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**ACT ON REPORT ON REAL ESTATE TRANSACTIONS, ETC.**

[Enforcement Date 01. Jun, 2021.] [Act No.17483, 18. Aug, 2020., Partial  
Amendment]

국토교통부 (토지정책과-부동산거래신고, 토지거래허가)044-201-3402, 3407



**법제처 국가법령정보센터**

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## ACT ON REPORT ON REAL ESTATE TRANSACTIONS, ETC.

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### CHAPTER I GENERAL PROVISIONS

**Article 1 (Purpose)** The purpose of this Act is to establish a system for sound and transparent real estate transaction and to contribute to the national economy by prescribing matters concerning reporting on and permission for real estate transactions, etc.

**Article 2 (Definitions)** The terms used in this Act are defined as follows: <Amended on Aug. 18, 2020>

1. The term "real estate" means land or building;
2. The term "real estate, etc." means real estate or a right to acquire real estate;
3. The term "party to transaction" means a buyer and seller of real estate, etc., including a foreigner, etc. defined in subparagraph 4;
- 3-2. The term "party to a lease contract" means the lessor and lessee of real estate, etc., including the foreigners, etc. defined in subparagraph 4;
4. The term "foreigner, etc." means any of the following individuals, corporations or organizations:
  - (a) An individual who is not a national of the Republic of Korea;
  - (b) A corporation or organization incorporated under the statutes of a foreign State;
  - (c) A corporation or organization at least a half of whose employees or members fall under item (a);
  - (d) A corporation or organization at least a half of whose executive officers, such as managing general partners or directors, fall under item (a);
  - (e) A corporation or organization in which persons falling under item (a) or corporations or organizations falling under item (b), hold at least a half of its capital or a half of the voting rights;
  - (f) A foreign State;
  - (g) An international organization prescribed by Presidential Decree.

### CHAPTER II REPORTING ON TRANSACTION OF REAL ESTATE

**Article 3 (Report on Transaction of Real Estate)** (1) Where parties to a transaction enters into any of the following contracts, they shall jointly report matters prescribed by Presidential Decree, including the real transaction price, etc., to the head of the relevant Si (referring to the head of a Si without a Gu, the Special

Self-Governing City Mayor, or the head of an administrative city in the Special Self-Governing Province)/Gun/Gu (hereinafter referred to as "report-receiving authority") having jurisdiction over the location of the real estate, etc. which is the object of the title (referring to the real estate which is the object of the title, in the case of a contract on the title) within 30 days from the date of the transaction contract: Provided, That if one of the parties to a transaction is the State, a local government or a person prescribed by Presidential Decree (hereinafter referred to as the "State, etc."), the report shall be filed by the State, etc.:

<Amended on Feb. 8, 2017; Aug. 20, 2019>

1. A real estate sales contract;
2. A contract for supply of real estate under the statutes prescribed by Presidential Decree, such as the Housing Site Development Promotion Act and the Housing Act;
3. A sales contract which is for any of the following:
  - (a) The status as a person selected to receive transfer of real estate pursuant to a contract referred to in subparagraph 2;
  - (b) The status as a selected occupant, which is acquired based on authorization for the management and disposition plan provided for in Article 74 of the Act on the Improvement of Urban Areas and Residential Environments and authorization for project implementation plan provided for in Article 29 of the Act on Special Cases concerning Unoccupied House or Small-Scale Housing Improvement.
- (2) Notwithstanding paragraph (1), if one of the parties to a transaction refuses to file a report, the other party may file a report solely, as prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport.
- (3) Where a practicing licensed real estate agent defined in subparagraph 4 of Article 2 of the Licensed Real Estate Agents Act (hereinafter referred to as "practicing licensed real estate agent") has prepared and delivered a contract document for a transaction under Article 26 (1) of the same Act, the relevant practicing licensed real estate agent shall file a report under the same paragraph, notwithstanding paragraph (1). In such cases, if the transaction has been brokered jointly, the relevant practicing licensed real estate agents shall jointly file a report.
- (4) Notwithstanding paragraph (3), if one of the practicing licensed real estate agents has refused to file a report, paragraph (2) shall apply mutatis mutandis. <Newly Inserted on Aug. 20, 2019>
- (5) A report-receiving authority in receipt of report under paragraphs (1) through (4) shall issue a certificate of completion of reporting to the reporter without delay after verifying the reported matters. <Amended on Aug. 20, 2019>
- (6) When a reporter receives a certificate of completion of report under paragraph (5), the buyer of the real estate, etc. shall be deemed to have obtained a seal of approval under Article 3 (1) of the Act on Special

Measures for the Registration of Real Estate. <Amended on Aug. 20, 2019>

(7) The procedures for reporting under paragraphs (1) through (6) and other necessary matters shall be prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport. <Amended on Aug. 20, 2019>

**Article 3-2 (Report on Cancellation of Transaction of Real Estate)** (1) Where a transaction contract is canceled, invalidated, or revoked (hereinafter referred to as "cancellation, etc.") after a report on such contract is filed under Article 3, parties to the relevant transaction shall jointly report such fact to the relevant report-receiving authority within 30 days from the date the cancellation, etc. is finalized: Provided, That where one of the parties to the transaction refuses to file a report, the other party may file a report solely, as prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport.

