Law Updates

Ministry of Strategy and Finance
Revised Enforcement Decree of the Corporate Tax Law

**Grounds for revision**
To set detailed taxation standards, including subject amount, standard rate and the scope of investment, for the revised tax code, which taxes excessive corporate cash reserves, in order to promote a virtuous cycle through which corporate profits can trickle down to household incomes; to improve the designation criteria for non-business purpose land subject to transfer taxes, in order to stimulate real-estate exchanges; to set varying overseas-tax-exemption limits for different countries in order to prevent excessive exemption for those who take advantage of doing business in low-tax countries; and to address identified areas for operational improvement.

Ministry of Strategy and Finance
Revised Enforcement Decree of the Law for the Coordination of International Tax Affairs

**Grounds for revision**
To ease the normal price document requirements for service-exchange taxpayers; to determine methods for the newly introduced pre-adjustment system, which adjusts taxable amounts of national taxes and customs duties; to set standards for a new penalty system that imposes penalties on those who have failed to submit required international exchange statements; to adjust penalties for violating the Foreign Account Tax Compliance Act in order to promote voluntary reporting of foreign financial accounts; and to address identified areas for operational improvement.

Ministry of Trade, Industry & Energy
Pre-announcement of Revised Enforcement Decree and Regulations of the Special Act on the Designation and Management of Free Economic Zones

**Grounds for revision**
To streamline administrative procedures by reducing the negotiation period between related agencies regarding development project action plans in free economic zones; to systematically promote multi-functional resorts by improving licensing requirements and procedures for foreign-only casinos; and to specify reporting guidelines.

Ministry of Land, Infrastructure and Transport
Revised Special Act on the Promotion of the Saemangeum Project

**Grounds for revision**
To ensure efficient project execution by granting practical authority to the Commissioner of the Korea Agency for Saemangeum Development & Investment (KASDI), established on September 12, 2013 to oversee the Saemangeum project, as the current system is insufficient for the Commissioner to take the lead in addressing matters concerning investment attraction and licensing for business operators; to raise the level of investment incentives in the project site to that of other development zones, such as free economic zones, in order to stimulate both domestic and foreign investment; and to address identified areas for operational improvement, such as deregulation.