

**THE PRESIDENT**

**THE SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom - Happiness**

**No. 02/2019/L-CTN**

*Hanoi, June 27, 2019*

## **ORDER**

### **On the promulgation of law**

THE PRESIDENT OF THE SOCIALIST REPUBLIC OF VIETNAM

*Pursuant to Articles 88 and 91 of the Constitution of the Socialist Republic of Vietnam;*

*Pursuant to Article 80 of the Law on Promulgation of Legal Documents,*

PROMULGATES:

**The Law on Tax Administration,**

which was passed on June 13, 2019, by the XIV<sup>th</sup> National Assembly of the Socialist Republic of Vietnam at its 7<sup>th</sup> session.

*President of the Socialist Republic of Vietnam*

NGUYEN PHU TRONG

**No. 38/2019/QH14**

**LAW  
On Tax Administration<sup>1</sup>**

*Pursuant to the Constitution of the Socialist Republic of Vietnam;  
The National Assembly promulgates the Law on Tax Administration.*

**Chapter I**

**GENERAL PROVISIONS**

**Article 1. Scope of regulation**

This Law prescribes the administration of taxes and other state budget revenues.

**Article 2. Subjects of application**

1. Taxpayers, including:

a/ Organizations, households, business households and individuals that pay taxes under the tax laws;

b/ Organizations, households, business households and individuals that pay other state budget revenues;

c/ Organizations and individuals that have taxes deducted.

2. Tax administration offices, including:

a/ Tax offices, including the General Department of Taxation, provincial-level Tax Departments, Tax Branches, and regional Tax Branches;

b/ Customs offices, including the General Department of Customs, provincial-level Customs Departments, the Post-Customs Clearance Inspection Department, and Customs Branches.

3. Tax administration officers, including tax officers and customs officers.

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<sup>1</sup> Công Báo Nos 561-562 (18/7/2019)

4. State agencies, and other related organizations and individuals.

**Article 3.** Interpretation of terms

In this Law, the terms below are construed as follows:

1. *Tax* means an amount compulsorily payable to the state budget by an organization, a household, a business household or an individual in accordance with the tax laws.

2. *Other state budget revenues the collection of which is managed by tax administration offices* include:

a/ Charges and fees as prescribed by the Law on Charges and Fees;

b/ Land use levy payable to the state budget;

c/ Land rentals and water surface rentals;

d/ Royalty for mineral mining;

dd/ Royalty for exploitation of water resources;

e/ Remittances into the state budget from the sale of land-attached assets or transfer of land use rights as prescribed by the Law on Management and Use of Public Assets;

g/ Revenues from the sanctioning of administrative violations as prescribed by the law on sanctioning of administrative violations in the fields of tax and customs;

h/ Late-payment interests and other revenues as prescribed by law.

3. *Other state budget revenues the collection of which is not managed by tax administration offices* include:

a/ Charges for use of marine areas for dumping as prescribed by the law on marine and island resources and environment;

b/ Charges for protection and development of land for rice cultivation as prescribed by the land law;

c/ Revenues from the sanctioning of administrative violations as prescribed by the law on sanctioning of administrative violations, except those in the fields of tax and customs;

d/ Remittances into the state budget as prescribed by the law on management and use of public assets, which come from the management, use and operation of public assets for commercial purposes, lease, joint venture, or association, after fulfillment of tax-, charge- and fee-related obligations;

dd/ Aid;

e/ Other revenues as prescribed by law.

4. *Office of a taxpayer* means a place where a taxpayer carries out part or the whole of his/her/its business activities, which may be the head office, branch, shop, place of production, place for goods storage, place for storage of assets used for production and business activities, place of residence, or place where his/her/its tax liability arises.

5. *Tax identification number* means a sequence of 10 or 13 numerals and other characters granted by a tax office to a taxpayer for the purpose of tax administration.

6. *Tax period* means a period of time for determination of a tax amount payable to the state budget as prescribed by a tax law.

7. *Tax return* means a document form set by the Minister of Finance for taxpayers to fill in information for the purpose of determining a payable tax amount.

8. *Customs declaration* means a document form set by the Minister of Finance for use as a tax return for imports and exports.

9. *Tax dossier* means a dossier for tax registration, tax declaration, tax refund, tax exemption, tax reduction, exemption from late-payment interest, non-imposition of late-payment interest, extension of the tax payment time limit, installment payment of tax arrears, or non-collection of tax; customs dossier; dossier for freezing of tax arrears; or dossier for write-off of tax arrears, late-payment interests or fines.

10. *Declaration for tax finalization* means the determination of the payable tax amount of a tax year or a period from the beginning of a tax year to the time of termination of an activity that gives rise to tax liability or a period from the time of commencement to the time of termination of an activity that gives rise to tax liability as prescribed by law.

11. *Tax year* is the calendar year starting on January 1 and ending on December 31; in case of applying the fiscal year other than the calendar year, the tax year will be the applicable fiscal year.

