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China scraps interest tax on stock account balance

China has scrapped the tax levied on the interest income of individual stock account balance, said the Ministry of Finance on Sunday.

The ministry said the decision, effective October 9, aimed at maintaining a stable and healthy development of the capital market.

In another move to boost domestic demand, the country had scrapped the 5 percent individual income tax on savings interest earnings starting on the same day.

The loosening in monetary policy highlighted the government's rising concern over the slowing economy and slumping capital market.

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