(2) Where a practicing licensed real estate agent has filed a report under Article 3 (3), the practicing licensed real estate agent may file a report under the same paragraph (referring to filing a report jointly by the relevant practicing licensed real estate agents if a transaction has been brokered jointly), notwithstanding paragraph (1): Provided, That where one of the practicing licensed real estate agents has refused to file a report, the proviso of paragraph (1) shall apply mutatis mutandis.

(3) Procedures for filing a report under paragraphs (1) and (2) and other necessary matters shall be prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport.

[This Article Newly Inserted on Aug. 20, 2019]

**Article 4 (Prohibited Acts)** No person shall engage in any of the following acts regarding reporting prescribed in Article 3 or 3-2: <Amended on Aug. 20, 2019>

1. Requesting a practicing licensed real estate agent not to file a report under Article 3 or to file a false report;
2. Filing a false report under Article 3, when not obligated to file such report under the same Article, after entering into a contract specified in any subparagraph of Article 3 (1);
3. Encouraging or aiding a person to file a false report under Article 3 or 3-2;
4. Filing a false report under Article 3 although no contract specified in any subparagraph of Article 3 (1) has been entered into;
5. Filing a false report under Article 3-2 although the cancellation, etc. of a contract has not occurred after a report on the contract has been filed under Article 3.

**Article 5 (Verification of Reported Matters)** (1) The Minister of Land, Infrastructure and Transport shall build and operate a system for verifying real estate transaction prices by using the matters reported under Article 3, the values of land and housing announced under the Act on the Public Announcement of Real

Estate Values, and other information on prices of real estate. <Amended on Aug. 20, 2019>

(2) Upon receipt of a report under Article 3, the report-receiving authority shall verify the price reasonableness for the transaction concerned by using a system for verifying real estate transaction prices referred to in paragraph (1).

(3) A report-receiving authority shall notify the result of verification conducted under paragraph (2) to the head of a tax office having jurisdiction over the location of such real estate, and the head of the tax office so notified may use the relevant reported matters for imposing a national or local tax.

(4) Verification procedures, building and operation of a verification system under paragraphs (1) through (3), and other necessary details shall be determined by the Minister of Land, Infrastructure and Transport.

**Article 6 (Scrutiny of Reported Matters)** (1) A report-receiving authority may, where it determines that any reported matters provided for in Article 3, 3-2, or 8 are omitted or inaccurate as a result of the verification, etc. conducted under Article 5, request the reporter to supplement reported matters, require its public officials to request the parties to a transaction or the relevant practicing real estate agent to submit related materials including the contract document and a document substantiating that the transaction price has been paid, or take other necessary measures in order to verify the authenticity of the reported matters. <Amended on Aug. 20, 2019>

(2) Where reported matters are scrutinized (hereafter referred to as "scrutiny of reported matters" in this Article) under paragraph (1), the report-receiving authority shall report the result of scrutiny to the competent Special Metropolitan City Mayor, Metropolitan City Mayor, Special Self-Governing City Mayor, Do Governor, or Special Self-Governing Province Governor (hereinafter referred to as a "Mayor/Do Governor"), and the Mayor/Do Governor shall report it to the Minister of Land, Infrastructure and Transport as prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport. <Amended on Aug. 20, 2019>

(3) If necessary to verify matters reported under Article 3, 3-2, or 8, the Minister of Land, Infrastructure and Transport may conduct scrutiny of reported matters directly or jointly with a report-receiving authority, notwithstanding paragraph (1). <Newly Inserted on Aug. 20, 2019>

(4) To conduct scrutiny of reported matters under paragraphs (1) and (3), the Minister of Land, Infrastructure and Transport or a report-receiving authority may request the heads of related administrative agencies to submit materials prescribed by Presidential Decree, such as materials on national and local taxes and materials on income and property. In such cases, the heads of related administrative agencies so requested shall comply with the request, except in extenuating circumstances. <Newly Inserted on Aug. 20, 2019>

(5) If any reported matters are deemed to have violated this Act, the Housing Act, the Licensed Real Estate Agents Act, the Inheritance Tax and Gift Tax Act, or any other statute as a result of scrutiny of reported

matters, the Minister of Land, Infrastructure and Transport or a report-receiving authority may take necessary measures, such as filing an accusation with an investigative agency or notifying related administrative agencies of such fact. <Newly Inserted on Aug. 20, 2019>

## CHAPTER II-2 REPORTING ON HOUSING LEASE CONTRACTS

**Article 6-2 (Report on Housing Lease Contracts)** (1) Where parties to a lease contract conclude a lease contract for a house (referring to the house under Article 2 of the Housing Lease Protection Act, and including the right to acquire a house; hereinafter the same shall apply) in an amount exceeding the amount prescribed by Presidential Decree, they shall jointly file a report with the report-receiving authority having jurisdiction over the location of such house within 30 days from the date of conclusion of the lease contract regarding the matters prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport, such as the deposit or rent: Provided, That where one of the parties to the lease contract is the State, etc., the State, etc. shall file a report.

