the local bank. If payments are made in installments, the final settlement should be made within the amount approved in the next quarter or month's revenue and expenditure plan, and cash should not be used beyond the specified cash usage range.

(2) Entrusted Collection: According to the revenue and expenditure plan and contracts, units can entrust banks to collect payments for goods shipped to places outside their jurisdiction or entrust banks to collect bills of exchange or handle export bills of exchange. After the payment is received, it will be credited to the unit's account by the opening bank. This entrustment or bill of exchange is subject to the general method of entrusting collection and bill of exchange.

Article 18: Branches of national enterprises that are not independently operated can sign contracts with banks for centralized allocation and settlement, but their branches still need to establish settlement accounts with local banks.

Article 19: In addition to the above settlement methods, banks may use other settlement methods based on the specific circumstances and actual needs of various units.

Article 20: Settlement receipts and payment vouchers and transfer cheques within the city are limited to being transferred to the bank on the same day, no later than the next day, and special cheques are valid within seven days, with holidays extended.

Article 21: Units are required to remit funds to the national treasury based on the payment notice issued by the bank (simultaneously notifying the paying unit). Within the balance of the unit, without affecting the payment of wages, the treasury should be deducted and remitted on time.

Article 22: After the budget for financial appropriations of various units is approved, the Ministry of Finance transfers funds from the treasury to the bank, and the bank supervises payments based on the budget copy attached by the Ministry of Finance and the approved revenue and expenditure plan of each unit.

Article 23: When the payment due date for receivables between units arrives, if the paying unit has not yet paid or has paid but not cleared, the bank may, according to the contract, deduct and collect the payment on behalf of the paying unit from the balance of the paying unit. This should be done without affecting the payment of wages, clearing the treasury, or repaying bank loans. If the paying unit owes several due amounts at the same time, after negotiation, the bank can proceed with the transfer.

Article 24: For payments due but unpaid or unpaid but uncleared by the due date, compensation fees must be calculated at a rate of five-thousandths per day on the overdue amount and paid to the receiving unit. Other provisions specified in the contract shall prevail.

Chapter 4: Short-Term Credit

Article 25: Units are not allowed to extend credit to each other or engage in loan and other commercial credit relationships (such as prepayment of order payments and issuance of commercial bills). The following situations are not considered within the scope of commercial credit:

(1) Contract processing (payment of processing fees according to the contract).

(2) Ordering (payment and delivery of goods should occur simultaneously, with no prepayment of order payments).

(3) Agency procurement (advance payment for agency purchases is allowed).

(4) Consignment sales (payment for goods sold is made either at once or in instalments).

Article 26: Settlement accounts of state-owned enterprises and cooperatives must first use their own working capital. If short-term loans within one year are needed, the bank can lend according to the approved plan.

Article 27: Banks do not grant loans to units such as government agencies and military units that only have expenditure funds.

Article 28: Short-term loans needed by settlement accounts must be planned one month or one quarter before the scheduled date, and accompanied by financial plans. These should be submitted to the supervisory department and the bank where the account is opened. The bank will compile and submit it to the higher-level bank for centralized approval before implementation. Central enterprises directly under the central government are reviewed by the relevant central departments and executed after approval by the Central Finance Committee.

Article 29: In case of special circumstances where temporary loans beyond the plan are needed, settlement accounts may apply for temporary loans from the bank. If approved within the scope determined by the higher-level bank and approved by the local finance committee, the bank can execute it. If the issue cannot be resolved, the supervisory department should request approval from the higher-level bank, and after approval by the finance committee, the loan can be granted.

Article 30: Units applying for loans from banks must meet the following basic conditions:

(1) Implement economic accounting.

(2) Have an independent accounting system.

(3) Have self-owned working capital.

Article 31: Bank loans are limited to the turnover of working capital, and the principle of earmarked funds is followed. Units must use the loan for the specified purpose, and the scope of loan use is as follows:

(1) Purchase of raw materials, main production auxiliary materials, and fuel, etc.

(2) Manufacturing and marketing expenses during the manufacturing and marketing processes.

(3) For trade cooperation departments, used for purchasing, marketing, and import and export.

(4) Specialized institutions such as farms, forestry, animal husbandry, and water conservancy for various production purposes.

(5) Other necessary purposes within the approved plan.

Article 32: Bank loans are generally granted to settlement accounts that directly use the loan.