12. *Fulfillment of the tax payment obligation* means the full payment of payable tax amounts, late-payment interests, fines for violations of the tax laws, and other state budget revenues.

13. *Enforcement of a tax administration-related administrative decision* means the application of measures prescribed in this Law and other relevant laws to force a taxpayer to fulfill the tax payment obligation.

14. *Tax risk* means the risk of non-compliance with law by a taxpayer, leading to loss of state budget revenues.

15. *Risk management in tax administration* means the systematic application of legal provisions and operation processes to determine, assess

and classify risks which are likely to adversely affect the tax administration effectiveness and effect, providing a basis for the tax administration office to rationally allocate resources and effectively apply management measures.

16. *Advance pricing agreement* means a written agreement between a tax office and a taxpayer or between a tax office and a taxpayer and a tax authority of a foreign country or territory with which Vietnam has signed an agreement on the avoidance of double taxation and the prevention of fiscal evasion with respect to the taxes on income for a certain period, which specifies tax bases, pricing method, or application of the market price as taxable price. An advance pricing agreement shall be established before a taxpayer submits the tax declaration dossier.

17. *Tax arrears* means tax amounts and other state budget revenues the collection of which is managed by tax administration offices and which have not yet been paid into the state budget by taxpayers by the prescribed payment deadline.

18. *Trade database* means a system of financial information and data of enterprises which is organized, arranged and updated based on information provided by business organizations to tax administration offices in accordance with law.

19. *Taxpayer information* means information on a taxpayer and information related to the tax liability of the taxpayer which is provided by such taxpayer and collected by the tax administration office in the course of tax administration.

20. *Tax administration information system* includes information on tax-related statistics and accounting and other information serving tax administration work.

21. *Related parties* means parties directly or indirectly taking part in the administration and control of, or contributing capital to, enterprises; parties jointly subject to direct or indirect administration or control by an organization or individual; parties receiving capital contributions from the same organization or individual; or enterprises administered or controlled by individuals who have close relationships in the same family.

22. *Transfer pricing transaction* means a transaction between related parties.

23. *Arm's length transaction* means a transaction between non-related parties.

24. *Arm's length principle* means a principle applied in the declaration and determination of taxable prices by taxpayers involved in transfer pricing transactions in order to demonstrate that the conditions applied in transfer pricing transactions are similar to those in arm's length transactions.

25. *Substance over form principle* means a principle applied in tax administration to analyze transactions or production and business activities of taxpayers for determining the tax liability corresponding to the value created from the substance of such transactions or activities.

26. *Ultimate parent company of a group* means a legal person directly or indirectly having equity at other legal persons within a multinational group, which is not owned by any other legal person and the consolidated financial statement of which is not consolidated into any financial statement of any other legal person worldwide.

27. *Force majeure events* include:

a/ Cases in which taxpayers suffer material damage due to natural disasters, catastrophes, epidemics, fires, or accidents;

b/ Other *force majeure* events as prescribed by the Government.

#### **Article 4.** Contents of tax administration

1. Tax registration, tax declaration, tax payment, and tax assessment.

2. Tax refund, tax exemption, tax reduction, and tax non-collection.

3. Freezing of tax arrears; write-off of tax arrears, late-payment interest or fines; exemption from late-payment interest or fines; non-imposition of late-payment interest; extension of tax payment time limit; and installment payment of tax arrears.

4. Management of taxpayer information.

5. Management of invoices and documents.

6. Tax examination, tax inspection, and application of measures to prevent, combat and stop violations of the tax laws.

7. Enforcement of tax administration-related administrative decisions.

8. Sanctioning of tax administration-related administrative violations.

9. Settlement of tax-related complaints and denunciations.

10. Tax-related international cooperation.

11. Communication and support for taxpayers.

#### **Article 5.** Tax administration principles

1. All organizations, households, business households and individuals are obliged to pay taxes in accordance with law.

2. Tax administration offices and other state agencies assigned to manage revenues shall perform tax administration in accordance with this Law and other relevant laws, ensuring publicity, transparency and equality and guaranteeing lawful rights and interests of taxpayers.

3. Agencies, organizations and individuals shall participate in tax administration in accordance with law.

4. To reform administrative procedures and apply modern information technology to tax administration; to apply tax administration principles according to international practices, including the substance over form principle, the principle of risk management in tax administration and other principles as suitable to Vietnam's conditions.

5. To apply priority measures when carrying out tax-related procedures for imports and exports in accordance with the customs law and the Government's regulations.

#### **Article 6. Prohibited acts in tax administration**

1. Taxpayers and tax administration officers or tax administration offices colluding or linking with or covering up one another for the purpose of transfer pricing or tax evasion.

2. Causing troubles or hassles to taxpayers.

3. Abusing powers and positions to appropriate or illegally use tax amounts.

4. Deliberately failing to make tax declarations or declaring insufficient, late and inaccurate payable tax amounts.

5. Obstructing tax administration officers in performing their official duties.

6. Using tax identification numbers of other taxpayers to commit illegal acts or letting others use one's tax identification numbers in contravention of law.

