



Tax News Flash

Korea's National Assembly Approves 2016 Proposed Amendments to Tax Laws

December 28, 2016

In brief

The National Assembly approved the bills to amend 12 Korean tax laws including the Corporate Income Tax Law with a few changes from the tax reform proposals announced by the Ministry of Strategy and Finance last July (please refer to Samil PwC Tax News Flash, July 29, 2016). In a subsequent move, the government announced the bills to amend the corresponding Presidential Decrees of the tax laws in order to set forth details delegated by the amended tax laws which were proclaimed on December 20, 2016. If approved, the bills to amend the Presidential Decrees are expected to be proclaimed in early February 2017.

The latest amendment includes a few changes that affect foreign investment or foreign invested companies in Korea. They also include changes aimed at encouraging the development of new growth-engine industries, reinforcing employment-friendly tax schemes and facilitating corporate restructuring.

Most of the amendments will become effective January 1, 2017 unless otherwise be specified. Provided below is a summary of significant changes contained in the amended tax laws and the bills to amend the Presidential Decrees.

In detail

Corporate Income Tax Law

Non-taxable Scope of Employer-provided Housing

The value of employer-provided housing is excluded from the earned income of employees, etc. when it is

provided to a company's employees, directors and executives, except shareholders in a company. The employer-provided housing is also non-taxable when it is provided to minority shareholders in a listed company. Under the amendment, the non-taxable treatment of employer-provided housing will be also available for minority shareholders in an unlisted company.

This change aims to ensure equal footing with listed companies.

Expanded Scope of Large Shareholder Subject to Capital Gains Tax

While gains from the sale of listed stock is exempt from tax, such capital gains are exceptionally taxed when the total shareholding of a shareholder together with its related parties in any listed company exceeds certain thresholds (so-called “large shareholder”). In an effort to gradually tighten the taxation of capital gains, proposed changes to these thresholds for the determination of large shareholder are approved with a few modifications highlighted in bold:

- in the case of a company listed on the Korea Stock Exchange, shareholding of 1% or more or market capitalization of KRW1.5 billion or more (down from KRW2.5 billion under current tax laws), effective on share transfers made on or after April 1, 2018 and shareholding of 1% or market capitalization of KRW1 billion or more from April 1, 2020; and
- in the case of a company listed on the KOSDAQ, shareholding of 2% or more or market capitalization of KRW1.5 billion or more (down from KRW2 billion under current tax laws), effective on share transfers made on or after April 1, 2018 and shareholding of 2% or market capitalization of KRW1 billion or more from April 1, 2020.

There is no change in the scope of large shareholders in a KONEX-listed company (i.e. shareholding of 4% or market capitalization of KRW1 billion or more).

Criteria for Large Shareholder in Unlisted Company for Capital Gains Tax

Large shareholders in unlisted companies are subject to a 20% capital gains tax on share transfer instead of a 10% capital gains tax applicable to other than large shareholders. The current thresholds for determining large shareholders in unlisted companies include the shareholding of 2% or market capitalization of KRW2.5 billion. The shareholding threshold will be adjusted to 4% from January 1, 2017. The thresholds for market capitalization will be KRW1.5 billion from April 1, 2018 and KRW1 billion from April 1, 2020.

Deferred Taxation on Deemed Dividend in Merger between Foreign Subsidiaries

When a foreign subsidiary of a domestic company is merged into a foreign company, the difference between the consideration received by the domestic company for the merger and the acquisition cost of shares in the dissolving foreign subsidiary is treated as a deemed dividend to the domestic company, thereby subject to tax. However, the taxation of a deemed dividend is deferred if each of the following conditions are met:

- A merger takes place between a foreign subsidiary and its wholly owned foreign company (i.e., grandson foreign subsidiary of the domestic company);
- A party to the merger is a corporation domiciled in a foreign jurisdiction with which Korea has concluded an income tax treaty; and
- No taxes are imposed on the domestic company or the tax deferral is allowed for the domestic company in the concerned foreign country where the merger arises.