(2) A report on a housing lease contract filed under paragraph (1) shall apply to the areas prescribed by Presidential Decree in consideration of the current status of leased households, etc.

(3) Notwithstanding paragraph (1), where one of parties to a lease contract refuses to file a report, the other party may file a report solely, as prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport.

(4) A report-receiving authority in receipt of a report under paragraph (1) shall verify the details of such report and issue a certificate of completion of report to the reporter without delay.

(5) A report-receiving authority may delegate part of its authority over the affairs prescribed in paragraphs (1) through (4) to the head of an Eup/Myeon/Dong or the head of a branch office, as prescribed by ordinance of the relevant local government.

(6) Procedures for filing a report and issuing a certificate of completion of report under paragraph (1), (3), or (4) and other necessary matters shall be prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport.

[This Article Newly Inserted on Aug. 18, 2020]

**Article 6-3 (Report on Change and Cancellation of Housing Lease Contracts)** (1) When the value of a lease, such as the deposit or rent of the relevant housing lease contract, is changed or such lease contract is canceled after a report is filed pursuant to Article 6-2, the parties to the lease contract shall jointly file a report thereon with the relevant report-receiving authority within 30 days from the date the change or cancellation becomes final and conclusive: Provided, That where one of the parties to the lease contract is

the State, etc., the State, etc. shall file a report.

(2) Notwithstanding paragraph (1), where one of parties to a lease contract refuses to file a report, the other party may file a report solely, as prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport.

(3) A report-receiving authority in receipt of a report under paragraph (1) shall verify the details of such report and issue a certificate of completion of report to the reporter without delay.

(4) A report-receiving authority may delegate part of its authority over the affairs prescribed in paragraphs (1) through (3) to the head of an Eup/Myeon/Dong or the head of a branch office, as prescribed by ordinance of the relevant local government.

(5) Procedures for filing a report and issuing a certificate of completion of report under paragraphs (1) through (3) and other necessary matters shall be prescribed by Presidential Decree.

[This Article Newly Inserted on Aug. 18, 2020]

#### **Article 6-4 (Provisions Applicable Mutatis Mutandis to Report on Housing Lease Contracts) (1)**

Article 4 shall apply mutatis mutandis to prohibited acts regarding a report on a housing lease contract.

(2) Article 5 shall apply mutatis mutandis to the verification of the details of a report on a housing lease contract.

(3) Article 6 shall apply mutatis mutandis to the scrutiny, etc. of the details of a report on a housing lease contract.

[This Article Newly Inserted on Aug. 18, 2020]

#### **Article 6-5 (Report Deemed Filed under Other Statutes) (1)** Notwithstanding Article 6-2, where a

lessee files a move-in report pursuant to the Resident Registration Act, a report on a housing lease contract under this Act shall be deemed filed.

(2) Notwithstanding Article 6-2 or 6-3, where a public housing project operator under the Special Act on Public Housing or a rental business entity under the Special Act on Private Rental Housing files a report on a housing lease contract or a report on changes of such contract under related statutes or regulations, a report on a housing lease contract or a report on changes of such contract under this Act shall be deemed filed.

(3) Receipt of a report filed under Article 6-2 or 6-3 is completed, a fixed date under Article 3-6 (1) of the Housing Lease Protection Act shall be deemed granted (limited to where a lease contract is submitted). In such cases, a report-receiving authority shall prepare a fixed date register under Article 3-6 (2) of the Housing Lease Protection Act or notify the report to a fixed-date granting agency under Article 3-6 of the Housing Lease Protection Act.

[This Article Newly Inserted on Aug. 18, 2020]

### CHAPTER III SPECIAL CASES CONCERNING ACQUISITION OF REAL ESTATES BY FOREIGNERS

**Article 7 (Principle of Reciprocity)** The Minister of Land, Infrastructure and Transport may prohibit or restrict an individual, corporation or the government of a State that prohibits or restricts a national of the Republic of Korea, a corporation or organization incorporated under the statutes of the Republic of Korea, or the Government of the Republic of Korea from acquiring or transferring land in its territory, from acquiring or transferring of land in the territory of the Republic of Korea, as prescribed by Presidential Decree: Provided, That the same shall not apply where such acquisition or transfer is necessary to implement a treaty concluded in accordance with the Constitution and any Act.

**Article 8 (Reporting on Acquisition or Possession of Real Estate by Foreigners)** (1) When a foreigner, etc. enters into a contract on acquisition of any real estate, etc. in the territory of the Republic of Korea (excluding contracts set forth in subparagraphs of Article 3 (1)), he/she shall file a report thereon with the report-receiving authority within 60 days from the conclusion date of the contract, as prescribed by Presidential Decree.

(2) When a foreigner, etc. acquires any real estate, etc. within the territory of the Republic of Korea by means of inheritance, auction, or any cause other than contracts prescribed by Presidential Decree, he/she shall file a report thereon with the report-receiving authority within six months from the date of acquisition of the real estate, etc., as prescribed by Presidential Decree.