7. Selling goods or providing services without issuing invoices in accordance with law, or using unlawful invoices or illegally using invoices.

8. Falsifying, improperly using, illegally accessing, or destroying information systems of taxpayers.

#### **Article 7. Currency used in tax declaration and payment**

1. The currency used in tax declaration and payment is Vietnam dong, except cases of tax declaration and payment in which freely convertible foreign currencies are allowed to be used.

2. Taxpayers that apply accounting in a foreign currency under the Accounting Law shall convert such foreign currency into Vietnam dong at the actual exchange rate applicable at the time a relevant transaction arises.

3. For imports and exports, the currency used in tax payment is Vietnam dong, except cases of tax declaration and payment in which freely convertible

foreign currencies are allowed to be used. The exchange rate used for tax calculation must comply with the customs law.

4. The Minister of Finance shall prescribe cases of tax declaration and payment in which freely convertible foreign currencies are allowed to be used referred to in Clauses 1 and 3, and actual exchange rate referred to in Clause 2, of this Article.

**Article 8. Tax-related e-transactions**

1. Taxpayers, tax administration offices, state management agencies, organizations and individuals eligible to perform tax-related e-transactions shall carry out e-transactions with tax administration offices in accordance with this Law and the law on e-transactions.

2. Taxpayers that perform tax-related e-transactions are not required to carry out other transaction modes.

3. Tax administration offices shall, when receiving requests for and notifying results of settlement of tax-related administrative procedures to taxpayers by electronic means, certify the taxpayers' completion of e-transactions and guarantee taxpayers' rights prescribed in Article 16 of this Law.

4. Taxpayers shall respond to requests of tax administration offices stated in electronic notices, decisions or documents in the same way as to those stated in their paper notices, decisions or documents.

5. E-documents used in e-transactions must have e-signatures in accordance with the law on e-transactions.

6. Agencies and organizations having had their electronic information systems connected to tax administration offices shall use e-documents in their transactions with tax administration offices; they shall use e-documents provided by tax administration offices to settle administrative procedures for taxpayers and refrain from requesting taxpayers to submit paper documents.

7. Tax administration offices organizing electronic information systems shall:

a/ Guide and assist taxpayers, organizations providing e-transaction services in the fields of tax and banking, and related organizations in performing tax-related e-transactions;

b/ Build, manage and operate systems of receiving and processing electronic tax data to ensure security, safety, confidentiality and uninterruptedness;

c/ Build systems for electronic connection and provision of information on tax amounts paid to the state budget, and information about taxpayers' performance of their tax liabilities to related agencies, organizations and



individuals for carrying out administrative procedures for taxpayers under regulations;

d/ Update, manage and provide information on taxpayers' registration for use of electronic tax transactions; authenticate taxpayers' e-transactions for agencies and organizations engaged in the collection of state budget revenues for the purposes of tax administration and state budget collection management;

dd/ Receive requests for, and notify results of settlement of, tax-related administrative procedures from/to taxpayers by electronic means;

e/ In case taxpayers' e-documents have been stored in databases of tax administration offices, these offices and tax administration officers shall exploit and use data in these databases without asking taxpayers to provide paper tax dossiers and tax payment documents.

8. The Minister of Finance shall prescribe dossiers and procedures related to tax-related e-transactions.

#### **Article 9. Risk management in tax administration**

1. Tax offices shall apply risk management in tax registration, tax declaration, tax payment, collection of tax arrears, enforcement of tax administration-related administrative decisions, tax refund, tax examination, tax inspection, management and use of invoices and documents, and other tax administration operations.

2. Customs offices shall apply risk management in tax declaration, tax refund, non-collection of tax, tax examination, tax inspection, and other tax administration operations.

3. Application of the risk management mechanisms in tax administration includes collecting and processing taxpayer information and data; establishing tax administration criteria; assessing taxpayers' law observance; classifying risks in tax administration; and organizing the implementation of appropriate tax administration measures.

4. Assessment of taxpayers' law observance and classification of risks in tax administration are prescribed as follows:

a/ Assessment of taxpayers' law observance shall be conducted based on the system of criteria and information about the operation history of taxpayers, the process of their observance of law and cooperation with tax administration offices in implementing tax laws, and severity of their violations of the tax laws;

b/ Classification of risks in tax administration shall be carried out based on taxpayers' law observance levels. In the course of risk classification, tax administration offices shall consider relevant factors, including information

about signs of risk; signs and acts of violation related to tax administration; and information on results of operations of tax administration offices and other related agencies as prescribed by this Law;

c/ Tax administration offices shall use results of assessment of taxpayers' tax observance and results of classification of risks in tax administration to determine and apply appropriate tax administration measures.

5. Tax administration offices shall apply information technology systems for automatic data integration and processing to serve the application of risk management in tax administration.

