ACCOUNTING, TAX CONSULTING, AUDITING, HUMAN RESOURCE CONSULTING, LEGAL CONSULTING...

NEW LEGAL LETTERS SEPTEMBER 2018

TOP HEADLINES

HOT NEWS IN SEPTEMBER 2018

- **Directive 25 / CT-TTg on a number of tasks and solutions for production development and export promotion.**
- **Decree No. 116/2018 / ND-CP amending and supplementing a number of articles of Decree 55/2015 / ND-CP on credit policies for agricultural and rural development.**
- **Decree No. 121/2018 / ND-CP 「Enterprises with less than 10 employees are exempted from salary and salary scales」.**
- **Circular 82/2018 / TT-BTC issued by Ministry of Finance on 30/8/2018.**
- **Circular 03/2018 / TT-BTNMT dated on 14/8/2018 on the amendment and abolishment of procedures related to specialized inspection under MONRE's management functions.**
- **Decree 119/2018 / ND-CP regulating electronic invoices when selling goods or providing services starts effective from 01/11/2018.**
- **Official Letter No. 3545 / TCT-TNCN dated on 20/9/2018 on determination of taxable income when calculating PIT.**

NEW LEGAL DETAILS

- ## TAXE FIELD
- **Circular 82/2018 / TT-BTC issued by Ministry of Finance on 30/8/2018.**

This is the main content in Circular 82/2018 / TT-BTC issued by Ministry of Finance on 30/8/2018. Accordingly, the content of Example specified in Clause a.4, Clause 10, Article 7 of Circular No. 219/2013 / TT-BTC on the VAT calculation price of December 31, 2013, is hereby annulled as follows.

Example: In August 2013, Company A transferred 200 m2 of land of individual B in Binh An residential area of X with the transfer price of 6 billion VND. Company A has a notarized land use right transfer contract in accordance with the provisions of the land law, payment voucher for individual B of 6 billion VND. Company A does not invest in this land. In October 2014, Company A transferred the parcel of land purchased from individual B

for 9 billion VND (sold at the price of 9 billion VND). Company A made a VAT invoice and declared and paid VAT. The land price to be subtracted from the VAT calculation price is the land price at the time of transfer (6 billion VND).

Other contents specified at Point a.4, Clause 10, Article 7 of Circular No. 219/2013 / TT-BTC dated December 31, 2013 of the Ministry of Finance shall continue to be implemented.

Circular No. 82/2018 / TT-BTC takes effect from October 15, 2018.

- **Official Letter No. 3545 / TCT-TNCN dated on 20/9/2018 on determination of taxable income when calculating PIT.**

In case the company hires laborers who are foreigners, the expenses related to the application for licenses shall be paid by the company as the responsibility of the enterprise in accordance with the law (not the interests of the person) and the deductible expenses when calculating enterprise income tax shall not be included in the employees' income subject to PIT. And expenditures paid by the enterprise on behalf of individual laborers shall be included in PIT taxable incomes from salaries and wages and declared and paid personal income tax as prescribed.

- **ENTERPRISES**

- **Directive 25 / CT-TTg on a number of tasks and solutions for production development and export promotion.**

This is highlighted in Directive 25 / CT-TTg on a number of tasks and solutions for production development and export promotion. Accordingly, the Prime Minister instructs concerned ministries and branches to conduct the review, review and study of orientations. Reduced time to review VAT returns to help reduce costs for businesses:

  - To amend Decree No. 134/2016 / ND-CP in the direction of import tax exemption

for raw materials imported for the production of export goods which are sent by the manufacturing establishments to other establishments;

- Income tax incentives for forest product processing enterprises in areas with difficult socio-economic conditions;
- To abolish the regulations on inspection of norms of a number of active substances in the polluted norms in wastewater of aquatic product-processing enterprises;
- To apply the reduced inspection regime and shorten the deposit time for the import of discarded materials in service of production;
- To allow the import of used woodworking machinery and equipment which have been used for many years but still have high use value.

Directive 25 / CT-TTg is effective from 31/8/2018.

- **Decree No. 116/2018 / ND-CP amending and supplementing a number of articles of Decree 55/2015 / ND-CP on credit policies for agricultural and rural development.**

This is a prominent feature of Decree No. 116/2018 / ND-CP amending and supplementing a number of articles of Decree 55/2015 / ND-CP on credit policies for agricultural and rural development. Accordingly, the subject named bank loan contract of business household is regulated as follows:

- Because business households do not have legal status when they participate in loan transactions, therefore, members of business households are involved in setting up and executing loan transactions;
- Members may authorize their representatives to establish and implement this loan transaction; the authorization must be made in writing, unless otherwise agreed;
- When there is a change of representative, it must inform the party participating in the loan relations.

Where a member of a household business is not authorized by another member to act as a representative, such member shall be the subject of the loan relationship established and implemented by such member. Decree 55/2015 / ND-CP is effective from 25/10/2018.

- **Decree No. 121/2018 / ND-CP「Enterprises with less than 10 employees are exempted from salary and salary scales」**

  Accordingly, enterprises using less than 10 laborers shall be exempted from the procedures for sending the following dossiers to the district-level state management agencies in charge of labor of the localities where their production and / or business establishments are located:

  - Wage scales and payrolls;
  - Labor norms.

  Decree No. 121/2018 / ND-CP is effective from 01/11/2018.

- **Circular 03/2018 / TT-BTNMT dated on 14/8/2018 on the amendment and abolishment of procedures related to specialized inspection under MONRE's management functions.**

  This is highlighted in Circular 03/2018 / TT-BTNMT dated 14/8/2018 on the amendment and abolishment of procedures related to specialized inspection under MONRE's management functions. Accordingly, the Circular No. 41/2015 / TT-BTNMT on amendment of and addition to Circular No. 41/2015 / TT-BTNMT on the procedures for the issuance of a certificate of eligibility for environmental protection in importing discarded materials for production. Specifically:

  - In the composition of the dossier of request for certification, only one (01) report on conditions for environmental protection in the import of discarded materials shall be required instead of 07 as prescribed by the current regulations;
  - No longer require a business registration certificate or enterprise registration certificate; Certificate of tax code registration in the dossier;
  - Individuals who are allowed to import scrap materials may submit a dossier on the National Portal.
  - Also, increase the validity of the Qualification Certificate from 02 years to 03 years from the date of issue.

Circular 03/2018 / TT-BTNMT is effective from 01/10/2018.

- **Decree 119/2018 / ND-CP regulating electronic invoices when selling goods or providing services starts effective from 01/11/2018.**

  Accordingly, specifying the time required for the application of electronic invoices, the contents required in electronic invoices, the forms used for businesses using electronic invoices, the cases used for the service free electronic bill ...

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If the readers have any questions or requests, please contact with us via

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