

ACT ON SPECIAL ACCOUNTS FOR THE STRUCTURAL IMPROVEMENT OF AGRICULTURAL AND FISHING VILLAGES

Wholly Amended by Act No. 4772, Aug. 1, 1994

Amended by Act No. 5022, Dec. 6, 1995

Act No. 5326, Apr. 10, 1997

Act No. 5758, Feb. 5, 1999

Act No. 6075, Dec. 31, 1999

Act No. 6101, Dec. 31, 1999

Act No. 6841, Dec. 30, 2002

Act No. 7061, Jan. 16, 2004

Act No. 7167, Feb. 9, 2004

Act No. 7678, Aug. 4, 2005

Act No. 8050, Oct. 4, 2006

Act No. 8084, Dec. 26, 2006

Act No. 8135, Dec. 30, 2006

Act No. 8749, Dec. 21, 2007

Act No. 8852, Feb. 29, 2008

Act No. 9629, Apr. 22, 2009

Act No. 9953, Jan. 25, 2010

Act No. 10303, May 17, 2010

Act No. 10887, Jul. 21, 2011

Act No. 10977, Jul. 28, 2011

Act No. 11640, Mar. 22, 2013

Act No. 11690, Mar. 23, 2013

Act No. 11703, Mar. 23, 2013

Article 1 (Purpose)

The purpose of this Act is to establish special accounts for the structural improvement of agricultural and fishing villages (hereinafter referred to as the "Accounts") and to prescribe matters concerning the operation thereof in order to efficiently promote projects for the structural improvement of agricultural and fishing villages and projects financed by the special rural development tax. *<Amended by Act No. 8084, Dec.*

26, 2006>

Article 2 (Operation and Management of Accounts)

(1) The Minister of Agriculture, Food and Rural Affairs shall operate and manage the Accounts. <Amended by Act No. 5326, Apr. 10, 1997; Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) A budget of annual expenditure of the Accounts may be classified by organizations of the central government office.

Article 3 (Classification of Accounts)

The Accounts shall be classified into the account for projects for the structural improvement of agricultural and fishing villages, the account for projects for the promotion of forestry, and the account for projects financed by the special rural development tax. <Amended by Act No. 5326, Apr. 10, 1997; Act No. 8084, Dec. 26, 2006>

Article 4 (Revenue and Expenditure of Account for Projects for Structural Improvement of Agricultural and Fishing Villages)

(1) Revenue of the account for projects for the structural improvement of agricultural and fishing villages shall be as follows: <Amended by Act No. 5326, Apr. 10, 1997; Act No. 5758, Feb. 5, 1999; Act No. 6101, Dec. 31, 1999; Act No. 8084, Dec. 26, 2006; Act No. 8749, Dec. 21, 2007>

1. Charges for the conservation of farmland under Article 38 of the Farmland Act;
2. Money transferred from general accounts under Article 6;
3. Money transferred and a deposit received from other accounts;
4. The principal of and interest on a loan under paragraph (2) 1;
5. Money transferred and a deposit received from the Public Capital Management Fund under the Public Capital Management Fund Act or other funds;
6. Other revenues.

(2) Expenditure from the account for projects for the structural improvement of agricultural and fishing villages shall be as follows: <Amended by Act No. 7061, Jan. 16, 2004; Act No. 8084, Dec. 26, 2006; Act No. 9629, Apr. 22, 2009; Act No. 9953, Jan. 25, 2010; Act No. 10887, Jul. 21, 2011; Act No. 11703, Mar. 23, 2013>

1. Investment, equity investment in, subsidization, contribution to and financing of projects for the structural improvement of agricultural and fishing villages;
2. Repayment of the principal of and interest on a deposit received from other accounts and funds;
3. Repayment of the principal of and interest on bonds for the development of agricultural and fishing villages issued in accordance with Article 57 of the Act on the Special Measures for Development of Agricultural and Fishing Villages, Act No. 4228;
- 3-2. Money transferred to the regional development account of special accounts for the metropolitan and regional development on projects under Article 34 (2) of the Special Act on Balanced National Development among the projects under subparagraph 1;
- 3-3. Money transferred to a fund under Article 14 (3) 7 of the Special Act on Assistance to Farmers, Fishermen, etc. Following the Conclusion of Free Trade Agreements;

4. Other expenses incurred in the operation and management of the account for projects for the structural improvement of agricultural and fishing villages.

