



## Financial Services



### Financial institutions



#### • Primary Financial Institutions

Primary financial institutions are banks and other deposit-taking institutions, also referred to as "monetary financial institutions."

Example: special banks (Korea EXIM Bank, Industrial Bank of Korea), commercial banks (Kookmin Bank, Woori Bank, Shinhan Bank, KEB Hana Bank, etc.), local banks (Busan Bank, Gwangju Bank, Daegu Bank, etc.)

#### • Secondary Financial Institutions

These financial institutions are also referred to as "non-monetary financial institutions," as opposed to monetary financial institutions. Unlike banks providing indirect financial services, secondary financial institutions often offer direct financing, in other words, directly from fund suppliers to borrowers.

Example: insurance companies, securities firms, investment trust

#### • Tertiary Financial Institutions

These institutions, far less structured than institutions belonging to the above two categories, are also known, since recently, as "consumer credit institutions," and are primarily lenders.

Example: lending companies

## Banks

### 1 General Information

- Opening Hours: 09:00-16:00 (closed on weekends and holidays)

#### ■ Using the ATM

		During opening hours		After closing hour		
		100,000 won or less	Over 100,000 won	100,000 won or less	Over 100,000 won	
ATMs of your own bank	Cash withdrawal	None		250 won	500 won	
	Deposit using other banks'cards	700 won		1,000 won		
	Funds transfer	Within the same bank	None		None	
		To a different bank	500 won	1,000 won	500 won	1,000 won
ATMs of other banks	Cash withdrawal	600 won		900 won		
	Fund transfer	700 won	1,000 won	700 won	1,000 won	

- Fees vary depending on the bank and amount.
- Hours of operation during business hours: 08:30-18:00 (Mon.-Fri.); 08:30-14:00 (Sat.). As the hours of operation vary for each region and branch, it is advised to check the information in advance.
- ATM fees are higher after bank closing hour and on weekends and holidays.
- Fees apply when using an ATM of a different financial institution.



### 2 Opening a Bank Account

- How to set up an account: Visit your nearest bank.
  - Documents required: passport, alien registration card, or travel document(s)
  - If you wish to present your passport or travel document as an ID you must present your full Korean address along with a copy of your ID from your home country, credit card used in Korea, or tax receipt from Korea.
- ※For a foreigner to obtain an ATM card, one must be employed in Korea or have a Korean guardian.



### 3 Remittance or Wire Transfer

#### 3-1. Overseas Remittance

- **Procedure:** An amount not exceeding US\$ 1,000 can be remitted per transaction without any restrictions.
- **Telegraph transfer (TT):** Most commonly used for large sums or fast remittance.
- **Demand draft (DD):** For remitting small amounts or when speedy remittance is not required.
- **Required documents:** application for remittance, alien registration card, etc. (Additional documents may be required depending on the purpose of remittance.)
  - ※ Additional documents required for a foreign worker to remit his/her wage
    - Employment contract or certificate
    - Documentary evidence of local source income
    - Passport or entry visa
    - Tax payment certificate certified by employer (not applicable to illegal aliens or industrial trainees)
    - Certificate of tax payment (applicable to self-employed foreigners)
  - **Information required for remittance:** name, address and phone number of remitting person / name, address, phone number, bank name and address (city, province/state and country), account number, SWIFT code and bank code of the recipient
  - **Points to remember:**
    - Remittance/payment request forms need to be filled out in English.
    - Make sure that the spelling of the recipient's name and the account number are correct.
    - The name of the account holder must match the name of the recipient.
    - The recipient's bank name, branch, and country should be stated on the remittance application form.
    - Remittance cannot be made to certain countries including Myanmar, Libya, Iran and Sudan.



### 3-2. Receiving Wire Transfer from Overseas

- Information required by the overseas remitting party for a wire transfer to Korea: recipient's name and bank name in English, bank address (headquarters), account number, SWIFT code
- Documents required for receipt of a wire transfer from overseas: documentary evidence of reason for wire transfer (export contract, service contract, etc.)
  - Make sure to check with the bank in advance as the required documents may vary depending on the remittance amount.

## 4 Internet Banking: Online Banking Service and Transactions

Internet banking refers to banking online using a web-based financial service system. Ask your bank about internet banking options. The service can be activated for you through a few simple steps.