The amended law extends the existing tax deferral with respect to deemed dividends arising from a merger between the foreign subsidiaries wholly owned by the same domestic company.

Expanded Scope of Deductible Write-off Expense for Receivables Arising from Payment Guarantee

The write-off expense of receivables arising from payment guarantees are not allowed as deductible expenses with the exceptions of the following cases:

1. Payment guarantees provided under the Monopoly Regulation and Fair Trade Act;
2. Payment guarantees provided by a financial company or a corporation engaged in credit guarantee business under any Act; and
3. Payment guarantees provided by an entrusting enterprise provided for an entrusted enterprise, which is a member of the council of entrusted enterprises.

Under the amendment, the exception will be extended to the case where a construction company offers payment guarantees directly related to a construction project to parties other than its related parties (including guarantees due to the asset securitization of unsold new apartments). The extended exception will also be granted in respect of payment guarantees offered even to related parties if it is deemed inevitable for a construction company to offer such guarantees to its related parties (for example, a special purpose company under the CITL or a corporation carrying on a social infrastructure project under the Act on Private Investment in Social Infrastructure) during the course of carrying on a construction project.

Changes to Deduct Company Car Expenses

The latest amendment includes the following changes to deduct company car expenses:

- In order to deduct company car expense, the rule currently requires a company to purchase (or renew) an auto insurance policy which should limit the scope of covered drivers to a company's executives and employees. This rule is relaxed so that the required auto insurance policy may be

replaced with a special car lease agreement which should limit the covered drivers to employees or executives of the company renting a car.

- In case a company purchases an auto insurance policy for a temporary period, the company is allowed to deduct company car expenses for the temporary period using a formula as specified in the Presidential Decree of the Corporate Income Tax Law (CITL), although it can only be done once for the fiscal year beginning on or after January 1, 2016.

Change in the Method to Impose Tax on Excess Corporate Earnings Reserve

In order to motivate corporations to utilize corporate retained earnings to fund certain qualifying expenditure including facility investment, wage increases and dividend payments, tax laws were amended in January 2015 to introduce a 10% tax on excess corporate earnings reserve if the use of corporate earnings for qualifying expenditure falls short of a certain threshold amount.

- A) (adjusted taxable income for a year x 80% – the total amount of investment, wage increases and dividend payments) x 10%; or
- B) (adjusted taxable income for a year x 30% – the total amount of wage increases and dividend payments) x 10%.

The latest amendment includes the following changes:

- Companies will be allowed to change its election from A) method to B) method. Currently, companies may elect one of the following methods and cannot revoke its election for three consecutive years;
- New investment in venture firms will be included in the total amount of investment in A) method; a weight of 1.5 will be given for the computation of payroll increases of employees (only in case

where the number of regular employees increases); and

- 0.5 of cash dividend based on retained earnings or the acquisition costs of the shares redeemed will be considered as qualifying expenditure. The 0.5 weight to calculate cash dividends is down from the initially proposed weight of 0.8 so as to pay back more earnings to their employees instead of shareholders.

Special Tax Treatment Control Law

Negative System for Eligibility for Job-creating Investment Tax Credit

Currently, a basic tax credit ranging from 3% to 9% is permitted in respect of corporate investment to promote job creation depending on the number of increased employees if they are engaged in any of the prescribed 49 categories of industries ('positive list'). This positive list system will be replaced with a negative list regime where the tax credit will be allowed for most industries except for those which fall under the category of consumption-oriented services as specified in Article 29(3) of the Presidential Decree of the STTCL, for example entertainment and beverage service, hotels and inns excluding those for tourists and foreigner-only admission.

The negative list regime will also replace the positive list system in listing those sectors which are eligible for a 1% point additional rate of tax credit on top of the basic tax credit. While 42 categories of industries are currently listed as eligible business for the additional rate of tax credit, the additional rate of tax credit will be available for most industries with the exception of the category of foregoing consumption-oriented services.

