

(\*Table 1)

Items	Before	Amended
Tax imposed for failure to meet Claw-back Conditions	Less than 7years: 100% 7 ~ less than 8years: 90% 8 ~ less than 9years: 80% 9 ~ less than 10years:70%	Less than 5years: 100% 5~less than 7years: 80%
Business Industry Continuity Requirement	Change allowed within Tier 1	Change allowed within Tier 2 (Broader tier)
Non-sale of Assets Requirement	The sale of assets are allowed in case of relocation of business or fully depreciated assets.	The scope of inevitable disposition of the assets has been expanded.
Employment Succession Requirement		The definition of the terms is further clarified as below: (Employees) The scope of beneficiaries exclude those without any proof of withholding statement, less than 1 year of employment, and short-term employees. (Salaries) The total of salaries paid to the full-time employees.
Criminal Penalties	(Newly enacted)	Tax incentives not available for: (Tax evasion) Taxpayer who i) evaded taxes for more than KRW 300 million and the remaining tax due is more than 30% of the tax evaded, or ii) evaded taxes for more than KRW 500 million (Accounting fraud) The falsely adjusted number on the financial statement is more than 5% of the total assets.

(\*Table 2)

Items	Before	Amended
Target company	<p>(Size) Small and medium-sized companies with sales less than KRW 300 billion.</p> <p>(Industry) As defined in the target industry of the tax incentive for the succession of family business.</p>	<p>(Size) All SME companies</p> <p>(Industry) All industries except consumer service</p>
Inheritee	<p>Majority shareholder for more than 10 years (30% in case of public, 50% in case of private)</p> <p>Must have served as CEO for more than 10 years</p>	<p>Majority shareholder for more than <b>5</b> years (30% in case of public, 50% in case of private)</p> <p>Must have served as CEO for more than <b>5</b> years</p>
Inheritor	<p>Must have worked at the target company 2 years prior to the inheritance</p>	<p>(Deleted)</p>