6. The Minister of Finance shall prescribe criteria for assessment of taxpayers' law observance, classification of risks, and application of risk management in tax administration.

#### **Article 10.** Building of tax administration personnel

1. A contingent of clean and strong tax administration personnel shall be built, equipped with and capable of utilizing modern techniques, and work in an effective and efficient manner.

2. Tax administration officers must fully satisfy the prescribed criteria and be recruited and appointed to appropriate ranks, positions or titles in tax administration offices; and be trained, retrained, managed and employed in accordance with the law on cadres and civil servants.

3. Service regimes, titles, standards, salaries and other benefits, and badges and uniforms of tax administration officers must comply with law.

4. Tax administration offices shall train and build the contingent of tax administration officers for discharging their tax administration function in accordance with law.

#### **Article 11.** Modernization of tax administration activities

1. Tax administration activities shall be modernized in terms of management methods, administrative procedures, organizational apparatus, contingent of civil servants and public employees, and application of information technology and modern techniques on the basis of accurate information and data on taxpayers in order to control all taxable objects and tax bases; ensure fast and accurate projection of state budget revenues; detect and timely handle problems and violations of the tax laws; and raise the effect and efficiency of tax administration activities. Depending on the socio-economic development situation in each period, the State shall ensure financial resources for implementation of this Clause.

2. The State shall create conditions for organizations and individuals to participate in the development of advanced technologies and technical

equipment for application of modern tax administration methods, performance of e-transactions and electronic tax administration; and boost the development of payment services via commercial banks and other credit institutions so as to step by step restrict cash payment transactions of taxpayers.

3. Tax administration offices shall build their information technology systems meeting tax administration modernization requirements, technical standards and data format on electronic invoices and documents, and tax dossiers for performance of e-transactions between taxpayers and tax administration offices and between tax administration offices and related agencies, organizations and individuals.

**Article 12.** Tax-related international cooperation of tax administration offices

Within the ambit of their tasks and powers, tax administration offices shall:

1. Advise and assist the Minister of Finance in proposing the negotiation and conclusion of treaties, and exercise of rights, performance of obligations and guarantee of interests of the Socialist Republic of Vietnam under treaties to which the Socialist Republic of Vietnam is a contracting party;

2. Negotiate, conclude, and organize the implementation of, bilateral and multilateral agreements with foreign tax administration authorities;

3. Utilize and exchange information and enter into cooperation with foreign tax administration authorities and related international organizations. Exchange taxpayer information and information on related parties with foreign tax authorities to serve the tax administration of transfer pricing transactions;

4. Take measures to support tax collection under treaties to which the Socialist Republic of Vietnam is a contracting party, including:

a/ Requesting foreign tax administration authorities and competent authorities to support the collection in their countries of tax arrears which taxpayers are obliged to pay to Vietnam after they are no longer in Vietnam;

b/ Providing support at the request of foreign tax administration authorities for the collection of tax arrears payable by taxpayers currently based in Vietnam to foreign countries through urging the collection of tax arrears in accordance with this Law and suitability to the actual tax administration of Vietnam.

**Article 13.** Tax-related accounting and statistics

1. Tax administration offices shall carry out the accounting of tax amounts, late-payment interests, fines and other state budget revenues which

they have to collect or have collected, or which they have exempted, reduced, written off, refrained from collecting or refunded in accordance with the accounting law and the law on the state budget.

2. Tax administration offices shall make statistics of tax amounts already exempted and reduced and other statistics about taxes and taxpayers in accordance with the statistical law and the tax laws.

3. Annually, tax administration offices shall submit tax-related accounting and statistics reports to competent agencies and disclose information in accordance with law.

## Chapter II

### TASKS, POWERS AND RESPONSIBILITIES OF AGENCIES, ORGANIZATIONS AND INDIVIDUALS IN TAX ADMINISTRATION

#### **Article 14.** Tasks and powers of the Government

1. To perform the unified state management of tax administration, ensuring close coordination between specialized management agencies and localities in tax administration.

2. To extend tax payment time limits for production and business entities and sectors and trades facing special difficulties in each period.

3. To report on tax administration work to the National Assembly, National Assembly Standing Committee and President as requested.

#### **Article 15.** Tasks, powers and responsibilities of ministries, ministerial-level agencies and government-attached agencies

1. The Ministry of Finance shall assume the prime responsibility for assisting the Government in performing the unified state management of tax administration, and has the following tasks and powers:

a/ To promulgate according to its competence or submit to competent authorities for promulgation legal documents on tax administration;

b/ To organize tax administration in accordance with this Law and other relevant laws;

c/ To organize the formulation and implementation of state budget revenue estimates;

d/ To organize the examination and inspection of the implementation of the tax laws and other relevant laws;

dd/ To handle violations and settle complaints and denunciations related to the implementation of the tax laws according to its competence;

e/ To organize tax-related international cooperation;

g/ To coordinate with the Ministry of Planning and Investment and other related ministries in guiding the independent assessment of values of machinery, equipment and technological lines under the Investment Law.