In addition, for the purposes of tax incentives to promote job creation, certain facility investment or R&D, a negative list system listing categories of businesses that cannot benefit (other than SMEs or medium-scale companies) will replace the existing positive list system. Under the negative list system,

such tax incentives will be extended to qualifying companies in most industries but the category of consumption-oriented services.

This change will apply to job creation and investment made on or after January 1, 2017.

Increase in Tax Reliefs for Young Entrepreneurs to Engage in Start-ups

The Special Tax Treatment Control Law (STTCL) provides for a reduction in individual or corporate income tax for the first five years for a small and midsize enterprise (SME) that starts a business in any of 28 specified categories of businesses including manufacturing. To encourage young entrepreneurs to start up new businesses, the reduction in tax rate will increase from 50% to 75% for the first three years and 50% for the subsequent two years if a young entrepreneur creates a SME in any of those businesses categories by December 31, 2018. In order to qualify for the tax reduction, the thresholds for ages ranging from 15 years to 29 years must be satisfied at the point of start-up by a self-employed entrepreneur. In case of a corporate start-up, a qualifying entrepreneur must be the largest shareholder or the largest investor in the start-up company, in addition to meeting the age threshold.

This change will be temporarily applicable to start-ups from January 1, 2017 and no later than December 31, 2018.

Changes in R&D Tax Credit Rate and Eligible Scope of New Growth Engine and Core Technologies

The following changes are made to reorganize the existing R&D tax credit for new growth engine businesses and core technologies

- The R&D tax credit rate for non-SMEs will increase from 20% up to 30% (* 20% + (R&D expenditure for new engine growth industry plus

core technology/total sales x threefold). However, no change is proposed to the existing 30% rate for SMEs.

- The eligible scope is adjusted with an increased focus on new technology in 11 emerging industries such as future-generation motor vehicles, intelligent information, next-generation software & security, etc. Currently, the R&D tax credit is available for 75 categories of technology in 12 new growth-engine industries and 50 types of technology in 17 core technology areas. They will be reformed to include 155 types of technologies classified as new-growth engine and core technologies within 36 subsectors in 11 industrial areas. These 11 areas include future-generation vehicles such as self-driving car and electric car, artificial intelligence, next-generation software and security such as intelligent semiconductor sensor, contents such as virtual reality or augmented reality contents, next-generation electronic information device, next-generation broadcasting and telecommunications, bio-health, new energy and environment industry, new advance materials, robots and aerospace.
- In addition, the tax credit for expenses incurred for R&D activities subcontracted or performed jointly is currently allowed for the R&D activities subcontracted to or performed jointly with qualifying R&D centers or R&D-dedicated departments of a company or R&D service businesses. The tax credit will be available in respect of expenses incurred for subcontracted or joint R&D activities with an expanded scope of organizations. They will include: domestic universities or colleges; state-run or public research organizations; domestic non-profit corporations (including laboratories affiliated with non-profit corporations). Please note, however, that subcontracted R&D for phase 1 and 2 clinical trials for the development of new drugs and clinical trials in case of new drugs for rare diseases, foreign organizations would also be considered as qualifying organizations.

Tax Incentives to Encourage Large and Small Business Relationships

A new tax incentive is introduced to encourage the business relationship between large companies and SMEs. If a large company leases tangible fixed assets to an SME in business relationship at free of cost, the amount equal to 3% of the asset acquisition cost may be credited against the large company's corporate income tax payable. However, it shall not be available if they are related parties. To qualify for the new tax incentive, it is required that:

- The underlying assets must include research and test facilities used for research and development activities. More details will be set out in the Detailed Rules for the Implementation of the STTCL.
- The assets must be leased to an SME in business relationship by way of a start-up incubating center, etc.
- Formal evidence of a free-rent arrangement must be submitted in applying for the tax credit.