- Setting up internet banking: Visit a banking center near you → Fill out an application form → Register a secret code for funds transfer → A security card or an OTP card is issued → Log onto the online banking website → Online certificate is issued
- Required documents: ID card (A valid ID within Korea; foreign passport not accepted), bankbook





## 5 Telebanking Service: Banking Service Using a Telephone

- Application procedure: Visit bank → Subscribe to service
- Service details: Check account balance, inter- and intra-bank wire transfer, time savings, loan interest payment, request or termination of automatic charging of various bills to your account
- Required documents for application: ID card, bankbook
- Required information when using the telebanking service: account password, telebanking password, citizen registration number (ID number), account number

## 6 Mobile Banking: Financial Transactions Using a Smartphone

- Services provided: transaction history, account balance and currency exchange rate check, wire transfer, check inquiry, credit card payment, cash service, etc.

## 7 Currency Exchange

- Exchangeable forms: foreign currency cash, traveler's check
- Required documents: passport or ID card
- Maximum exchangeable amount: currency exchange of amounts exceeding US\$ 10,000 per case must be reported to the National Tax Service.

## 8 Korean Currency



## Bank card

### 1 Credit Card

- How to apply: Visit your nearest bank.
- Eligibility: Alien registration card holders who are 20 years or older with a place of employment in Korea, and who own an account at the applicable bank.
- Required documents: income certificate (income for the past 3months), employee contract, alien registration card and passport.
- Annual fee: The annual fee for a credit card consists of basic annual fee and partnership service fee. The fee is charged once a year, and the amount varies depending on the card.
- Issuance process: The credit card review team will evaluate your documents. Even if your papers are not accepted, you can still be issued a credit card by depositing a cash guarantee at your bank (applies to KEB Hana Bank). Your credit card limit will be 90 percent of that deposit. In order to have the deposit returned you must cancel your credit card.



### 2 Check Card

- How to Apply: Same as for a credit card
- Eligibility: Same as for a credit card
- Required documents: income certificate (income for the past 3 months), employment contract, alien registration card and passport
- Annual fee: None



**Tip**What to do when your card is lost or stolen

When your credit card is lost or stolen, contact the credit card company immediately or visit your bank to report the loss or theft or ask to have the card temporarily deactivated. To report a lost card or request for the temporary deactivation of your card, you must visit a banking center, carrying an ID card.

**Tip**Where to report a lost card (no area code)

- KB Kookmin Card:  
82-1588-1688, 82-2-6300-7300 (English)
- Lotte Card: 82-1588-8300
- Shinhan Card:  
821544-7200, 82-1544-7000
- Samsung Card: 82-1588-8900,  
82-2-2000-8100, 82-2800-1588-8700
- Citi Card: 82-1566-1000, 82-2-2004-1004
- Woori Card: 82-1588-9955,  
82-21599-2288 (for foreigners), 82-2-2006-5000
- KEB Hana Card:  
82-1544-3500, 82-2-524-8100
- Hyundai Card:  
82-1577-6200, 82-2-3015-9000

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## Various tax payment obligations

Taxes are largely divided into national tax, which is imposed by the central government in order to supply the funds needed for national security, social service programs, etc., and local tax, which is imposed by local governments including those at the city, borough, and district levels in order to supply the funds needed for the regional transport system, public welfare system, etc. Foreigners have the same tax obligations as Korean citizens.

### 1 National Tax

National taxes are imposed by the tax office to support the central government. National taxes include income tax, corporate tax, inheritance tax, gift tax, education tax, gross real estate tax, and customs duty.

**National tax inquiry:** Visit the National Tax Service website ([www.nts.go.kr](http://www.nts.go.kr)), or dial 126.



## 2 Local Tax

Regional tax inquiry: Local taxes are imposed by the local government's city, borough, and district tax departments to support the local government, and include acquisition tax, resident tax, and automobile tax.

- Local tax payment - Wetax

You can go to the Wetax website([www.wetax.go.kr](http://www.wetax.go.kr)) to inquire about local taxes, make tax payments, and use various reporting services. You can also download the Wetax mobile app and make payments using the smartphone.

## 3 Information on Tax Counseling for Foreigners

With the rising number of foreign employees in Korea, the National Tax Service provides the following services to serve their needs:

- English counseling service
- Telephone counseling service through an interpreter
- Foreigners can call 110 (government call center) for simplified income tax return service and counseling on income tax return tax laws
- National Tax Service's Customer Satisfaction Center (82-1588-0560)
- Services available in English, Chinese, Japanese, French, Russian, German, Spanish, Vietnamese, Mongolian, Indonesian, Thai, Bengali (Bangladesh), Urdu (Pakistan), Nepali, Khmer (Cambodia), Burmese (Myanmar), and Arabic
- Income tax return counseling for foreigners is offered through an English Hotline (82-2-397-1440) and the National Tax Service's English website offers an automatic income tax return calculation program

