

Notice Regarding Clarification of Urban Infrastructure Supporting Fees for Simple and Low-Risk Construction Projects Led by Private Investment

To all district housing and urban-rural development departments, and all enterprises concerned:

Since the issuance of the *Notice Regarding the Issuance of the (Trial) Implementation Opinions on Further Optimizing the Review and Approval Services & Quality and Safety Supervision Model for Simple and Low-Risk Construction Projects Led by Private Investment* issued by the Office of the Leading Group for the Pilot Reform of Construction Project Review and Approval System in Guangzhou (Sui Jian Gai [2020] No. 3), the Guangzhou Municipal Housing and Urban-Rural Development Bureau has received enquiries from affected enterprises and individuals regarding the payment of urban infrastructure supporting fees for simple and low-risk construction projects led by private investment. We hereby clarify the following:

1. In accordance with the *Notice from the Guangzhou Municipal Housing and Urban-Rural Development Bureau on Further Enhancing the Collection and Management of Urban Infrastructure Supporting Fees* (Sui Jian Gui Zi [2019] No. 3, Annex 2), after the payment of land transfer fees, enterprises should pay urban infrastructure supporting fees before applying for building construction permits. After the planning conditions for the project have been verified, enterprises should submit the results to fee collection agencies, which shall then either process refunds or collect shortfall components, as the case may be. A total of two payment procedures are required.

2. In order to continue to optimize and improve the business climate in Guangzhou with regards to the “Dealing with Construction Permits” indicator, to further increase the efficiency and service quality of review and approval processes for simple and low-risk construction projects led by private investment, and better support the growth of small and medium-sized enterprises, Sui Jian Gai [2020] No. 3 clarifies that “urban infrastructure supporting fees will no longer be collected from enterprises, but instead be incorporated into the overall cost of land”. In other words, As for simple and low-risk construction projects led by private investment, urban infrastructure supporting fees have been incorporated into the land transfer fees paid by enterprises. There is no requirement to process refunds or collect shortfall components after such projects have been verified to meet relevant urban planning criteria, as enterprises are no longer required to pay urban infrastructure supporting fees before applying for construction permits.

3. For construction projects that fall outside of the scope of simple and low-risk construction projects led by private investment, urban infrastructure supporting fees shall continue to be paid in accordance with relevant provisions contained in Sui Jian Gui Zi [2019] No. 3.

The above are hereby announced

Annexes:

1. Sui Jian Gai [2020] No. 3
2. Sui Jian Gui Zi [2019] No. 3

Guangzhou Municipal Bureau of Housing and Urban-Rural Development
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