Division Scope of exempt/reduced income Method of exemption/reduction ① Corporate tax reduction for start-up small and medium-sized businesses (Article 6 of the Special Taxation Act) Income generated from the business ㉠ Small and medium-sized enterprises (including youth start-ups founded in the metropolitan area after May 29, 2018) established in areas other than the overconcentration control area of the metropolitan area, corporations designated as business incubation center operators ㉡ Venture businesses within 3 years of establishment Confirmed company ㉢ A small and medium-sized enterprise that falls within the fiscal year in which the founding date falls and the three following fiscal years and is a new energy small and medium-sized enterprise. - (Basic exemption) The fiscal year in which income was first earned and 50% corporate tax reduction for the next four years \* ’ 18.5. 29. After starting a business outside the metropolitan area, Youth start-up company: 100% for 5 years \* ‘18. 5. 28. Previous youth start-up small business: The year in which income was first earned and the following two years 75%, 50% for the next 2 years \* ’18.1.1. New growth among target companies founded after Companies operating in the service industry: The year in which the tax amount is first reduced and exempted and for the next two years 75%, 50% for the next 2 years \* Annual income of 4,800,000 won for businesses established after May 29, 2018 Companies earning less than 10,000 won (80 million won after January 1, 2022): Outside the metropolitan area: 100%, within the metropolitan area: 50% - (Additional reduction) Employment growth rate compared to the previous year × 1/2 (Meet the minimum number of employees by industry) ② Special tax amount for small and medium-sized businesses, etc. Exemption (Article 7 of the Special Provisions Act\* Changed from the head office standard to the workplace standard starting from the first fiscal year after January 1, 2005 (if the head office is located in the metropolitan area, all workplaces are within the metropolitan area) considered to exist) - Income generated from manufacturing industry, etc. division location Sectors reduction rate small business Metropolitan area Manufacturing, etc. 20 Wholesale, retail, medical industry 10 Customs clearance agent, etc. 10 Outside the metropolitan area Manufacturing, etc. 30 Wholesale, retail, medical industry 10 Customs clearance agent, etc. 15 medium enterprise Metropolitan area Knowledge-based industry 10 Outside the metropolitan area Manufacturing, etc. 15 Wholesale, retail, medical industry 5 Customs clearance agent, etc. 7.5 (Exemption limit) 100 million won\* When the number of full-time workers decreases: KRW 100 million - KRW 5 million per person\* - Oil sales income generated from thrifty gas stations \*Until ‘22.1.1.-’23.12.31. - Small businesses 20% - Medium-sized companies: Outside the metropolitan area: 15% Within the metropolitan area: 10% ③ Special taxation for technology transfer (Special Provisions Act §12①,③) - Income generated by transferring patent rights, utility model rights, technological secrets, etc. to domestic citizens -Income generated by small and medium-sized companies lending patent rights, etc. - 50% of corporate tax on the relevant income - 25% of corporate tax on the relevant income ④ Corporate tax reduction for high-tech companies movinginto special research and development zones (Article 12-2 of the Special Tax Act) - High-tech companies and research institute companies located in special research and development zones - 100% for 3 years after income generation,50% for the next 2 years