

GAC Interim Measures for the Payment of Industrial and Commercial Taxes by State-Owned Enterprises on March 3, 1950, following the approval at the 22nd executive meeting of the State Council. The key points of the measures are as follows:

1. State-owned enterprises are required to pay industrial and commercial taxes, with the taxable portion based on turnover. The tax should be paid to the local tax authorities by the taxpayer according to regulations.
2. The measures apply to all state-owned enterprises and government agencies nationwide, regardless of central or local operations, and should be followed unless other regulations are already in place.
3. Production activities operated by government agencies, military units, and organizations are subject to general industrial and commercial taxation and are not covered by these measures.
4. The taxable portion of state-owned enterprises and government agencies is based on total revenue or total income, with tax rates determined according to the provisions of the Interim Measures for Industrial and Commercial Taxes.
5. State-owned banks, railways, postal services, telecommunications, aviation, and other similar state-owned enterprises are taxed at 1.5% of their total revenue.
6. For state-owned enterprises or government agencies operating in multiple provinces or cities, such as railway lines, postal networks, or telecommunications networks, taxation should be carried out by the managing organization of each independent line or regional unit to the local tax authorities.
7. State-owned shipping companies are subject to taxation rules for the transportation industry, with a tax rate of 2.5%.
8. State-owned enterprises or government agencies are required to pay taxes on a monthly basis to the local tax authorities and must settle the previous month's tax payment by the 7th of the following month.
9. In case of late payment, the tax authorities have the right to deduct the overdue tax from the budget of the defaulting unit or withhold it from their deposits in the People's Bank. If there are no deposits, the unit should be notified to make a timely payment. In addition to a late payment fee of 3% per day, appropriate disciplinary action may be taken against the person in charge of the unit.
10. The tax inspection for state-owned enterprises or government agencies will be conducted by the Ministry of Finance of the Central People's Government and its affiliated tax authorities.
11. The interpretation of these measures lies with the Ministry of Finance of the Central People's Government.
12. These measures take effect from the date of promulgation.