2. The Ministry of Public Security shall:

a/ Connect to tax administration offices and receive information about the payment of taxes for road motor vehicles upon ownership or use rights registration in accordance with law;

b/ Receive, process and handle reports and denunciations on crimes and propose initiation of criminal cases against offenders, and receive dossiers from tax administration offices that detect violations showing signs of crime in the field of tax, and investigate and handle crimes in the field of tax in accordance with law; if refraining from initiating criminal cases or suspending investigation activities, notify in writing tax administration offices of the reasons therefor and forward the dossiers to the latter for settlement according to their competence.

3. The Ministry of Industry and Trade shall:

a/ Direct and guide competent agencies in connecting to the Ministry of Finance and providing it with relevant information for performing tax administration of organizations and individuals engaged in e-commerce, franchise and other relevant activities;

b/ Direct and guide competent agencies to coordinate with tax administration offices in implementing regulations on trading in goods and services in the market and in other fields in accordance with law.

4. The Ministry of Information and Communications shall:

a/ Direct and guide competent agencies to coordinate with tax administration offices in performing tax administration with regard to the provision and use of Internet services, and online information and video games;

b/ Direct and guide competent agencies to connect to tax administration offices and provide them with relevant information about organizations and individuals directly engaged or involved in the management, provision and use of Internet services, and online information and video games.

5. The State Bank of Vietnam shall:

a/ Direct and guide credit institutions to connect to tax administration offices and provide them with relevant information related to via-bank transactions of organizations and individuals, and coordinate with them in taking coercion measures in accordance with this Law;

b/ Build and develop the national e-commerce payment system and integrated e-payment utilities for application to e-commerce models;

c/ Create a mechanism for management and supervision of payment transactions supporting the tax administration of the cross-border provision of services in e-commerce.

6. The Ministry of Planning and Investment shall:

a/ Direct and guide competent agencies to coordinate with tax administration offices in the grant and revocation of enterprise registration certificates, business registration certificates, investment registration certificates, tax registration certificates and other registration papers of taxpayers according to the inter-agency single-window mechanism;

b/ Direct and guide competent agencies to intensify the appraisal of investment projects with a view to preventing transfer pricing and tax avoidance;

c/ Direct and guide competent agencies to intensify the inspection, examination and assessment of the quality and value of machinery, equipment and technologies used in the course of operation of investment projects;

d/ Direct and guide competent agencies to coordinate with tax administration offices in implementing regulations on investment incentives in accordance with the tax laws.

7. The Ministry of Natural Resources and Environment shall:

a/ Direct and guide competent agencies to coordinate with tax administration offices in managing revenues related to land, land-attached assets and mineral resources;

b/ Provide taxpayer information under the management of natural resources and environment agencies at the request of tax administration offices to serve tax administration work.

8. The Ministry of Transport shall:

a/ Direct and guide competent agencies to connect and provide tax administration-related information about enterprises and individuals engaged in the transport of cargoes and passengers;

b/ Connect and provide information on revenue management-related technical criteria of vehicles subject to ownership or use rights registration.

9. The Ministry of Labor, Invalids and Social Affairs shall direct and guide competent agencies to connect and provide tax administration offices with information relating to the grant of work permits to foreign workers in Vietnam and Vietnamese guest workers.

10. The Ministry of Health shall direct and guide competent agencies to coordinate with tax administration offices in connecting and providing

information about pharmacy trading establishments and medical examination and treatment establishments.

11. Ministries, ministerial-level agencies and government-attached agencies shall coordinate with the Ministry of Finance in performing the state management of tax administration under the Government's regulations.

**Article 16. Rights of taxpayers**

1. To be provided with tax payment assistance and guidance; to be provided with information and documents for performance of their tax-related obligations and enjoyment of their tax-related benefits.

2. To receive documents related to their tax liability from competent agencies conducting inspection, examination or audit.

3. To request tax administration offices to explain tax calculation and assessment; to request expert assessment of the quantity, quality and category of imports and exports.

4. To have information kept confidential, except information to be provided to competent state agencies or tax-related information to be disclosed under law.

5. To be entitled to tax-related incentives and tax refund under the tax laws; to be informed of the time limit for settlement of tax refund, and tax amounts not to be refunded and legal grounds for such non-refund.

6. To sign tax agency or customs clearance agency service contracts with tax procedure service providers and customs clearance agents.

7. To receive decisions on handling of tax-related matters and written records on tax examination or inspection, and request explanation of decisions on handling of tax-related matters; to reserve their opinions in tax examination or inspection records; to receive written conclusions on tax examination or inspection and decisions on handling of tax-related matters after inspection or examination issued by tax administration offices.

8. To receive compensations in accordance with law for damage caused by tax administration offices or tax administration officers.

9. To request tax administration offices to certify that they have fulfilled their tax payment obligation.

10. To lodge complaints about or initiate lawsuits against administrative decisions or administrative acts related to their lawful rights and interests.

