Property tax to come soon

Description

The national levy of the property tax has been in rumor for years and actually it has been imposed as pilot projects in some cities across China.

Today, a piece of news from Anbound (www.anbound.com.cn) newsletter titled â€œproperty tax possible to be imposed on commercial real estates next nearâ€• seems to make the property tax loom large. The dean of the real estate research centre in Beijing University, Feng Changchun, also an active participant in making the property tax policy, indicated that the property tax may be formally launched as pilot project next year with commercial real estate to be targeted first. The reason as interpreted by Feng, is that commercial real estate is of relatively small scale, not likely to cause fierce backlash. At present, the Ministry of Finance is working on the details relating to the levy of this new tax.

The introduction of this new law is another round of efforts made by the government to rein in the mania in real estate investment by increasing the cost of holding real property. Though the government has been trying to regulate the real estate sector for many years, it seems that those measures taken before had not hit the point and the housing prices of both residential and commercial properties have been cocking upwards despite the governmentsâ€™ tightening hands.

Now you may need to seriously consider such tax implication as to your investment in Chinaâ€™s real estate sector.

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