(3) Where a national of the Republic of Korea who possesses any real estate, etc. within the territory of the Republic of Korea or a corporation or organization incorporated under the statutes of the Republic of Korea becomes a foreigner, etc., and if the relevant foreigner, etc. intends to possess the relevant real estate, etc. continuously, the foreigner, etc. shall file a report thereon with the report-receiving authority within six months from the date of change to foreigner, etc., as prescribed by Presidential Decree.

**Article 9 (Permission for Land Transactions Conducted by Foreigners)** (1) Notwithstanding Articles 3 and 8, where any land that a foreigner, etc. intends to acquire is located in any of the following zones, areas, etc., he/she shall obtain permission from the report-receiving authority for the acquisition of the land before entering into a contract for the land acquisition (hereinafter referred to as "land acquisition contract"), as prescribed by Presidential Decree: Provided, That the same shall not apply where a permission for the land transaction contract is obtained under Article 11: [<Amended on Nov. 26, 2019>](#)



1. Military bases and installation protection zones defined in subparagraph 6 of Article 2 of the Protection of Military Bases and Installations Act, and such other areas as may be necessary to limit land especially acquisition by a foreigner, etc. for the purposes of national defense as prescribed by Presidential Decree;
  2. Designated cultural heritage defined in Article 2 (3) of the Cultural Heritage Protection Act, and protective facilities or protection zones therefor;
  3. Ecological and scenery conservation areas defined in subparagraph 12 of Article 2 of the Natural Environment Conservation Act;
  4. Special districts for protection of wildlife under Article 27 of the Wildlife Protection and Management Act.
- (2) Following consultation with the heads of related administrative agencies, a report-receiving authority shall grant permission under paragraph (1), if the acquisition of land by a foreigner, etc. in a zone, area, etc. that falls under any subparagraph of paragraph (1) does not disrupt the attainment of the purpose of designation of the relevant zone, area, etc.
- (3) A land acquisition contract concluded in violation of paragraph (1) shall be null and void.

#### CHAPTER IV AREAS SUBJECT TO PERMISSION OF LAND TRANSACTION

**Article 10 (Designation of Areas Subject to Permission of Land Transaction)** (1) To facilitate formulation and implementation of a plan for use and management of national land, reasonable use of land, etc., the Minister of Land, Infrastructure and Transport, or a Mayor/Do Governor may, designate an area where speculative land transactions are prevalent or land price rises rapidly or an area prescribed by Presidential Decree as having such possibility, as an area subject to permission of land transaction contract under Article 11 (1) (hereinafter referred to as "area subject to permission") fixing a period not exceeding five years in accordance with the following classifications:

1. Where an area subject to permission spans over the jurisdiction of two or more Cities/Dos: It shall be designated by the Minister of Land, Infrastructure and Transport;
2. Where an area subject to permission is part of the same City/Do: It shall be designated by the Mayor/Do Governor: Provided, That it may be designated by the Minister of Land, Infrastructure and Transport, in the case of an area where speculative land transactions are prevalent or land price rises rapidly, or an area prescribed by Presidential Decree as having such possibility.

(2) If the Minister of Land, Infrastructure and Transport or a Mayor/Do Governor intends to designate an area subject to permission under paragraph (1), he/she shall refer the matter to the Central Urban Planning Committee provided for in Article 106 of the National Land Planning and Utilization Act (hereinafter referred to as "Central Urban Planning Committee") or the City/Do Urban Planning Committee provided for in Article 113 (1) of the same Act (hereinafter referred to as "City/Do Urban Planning Committee") for deliberation:

Provided, That where he/she intends to redesignate any area subject to permission, the designation period of which is to expire, as an area subjects to permission, he/she shall hear in advance the opinions of the competent Mayor/Do Governor (applicable only to cases where the Minister of Land, Infrastructure and Transports designates an area subject to permission) and the head of the competent Si/Gun/Gu.

(3) When the Minister of Land, Infrastructure and Transport or a Mayor/Do Governor has designated an area as an area subject to permission pursuant to paragraph (1), he/she shall publicly announce matters prescribed by Presidential Decree without delay, and the Minister of Land, Infrastructure and Transport shall notify the head of the related Si/Gun/Gu via the Mayor/Do Governor of the content of such public announcement, and the Mayor/Do Governor shall notify the Minister of Land, Infrastructure and Transport and the head of the related Si/Gun/Gu of the content thereof.

(4) The head of a Si/Gun/Gu in receipt of notification pursuant to paragraph (3) shall notify the head of a registry office having jurisdiction over the area subject to permission of the content of the public announcement without delay, publicly announce such fact for at least seven days without delay, and make the content of such public announcement available for public perusal for 15 days.

(5) Any designation of an area subject to permission shall take effect five days after the date on which such designation is publicly announced under paragraph (3).

(6) Where the Minister of Land, Infrastructure and Transport or the Mayor/Do Governor deems that any ground for designation of an area subject to permission ceases to exist, or that a request for a revocation of the designation or reduction of the scale of an area subject to permission he/she has received from the related Mayor/Do Governor or the head of the related Si/Gun/Gu is deemed well-grounded, he/she shall, without delay, revoke the designation of the area subject to permission or reduce in part the scale of the designated area subject to permission.

(7) The main sentence of paragraph (2), and paragraphs (3) and (4) shall apply mutatis mutandis to revocation or reduction conducted under paragraph (6).