Article 33: Bank loans must include interest, and the interest rate is determined by the bank.

Article 34: Bank loans must have a specified term, and units must repay on time when the loan matures, without delay.

Article 35: Units applying for loans must provide collateral, and the types of collateral are limited to current assets.

Article 36: When loans mature and units cannot repay, the bank has the right to increase the interest rate after the due date and can directly dispose of the collateral. The bank also has the right to prioritize deducting the balance in the settlement account to offset the loan, without affecting the payment of wages and clearing the treasury, according to the principle of deducting it first.

Article 37: When a loan is disbursed, the bank immediately credits the amount to the settlement account of the unit, using it in accordance with the approved revenue and expenditure plan.

Article 38: When each settlement account borrows, it should sign a contract with the bank according to the approved plan and abide by it. The contract must specify the purpose, amount, interest rate, term, repayment method, and collateral guarantor, among other details.

Article 39: In cases of credit relationships, such as credit or other commercial credit relations, between settlement accounts and private enterprises due to special needs, approval from the bank is required. The transactions must be supervised by the bank, and a copy of the transaction contract must be submitted to the bank. The bank must act as an agent for payment and collection.

Article 40: Specific procedures for borrowing by each settlement account, in addition to those specified in these regulations, shall be carried out in accordance with the loan regulations formulated by the bank.

Chapter 5: Supervision of Basic Construction Investment

Article 41: All investments in basic construction projects for national undertakings specified in the annual national budget shall be entrusted by the central Ministry of Finance to designated specialized banks for unified disbursement, and they shall be responsible for supervision.

Article 42: Each department should prepare an allocation plan based on the approved budget for basic construction investments within the scope of the annual national budget. This plan, along with the construction project plan, should be submitted to the central Ministry of Finance for approval. Subsequently, the plans for each unit engaged in basic construction (including blueprints, construction specifications, and project estimates for each unit) should be separately approved. The allocation plans and attached construction project plans of each department are sent to the bank through the central Ministry of Finance. The construction project plans of each unit are submitted to the bank through the respective departments.

Article 43: The specialized bank, after verifying the conformity of the above plans, compiles a disbursement plan for each quarter and submits it to the central Ministry of Finance for approval. Subsequently, according to the disbursement plan, the bank transfers funds to the specialized bank for supervision and disbursement under the treasury.

Article 44: Each unit should prepare a monthly expenditure plan based on the construction progress within the quarter and submit it, along with the approved construction plan, to the local specialized bank.

Article 45: When applying for funds, each unit should fill out an application for fund disbursement along with relevant documents such as construction and purchase contracts. The local specialized bank should review the actual construction or procurement situation, and if it matches the expenditure plan and construction plan, issue a disbursement payment order to the local bank for withdrawal.

Article 46: For the use of funds when ordering equipment from outside the city, the local specialized bank may calculate the amount needed and specify it in the application. After verification, a disbursement payment order is issued and sent to the designated specialized bank outside the city for further transfer to the unit or its designated payee.

Article 47: If the construction progress of each unit is completed in advance of the scheduled time in the original plan, and funds are needed to continue construction before the disbursement arrives, the specialized bank may report to its headquarters and then request disbursement from the central finance department.

Article 48: During the construction process, each unit should regularly submit construction reports and relevant materials to the specialized bank. The specialized bank should check and supervise the units at any time by comparing the expenditure plan, construction plan, and actual expenditure. If it is found that the construction projects deviate from the original plan, cannot be completed within the specified time, or the funds applied for exceed the actual expenditure, or payments exceed the plan, or there are other irrationalities, the payment of funds can be temporarily suspended. This information should be reported to the bank, which will then report it step by step to the relevant supervisory department.

Article 49: The specialized bank, when handling the disbursement of national funds for basic construction investment, should report the disbursement and progress of payments to the bank and the central Ministry of Finance on a monthly basis.

Article 50: After completion of construction by each unit, it should be jointly inspected by the supervisory department and the specialized bank. The specialized bank should compile a final settlement report and submit it to the bank for transfer to the central Ministry of Finance. The Ministry of Finance will approve the settlement report of the specialized bank and cancel the disbursement, transferring it to the investment of the supervisory department.

Article 51: The central Ministry of Finance shall review and supervise the bank-designated specialized bank for the disbursement of national funds and the overall disbursement situation. It includes the following items:

(1) Review of the disbursement payment plan.