11. Not to be imposed tax-related administrative sanctions or late-payment interests in case they comply with guiding documents and decisions determining their tax liability issued by tax administration offices or competent state agencies.

12. To lodge denunciations in accordance with the law on denunciations about violations committed by tax administration officers and other organizations and individuals.

13. To search, read and print all e-documents they have sent to the portals of tax administration offices in accordance with this Law and the law on e-transactions.

14. To use e-documents in transactions with tax administration offices and related agencies and organizations.

**Article 17. Responsibilities of taxpayers**

1. To make tax registration and use tax identification numbers in accordance with law.

2. To make accurate, truthful and complete tax declaration and submit tax dossiers on time; to take responsibility before law for the accuracy, truthfulness and completeness of tax dossiers.

3. To pay tax amounts, late-payment interests and fines fully, on schedule and at right places.

4. To implement the accounting and statistical regimes and manage and use invoices and documents in accordance with law.

5. To record accurately, truthfully and completely all activities that give rise to tax liability, tax deduction and transactions subject to declaration of tax-related information.

6. To make and hand over invoices and documents to buyers according to the actual quantity, category and payment value in accordance with law when selling goods or providing services.

7. To provide accurate, adequate and prompt information and documents related to tax liability determination, including information on investment value; codes and details of transactions conducted via accounts opened at commercial banks or other credit institutions; to explain tax calculation, declaration and payment at the request of tax administration offices.

8. To observe decisions, notices and requests of tax administration offices and tax administration officers in accordance with law.

9. To perform tax liability in accordance with law in case their at-law or authorized representatives carry out on their behalf tax-related procedures in contravention of regulations.

10. To make electronic tax declaration, tax payment and transactions with tax administration offices in accordance with law in case they carry out



business activities in places where information technology infrastructure is available.

11. Based on practical conditions and available information technology equipment, the Government shall prescribe in detail cases in which taxpayers are not required to submit the documents in tax declaration, tax payment or tax refund dossiers and other tax dossiers which are available at state management agencies.

12. To build, manage and operate technical infrastructure systems securing the performance of e-transactions with tax administration offices and connect information relating to their performance of tax liability to tax administration offices.

13. Taxpayers involved in transfer pricing transactions shall make, archive, declare and provide dossiers and information about themselves and their related parties, including also information on related parties residing in overseas countries or territories under the Government's regulations.

**Article 18.** Obligations of tax administration offices

1. To organize management of the collection of tax revenues and other state budget revenues in accordance with the tax laws and other relevant laws.

2. To disseminate and guide the tax laws and publicize tax-related procedures at their offices and on their websites and in the mass media.

3. To explain and provide information relating to tax liability determination to taxpayers; tax offices shall publicize payable tax amounts for business households and individuals in communes, wards or townships.

4. To keep taxpayer information confidential, except information to be provided to competent agencies or information to be disclosed under law.

5. To grant tax exemption; tax reduction; write-off of tax arrears, late-payment interest or fines; exemption from late-payment interest or fines; non-imposition of late-payment interest; extension of tax payment time limit; installment payment of tax arrears; freezing of tax arrears or non-collection of tax; handling of overpaid tax amounts, late-payment interests or fines; and tax refund in accordance with this Law and other relevant laws.

6. To certify the fulfillment of tax liability by taxpayers upon request in accordance with law.

7. To settle complaints and denunciations related to the implementation of the tax laws according to their competence.

8. To hand over records, conclusions or decisions on handling of tax-related matters after tax examination or inspection to taxpayers and provide explanations upon request.

9. To pay compensations to taxpayers in accordance with the law on state compensation liability.

10. To conduct assessment for determining tax amounts payable by taxpayers at the request of competent state agencies.

11. To build and organize electronic information systems and apply information technology for performance of tax-related e-transactions.

**Article 19.** Powers and tax administration offices

1. To request taxpayers to provide information and documents relating to tax liability determination, including information on investment value; codes and details of transactions conducted via accounts opened at commercial banks or other credit institutions, and provide explanations about tax calculation, declaration and payment.

2. To request related organizations and individuals to provide information and documents relating to tax liability determination and coordinate with tax administration offices in implementing the tax laws.

3. To carry out tax examination and inspection in accordance with law.

4. To conduct tax assessment.

5. To enforce tax administration-related administrative decisions.

6. To sanction tax administration-related administrative violations according to their competence; to publicize violations of the tax laws in the mass media.

7. To apply measures to stop violations and secure the sanctioning of administrative violations in tax administration in accordance with law.

8. To authorize agencies, organizations or individuals to collect some types of tax under the Government's regulations.

9. Tax offices shall apply the mechanism on advance pricing agreement to taxpayers and tax authorities of foreign countries or territories with which/whom Vietnam has signed agreements on the avoidance of double taxation and the prevention of fiscal evasion with respect to the taxes on income.