Article 4-2 (Revenue and Expenditure of Account for Projects for Promotion of Forestry)

(1) Revenue of the account for projects for the promotion of forestry shall be as follows: <Amended by Act No. 6101, Dec. 31, 1999; Act No. 6841, Dec. 30, 2002; Act No. 7167, Feb. 9, 2004; Act No. 7678, Aug. 4, 2005; Act No. 8084, Dec. 26, 2006; Act No. 10977, Jul. 28, 2011>

1. Expenses for the creation of substitute forest resources under Article 19 of the Management of Mountainous Districts Act and income gains under Article 41 of the Creation and Management of Forest Resources Act;

1-2. Revenues, such as fees for use of a hunting ground, under Article 50 (3) of the Wildlife Protection and Management Act;

2. Money transferred from general accounts under Article 6;

3. The principal of and interest on a loan under paragraph (2) 1;

4. Other revenues.

(2) Expenditure from the account for projects for the promotion of forestry shall be as follows: <Amended by Act No. 7061, Jan. 16, 2004; Act No. 8084, Dec. 26, 2006; Act No. 9629, Apr. 22, 2009>

1. Investment in, subsidization, contribution to and financing of projects for the promotion of forestry;

2. Repayment of the principal of and interest on a deposit received from other accounts and funds;

2-2. Money transferred to the regional development account of special accounts for the metropolitan and regional development on projects under Article 34 (2) of the Special Act on Balanced National Development among the projects under subparagraph 1;

3. Other expenses incurred in the operation and management of the account for projects for the promotion of forestry.

Article 5 (Revenue and Expenditure of Account for Projects Financed by Special Rural Development Tax)

(1) Revenue of the account for projects financed by the special rural development tax shall be as follows:

1. The amount of special rural development tax under Article 5 of the Act on Special Rural Development Tax;

2. The principal of and interest on a loan under paragraph (2) 1 through 4;

3. Deleted. <by Act No. 8135, Dec. 30, 2006>

4. A deposit received from the Public Capital Management Fund under the Public Capital Management Fund Act;

5. Other revenues.

(2) Expenditure from the account for projects financed by the special rural development tax shall be as follows: <Amended by Act No. 8135, Dec. 30, 2006; Act No. 9629, Apr. 22, 2009; Act No. 10887, Jul. 21, 2011; Act No. 11640, Mar. 22, 2013>

1. Investment in, subsidization, contribution to or financing of projects under the following items as projects to strengthen the competitiveness of agriculture, forestry and fisheries:

- (a) The development of advanced agricultural, forestry and fisheries technologies and technologies breaking the bottleneck in the place of labor;
- (b) Support (limited to contribution) to the Credit Guarantee Fund for Farmers and Fishermen under Article 4 (1) of the Act on the Credit Guarantee for Farmers and Fishermen;
- (c) Construction of a fishery harbor;
- (d) Other projects for which funds are appropriated in the budget;

2. Investment in, subsidization, contribution to or financing of projects under the following items as projects for the promotion of the welfare and income compensation of farmers, forest growers and fishermen, etc.:

- (a) Support in premiums of health insurance and annuity insurance of farmers, forest growers and fishermen;
- (b) The improvement of medical service in agricultural, mountainous and fishing villages;
- (c) The promotion of the welfare of women and children in agricultural, mountainous and fishing villages;
- (d) Support in job creation in agricultural, mountainous and fishing villages;
- (e) Support in connection with a disaster to farmers, forest growers and fishermen and the crops;
- (f) A project that directly supports part of income of farmers, forest growers and fishermen;
- (g) Support in the development of sources of nonfarm income and activities for nonfarm income of farmers, etc. under Article 2 of the Act on Support in Activities of Farmers for Nonfarm Income;
- (h) Other projects for which funds are appropriated in the budget;

3. Investment in, subsidization, contribution to or financing of projects under the following items as projects to improve educational circumstances of agricultural, mountainous and fishing villages and to guarantee educational opportunities:

- (a) Support in the establishment and operation of agricultural, forestry and fishery schools;
- (b) Support for farmers, forest growers and fishermen to reduce educational expenses;
- (c) Provision of education and training for non-agricultural employment, such as vocational training on farmers, forest growers and fishermen;
- (d) Support in lifelong education of farmers, forest growers and fishermen;
- (e) Other projects for which funds are appropriated in the budget;

4. Investment in, subsidization, contribution to or financing of the following projects for the regional development and the expansion of the industrial foundation of agricultural, mountainous and fishing villages:

- (a) The improvement of basic living conditions of agricultural, mountainous and fishing villages, such as the maintenance and improvement of water supply and sewer systems, housing improvement, waste disposal, support in transport of hinterlands and islands, and the advancement of living

conveniences;

(b) The promotion of informatization of agricultural, mountainous and fishing villages;

(c) Fostering of strongholds of agricultural, mountainous and fishing villages to revitalize local communities, etc.;

(d) Support in cultural and welfare facilities in agricultural, mountainous and fishing villages;

(e) Support in the expansion of the exchange between cities and agricultural, mountainous and fishing villages;

(f) The inducement of investment in and support in local industries of agricultural, mountainous and fishing villages;

(g) Support in the development of tourism and resort resources in agricultural, mountainous and fishing villages;

(h) Other projects for which funds are appropriated in the budget;

5. Money transferred to the regional development account of special accounts for the metropolitan and regional development on projects under Article 34 (2) of the Special Act on Balanced National Development among projects under subparagraphs 1 through 4;

6. Repayment of the principal of and interest on a deposit received under paragraph (1) 4;

7. Expenses incurred in the operation and management of the account for projects financed by the special rural development tax.

Article 6 (Money Transferred from General Accounts)

(1) The State shall transfer the total amount of customs imposed and collected on imported agricultural and fishery products in attached Table 1 and the total amount of value-added tax imposed and collected on assorted feed under subparagraph 3 of Article 2 of the Control of Livestock and Fish Feed Act and tools and materials for stock farming in attached Table 2, from general accounts to the account for projects financed by the special rural development tax of the Accounts, and transfer the amount equivalent to the total amount of customs imposed and collected on imported forest products in attached Table 1, from general accounts to the account for projects for the promotion of forestry of the Accounts every fiscal year. *<Amended by Act No. 5326, Apr. 10, 1997; Act No. 8084, Dec. 26, 2006>*

(2) The account for projects for the structural improvement of agricultural and fishing villages and the account for projects for the promotion of forestry of the Accounts may receive money transferred from general accounts as appropriated in the budget in addition to money transferred under paragraph (1) to secure funds for expenditure. *<Amended by Act No. 5326, Apr. 10, 1997>*

Article 7 (Temporary Borrowing)

(1) When funds are temporarily in short supply, the Accounts may borrow money temporarily.

(2) The principal of and interest on a temporary loan under paragraph (1) shall be repaid in the relevant fiscal year.

Article 8 (Carrying Forward of Budget of Expenditures)

Notwithstanding the provisions of Article 48 of the National Finance Act, budget funds for expenditures of the Accounts may be carried forward to the following year and used even if the same has not been disbursed within the relevant fiscal year. *<Amended by Act No. 8050, Oct. 4, 2006>*

Article 9 (Disposal of Surplus)

A surplus on the settlement of accounts of the Accounts shall be brought in the revenue of the following year.

Article 10 (Reserve)

The Accounts may appropriate a considerable amount of reserve money in the budget of expenditure for extraordinary disbursements or disbursements exceeding the budget.

Article 11 (Conditions of Financing, etc.)

The Minister of Agriculture, Food and Rural Affairs shall determine the interest rate on a loan, the period of a loan, etc. of financing of the Accounts in consultation with the Minister of Strategy and Finance.