(2) Review of whether the disbursement payment amount matches the completed projects.

(3) Review of the disbursement payment settlement report after completion of construction.

Article 52: The central finance committee may conduct inspections at any time on the allocation of investment disbursements by the Ministry of Finance and the overall disbursement situation handled by the bank-designated specialized bank.

Chapter 6: Supplementary Provisions

Article 53: Detailed procedures for various items in these regulations will be separately formulated.

Article 54: These regulations have been approved by the central finance committee and shall be implemented from December 1950.

Article 55: Any matters not covered by these regulations will be revised after approval by the central finance committee.

(2) Method for Compiling Monetary Revenue and Expenditure Plans

Chapter 1: General Principles

Article 1: This method is formulated in accordance with the Implementation Measures for Monetary Management.

Article 2: The monetary revenue and expenditure plan is a detailed numerical plan for the receipts and payments of various units in business operations or budgetary expenditures. It includes deposit, loan, transfer, and cash plans submitted by each unit to the bank. The bank uses this plan to supervise receipts and payments, conduct settlement, consider loans, and help units accelerate fund turnover, tightly execute budgets, and promote the completion of national financial plans.

Article 3: The monetary revenue and expenditure plan is divided into unit monetary revenue and expenditure plans and comprehensive monetary revenue and expenditure plans. The unit monetary revenue and expenditure plan is prepared by each independent accounting unit, while the comprehensive monetary revenue and expenditure plan is compiled by banks at various levels.

Article 4: Unit monetary revenue and expenditure plans should be prepared based on the principle of using the unit's own financial strength as much as possible, reducing borrowing, promoting transfers, and saving cash.

Article 5: The monetary revenue and expenditure plan is divided into quarterly and monthly plans. The quarterly plan should be detailed down to the month, clearly distinguishing between revenue and expenditure items, and cash transfers. If it is difficult for units to prepare quarterly plans, they can start with monthly plans. However, units capable of preparing quarterly plans or those suitable for quarterly planning should still prepare quarterly plans.

Article 6: The total of both sides of the monetary revenue and expenditure plan must be balanced. If income exceeds expenses, it should be included in the bank deposit. If expenses exceed income due to early payment or delayed receipt, etc., and borrowing from the bank is necessary, it should be handled according to Chapter 4 of the Measures for Monetary Management.

Article 7: The amounts in the monetary revenue and expenditure plan are denominated in units of RMB. Unit monetary revenue and expenditure plans are in units of thousands of RMB, comprehensive monetary revenue and expenditure plans for branches are in units of millions of RMB, and for branches and above, they are in units of billions of RMB. If there are foreign currencies or physical payments, they should be converted to RMB (except for public grain, which should be transferred through banks).

Article 8: Regardless of the number of accounts opened by each unit at the designated bank in the same location, there must be an independent accounting unit and a separate monetary revenue and expenditure plan. If the same independent accounting unit has decentralized branches in different locations, separate monetary revenue and expenditure plans should be prepared and submitted to the local bank.

Article 9: When preparing the monetary revenue and expenditure plan, for mutual transactions between units, except for daily small cash payments, all transactions should be calculated as transfers. For transactions with private enterprises or individuals and payments such as salaries and travel expenses, they should be calculated as cash.

Chapter 2: Method for Compiling Unit Monetary Revenue and Expenditure Plans

Article 10: Unit monetary revenue and expenditure plans should be prepared based on the specific circumstances of each unit, taking into account its business operation plans (such as production plans, sales plans, procurement plans, financial plans, etc.) and all budgets (such as regular expense budgets, temporary expense budgets, special expense budgets, etc.) or tasks assigned by higher authorities. Additionally, it should refer to the actual revenue and expenditure situation of the previous period to estimate changes in the market for the current period, calculating each item precisely. Units without business operation plans, budgets, or assigned tasks that are not yet determined may estimate based on past actual situations for future development. For military units and public security departments with production income, when preparing unit monetary revenue and expenditure plans, in addition to the overall budget, they should also include items that are not within the budget scope.

Article 11: Military and public security units may not detail the items in the unit monetary revenue and expenditure plans and only list the total cash and transfer receipts and payments. Other units related to national defense may, with the approval of the competent authorities and the same-level finance committee, choose not to detail the items. Procedures similar to this can be followed (items included in the comprehensive monetary revenue and expenditure plan by the bank will be separately specified by the head office).