**Article 11 (Permission for Land Transaction within Areas Subject to Permission)** (1) Parties that intend to enter into a contract (including any pre-engagement; hereinafter referred to as "land transaction contract") on the transfer or establishment (limited to the transfer or establishment in return for consideration) of the ownership or superficies (including the right aimed at acquiring the ownership or superficies) over the land located within an area subject to permission shall jointly obtain permission from the head of a Si/Gun/Gu, as prescribed by Presidential Decree. The same shall also apply to intended alterations to permitted matters.

(2) No permission under paragraph (1) is required for a transaction contract of any land not exceeding the area for each use prescribed by Presidential Decree comprehensively considering the trends of economy and land prices, the unit area for transaction, etc.

(3) Each person who intends to obtain permission under paragraph (1) shall file an application for permission stating the terms and conditions of the relevant contract, a land use plan, a funding plan for the purchase, etc. with the head of a Si/Gun/Gu. In such cases, matters to be included in the land use plan, the funding plan for the purchase, etc. shall be prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport: Provided, That where a funding plan submitted to the head of a Si/Gun/Gu is altered, the details of such alteration may be submitted to the head of the Si/Gun/Gu by the registration date of the land acquired.

(4) Upon receipt of an application for permission filed under paragraph (3), the head of a Si/Gun/Gu shall decide on permission or non-permission within the processing period provided for in the Civil Petitions Treatment Act, and issue a permit to the relevant applicant, or notify the relevant applicant of the grounds for non-permission in writing: Provided, That where the advance-sale consultation procedures are under way pursuant to Article 15, he/she shall inform the relevant applicant of such fact within the aforementioned period.

(5) Where no permit is issued nor any notification of the grounds for non-permission or advance-sale consultation is given within the period referred to in paragraph (4), permission under paragraph (1) shall be deemed granted on the date following the expiration of the relevant period. In such cases, the head of a Si/Gun/Gu shall issue a permit to the relevant applicant without delay.

(6) No land transaction contract entered into without permission under paragraph (1) shall take effect.

(7) Methods of computing the area of land referred to in paragraph (2) and other necessary matters shall be prescribed by Presidential Decree.

**Article 12 (Standards for Permission)** The head of a Si/Gun/Gu shall grant permission, except where an application for permission filed under Article 11 falls under any of the following:

1. Where any person who intends to conclude a land transaction contract intends to use the relevant land for any purpose other than the following purposes:

(a) Where he/she intends to use such land as a site for his/her residential housing;

(b) Where he/she intends to use such land to install facilities confirmed by the head of the competent Si/Gun/Gu as welfare or convenience facilities for residents in the area including an area subject to permission is included;

- (c) Where such land is necessary for persons engaged in farming, forestry, or fisheries, or persons prescribed by Presidential Decree who reside in an area subject to permission to engage in the business of agriculture, livestock, forest, or fishery within the relevant area subject to permission;
  - (d) Where such land is necessary for any person implementing a project entitled to expropriate or use land under the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects or any other Act in order to implement the project;
  - (e) Where any person who implements, or intends to implement, a project necessary for sound development of areas, including an area subject to permission, and also deemed to serve the designation objectives of an area, district, zone, etc. designated by the related Acts intends to use such land for the project;
  - (f) Where any person who implements a project in the Special Metropolitan City, a Metropolitan City, a Special Self-Governing City, or a Si (including an administrative city established under Article 10 (2) of the Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City; hereafter the same shall apply in this Article)/Gun to which a permitted area belongs as at the time such area is designated, or in the neighboring Special Metropolitan City, Metropolitan City, Special Self-Governing City, or Si/Gun intends to use for the project, or a third person who performs project closely related to his/her project intends to use it for such project;
  - (g) Where he/she intends to use land for a purpose prescribed by Presidential Decree, such as the land required for everyday life and normal economic activities of those who live in the Special Metropolitan City, a Metropolitan City, a Special Self-Governing City, or a Si/Gun to which an area subject to permission belongs;
2. Where the objective of land use by any person intending to enter into a land transaction contract falls under any of the following:
- (a) Where it does not comply with an urban or Gun plan defined in subparagraph 2 of Article 2 of the National Land Planning and Utilization Act and other plans for utilizing and managing the land;
  - (b) Where it threatens preservation of an ecosystem and the protection of decent living conditions for residents;
3. Where such area is deemed inappropriate in view of the objectives of using the land.

**Article 13 (Raising of Objections)** (1) Any person dissatisfied with a disposition taken under Article 11 may raise an objection to the head of the competent Si/Gun/Gu within one month from the date he/she becomes subjected to such disposition.

(2) The head of the competent Si/Gun/Gu in receipt of the objection raised under paragraph (1) shall refer it to the Si/Gun/Gu Urban Planning Committee provided for in Article 113 (2) of the National Land Planning and Utilization Act for deliberation, and notify the demurrer of the relevant results.