<Amended by Act No. 5326, Apr. 10, 1997; Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

Article 12 (Entrustment of Financing Business)

(1) The Minister of Agriculture, Food and Rural Affairs may entrust the financing business under Articles 4, 4-2 and 5 to a bank under the Banking Act, the National Forestry Cooperative Federation, and the National Ginseng Cooperative Federation. *<Amended by Act No. 5022, Dec. 6, 1995; Act No. 5326, Apr. 10, 1997; Act No. 8084, Dec. 26, 2006; Act No. 8852, Feb. 29, 2008; Act No. 10303, May 17, 2010; Act No. 11690, Mar. 23, 2013>*

(2) The Minister of Agriculture, Food and Rural Affairs may entrust some of the following business to a corporation related to agriculture, forestry and fisheries designated by him/her: *<Amended by Act No. 5326, Apr. 10, 1997; Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

1. Business concerning the operation and management of loans, such as receipts and disbursements of loans under Articles 4, 4-2, and 5, and the accounting and the management of property, etc. consequent thereon;
2. Business concerning the sale and management of property of the Accounts and revenue and expenditure consequent thereon;
3. Accounting of the entrusted business under subparagraphs 1 and 2.

(3) Where the Minister of Agriculture, Food and Rural Affairs entrusts the business concerning the operation and management of a loan in accordance with paragraphs (1) and (2), he/she may pay handling charges and subsidize other necessary expenses, as determined by him/her. *<Amended by Act No. 5326, Apr. 10, 1997; Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(4) Where the Minister of Agriculture, Food and Rural Affairs entrusts the business concerning the operation and management of a loan in accordance with paragraph (2), he/she may appoint an accounting clerk who is to conduct the relevant business from among executives and employees of the trustee corporation. *<Amended by Act No. 5326, Apr. 10, 1997; Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>*

(5) The Act on Liability of Accounting Personnel, etc. shall apply mutatis mutandis to an accounting clerk appointed in accordance with paragraph (4). <Amended by Act No. 8084, Dec. 26, 2006>

Article 13 (Collection of Loans)

Where a person who obtains a loan spends the loan money for a purpose other than its original purpose, a financial institution, the National Forestry Cooperative Federation or the National Ginseng Cooperative Federation entrusted in accordance with Article 12 (1) may have him/her fully or partially repay the loan even before the date of repayment. <Amended by Act No. 5022, Dec. 6, 1995>

Article 14 (Supervision and Orders)

The Minister of Agriculture, Food and Rural Affairs may order a financial institution, the National Forestry Cooperative Federation, the National Ginseng Cooperative Federation or a corporation related to agriculture, forestry and fisheries, which are entrusted with the business handling loans in accordance with Article 12, to report on financing or the operation and management of loans, or to submit related documents, or have a public official under his/her control supervise such business within the extent necessary for the supervision. <Amended by Act No. 5022, Dec. 6, 1995; Act No. 5326, Apr. 10, 1997; Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

ADDENDA

(1) (Enforcement Date) This Act shall enter into force on the date of its promulgation.

(2) (Transitional Measures concerning Claims and Debts of Fund for Development of Agricultural and Fishing Villages) The Accounts shall be subject to all rights and duties, such as claims and debts of the Fund for Development of Agricultural and Fishing Villages, etc., and property succeeded to in accordance with Article 2 of Addenda of the Act on Special Accounts for the Structural Improvement of Agricultural and Fishing Villages, Act No. 4690.

(3) (Transitional Measures concerning Issuance of Bonds) The amount of deposit received from the State Bond Management Fund under the State Bond Act among the budget of annual revenue for 1994 in the account for projects for the structural improvement of agricultural and fishing villages of the Accounts shall be the highest amount of bonds issued for projects for the structural improvement of agricultural and fishing villages of the highest amount of State bonds of 1994 issued in accordance with the same Act.

(4) (Relationships with other Acts) Where the former provisions of the Act on Special Accounts for the Structural Improvement of Agricultural and Fishing Villages have been cited by other Acts and subordinate statutes as at the time this Act enters into force, when there are the provisions corresponding thereto in this Act, this Act or the relevant provisions of this Act shall be deemed to have been cited in lieu of the former provisions.

ADDENDA <Act No. 5022, Dec. 6, 1995>

Article 1 (Enforcement Date)

This Act shall enter into force on July 1, 1996.

Articles 2 through 9 Omitted.