10. To buy information, documents and data from domestic and foreign providers to serve tax administration work; to pay expenses for the authorized collection of taxes from the source of collected tax amounts or their own funding sources under the Government's regulations.

**Article 20.** Tasks and powers of People's Councils and People's Committees at all levels

1. The People's Councils at all levels shall, within the ambit of their tasks and powers, decide on annual budget collection tasks and oversee the implementation of the tax laws in their localities.

2. Within the ambit of their tasks and powers, the People's Committees at all levels shall:

a/ Direct related local agencies to coordinate with tax administration offices in preparing cost estimates for, and organizing the collection of taxes and other the state budget revenues in their localities;

b/ Coordinate with the Ministry of Finance, tax administration offices and other competent agencies in performing tax administration and implementing the tax laws;

c/ Sanction administrative violations and settle complaints and denunciations related to the implementation of the tax laws according to their competence.

**Article 21.** Tasks and powers of the State Audit Office of Vietnam

1. To conduct performance audit for tax administration offices in accordance with the law on the state audit, the tax laws and other relevant laws.

2. For the State Audit Office of Vietnam's recommendations related to taxpayers' tax liability:

a/ In case the State Audit Office of Vietnam directly audits taxpayers under the Law on the State Audit and makes recommendations about the state budget payment obligation, it shall send the audit record or report to taxpayers and taxpayers shall comply with such recommendations. If taxpayers disagree with the recommendations of the State Audit Office of Vietnam, they may lodge complaints against such recommendations;

b/ In case the State Audit Office of Vietnam does not directly audit taxpayers but conducts audit at tax administration offices and makes audit reports containing recommendations on taxpayers' tax liability, it shall send these recommendations to taxpayers for compliance. Tax administration offices shall organize the implementation of the State Audit Office of Vietnam's recommendations. If taxpayers disagree with the tax liability they have to perform, they may send a written request to tax administration offices or the State Audit Office of Vietnam for re-consideration of such liability. Based on such request, the State Audit Office of Vietnam shall assume the prime responsibility for, and coordinate with tax administration offices in, accurately determining the tax liability of taxpayers and take responsibility therefor under law.

**Article 22.** Tasks and powers of state inspectorates

1. To inspect the operation of tax administration offices under the inspection law, the tax laws and other relevant laws.

2. For state inspectorates' conclusions related to taxpayers' tax liability:

a/ In case state inspectorates directly inspect taxpayers under the Inspection Law and make conclusions on the state budget payment obligation, they shall send inspection records or conclusions to taxpayers for compliance. If taxpayers disagree with conclusions of state inspectorates, they may lodge complaints about such conclusions;

b/ In case state inspectorates do not directly inspect taxpayers but conduct inspection at tax administration offices and make recommendations related to taxpayers' tax liability in their inspection conclusions, they shall send such conclusions to taxpayers for compliance. Tax administration offices shall organize the implementation of conclusions of state inspectorates. If taxpayers disagree with the tax liability they have to perform, they may send a request to tax administration offices or state inspectorates for re-consideration of such liability. Based on such request, state inspectorates shall assume the prime responsibility for, and coordinate with tax administration offices in, accurately determining the tax liability of taxpayers and take responsibility therefor under law.

**Article 23.** Tasks and powers of investigation agencies, procuracies and courts

Investigation agencies, procuracies and courts shall, within the ambit of their tasks and powers, receive, handle and process reports and denunciations on crimes and propose initiation of criminal cases or initiate criminal cases for, or investigate, prosecute or try tax-related crimes in a prompt and strict manner and notify implementation results to tax administration offices.

**Article 24.** Tasks and powers of the Vietnam Fatherland Front

1. To disseminate information to and mobilize people of all strata to seriously implement the tax laws.

2. To perform tax-related oversight and social criticism; to report information to and propose state agencies to consider and settle tax-related issues in accordance with law.

**Article 25.** Tasks and powers of socio-politico-professional organizations, social organizations and socio-professional organizations

1. To coordinate with tax administration offices in carrying out tax law dissemination and education for their members.

2. To coordinate with tax administration offices in providing information about tax administration.

**Article 26.** Tasks and powers of information and press agencies

1. To disseminate tax-related policies and laws; to praise organizations and individuals that have well implemented the tax laws, and report and criticize violations of the tax laws.

2. To coordinate with tax administration offices in publishing and providing information in accordance with law.

**Article 27.** Tasks and powers of commercial banks

1. When joining in the collection of taxes and other state budget revenues, commercial banks shall:

a/ Coordinate with tax administration offices and State Treasury offices in conducting electronic payment by and refund of taxes to taxpayers; process and check data on electronic tax payment and refund;

b/ Disseminate and receive information on e-documents on tax payment and transfer payments for state budget revenues to State Treasury offices in an adequate, accurate and timely manner in accordance with law;

c/ To assist taxpayers in the electronic payment of taxes;

d/ To keep information about taxpayers and customs declarants confidential in accordance with law.

