

 Early Warning System

ADB-51021-001

Reforming the System of Personal Income Tax and Social Security  
Contributions



### Quick Facts

<b>Countries</b>	China
<b>Financial Institutions</b>	Asian Development Bank (ADB)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2017-10-24
<b>Borrower</b>	Government of People's Republic of China
<b>Sectors</b>	Law and Government
<b>Investment Type(s)</b>	Grant
<b>Investment Amount (USD)</b>	\$ 0.30 million



### **Project Description**

The proposed knowledge and support technical assistance (TA) will develop policy recommendations for the People's Republic of China (PRC) to reform its personal income tax (PIT) and social security contribution (SSC) systems and provide training and capacity building for implementing these reforms. The TA request is part of a broader initiative by the government to adjust the tax system to bring it in line with the economic and social development status of the PRC. The TA will explore options to reform the system of PIT and SSC drawing on the experience and good practice in selected Organization for Economic Cooperation and Development (OECD) countries. Specifically, the TA aims to reform the PIT and SSC system with to (i) increase the contribution of PIT to tax revenue, and (ii) address distortions in the PIT and SSC system, notably those that affect the progressivity of the system and give rise to labor market segmentation.



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### Investment Description

- Asian Development Bank (ADB)



### Contact Information

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### ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>



### Bank Documents

- [Project Disclosure PDF](#) [Original Source]
- [Technical Assistance Report](#) [Original Source]