

FOREIGNER LAND ACQUISITION ACT

Amended by Act No. 9186, Dec. 26, 2008

Article 1 (Purpose)

The purpose of this Act is to prescribe matters necessary for land acquisition, etc. of foreigners within the territory of the Republic of Korea.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 2 (Definition)

For the purpose of this Act, the term “foreigner” means a natural or juridical person or organization falling under any of the following:

1. A natural individual who does not possess the nationality of the Republic of Korea;
2. A juridical person or organization falling under any of the following items:
 - (a) A juridical person or organization established in accordance with foreign Acts and subordinate statutes;
 - (b) A juridical person or organization wherein majority of the employees or members fall under subparagraph 1;
 - (c) A juridical person or organization majority of its executives, such as employees conducting affairs or directors, fall under subparagraph 1;
 - (d) A juridical person or organization whose majority capital or voting rights are possessed by persons enumerated in subparagraph 1, or a juridical person or organization falling under (a). In such cases, when calculating the capital or the number of voting rights, it shall be deemed that persons falling under subparagraph 1 or juridical persons or organizations falling under item (a) hold bearer stocks of a stock company.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 3 (Principle of Reciprocity)

The Minister of Land, Transport and Maritime Affairs may prohibit or restrict an individual, a juristic person, an organization, or the government of a nation which prohibits or restricts a national of the Republic of Korea, a juristic person or an organization established in accordance with the Acts and subordinate statutes of the Republic of Korea or the Government of the Republic of Korea from acquisition or transfer of land in its territory from acquisition or transfer of land in the territory of the Republic of Korea as prescribed by Presidential Decree: Provided, That the same shall not apply in cases where it is necessary for implementation of a treaty concluded in accordance with the Constitution or any Act.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 4 (Report of Land Acquisition by Contract)

- (1) In cases where a foreigner, a foreign government, or an international organization as prescribed by Presidential Decree (hereinafter referred to as “foreigner, etc.”) has concluded a contract for land acquisition in the territory of the Republic of Korea (hereinafter referred to as a “contract for land acquisition”), the foreigner, shall submit a report of the land acquisition to the head of Si (referring to the head of Si where a Gu is not established and the head of Si under Article 17 of the Special Act on the Establishment of Jeju Special Self-Governing Province and the Development of Free International City; hereinafter the same shall apply)/Gun/Gu within 60 days from the conclusion date of the contract as prescribed by Presidential Decree. Provided, that the same shall not apply where a report of transactions of real estate has been made in accordance with Article 27 of the Business Affairs of Licensed Real Estate Agents and Report of Real Estate Transactions Act or where a report of transactions of a house has been made in accordance with Article 80-2 of the Housing Act Housing Act.
- (2) Notwithstanding paragraph (1), in cases where land, which a foreigner intends to acquire, is located in districts or areas falling under any of the following subparagraphs, the foreigner shall obtain permission from the head of Si/Gun/Gu of such acquisition, as prescribed by Presidential Decree before concluding a contract for land acquisition. Provided, that the same shall not apply in cases where the foreigner has obtained permission for the contract for land acquisition in accordance with Article 118 of the National Land Planning and Utilization Act National Land Planning and Utilization Act:

1. Military bases and reservations for military installations under subparagraph 6 of Article 2 of the Protection of Military Bases and Installations Act, or such other areas as may be necessary especially to limit land acquisition by a foreigner, etc. for the purpose of national defense as prescribed by Presidential Decree;
 2. Designated cultural assets under Article 2 (2) of the Cultural Heritage Protection Act, and protected and reservation lands under the same Act;
 3. Ecological and Scenic Conservation areas under subparagraph 12 of Article 2 of the Natural Environment Conservation Act Natural Environment Conservation Act;
 4. Special reservations for wild animals and plants under Article 27 of the Protection of Wild Fauna and Flora Act.
- (3) When the head of Si/Gun/Gu concludes that the acquisition of land in districts and areas defined in paragraph (2) of this Act by a foreigner does not interfere with the achievement of purposes of designation of the relevant districts and areas, he/she shall grant permission under this Act.
- (4) No contract for land acquisition concluded in violation of paragraph (2) of this Act shall take effect.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 5 (Report of Land Acquisition other than by Contract)

When a foreigner has acquired land in the territory of the Republic of Korea by means of inheritance, auction or any cause other than through a contract, as prescribed by Presidential Decree, the foreigner shall submit a report to the head of Si/Gun/Gu within six months after the date of land acquisition as prescribed by Presidential Decree.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 6 (Report of Continuous Possession of Land)

In cases where a national of the Republic of Korea or a juridical person or organization, established in accordance with the Acts and statutes of the Republic of Korea, possessing land in the territory of the Republic of Korea has changed nationality but still intends to possess the relevant land continuously, the foreigner shall submit a report to the head of Si/Gun/Gu within six months from the date when such person changed nationality, as prescribed by Presidential Decree.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 7 (Penal Provisions)

Any foreigner who concludes a contract for land acquisition without obtaining permission under Article 4 (2) of this Act or who has concluded a contract for land acquisition with permission obtained by unjust means shall be punished by imprisonment for not more than two years or by a fine not exceeding twenty million won.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 8 (Joint Penal Provisions)

If a representative, an agent or an employee of the juridical person or individual commits an offense under Article 7 of this Act in relation with the affairs of the juridical person or individual, such representative, agent or employee of the juridical person or individual together with the juridical person or individual shall be punishable by fine under the same Article. Provided, that the juridical person or individual shall not be liable where the juridical person or individual has given reasonable attention and supervision in the prevention of such offense.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

Article 9 (Fine for Negligence)

- (1) Any person who has failed to submit a report of land acquisition under Article 4 (1) of this Act or has submitted a false report shall be imposed a fine for negligence not exceeding three million won.
- (2) Any person who falls under any of the following subparagraphs shall be imposed a fine for negligence not exceeding one million won:
 1. A person who has failed to submitted a report of land acquisition under Article 5 or has submitted a false report;
 2. Any person who has failed to submit a report of the continuous possession of land under Article 6 or has submitted a false report.
- (3) A fine for negligence under paragraphs (1) and (2) shall be imposed and collected by the head of Si/Gun/Gu as prescribed by Presidential Decree.

[This Article Wholly Amended by Act No. 9186, Dec. 26, 2008]

ADDENDA

<Act No. 9186, Dec. 26, 2008>

- (1) (Enforcement Date) This Act shall enter into force six months after the date of its

promulgation. Provided, that the amended provisions of Article 3 shall enter into force on the date of its promulgation.

- (2) (Applicability of Reporting Land Acquisition by Contract) The amended provisions of Article 4 (1) of this Act shall apply to lands acquired by contract concluded after this Act becomes effective.