Tax Credit for Facility Investment for Commercialization of New Growth-Engine and Core Technologies

A new tax credit in respect of investment in facilities designed to promote the commercialization of new growth-engine or core technology (e.g., facilities for the manufacturing of new drugs for which patents are obtained by a company based on clinical trials) was approved with a few changes from the originally proposed changes announced last August. The tax credit rate will be 10% of the amount of investment for SMEs, while the rates are adjusted to 7% for medium-scale companies and 5% for large corporations (down from the initially proposed 8% and 7%, respectively). For this purpose, the investment amount will be based on the amount invested as the percentage of completion in the concerned tax year.

The qualifying facilities include facilities used to commercialize any of those technologies which are classified as pre-designated 'new growth engine and core technologies' to be specified in the Detailed Rules of the STTCL. The Ministry of Industry and Trade will determine whether the underlying assets should qualify.

To enjoy the new tax credit, any of the following conditions must be met: i) the proportion of R&D expenditure for the new growth-engine and core technologies must represent at least 10% of a company's total R&D expenditure during the immediately preceding year; or ii) a company should own a patent on the underlying technology.

The tax credit claimed will be recaptured in cases where: i) a company reduces the number of regular employees within a period of two years following the year the tax credit is claimed (i.e., KRW10 million per employment reduced); ii) an entire amount of the tax credit will be recaptured plus interest (3/10,000 per day) if the qualifying facilities are used for purposes other than the authorized use of commercialization in three years from the date when the investment is completed.

Tax incentives for Promotion of Cultural Contents

A tax credit will be introduced to promote the production or development of cultural contents as follows:

- A percentage of the expenses incurred to produce qualifying contents may be claimed as a tax credit for individual or corporate income tax purposes with certain limits. The tax credit rate will be 10% for SMEs and 7% for medium-scale companies and 3% (down from the initially proposed 7%) for large companies. It will be available on expenditures incurred from January 1, 2017.

- Qualifying producers include producers of cinematographic works as prescribed in Article 2, Item 14 of the Copyright Act and should meet the criteria set forth by the Detailed Rules of the STTCL.
- The scope of contents eligible for the tax credit includes broadcasting programs transmitted by television broadcasting as stated in Article 2 of the Broadcasting Act, which should be limited to TV dramas (including animations) and documentary videos which may contribute to enhancing the national image, exports and tourism and movies run in the theater as stated in Article 2 of the Act for Promotion of the Motion Pictures and Video Products.
- Qualified production costs include original content acquisition costs, payment for actors/actresses, set production costs, editing costs, etc. which shall be set out in the Detailed Rules of the STTCL. However, they will not include offshore production costs, subsidies from central or local government entities, state-run companies and public organizations and any other costs to be specified in the Detailed Rules.

Extension of Accelerated Depreciation on Certain Fixed Assets

According to the recently amended STTCL, the accelerated depreciation of certain qualifying fixed assets invested by SMEs subject to the sunset as of the end of June 2016 is extended so that the accelerated depreciation may be available to SMEs for qualifying assets acquired by the end of June 2017. It is also amended to permit this preferential depreciation for qualifying assets acquired by medium scale companies for the period from January 1, 2016 through June 30, 2017. The scope of medium scale company for this purpose includes those which have annual gross sales of less than KRW300 billion on average during the preceding three years.

Qualifying assets are limited to machine, equipment, tools, instruments, fixtures as well as vehicles, transport equipment and aircraft which should be directly used in the transportation or lease business. Qualifying companies will be able to choose to depreciate qualifying assets over the years of their useful life plus or minus 50% of the useful life. Useful life lasting less than one year shall be ignored. In order to benefit from the extended accelerated depreciation, an application must be filed no later than the due date for filing a corporate tax return.

Aimed at helping SMEs and medium scale companies facilitate faster investment, this extension will apply to the depreciation filed on or after January 1, 2017.

