

ACT ON THE AGRICULTURE AND FISHERIES STRUCTURE ADJUSTMENT SPECIAL ACCOUNT

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. 6101, Dec. 31, 1999
Act No. 6075, 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
Act No. 12215, Jan. 7, 2014
Act No. 12412, Mar. 11, 2014
Act No. 14296, Dec. 2, 2016
Act No. 14587, Mar. 14, 2017
Act No. 14983, Oct. 31, 2017
Act No. 15489, Mar. 20, 2018

Article 1 (Purpose)

The purpose of this Act is to establish special accounts for the structural improvement of agricultural and fishing villages and to prescribe matters concerning the operation thereof in order to efficiently push for projects for the structural improvement of agricultural and fishing villages and projects financed by the special rural development tax.

Article 2 (Operation and Management of Accounts)

- (1) The Minister of Agriculture, Food and Rural Affairs shall operate and manage special accounts for the structural improvement of agricultural and fishing villages (hereinafter referred to as “special accounts”).
- (2) A separate special accounts budget of annual expenditures may be allocated for each central government agency group.

Article 3 (Classification of Accounts)

The special 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.

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

(1) Revenue on the account for projects for the structural improvement of agricultural and fishing villages shall be as follows:

1. Deleted; <by Act No. 14983, Oct. 31, 2017>
2. Money transferred from general accounts under Article 6;
3. Money transferred and a deposit received from other accounts;
4. The principal 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. 15489, Mar. 20, 2018>

1. Investment and equity investment in, subsidization of, contribution to and financing of projects for the structural improvement of agricultural and fishing villages;
2. Repayment of the principal and interest on a deposit received from other accounts and funds;
3. Repayment of the principal 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);

4. Money transferred to the local autonomous account of the special accounts for balanced national development for financing projects under Article 34 (2) of the Special Act on Balanced National Development among the projects under subparagraph 1;
5. Money transferred to a fund designed to support implementation of Free Trade Agreements under Article 14 (3) 7 of the Special Act on Assistance to Farmers, Fishers, etc. Following the Conclusion of Free Trade Agreements;
6. 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 on and Expenditure from Account for Projects for Promotion of Forestry)

(1) Revenue on the account for projects for the promotion of forestry shall be as follows:

1. Expenses for the creation of substitute forest resources under Article 19 of the Mountainous Districts Management Act and income gains under Article 41 of the Creation and Management of Forest Resources Act;
2. Revenues, such as fees for use of a hunting ground under Article 50 (3) of the Wildlife Protection and Management Act;
3. Money transferred from general accounts under Article 6;
4. The principal and interest on a loan under paragraph (2) 1;
5. Other revenues.

(2) Expenditure from the account for projects for the promotion of forestry shall be as follows: *<Amended by Act No. 15489, Mar. 20, 2018>*

1. Investment in, subsidization of, contribution to and financing of projects for the promotion of forestry;
2. Repayment of the principal and interest on a deposit received from other accounts and funds;
3. Money transferred to the local autonomous account of the special accounts for balanced national development for financing projects under Article 34 (2) of the Special Act on Balanced National Development among the projects under subparagraph 1;
4. Other expenses incurred in the operation and management of the account for projects for the promotion of forestry.

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

(1) Revenue on 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 and interest on a loan under paragraph (2) 1 through 4;

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

4. Other revenues.

(2) Expenditure from the account for projects financed by the special rural development tax shall be as follows: <Amended by Act No. 14296, Dec. 2, 2016; Act No. 15489, Mar. 20, 2018>

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

(a) The development of advanced agricultural, forestry and fisheries technologies and technologies designed to address problems in the field;

(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 Fishers;

(c) Construction of a fishery harbor;

(d) Other projects for which funds are allocated in the budget;

2. Investment in, subsidization of, contribution to or financing of projects under the following items as projects for promotion of the welfare of farmers, persons engaged in forestry, fishermen, etc. and compensation thereto for income losses:

(a) Subsidization of health insurance and annuity insurance premiums for farmers, persons engaged in forestry, and fishermen;

(b) The improvement of medical services in agricultural, mountainous and fishing villages;

(c) The promotion of welfare of women and children living in agricultural, mountainous and fishing villages;

(d) Support for job creation in agricultural, mountainous and fishing villages;

(e) Disaster-related support for farmers, persons engaged in forestry, and fishermen, and crop disaster support;

(f) A project that directly pays part of the income of farmers, persons engaged in forestry and fishermen;

(g) Support for the development of sources of nonfarm income and nonfarm income-generating activities 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 allocated in the budget;

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

(a) Support for the establishment and operation of agricultural, forestry and fishery schools;

(b) Support for farmers, persons engaged in forestry, and fishermen to reduce educational expenses;

(c) Provision of education and training for non-agricultural employment, such as vocational training of farmers, persons engaged in forestry and fishermen;

