

## SUBSIDY PROGRAMS

The People's Republic of China

- A. Provision of Inputs for Less than Adequate Remuneration
  - 1. Provision of Standing Timber for Less Than Adequate Remuneration
  - 2. Provision of Cut Timber for Less Than Adequate Remuneration
  - 3. Provision of Sawn Wood and Continuously Shaped Wood for Less than Adequate Remuneration
  - 4. Provision of Veneers for Less Than Adequate Remuneration
  - 5. Provision of Plywood for Less Than Adequate Remuneration
  - 6. Provision of Formaldehyde for Less Than Adequate Remuneration
  - 7. Provision of Urea for Less Than Adequate Remuneration .
  - 8. Provision of UF Resin for Less Than Adequate Remuneration
  - 9. Provision of Electricity for . Less Than Adequate Remuneration
  - 10. Provision of Water for Less Than Adequate Remuneration
  
- B. Provision of Land for Less Than Adequate Remuneration
  - 1. Provision of Land-Use Rights by the GOC to Encouraged Industries for Less Than Adequate Remuneration
  - 2. Provision of Land-Use Rights by the GOC for Less Than Adequate Remuneration in Industrial and Other Special Economic Zones
  - 3. Provision of Land to SOEs by the GOC for Less Than Adequate Remuneration
  
- C. Preferential Loans and Interest Rates
  - 1. Policy Loans to the Wood Mouldings and Millwork Products Industry
  - 2. Preferential Loans for State-Owned Enterprises
  - 3. Loan and Interest Subsidies Provided Pursuant to the Northeast Revitalization Program
  
- D. Grant Programs 83
  - 1. Foreign Trade Development Fund Grants
  - 2. Export Assistance Grants
  - 3. Export Interest Subsidies
  - 4. Loan Interest Subsidies for the Wood Mouldings and Millwork Products Industry
  - 5. Subsidies for Development of "Famous Brands" and China World Top Brands
  - 6. Funds for Outward Expansion of Industries in Guangdong Province
  - 7. Provincial Fund for Fiscal and Technological Innovation
  - 8. State Key Technology Renovation Fund
  - 9. Shandong Province's Special Fund for the Establishment of Key Enterprise Technology Centers
  - 10. Shandong Province's Environmental Protection Industry Research and Development Funds
  - 11. Funds of Guangdong Province to Support the Adoption of Ecommerce by Foreign Trade Enterprises
  - 12. Waste Water Treatment Subsidies
  - 13. Technology to Improve Trade Research and Development Fund

#### E. Tax Benefit Programs

1. Income Tax Reductions under Article 28 of the Enterprise Income Tax
2. Tax Offsets for Research and Development under the EIT
3. Preferential Income Tax Policy for Enterprises in the Northeast Region
4. Forgiveness of Tax Arrears For Enterprises Located in the Old Industrial Bases of Northeast China
5. Income Tax Credits for Domestically Owned Companies Purchasing Domestically Produced Equipment

#### F. VAT Programs

1. VAT and Import Duty Exemptions for Use of Imported Equipment
2. VAT Rebate Exemptions on FIE Purchases of Chinese-Made Equipment

#### G. Export Credit Subsidies

1. The Chinese Government Provides Export Credit Subsidies to Encourage the Export of Chinese Mouldings and Millwork Products