Article 12: Temporary purchasing and selling units that are peripheral should include all payments as transfers in their unit monetary revenue and expenditure plans. At the same time, a separate temporary unit spending plan (see Appendix 1 and 2) should be prepared and sent to the bank in the purchasing and selling location for processing receipts and payments. For long-term purchasing and selling units, the unit monetary revenue and expenditure plans should still be handled according to the provisions in Article 8.

Article 13: All units engaged in production or enterprise operations within government departments and military units should separately prepare unit monetary revenue and expenditure plans.

Article 14: Various local Bank of China branches, branches of the Bank of Communications, other specialized banks, and the People's Insurance Company, etc., should prepare unit monetary revenue and expenditure plans based on their own business income and expenditure and fund payments, and submit them to the local People's Bank.

Article 15: Any processing fees incurred, whether in currency or in kind, should be included in the unit monetary revenue and expenditure plan. For monetary receipts and payments incurred due to consignment sales or purchases, they should all be treated as transfers and included in the unit monetary revenue and expenditure plan. In the case of cash transfers by the principal unit, they should be separately included in its unit monetary revenue and expenditure plan.

Article 16: Internal transactions between independent accounting units that do not involve bank receipts and payments are not included in the unit monetary revenue and expenditure plan.

Chapter 3: Compilation System, Review Procedures, and Submission and Approval Time

Article 17: Units under the county (city) government of specialized administrative regions (including administrative units of both enterprises and non-enterprises) should prepare three copies of the unit monetary revenue and expenditure plan (and send one copy to the local bank) for approval by the county (city) financial committee (if there is no financial committee, another agency designated by the county (city) government). The financial committee keeps one copy, returns one copy to the original unit, and submits one copy to the bank for supervisory enforcement.

Article 18: Units under the provincial, municipal government, and military region (including units of both enterprises and non-enterprise units) and units in the local area (referring to all units except central directly affiliated units) should prepare three copies of the unit monetary revenue and expenditure plan (and send one copy to the local bank). After review by the provincial and municipal competent authorities, it is then submitted to the provincial and municipal financial committees for approval. The financial committee keeps one copy, submits one copy to the branch of the People's Bank of China for the unit's account for enforcement supervision, and returns one copy to the competent authority for the original unit.

Article 19: Units under the administrative region's military region (including those managed on behalf of central enterprises) and units in the local area (referring to all units except central directly affiliated units) should prepare three copies of the unit monetary revenue and expenditure plan (and send one copy to the bank where the account is opened). After review by the competent authorities, it is then submitted to the financial committee of the administrative region for approval. The financial committee keeps one copy, submits one copy to the bank where the account is opened for enforcement supervision, and returns one copy to the competent authority for the original unit. For administrative regions in the same city as the provincial and municipal governments, the approval division of labor is determined by the financial committee of the administrative region.

Article 20: Units directly affiliated to the central government (referring to those with established treasuries that are uniformly allocated and used by various central departments, such as trade, railways, fuel, telecommunications, and other departments, as well as military and administrative units directly managed by various central departments, such as Shijingshan Steel Plant, Logistics Department of the Military Commission, Logistics Department of the North China Military Region, etc.) should prepare three copies of the unit monetary revenue and expenditure plan (and send one copy to the local bank) for review by the central competent authorities. After approval by the Ministry of Finance, one copy is kept by the Ministry of Finance, one copy is returned to the competent authorities for the unit, and one copy is submitted to the headquarters of the People's Bank of China, which is then sent to the bank where the account is opened for supervision and enforcement.

Article 21: Generally, purchasing units, administrative units engaged in production, and liaison offices dispatched from outside to local areas should prepare three copies of the unit monetary revenue and expenditure plan (and send one copy to the local bank). After approval by the local financial committee, one copy is kept by the financial committee, one copy is returned to the original unit, and one copy is submitted to the local bank for supervision and enforcement.

Article 22: The unit monetary revenue and expenditure plan prepared by field military units should be submitted to the higher-level supply department or logistics department (or with the military bank accompanying the army) in three copies (and sent to the local bank or the accompanying military bank). After review, one copy is kept, one copy is returned to the original unit, and one copy is submitted to the local bank or the accompanying military bank for supervision and enforcement.