ADDENDA <Act No. 5326, Apr. 10, 1997>

(1) (Enforcement Date) This Act shall enter into force on January 1, 1999.

(2) (Transitional Measures concerning Succession to Claims and Debts) The account for projects for the promotion of forestry shall be subject to all rights and duties in the field of forestry, such as claims and debts in the field of forestry, etc., of the account for projects for the structural improvement of agricultural and fishing villages of the Accounts as at the time this Act enters into force.

ADDENDA <Act No. 5758, Feb. 5, 1999>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2000.

Articles 2 through 11 Omitted.

ADDENDA <Act No. 6075, Dec. 31, 1999>

Article 1 (Enforcement Date)

This Act shall enter into force on April 1, 2000. (Proviso Omitted.)

Articles 2 through 4 Omitted.

ADDENDA <Act No. 6101, Dec. 31, 1999>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2000. (Proviso Omitted.)

Articles 2 through 4 Omitted.

ADDENDA <Act No. 6841, Dec. 30, 2002>

Article 1 (Enforcement Date)

This Act shall enter into force nine months after the date of its promulgation.

Articles 2 through 12 Omitted.

ADDENDA <Act No. 7061, Jan. 16, 2004>

Article 1 (Enforcement Date)

This Act shall enter into force on April 1, 2004. (Proviso Omitted.)

Articles 2 through 5 Omitted.

ADDENDA <Act No. 7167, Feb. 9, 2004>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation.

Articles 2 through 30 Omitted.

ADDENDA <Act No. 7678, Aug. 4, 2005>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation.

Articles 2 through 12 Omitted.

ADDENDA <Act No. 8050, Oct. 4, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2007. (Proviso Omitted.)

Articles 2 through 12 Omitted.

ADDENDA <Act No. 8084, Dec. 26, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2007.

Article 2 (Repealed Acts)

(1) The Act on Special Accounts for Management of the Special Tax for Rural Development is hereby repealed.

(2) The former provisions shall apply to the settlement of accounts for the fiscal year 2006 of special accounts for management of the special tax for rural development repealed in accordance with paragraph (1).

(3) The account for projects financed by the special rural development tax of special accounts for the structural improvement of agricultural and fishing villages under this Act shall be subject to any surplus and the budget carried over on the settlement of accounts for the fiscal year 2006 of special accounts for management of the special tax for rural development repealed in accordance with paragraph (1).

(4) The account for projects financed by the special rural development tax of special accounts for the structural improvement of agricultural and fishing villages under this Act shall be subject to all rights and duties, such as claims and debts, etc., of special accounts for management of the special tax for rural development repealed in accordance with paragraph (1).

Article 3 Omitted.

Article 4 (Relationships with other Acts and Subordinate Statutes)

A citation of a provision of the former Act on Special Accounts for Management of the Special Tax for Rural Development in force at the time this Act enters into force shall be deemed a citation of this Act or the corresponding provision hereof in lieu of the former provision, if such corresponding provision exists herein.

ADDENDA <Act No. 8135, Dec. 30, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2007.

Articles 2 through 9 Omitted.

ADDENDA <Act No. 8749, Dec. 21, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 9 Omitted.

ADDENDA <Act No. 8852, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 9629, Apr. 22, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 9953, Jan. 25, 2010>

(1) **Enforcement Date**

This Act shall enter into force four months after the date of its promulgation.

(2) and (3) Omitted.

ADDENDA <Act No. 10303, May 17, 2010>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 10 Omitted.

ADDENDUM <Act No. 10887, Jul. 21, 2011>

This Act shall enter into force on the date of its promulgation: Provided, That the amended provisions of Article 4 (2) 3-3 shall enter into force three months after the date of its promulgation.

ADDENDA <Act No. 10977, Jul. 28, 2011>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation.

Articles 2 through 11 Omitted.

ADDENDUM <Act No. 11640, Mar. 22, 2013>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 11690, Mar. 23, 2013>

Article 1 (Enforcement Date)

(1) This Act shall enter into force on the date of its promulgation.

(2) Omitted.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 11703, Mar. 23, 2013>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation.

Articles 2 through 4 Omitted.

