Division Related regulations Deduction details Tax deduction for win-win payment amount Article 7-4 of the Special Provisional Act ∙ When a medium-sized or small business pays the purchase price to a medium-sized or small business through a win-win payment system - Payment amount within 15 days of payment deadline × 0.5% - Payment amount within 16 to 30 days of payment deadline × 0.3% - Payment amount within 31 to 60 days of payment deadline × 0.15% \*Tax credit limit: 10% of corporate tax Tax deduction when contributing funds for win-win cooperation between large and small businesses Article §8-3 of the Special Provisional Act ∙ Contribution amount × 10% - Support for specially related persons of the contributing corporation is excluded from deduction. General company Small business New growth and original technology research and development expenses × up to 30\*% [20%+ (proportion of new growth R&D compared to revenue amount × 3 times )]\* For mid-sized companies listed on KOSDAQ, the maximum 40%(25%+α) New growth and original technology research and development expenses × up to 40% [30%+ (proportion of new growth R&D compared to revenue × 3 times)] Tax deduction for research and human resources development expenses\* Precautions when applying (bottom of table) Article 10 of the Special Provisions Act National strategic technology research and development expenses × up to 40% [30%+ (proportion of national strategic technology R&D to revenue amount × 3 times)] If applicable to above/not selected Select the most of ①･② ① Amount exceeding the accrued amount of the previous year × 25% ※ New deduction rate for mid-sized companies (Taxation years beginning on or after January 1, 2013) Select as many as ①･② ① Amount incurred in the previous year Excess amount × 40% ② R&D cost of the current year × 8% National strategic technology research and development expenses × up to 50% [40%+ (national strategic technology compared to the amount of R&D proportion × 3 times)] If applicable to above/not selected Select as many as ①･② ① Amount accrued in the previous year Excess amount × 50%② R&D cost of the current year × 25% \* Gradual reduction in deduction rate according to graduation from small and medium-sized businesses- 15% for 3 years after graduation from a small business (including grace period), 10% for the next 2 years ☞ Mid-sized companies (Article §9③ of the Special Decree) 1. Must not be a small or medium-sized business 2 . Main business is small and medium-sized business 3. Substance of ownership and management Meet independence 4. Average sales for the previous three years Less than 500 billion