Article 23: The unit monetary revenue and expenditure plan of banks (including the unit monetary revenue and expenditure plans of their affiliated institutions) should be prepared in triplicate. One copy is sent to the local financial committee for reference, and two copies are submitted to the higher-level bank for approval. One copy is returned after approval, and strict enforcement is required.

Article 24: The comprehensive monetary revenue and expenditure plan of banks at all levels is divided into written and telegraphic forms. The written comprehensive monetary revenue and expenditure plan is prepared in quadruplicate. In addition to keeping one copy, branches submit one copy to the specialized office and branch, and branches submit one copy to the district branch and the head office. Another copy is sent to the local financial committee. The telegraphic comprehensive monetary revenue and expenditure plan is prepared in duplicate. Branches submit one copy to the specialized office and branch, and branches submit one copy to the district branch and the head office. The head office consolidates the national comprehensive monetary revenue and expenditure plan and reports it to the Central Financial Committee for reference.

Article 25: The unit monetary revenue and expenditure plan for each quarter (month) must be submitted to the financial committees at all levels fifteen days before the start of the quarter (month), and a copy should be sent to the local bank. The financial committees at all levels or the Ministry of Finance should reply ten days before the start of the month. The comprehensive monetary revenue and expenditure plan of banks at all levels is reported in both telegraphic (or long-distance telephone) and written forms. The telegraphic reports should be sent by county branches eight days before the start of the month (if there is no telegraph or long-distance telephone, reporting may be exempt). Branches should consolidate the total receipts and payments from branches in their locations and key branches and report them telegraphically to the district head office five days before the start of the month. The written comprehensive monetary revenue and expenditure plan should be submitted by the branch to the specialized office and branch by the fifth day of the month. The branch should consolidate the comprehensive monetary revenue and expenditure plan for the entire province and submit it to the district head office by the tenth day of the month.

Chapter 4: Compilation Method of Comprehensive Monetary Revenue and Expenditure Plan

Article 26: The comprehensive monetary revenue and expenditure plan of banks should be prepared based on the unit monetary revenue and expenditure plans of various units and the bank itself. There are two methods: telegraphic and written.

(1) Telegraphic Compilation Method: It should be based on the total amount of the unit monetary revenue and expenditure plans approved by the local financial committee, categorized by organs, enterprises, troops, cooperatives, and other items, and detailed plans should be prepared for transfers and cash. However, for local units that should be approved by the higher-level financial committee, their copy numbers can be included in the explanatory column (detailed methods will be separately defined).

(2) Written Compilation Method: Each level of the bank should compile in detail according to the approved and distributed income and expenditure figures from the financial committee and the higher-level bank (see Appendices 3, 4, 5).

Article 27: After receiving the copies of the unit monetary revenue and expenditure plans from various units, each level of the bank should conduct a detailed study, examining whether the income and expenditure items are comprehensive, whether the categories merged are suitable, whether the total amount of receipts and payments is balanced, whether transfers and cash are strictly separated, and whether the utilization is reasonable. If there are any opinions, they can be raised to the original unit and reported to the local financial committee.

Article 28: The unit monetary revenue and expenditure plan of the bank itself should include both the business operation part and the expenditure part. The business operation part should exclude the parts of the various units already included in the unit monetary revenue and expenditure plan.

Article 29: The summary table of the comprehensive monetary revenue and expenditure plan should be compiled based on the items specified in Article 30. Attached tables should be prepared separately for each unit category. The unit categories are as follows:

(1) Central Enterprises:

1. Heavy Industry, 2. Fuel Industry, 3. Textile Industry, 4. Food Industry, 5. Light Industry, 6. Trade Business, 7. Railway Business, 8. Transportation Business, 9. Post and Telecommunications Business,

10. Agriculture, 11. Forestry and Land Reclamation, 12. Water Conservancy, 13. Education, Culture, and Health Services, 14. Enterprises under the Financial Sector.

(2) This Bank and its Subsidiary Enterprises.

(3) Local Enterprises:

1. Local Enterprises, 2. Local Public Utilities.

(4) Cooperative Enterprises.

(5) Production of Organizational Troops.

(6) Organizational Troops.

(7) Fiscal Revenue and Expenditure.

(8) Specialized Banks.

(9) Insurance Companies.

