

China raising taxes on rare earth mining

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BEIJING — China is hiking taxes on the mining of rare earth elements amid moves to mitigate environmental damage, control production levels and limit exports.

China has about 30 percent of the world's rare earths deposits but accounts for 97 percent of global production.

The tax bureau said Thursday that taxes will rise to either 30 yuan (\$4.5) or 60 yuan (\$9) per ton, depending on whether the elements are categorized as light or heavy.

That's up from just 0.5 and 3 yuan per ton, respectively. The new rates take effect next month.

Rare earths are used in the manufacture of electronics and other high-tech products.

China said in December the 2011 export quota would be reduced about 10 percent from last year's level.