Researchers have explored the racial preferences and identities of Asian adult transracial adoptees (Mohanty, Keokse & Sales, 2007; Tuan & Shiao, 2011), yet few have explored the preferences of young adoptees. Spencer (2008) noted that many studies of racial preferences tend to assume that all members of a given racial group have similar preferences, instead of acknowledging individual differences within children’s environments. The present study explored the racial preferences of young transracial adoptees from China as well as other elements of their environments: community diversity and parental acknowledgment of ethnic and racial differences. The sample of the present study consisted of 39 transracial adoptees from China, aged 6-10 years old. The study used a modified version of the Clark Doll Test (Clark & Clark, 1947) to test for racial preference using Black, White and Asian-looking dolls. The children's ethnic self-label and parental acknowledgement of ethnic and racial differences were determined from coded child and parent interviews, respectively. Community diversity was operationalized using the Blau (1977) index of heterogeneity with 2000 US Census data. Results showed little difference in ethnic self label and community diversity based on racial preferences. Trends in the data suggested that children of parents of high acknowledgment of ethnic and racial difference generally did not have a racial preference whereas children of parents from low acknowledgment of ethnic and racial difference generally had a preference for the Asian-looking dolls. The findings of this study may contribute to the understanding of young transracial adoptees’ racial preferences.