**Article 14 (Special Cases concerning Land Transaction Contracts Concluded by State)** (1) In applying Article 11 (1), where either or both interested parties are the State, local governments, the Korea Land and Housing Corporation under the Korea Land and Housing Corporation Act (hereinafter referred to as the "Korea Land and Housing Corporation"), or other public institutions or organizations prescribed by Presidential Decree, the heads of relevant institutions may consult with the head of the competent Si/Gun/Gu, and when the consultation has reached agreement, permission for such land transaction contract shall be deemed granted.

(2) Article 11 shall not apply to the following cases:

1. Expropriation of any land under the Act on Acquisition of and Compensation for Land, etc. for Public Works Projects;
2. Auction under the Civil Execution Act;
3. Other cases prescribed by Presidential Decree.

**Article 15 (Advance Sale)** (1) Where an application is filed for permission as to a land transaction contract under Article 11 (1) and where the State, local governments, the Korean Land and Housing Corporation, and other public institutions or organizations prescribed by Presidential Decree intend to purchase any of the following land, the head of a Si/Gun/Gu may designate an entity from among them to purchase the relevant land (hereinafter referred to as "advance-sale purchaser"), and require such entity to purchase the relevant land after consultation:

1. Land for public works projects;
2. Land acquired subject to permission for a land transaction contract under Article 11 (1), which is not used according to the objective of such use.

(2) Where an application is filed for permission for a land transaction contract for the land falling under any subparagraph of paragraph (1), the head of a Si/Gun/Gu shall designate an advance-sale purchaser within one month from the date such application is filed and notify the landowner thereof, and the advance-sale purchaser shall complete the advance sale consultation with the relevant landowner within one month from the date he/she is notified of the designation, as prescribed by Presidential Decree.

(3) Where an advance-sale purchaser purchases land under paragraphs (1) and (2), the price of such land shall be based on the prices appraised and assessed by any appraisal corporation, etc. pursuant to the Act on

Appraisal and Certified Appraisers and where the price stated in an application form for permission for a land transaction contract is lower than the appraised price, it may be at the price stated in the application form for permission. <Amended on Aug. 20, 2019; Apr. 7, 2020>

(4) Where an advance-sale consultation referred to in paragraph (2) fails to reach agreement, the head of a Si/Gun/Gu shall, without delay, decide on whether to grant permission, and notify the applicant thereof.

**Article 16 (Application for Purchasing Land Subject to Disposition of Non-Permission)** (1) An applicant whose application for permission under Article 11 (1) has been declined may file an application for purchase of the right over the relevant land with the head of a Si/Gun/Gu within one month from the date when he/she has been notified of such decline.

(2) The head of a Si/Gun/Gu in receipt of an application for purchase under paragraph (1) shall designate an entity to purchase from among the State, local governments, the Korea Land and Housing Corporation, and other public institutions or organizations prescribed by Presidential Decree, and shall require the entity to purchase the relevant land within budgetary limits on the basis of the publicly-announced land prices: Provided, That if the price stated in an application form for permission for a land transaction contract is lower than the publicly-announced land prices, it may be purchased at the price entered in the application form for permission.

**Article 17 (Obligation to Use Land)** (1) Any person who has obtained permission for a land transaction contract under Article 11 shall use such land for the permitted purposes for a period prescribed by Presidential Decree of up to five years, unless any justifiable ground prescribed by Presidential Decree exists.

(2) The head of a Si/Gun/Gu shall investigate as to whether any person who has obtained permission for a land transaction contract uses the land according to the permitted purposes, as prescribed by Ordinance of the Ministry of Land, Infrastructure and Transport.

(3) Deleted. <Dec. 2, 2016>

(4) Deleted. <Dec. 2, 2016>

**Article 18 (Charge for Compelling Performance)** (1) The head of a Si/Gun/Gu may order anyone who fails to fulfill his/her obligation to use land pursuant to Article 17 (1) to fulfill his/her obligation to use the land fixing a reasonable period: Provided, That the head of a Si/Gun/Gu needs not order him/her to do so where any ground prescribed by Presidential Decree exists.

(2) Where an order issued to fulfill the obligation to use land under paragraph (1) is not complied with within the specified period, the head of a Si/Gun/Gu shall impose a charge for compelling performance in an amount prescribed by Presidential Decree of by up to 10/100 of the acquisition value of the land.

(3) The head of a Si/Gun/Gu may repeatedly impose and collect charges for compelling performance under paragraph (2) once a year, from the year of the first order, to fulfill the obligation to use land until the time such obligation is fulfilled as ordered.

(4) The head of a Si/Gun/Gu shall not impose a charge for compelling the performance after the lapse of the obligatory period for use prescribed in Article 17 (1).

(5) Where a person ordered to fulfill an obligation to use land under paragraph (1) fulfills such obligation, the head of a Si/Gun/Gu shall promptly cease imposing any further charge for compelling performance, but collect the charge for compelling performance already imposed before the order is fulfilled.

(6) Anyone dissatisfied with a disposition imposing charges for compelling performance issued under paragraph (2) may file an objection with the head of a Si/Gun/Gu.

(7) Where a person subject to a disposition imposing charges for compelling performance issued under paragraph (2) or (3) fails to pay it by the payment deadline, the head of a Si/Gun/Gu shall collect the charge for compelling performance in the same manner as delinquent national taxes are collected, or pursuant to the Act on the Collection of Local Administrative Penalty Charges. <Amended on Mar. 24, 2020>

(8) Methods of imposing, paying, and collecting charges for compelling performance, methods of filing objections, and other necessary matters shall be prescribed by Presidential Decree.