Chapter 5: Items of Monetary Revenue and Expenditure Plan

Article 30: The items of the comprehensive monetary revenue and expenditure plan are specified as follows:

Income Items:

1. Initial inventory of various units.

2. Revenue from fiscal appropriations.

3. Revenue from superior appropriations.

4. Revenue from subordinate appropriations.

5. Revenue from newly added funds.

6. Income from donations and taxes (including insurance premium income).

7. Public debt income.

8. Enterprise profit and depreciation income.

9. Business income.

10. Postal savings and remittance income (including income from remittances, exchange differences, and proxy savings).

11. Income from private deposits.

12. Income from private foreign exchange.

13. Income from repayment of private loans.

14. Income from agricultural loans repayment.

15. Income from the sale of gold, silver, and foreign currencies.

16. Other income (including income from agency business).

17. Initial deposit balance of various units.

18. Bank loans of various units.

19. Business inventory.

20. Income from increased issuance.

Expenditure Items:

1. Disbursement items.

2. Remittance items.

3. Repayment of principal and interest on public debt.

4. Capital expenditure of various enterprises.

5. Wage and salary expenditure.

6. Expenditure on the purchase of agricultural products.

7. Expenditure on the purchase of non-agricultural products.

8. Business expenses (referring to expenses related to municipal, cultural, and health services).

9. Administrative expenses (for enterprises).

10. Administrative expenses (for government offices).

11. Expenditure on pensions, allowances, welfare, insurance, and compensation.

12. Construction expenses.

13. Basic construction expenses.

14. Postal savings and remittance expenses (including expenses for remittances, exchange differences, and proxy savings).

15. Expenditure on private deposits.

16. Expenditure on private foreign exchange.

17. Expenditure on private loans.

18. Agricultural loan expenditure.

19. Expenditure on the purchase of foreign exchange, gold, and silver.

20. Other expenses (including expenses for agency business).

21. Initial inventory of various units.

22. Initial deposit balance of various units.

23. Repayment of bank loans by various units.

24. Business inventory.

25. Currency withdrawal.

Article 31: The items of the monetary revenue and expenditure plan for each unit are specified as follows:

(1) Government Office Items:

A. Income Items:

1. Initial inventory – includes retained cash from the previous period, classified as cash.

2. Initial bank deposit balance – includes bank deposit balances from the previous period, classified as transfers.

3. Fiscal appropriations – includes funds directly allocated from the fiscal treasury.

4. Superior appropriations – includes temporary subsidies and allowances allocated by higher authorities.

5. Subordinate remittances – includes taxes and other payments remitted by lower-level offices.

6. Tax revenue – includes central and local taxes collected through taxation authorities (for tax authorities' use).

7. Enterprise profit and depreciation income – includes profits and depreciation received from enterprises, classified as transfers (for use by financial authorities).

8. Public debt income.

9. Other income – includes any income that doesn't fit into appropriate categories (such as school tuition fees, sale of waste by government offices, etc.).

B. Expenditure Items:

1. Wage expenditure – includes salaries and wages (including all costs for the supply system).

2. Disbursement items – includes all funds, temporary expenses, subsidies, etc., disbursed.

3. Administrative expenses – includes expenses for purchasing office supplies, paying utilities, repairing buildings, miscellaneous expenses, etc.

4. Compassion and welfare expenses – includes expenses for staff compassion, welfare, allowances, insurance, health, education, etc.

5. Basic construction expenses – includes expenses for constructing buildings or basic construction funded by the government.

6. Repair expenses – includes expenses for major repairs of buildings or warehouses, etc.

7. Remittance items – includes remittance of taxes and other amounts.

8. Other expenses – includes any expenses that don't fit into appropriate categories.

9. Current inventory – includes cash retained during the current period, classified as cash.

10. Current bank deposit balance – includes the bank deposit balance for the current period, classified as transfers.

11. Various enterprise investment expenditures – includes funds allocated to enterprise sectors, classified as transfers (for use by financial authorities).

12. Payment of principal and interest on public debt.

(2) Enterprise Cooperative Science Project:

A. Income Items:

1. Initial inventory – includes retained cash from the previous period, classified as cash.

2. Initial bank deposit balance – includes bank deposit balances from the previous period, classified as transfers.

3. Fiscal appropriations – includes funds directly allocated from the fiscal treasury.

4. Superior appropriations – includes funds allocated by higher authorities for business expenses, subsidies, etc., netted and classified as transfers.