- (d) Support for lifelong learning for farmers, persons engaged in forestry and fishermen;
 - (e) Other projects for which funds are allocated in the budget;
4. Investment in, subsidization of, 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 in agricultural, mountainous and fishing villages, such as the maintenance and improvement of water supply and sewer systems, housing improvement, waste disposal, support for transportation on 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 for cultural and welfare facilities in agricultural, mountainous and fishing villages;
 - (e) Support for the expansion of exchanges between cities and agricultural, mountainous and fishing villages;
 - (f) The inducement to invest in and support for local industries in agricultural, mountainous and fishing villages;
 - (g) Support for the development of tourism and resort resources in agricultural, mountainous and fishing villages;
 - (h) Other projects for which funds are allocated in the budget;
5. Money transferred to the local autonomous account of the special accounts for balanced national development for financing projects under Article 34 (2) of the Special Act on Balanced National Development among projects under subparagraphs 1 through 4;
6. Money transferred to the Fund for Direct Payments for Agricultural Income Preservation under Article 19 of the Act on Preserving Agricultural Income;
7. Money transferred to the fund for agricultural and fishery disaster re-insurance under Article 21 of the Agricultural and Fishery Disaster Insurance Act;
8. Repayment of the principal and interest on a deposit received under paragraph (1) 3;
9. 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 duties 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 duties 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.

(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 special accounts may receive money transferred from general accounts as allocated in the budget in addition to money transferred under paragraph (1) to secure funds for expenditure.

Article 7 (Temporary Borrowing)

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

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

Article 8 (Carrying Forward of Budget Expenditures)

Notwithstanding the provisions of Article 48 of the National Finance Act, budget for expenditures of the special accounts may be carried forward to the following year and used even if the same has not been disbursed within the relevant fiscal year.

Article 9 (Disposal of Surplus)

A surplus from the settlement of accounts of the special accounts shall be counted as revenue for the following fiscal year.

Article 10 (Reserve)

The special accounts may appropriate a considerable amount of reserve money in the expenditure budget 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, loan term, etc. for the loan project financed from the special accounts in consultation with the Minister of Strategy and Finance.

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 Cooperatives Federation under the Forestry Cooperatives Act, and the National Agricultural Cooperative Federation under the Agricultural Cooperatives Act.

(2) The Minister of Agriculture, Food and Rural Affairs may entrust some of the following business affairs to the Agricultural Policy Insurance and Finance Service established under Article 63-2 (1) of the Framework Act on Agriculture, Rural Community and Food Industry (hereinafter referred to as “Agricultural Policy Insurance and Finance Service”): <Amended by Act No. 14587, Mar. 14, 2017>

1. Business affairs 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 property management consequent thereon;

2. Business affairs concerning the sale and management of property that belongs to the special accounts and revenue and expenditure consequent thereon;

3. Accounting of the entrusted business affairs under subparagraphs 1 and 2.

(3) Where the Minister of Agriculture, Food and Rural Affairs entrusts the business affairs 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.

(4) Where the Minister of Agriculture, Food and Rural Affairs entrusts the business affairs 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 affairs from among executive officers and employees of the Agricultural Policy Insurance and Finance Service. <Amended by Act No. 14587, Mar. 14, 2017>

(5) The Act on Liability of Accounting Personnel, Etc. shall apply mutatis mutandis to an accounting clerk appointed in accordance with paragraph (4).

Article 13 (Collection of Loans)

Where a person who takes out a loan spends the loan for a purpose other than its original purposes, a bank, the National Forestry Cooperatives Federation or the National Agricultural Cooperative Federation entrusted with business affairs related to loans in accordance with Article 12 (1) may have him/her repay the loan, in full or in part, even before the loan becomes due.

Article 14 (Supervision and Orders)

The Minister of Agriculture, Food and Rural Affairs may order a bank, the National Forestry Cooperatives Federation, the National Agricultural Cooperative Federation or the Agricultural Policy Insurance and Finance Service, which are entrusted with the business affairs related to 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 affairs within the extent necessary for the supervision. <Amended by Act No. 14587, Mar. 14, 2017>

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 the Agriculture and Fisheries Adjustment Special Account 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 the Agriculture and Fisheries Adjustment Special Account have been cited by other 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 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.

ADDENDA <Act No. 12215, Jan. 7, 2014>

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. 12412, Mar. 11, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation: Provided, That the amended provisions of Articles 4 (2) 4, 4-2 (2) 3, 5 (2) 5 and Article 2 (1) of the Addenda shall enter into force on January 1, 2015.

Article 2 Omitted.

Article 3 (Relationship with other Statutes)

Where the previous provisions of the Act on Special Accounts for the Structural Improvement of Agricultural and Fishing Villages have been cited by other statutes (including statutes which have been promulgated before this Act enters into force but the enforcement date of which has not arrived yet) as

at the time this Act enters into force, the corresponding provisions of this Act shall be deemed to have been cited in lieu of the previous provisions, if such corresponding provisions exist herein.

ADDENDA <Act No. 14296, Dec. 2, 2016>

Article 1 (Enforcement Date)

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

Article 2 Omitted.

ADDENDUM <Act No. 14587, Mar. 14, 2017>

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

ADDENDUM <Act No. 14983, Oct. 31, 2017>

This Act shall enter into force on January 1, 2018.

ADDENDA <Act No. 15489, Mar. 20, 2018>

Article 1 (Enforcement Date)

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

Articles 2 through 7 Omitted.

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