**Article 19 (Investigations into Trends of Land Prices)** The Minister of Land, Infrastructure and Transport or a Mayor/Do Governor shall investigate the trends of land prices and the status of land transactions, as prescribed by Presidential Decree, in order to gather data necessary to implement the land transaction permission system or to execute other land policies, and may request related administrative agencies and other necessary institutions to submit the data required therefor. In such cases, any institution requested to submit the data shall comply therewith except in extenuating circumstances.

**Article 20 (Legal Fiction of Authorization and Permission Granted under Other Acts)** (1) Where permission for a land transaction contract has been granted under Article 11 on the farmland, a qualification certificate for acquisition of farmland shall be deemed to have been issued under Article 8 of the Farmland Act. In such cases, where the head of a Si/Gun/Gu grants permission for a land transaction contract for the farmland within the rural community under subparagraph 5 of Article 3 of the Framework Act on Agriculture, Rural Community and Food Industry (limited to a green belt zone under the National Land Planning and Utilization Act in cases of an urban area under the same Act), he/she shall verify whether the requirements for issuing a certificate of qualification to acquire farmland are met, and notify the Minister of Agriculture, Food and Rural Affairs of the details of such permission.

(2) Where a permit is obtained under Article 11 (4) or (5), approval seal shall be deemed to have been affixed under Article 3 of the Act on Special Measures for the Registration of Real Estate.

**Article 21 (Sanctions)** The Minister of Land, Infrastructure and Transport, a Mayor/Do Governor or the head of a Si/Gun/Gu may revoke permission granted under Article 11, make other necessary dispositions, or order any of the following persons to take measures:

1. A person who concludes a land transaction contract or a contract for alteration thereof without obtaining permission for a land transaction contract or permission to alter a land transaction contract required under Article 11;
2. A person who has obtained permission for a land transaction contract under Article 11 fails to use the land for permitted purposes;
3. A person who obtains permission for a land transaction contract under Article 11 by improper means.

**Article 22 (Succession to Rights and Obligations)** (1) Rights and obligations accruing to or imposed on the owner and superficies holder, etc. of land under Articles 10 through 20 shall be transferred to a successor thereto simultaneously with an alteration in the ownership and other rights.

(2) Any disposition issued under this Act or orders issued under this Act, procedures therefor, and other activities, shall have effects on any successor to a person who has ownership or other rights to the land or buildings related to such activities.

**Article 23 (Hearings)** Where the Minister of Land, Infrastructure and Transport, a Mayor/Do Governor, or the head of a Si/Gun/Gu intends to issue a disposition to revoke permission for a land transaction contract under Article 21, he/she shall hold a hearing:

## CHAPTER V MANAGEMENT OF REAL ESTATE INFORMATION

**Article 24 (Comprehensive Management of Data Related to Real Estate Policies)** (1) In order to establish and implement appropriate real estate policies, the Minister of Land Infrastructure and Transport or the head of a Si/Gun/Gu may comprehensively manage information on matters prescribed by this Act, such as the status of real estate transactions and housing lease contracts, current state of foreigners' acquisition of real estates, and trends in real estates prices, and provide them to the related institutions, organizations, etc.

<Amended on Aug. 18, 2020>

(2) In order to manage information under paragraph (1), the Minister of Land Infrastructure and Transport or the head of a Si/Gun/Gu may request related administrative agencies or other necessary institutions to



provide necessary data. In such cases, the related administrative agencies, etc. shall comply with such request except in extenuating circumstances.

(3) Management and provision of information and request for data under paragraphs (1) and (2) shall conform to the Personal Information Protection Act.

**Article 25 (Construction and Operation of Real Estate Information System)** The Minister of Land Infrastructure and Transport may, for the efficient management of information and promotion of public convenience, construct and operate an information system related to such affairs as contracting, reporting, permitting, managing, etc. of real estate transactions and housing lease contracts, as prescribed by Presidential Decree. <Amended on Aug. 18, 2020>

## CHAPTER V-2 SUPPLEMENTARY PROVISIONS

**Article 25-2 (Payment of Reward for Reporting)** (1) The head of a Si/Gun/Gu may pay a monetary reward, within budgetary limits, to a person who files a report or accusation against any of the following persons with a relevant administrative or investigative agency: <Amended on Aug. 20, 2019; Aug. 18, 2020>

1. A person who files a false report on the transaction value of real estate, etc., in violation of Article 3 (1) through (4) or subparagraph 2 of Article 4;
- 1-2. A person who files a false report under Article 3, in violation of subparagraph 4 of Article 4;
- 1-3. A person who files a false report under Article 3-2, in violation of subparagraph 5 of Article 4;
- 1-4. A person who files a false report on the amount of a housing lease contract, such as the deposit or rent, in violation of Article 6-2 or 6-3;
2. A person who enters into a land transaction contract without permission or permission for alteration under Article 11 (1) or a person who obtains permission for such contract by fraud or other wrongful means;
3. A person who uses the land acquired under permission for a land transaction contract for any purpose other than the permitted purposes, in violation of Article 17 (1).