Changes in Qualifications for Tax Incentives available for Returning to Korea

The following changes are made to expand the scope of companies eligible to enjoy the existing tax incentives available for returning to Korea:

- The existing incentives are limited to the relocation of overseas business into a non-metropolitan area in Korea. Under the amendment, however, they will also be available for the relocation into certain metropolitan areas other than designated metropolitan areas to control the excessive concentration of the population.
- Tax incentives for the relocation into Korea are currently limited to those which do not have places of business in Korea. Under the amendment, the incentives will be extended to those which have a business place in Korea if it is ensured that the production volume of overseas business places is downsized by 50% or more and it is verified by the office of the Korea Trade-Investment Promotion Agency in the concerned foreign country.
- The tax incentive for the downsizing of overseas business which is limited to SMEs will also be

available for qualifying medium scale companies that meet the following conditions:

- The entity status is not an SME.
- The main type of business a company engaged in must not include a consumption-orientated business.
- The actual separation of management and ownership is properly ensured.
- The average annual gross sales for the preceding three years is less than KRW300 billion.

Reform of Foreign Investment Tax Incentives to Encourage Investment in New Growth Engine Businesses

Comprehensive reform of the existing foreign investment tax incentives for high-technology industries is made to encourage foreign direct investment in new growth-engine businesses as summarized below:

- The scope of businesses eligible for foreign investment tax incentives (i.e. 497 types of high-technology businesses and 153 types of industry-supporting service business) will be reformed to include the pre-designated new growth-engine and core technologies (which is aligned with those which qualify for the foregoing R&D tax credit for new growth-engine and core technologies). In addition, technologies used for the manufacturing process of new growth engine industry-related materials will be designated and specified in the Detailed Rules for the Implementation of the STTCL.
- Currently, the tax exemption is based on the proportion of the income from the qualifying high-tech business to the total tax base. Under the amendment, the tax exemption will be based on the total tax base as long as the income from the underlying business accounts for at least 80% of the total income including the income from the underlying business.

- To qualify for the tax incentive, a foreign investor must meet a new minimum investment requirement. The minimum investment threshold shall be set forth by the Detailed Rules after some factors such as industry characteristics and average foreign investment amount in the concerned area are taken into account.

These changes will apply to foreign investment for which a tax incentive is applied on or after the effective date of the Amended Presidential Decree of the STTCL.

Value Added Tax Law

Application of zero-rated VAT for brokerage business

According to the existing VAT Law, zero-rated VAT is available on the supply of certain services by a taxpayer if they are provided to a Korean non-resident or foreign enterprise having no permanent establishment in Korea and the taxpayer earns foreign currency consideration for such supply. Services include professional, scientific and technical activities, business support services and a limited scope of brokerage business (i.e. brokerage of variety of goods). With respect to the brokerage business, the applicable scope will be expanded to include brokerage businesses that deal with machinery equipment and other goods.

Change in the Taxation Method for Mileage Payment

Currently, if mileage and points obtained by a customer from the first supply transactions with a taxpayer is used for the customer's purchase of other goods in the second transactions with the taxpayer, such mileage and points are in the taxpayer's VAT base. Under the amendment, it will be excluded from the VAT base. The amendment is in response to

decisions of the Supreme Court and similar cases of foreign countries.

However, there is no change to the taxation method of payment by way of any other mileage and points which will continue to be included in the VAT base. In case of the payment by way of mileage and points earned with a credit card company in a transaction with a taxpayer, the amount of mileage payment to be reimbursed by the credit card company to the taxpayer will continue to be included in the taxpayer's VAT base. Where no reimbursement is made by a credit card company or the reimbursement is deemed to be made in an unfair trade manner between related parties, it will be included in the VAT base based on the fair market price.

This change will apply to the supply or the receipt occurring on or after April 1, 2017.

Additional Reasons for the Issuance of Revised Tax Invoices on Imports

The director of a customs office may issue revised tax invoices on imports if there are justifiable reasons as prescribed in Article 72 of the Presidential Decree of the VAT Law. Under the amendment, revised invoices on imports may be issued for the following additional cases that:

- A revised return is filed or a correction is made in respect of import duties before the clearance of import declaration is completed when the duty payment is made in advance of the clearance of import declaration.
- A revised return is filed or a correction is made in respect of already-paid import duties when the revision or correction is made accordingly in response to the results of an advance customs valuation arrangement
- There is an amount to be added or subtracted from the original duty amount which is caused due to errors made in respect of exempt goods or exemption rates.

