



Abstract

Reforming Usage Fees Policy for Public Golf Courses

Golf courses are subject to various taxes. In particular, membership golf courses are taxed more heavily than public golf courses. Public golf courses have various tax incentives for reducing usage fees in order to popularize golf. However, complaints about public golf course fees recently increased despite the tax preferential treatment. Public golf courses saw a significant growth in users with the popularization of golf. In addition, due to the Corona 19 pandemic in 2020 domestic demand increased as golf trips in China and Southeast Asia were blocked. In these circumstances, public golf fees such as the green fee, the caddy fee, and the cart fee went up and thus the usage fees became similar to membership golf courses.

This study aims to plan for fair government tax incentives and improve public golf course usage fee systems. Expectations include contributing to setting policy directions related to public golf fees in Gyeonggi-do and returning fair benefits to golf course users (local residents).

This study presents a survey on the current status, a case study on the types and operation of golf courses, and an examination of the laws and systems for the golf course tax system and fee system. In addition, the investigation of the effect of tax reduction and exemption of public golf courses was carried out using a perfect competitive market model analysis and a monopoly competitive market model analysis. Also, the Constitutional Court's ruling on the legitimacy of the heavy tax on golf courses was reviewed.

In conclusion, this study suggests advancing the operating fee of public golf courses through tasks and plans to secure the fairness of golf course tax benefits and usage fees.

The plans to rationalize the price of popular golf courses are as follows:

First, operate a public golf course fee review committee.

Second, lift discrimination against non-members of membership golf courses by exempting them from individual consumption tax and the Sports Promotion Fund.

Third, provide local tax reduction or exemption for golf courses according to the level of usage fees.

Fourth, increase publicity by securing shares equal to the amount of tax cuts and exemptions for public golf courses

Fifth, expand freedom of choice for public golf course users to use carts and accompany caddies.

Sixth, normalize local government management and supervision of public golf courses.

The plans to operate the public golf course fee review committee are as follows.

- Composition: Composed of an odd number of no more than 15 experts and related public officials, including the chairperson.
- Function: Deliberation on whether the initial admission fees or rate changes of public golf courses reflect the effect of tax reduction appropriately. Policy research for calculation and standardization of public golf courses admission fees.
- Operation: Operates by dividing into regular and occasional deliberations
- Legal basis: Ordinance enacted to clarify the legal basis of the deliberation committee

Keyword public golf courses. green fee, tax incentives, fair