(2) The monetary reward under paragraph (1) shall be financed by a Si/Gun/Gu.

(3) Such details as those eligible for a monetary reward, and payment criteria, method, and procedures under paragraph (1) shall be determined by Presidential Decree.

[This Article Newly Inserted on Dec. 2, 2016]

**Article 25-3 (Delegation or Entrustment of Authority)** (1) Part of the authority granted to the Minister of Land, Infrastructure and Transportation under this Act may be delegated to a Mayor/Do Governor or the head of a Si/Gun/Gu, as prescribed by Presidential Decree.

(2) The Minister of Land, Infrastructure and Transportation may entrust a public agency having expertise in the real estate market with the establishment and operation of a system for verifying real estate transaction prices under Article 5, scrutiny of reported matters under Article 6 (3), and the establishment and operation of a real estate information system under Article 25, as prescribed by Presidential Decree. <Amended on Aug. 20, 2019>

[This Article Newly Inserted on Dec. 2, 2016]

## CHAPTER VI PENALTY PROVISIONS

**Article 26 (Penalty Provisions)** (1) A foreigner, etc. who enters into any land acquisition contract without obtaining permission under Article 9 (1) or after obtaining permission by illegal means shall be punished by imprisonment with labor for not more than two years or by a fine not exceeding 20 million won.

(2) A person who enters into a land transaction contract without obtaining permission or permission for alteration required under Article 11 (1), or obtains permission for a land transaction contract by false or other illegal means shall be punished by imprisonment with labor for not more than two years or by a fine not exceeding 30/100 of the relevant land price based on the publicly notified individual land price as at the time the contract is concluded.

(3) A person who violates an order of revocation of permission, or an order to make disposition or to take measures, issued under Article 21, shall be punished by imprisonment with labor for not more than one year or by a fine not exceeding 10 million won.

**Article 27 (Joint Penalty Provisions)** Where a representative of a corporation, or an agent, employee of or any person employed by, the corporation or an individual commits an offense under Article 26 in connection with the duties of the corporation or the individual, not only shall such violator be punished, but the corporation or individual also shall be punished by a fine under the relevant provisions: Provided, That the same shall not apply where such corporation or individual has not neglected to give due attention to or supervise the relevant duties in order to prevent such offense.

**Article 28 (Administrative Fines)** (1) Any of the following persons shall be punished by an administrative fine not exceeding 30 million won: <Amended on Aug. 20, 2019>

1. A person who files a false report under Article 3, in violation of subparagraph 4 of Article 4;
2. A person who files a false report under Article 3-2, in violation of subparagraph 5 of Article 4;
3. A person who fails to submit any material that substantiates the payment of a transaction price or submits false material, or a person who fails to take necessary measures, in violation of Article 6.

(2) Any of the following persons shall be punished by an administrative fine not exceeding five million won:

<Amended on Aug. 20, 2019>

1. A person who fails to file a report under Article 3 (1) through (4), in violation of the same paragraph (including a person who refuses to file a joint report);
- 1-2. A person who fails to file a report under Article 3-2 (1), in violation of the same paragraph (including a person who refuses to file a joint report);
2. A person who requests a practicing licensed real estate agent not to file a report referred to in Article 3 or to file a false report, in violation of subparagraph 1 of Article 4;
3. A person who encourages or aids a person in filing a false report under Article 3, in violation of subparagraph 3 of Article 4;
4. A person who fails to submit any material other than the one that substantiates the payment of the transaction price or submits false material, in violation of Article 6.

(3) A person who files a false report set forth in Article 3 (1) through (4) or subparagraph 2 of Article 4, in violation of the same provision shall be punished by an administrative fine not exceeding 5/100 of the acquisition value of the relevant real estate, etc. <Amended on Aug. 20, 2019>

(4) A person who fails to file a report under Article 8 (1) or files a false report shall be punished by an administrative fine not exceeding three million won.

(5) Any of the following persons shall be punished by an administrative fine not exceeding one million won:

<Amended on Aug. 18, 2020>

1. A person who fails to file a report on acquisition under Article 8 (2) or files a false report;
2. A person who fails to file a report on continuous possession of land under Article 8 (3) or files a false report;
3. A person who fails to file a report under Article 6-2 or 6-3 (including a person who refuses to jointly file a report) or files a false report.

(6) Administrative fines prescribed in paragraphs (1) through (5) shall be imposed and collected by the report-receiving authority, as prescribed by Presidential Decree. In such cases, the report-receiving authority which has imposed an administrative fine shall notify the imposition of the administrative fine to the head of the Si/Gun/Gu having jurisdiction over the brokerage office of the relevant practicing licensed real estate agent (referring to the principal brokerage office in cases of a corporation) within ten days from the imposition date.

**Article 29 (Reduction and Exemption for Voluntary Reporter)** For a person who has voluntarily filed a report on a violation of any provision of Article 28 (2) 1 through 3 and (3) through (5), the report-receiving

authority may grant reduction or exemption of an administrative fine prescribed in the same provision, as prescribed by Presidential Decree.