Other Tax Laws

Changes in Special Tax Treatment for Foreign Workers

The amended law will extend the existing five-year time limit for the application of the flat tax rate which is scheduled to sunset as of December 31, 2016 by an additional two years so that the flat tax rate will apply to those who will start to work in Korea no later than December 31, 2018, one year earlier than the initially proposed date or December 31, 2019. The other changes have been approved as proposed. In other words, there will be no exception to the rule for the five-year time limit in applying the flat tax rate. Before the amendment, an exception to this rule was granted to those who started to work in Korea prior to January 1, 2014 (as such, those foreign workers could claim the flat tax rate for the year up to December 31, 2018). The flat tax rate will be adjusted from 17% to 19% (excluding local income tax).

Change in Tax Appeal Hearing Procedure

In an appeal filed with the Tax Tribunal, the existing procedures does not allow the opportunity for the disputing tax authority to provide its statement of opinion if the applicant in appeal does not request the opportunity to provide a statement of the applicant's opinion. To ensure an equal footing between the parties in an appeal, the amended law permits in principle the tax authority an opportunity to provide its statement of opinion, regardless of whether the applicant files for the opportunity to provide the applicant's opinion, unless it is deemed unnecessary in light of matters that the appeal is originally brought up.

Codification of Cases for a Joint Examination Session in the Tax Tribunal

The amendment includes a new rule that codifies cases for a joint examination session in the Tax Tribunal. According to the new rule, in order to

request a joint examination session, they must be determined necessary by the Commissioner of the Tax Tribunal and have the following conditions:

- Requested by the Commissioner of the National Tax Service (NTS) based on the grounds that could have a significant impact on the national tax administration; or
- Anticipated to have a significant impact on the rights and obligations of taxpayers.

The new rule requires the NTS Commissioner to file a request for a joint examination session within 25 days from the date a tax office receives an application for a tax appeal. When receiving the request by the NTS Commissioner, the Tax Tribunal Commissioner must inform the tax appeal applicant of the NTS request. If filed with the Tax Tribunal, the NTS Commissioner shall not withdraw the request for a joint examination session.

Requirement for Country-by-Country Reporting

The amended Law for the Coordination of International Tax Affairs (LCITA) introduces the requirement to submit Country-by-Country Reporting (CbCR) in line with recommendations by the Organisation for Economic Co-operation and Development (OECD) following the implementation of the new transfer pricing rules requiring multinationals in Korea to submit local files and master files on their cross-border transactions, which is effective for the year starting from January 1, 2016.

Under the CbCR, the domestic ultimate parent company of multinational companies with annual sales revenue exceeding KRW 1 trillion per consolidated financial statements for the preceding year will be required to submit the CbCR to the Korean tax authority, in addition to the master file and local files. However, the Korean subsidiary or Korean branch of foreign headquartered multinationals will be required to submit a CbCR in cases where the parent company of foreign

multinationals is located in a country that does not require the parent company to prepare CbCR or in a country that does not agree with the exchange of CbCR.

The CbCR will need to include information on country specific income and taxes, a list of companies by respective jurisdiction, main business activities, the number of employees, etc., which shall be specified in the Details Rules for the implementation of the LCITA.

The CbCR must be filed within 12 months after the end of the ultimate parent's income tax year, while a template including information on the company to prepare and submit the CbCR shall be filed with the tax authority within six months from the end of the tax year. This template shall be filed by the domestic company which is an ultimate parent company or the Korean subsidiary of a foreign ultimate parent company.

Changes in Methods for Valuation of Unlisted Shares based on Net Income and Net Assets

The following changes will be made to avoid possible issues associated with the existing method for valuation of unlisted shares.

According to Article 54 of the Inheritance and Gift Tax Law (IGTL), the value of unlisted shares shall be calculated based on the weighted average of the adjusted net earning value per share and the adjusted net asset value per share in the proportion of 3 to 2. Following the amendment, the value of unlisted shares shall be the greater of the value calculated based on the existing method as prescribed in Article 54 or 80% of the adjusted net asset value. The 80% threshold for net asset value reflects concerns that there is a high possibility of underestimating the value for a company having a relatively low level of net profit.

