
MOF: H1 tax revenue increase not a result of heavier tax burdens

BEIJING, Aug. 14 (Xinhua) -- China's Ministry of Finance (MOF) said on Thursday that a sharp rise in the country's tax revenue in the first half was a result of steady economic development, not heavier tax burdens.

The tax revenue in the first half totaled 3.14 trillion yuan (458.1 billion U.S. dollars), an increase of 789.09 billion yuan, or 33.5 percent from a year earlier.

Enterprise income tax revenue rose 41.5 percent to 791.27 billion yuan in the first half, and individual income tax totaled 213.67 billion yuan, a year on year increase of 27.2 percent.

The MOF said rising tax revenue came from steady economic and social development, but it was not a simple calculation of the gross domestic product (GDP) growth.

The country's GDP grew 10.4 percent in the first half over the same period last year.

Instead of adding tax burdens, the country had come out with many policies to relieve tax burdens of enterprises and individuals, according to the ministry.

These included: cutting income tax rate on domestic enterprises to 25 percent from the previous 33 percent and raising the threshold for individual income tax to 2,000 yuan from 1,600 yuan.