5. New funds – includes funds increased by the government or higher authorities and increased capital from cooperatives.

6. Business income – includes income from business activities such as sales of goods, sales of agricultural products, transportation, postal and telecommunication services, cultural services, etc.

7. Income from agency business – includes income items from agency business such as tax collection, public debt, or trust services.

8. Subordinate remittances – includes funds remitted by lower-level entities, classified as transfers.

9. Bank loans – includes funds borrowed from banks, classified as transfers.

10. Other income – includes interest income, miscellaneous income, and income not related to other items.

11. Remittance income – includes income from postal remittances (postal service use).

12. Income from agency savings business (postal service use).

13. Income from other agency businesses (postal service use).

14. Allocation of exchange differences income (postal service use).

15. Insurance premium income (insurance company use).

16. Income from private deposits (bank use).

17. Income from private foreign exchange (bank use).

18. Income from repayment of private loans (bank use).

19. Income from repayment of agricultural loans (bank use).

20. Income from the sale of gold, silver, and foreign currencies (bank use).

21. Business inventory (bank use).

22. Income from increased issuance (bank use).

B. Expenditure Items:

1. Wage expenditure – includes salaries and wages (including all costs for the supply system).

2. Disbursement items – includes funds disbursed to lower levels and their repayment, classified as transfers.

3. Expenditure on purchasing agricultural products – includes funds needed for purchasing agricultural products.

4. Expenditure on purchasing non-agricultural products – includes funds needed for purchasing non-agricultural products.

5. Expenditure on agency business – includes funds needed for purchasing goods on behalf of others, such as agency sales or trust business.

6. Basic construction expenses – includes expenses for building factories, purchasing machinery, and significant construction, etc.

7. Repair expenses – includes expenses for major repairs of buildings, warehouses, equipment, etc.

8. Administrative management expenses – includes all expenses related to administrative management, excluding wages, including minor repairs, etc.

9. Business expenses – includes expenses related to municipal services, cultural services, health services, etc.

10. Remittance items – includes remittances of business income, profits, depreciation, etc., classified as transfers.

11. Compassion and welfare expenses – includes expenses for staff compassion, welfare, allowances, insurance, health, education, etc.

12. Repayment of bank loans – includes repayment of loans from banks, classified as transfers.

13. Other expenses – includes any expenses that don't fit into appropriate categories.

14. Current inventory – includes cash retained during the current period, classified as cash.

15. Current bank deposit balance – includes the bank deposit balance for the current period, classified as transfers.

16. Remittance expenses (postal service use).

17. Expenditure on agency savings business (postal service use).

18. Expenditure on other agency businesses (postal service use).

19. Allocation of exchange differences expenses (postal service use).

20. Insurance compensation expenses (insurance company use).

21. Expenditure on private deposits (bank use).

22. Expenditure on private foreign exchange (bank use).

23. Expenditure on repayment of private loans (bank use).

24. Agricultural loan expenditure (bank use).

25. Expenditure on purchasing gold, silver, and foreign currencies (bank use).

26. Business inventory (bank use).

27. Currency in circulation (bank use).

Article 32: Each unit should, based on the above items, incorporate existing budgets or accounting items into appropriate categories. If there is no suitable category for consolidation, it can be included in other income or other expenditure items. In cases of consolidation, the unit must simultaneously submit a table of consolidated items for reference (see Appendix Seven).

Chapter VI: Supplementary Provisions

Article 33: At the end of each quarter (or month), banks should compile actual receipts and payments according to the classification system listed in Article 29. They should create three copies of the implementation status of the monetary income and expenditure plan (see Appendix Eight): one for self-retention, one to be submitted to the local financial committee, and one to be reported to the higher-level bank. These reports should be progressively summarized and submitted to the central financial committee for review.

Article 34: If units experience changes in circumstances, resulting in expenditures exceeding the approved figures in the original monetary income and expenditure plan and causing expenditures to exceed income, they should prepare a supplementary plan (see Appendix Nine). The review process for its preparation and submission follows the procedures outlined in Chapter III.

Article 35: This regulation serves as a unified method for the compilation of monetary income and expenditure plans. When implemented by various levels of banks, if deemed necessary, they can formulate supplementary methods for compiling monetary income and expenditure plans based on local conditions (provided they do not conflict with this regulation). After approval by the local financial committee, these supplementary methods can be implemented by each unit.

Article 36: This regulation will come into effect upon approval by the central financial committee and will be revised accordingly when necessary.