Valuation by way of a company's total assets will be additionally justifiable for the following cases: i) at least 80% of a company's total assets consist of securities; and ii) the term of existence of a company is decided when the company is incorporated and it will cease to exist within three years or less from the valuation date. Valuation by way of net assets is currently justifiable in the case of liquidation and other cases as specified in Article 54 of the Presidential Decree of the IGTL.

<i>International Tax Services</i> Alex Joong-Hyun Lee 709-0598 alexlee@samil.com Sang-Do Lee 709-0288 sdlee@samil.com Sang-Woon Kim 709-0789 swkim@samil.com Michael Kim 709-0707 michaelkim@samil.com Dong-bok Lee 707-4768 dongblee@samil.com Chong-Man Chung 709-4767 cmchung@samil.com Hyun-Chang Shin 709-7904 hcshin@samil.com Chang-ho Jo 3781-3264 changhojo@samil.com Il-Kyu Cha 3781-3173 igcha@samil.com Nam-Gyo Oh 709-4754 ngoh@samil.com Young-Ok Kim 709-7902 yokim3@samil.com	<i>Domestic Tax Services</i> Jung-Il Joo 709-0722 jjjoo@samil.com Yeon-Gwan Oh 709-0342 ygoh@samil.com Young-Sin Lee 709-4756 yslee@samil.com Chul-Jin Hwang 709-0759 hcj@samil.com Jin-Ho Kim 709-0661 jhokim@samil.com Min-Soo Jung 709-0638 minsjung@samil.com Chan-Woo Chung 709-0692 cwchung@samil.com Bok-Suk Jung 709-0914 bsjung@samil.com Hyungsuk Nam 709-0382 hyungnam@samil.com Dong-Jin Nam 709-0656 djnam@samil.com Seungdo Na 709-4068 sdna@samil.com Sung-Wook Cho 709-8184 sungwcho@samil.com Youngsuk Noh 709-0877 ysnoh@samil.com Sun-Heung Jung 709-0937 shejung@samil.com	<i>Transfer Pricing & International Trade</i> Heui-Tae Lee 3781-9083 htlee@samil.com Henry An 3781-2594 henryan@samil.com Won-Yeob Chon 3781-2599 wychon@samil.com Junghwan Cho 709-8895 jhwanch@samil.com <i>Human Resources Service</i> Younsung Chung 709-0538 yschung@samil.com <i>Inheritance & Gift Tax</i> Hyun-Jong Lee 709-6459 hyunjonglee@samil.com	<i>Financial Tax Services</i> In-Hee Yoon 709-0542 ihyun@samil.com Taejin Park 709-8833 tjpark@samil.com <i>Nonprofit Corporation Service Center</i> YoungSun Pyun 3781-9684 youngspyun@samil.com <i>Small and Midsize Enterprise and Startups Service Center</i> Bong-Kyoon Kim 3781-9975 bkyoonkim@samil.com <i>Knowledge & Innovation</i> Sang-Keun Song 709-0559 sksong@samil.com Han-Chul Cho 3781-2577 hccho@samil.com
---	---	---	--

Stay current and connected. Our monthly newsletters and ad hoc alerts keep you updated on Korean tax laws as well as significant business regulatory developments. Please send an email if you like to subscribe or want to add someone to the mailing list to: koreantaxnews@samil.com

The information contained in this publication is for general guidance on matters of interest only and is not meant to be comprehensive. The application and impact of laws can vary widely based on the particular facts involved. For more information, please contact your usual Samil PwC client service team or professionals listed above.

This publication contains information on selected current developments in Korean taxation, laws and regulations compiled by the Tax Service Group of Samil PricewaterhouseCoopers, a network firm of PricewaterhouseCoopers. Please visit our website at www.samil.com for practical insights and professional solutions to current and emerging business issues.