2. To provide information on account codes according to tax identification numbers of taxpayers upon opening of accounts.

3. To make tax deduction and on-behalf tax payment in accordance with the tax laws for overseas organizations and individuals that carry out e-commerce activities generating incomes in Vietnam.

4. To make deductions from taxpayer accounts for tax payment, and block accounts of taxpayers according to tax administration-related administrative decisions at the request of tax administration offices.

5. For taxpayers having obtained guarantee for tax amounts, late-payment interests, fines or other state budget revenues under this Law, when they fail to pay them on time, guarantee-providing banks shall pay such amounts on behalf of taxpayers within the scope of guarantee.

6. The Government shall detail this Article.

**Article 28.** Tax consultancy councils in communes, wards or townships

1. Chairpersons of district-level People's Committees shall, based on the number of business households and individuals in the localities and their business scale, decide on the formation of tax consultancy councils in communes, wards or townships (below referred to as commune-level tax consultancy councils) at the request of heads of district-level Tax Branches or heads of regional Tax Branches.

2. Commune-level tax consultancy councils shall advise tax offices on revenues of and tax amounts payable by business households and individuals by the presumption method in their localities and coordinate with the latter in urging business households and individuals to fulfill their tax liability in accordance with law.

3. Funds for operation of commune-level tax consultancy councils shall be allocated by tax offices from the state budget reserved for the taxation sector.

4. The Minister of Finance shall prescribe operation, powers and responsibilities of commune-level tax consultancy councils.

**Article 29.** Tasks and powers of other organizations and individuals

1. To provide information for the determination of tax liability at the request of tax administration offices.

2. To coordinate with tax administration offices in executing decisions on sanctioning of administrative violations related to tax administration.

3. To denounce violations of the tax laws to tax administration offices or competent state agencies.

4. To request goods sellers or service providers to issue goods sale or service provision invoices and documents stating the true qualities, types, paid values of the goods or services.

### Chapter III

#### TAX REGISTRATION

**Article 30.** Tax registrants and grant of tax identification numbers

1. A taxpayer shall make tax registration and be granted a tax identification number by a tax office before he/she/it commences production and business activities or upon the arising of liability to the state budget. Tax registrants include:

a/ Enterprises, organizations and individuals that make tax registration together with enterprise registration, cooperative registration or business registration under the single-window mechanism under the Law on Enterprises and other relevant laws;

b/ Organizations and individuals not falling in the cases specified at Point a of this Clause shall make tax registration directly with tax offices under the Minister of Finance's regulations.

2. The structure of tax identification numbers is prescribed as follows:

a/ Ten-digit tax identification numbers shall be used for enterprises and organizations with legal person status; representatives of households or business households and other individuals;

b/ Tax identification numbers consisting of 13 digits and other characters shall be used for affiliates and other entities;

c/ The Minister of Finance shall detail this Clause.

3. The grant of tax identification numbers is prescribed as follows:

a/ Enterprises, economic organizations and other organizations shall be each granted 1 sole tax identification number for use throughout the course of their operation since they make tax registration until such number is invalidated. Taxpayers whose branches, representative offices or affiliates directly fulfill tax liability shall be granted dependent tax identification numbers. In case an enterprise, an organization, a branch, a representative office or an affiliate makes tax registration under the single-window mechanism together with enterprise registration, cooperative registration or business registration, the code written in the enterprise registration certificate, cooperative registration certificate or business registration certificate is also the tax identification number;

b/ An individual shall be granted 1 sole tax identification number for use throughout his/her life. A dependent of an individual shall be granted a tax identification number for such individual to enjoy reduction of tax amounts based on family circumstances for payment of personal income tax. A tax identification number granted to an individual's dependent is also that of the individual when the dependent has to fulfill liability to the state budget;

c/ Enterprises, organizations and individuals responsible for withholding and paying taxes on taxpayers' behalf shall be granted tax identification numbers to declare and pay taxes on taxpayers' behalf;

d/ The granted tax identification numbers may not be granted to other taxpayers;

dd/ Tax identification numbers of enterprises, economic organizations and other organizations that are transformed, sold, donated or inherited remain unchanged;

e/ Tax identification numbers granted to households, or business households or individuals are those granted to individuals representing such households or individuals.

4. Tax registration covers:

a/ First-time tax registration;

b/ Notice of change in tax registration information;

- c/ Notice of suspension of operation and business activities;
- d/ Invalidation of tax identification numbers;
- dd/ Restoration of tax identification numbers.

**Article 31.** First-time tax registration dossiers

1. Tax registration dossiers of taxpayers who make tax registration together with enterprise registration, cooperative registration or business registration are enterprise registration dossiers, cooperative registration dossiers or business registration dossiers as prescribed by law.

2. A tax registration dossier of a taxpayer being an organization that makes tax registration directly with a tax office must comprise:

a/ A tax registration form;

b/ A copy of the establishment and operation license, establishment decision, investment registration certificate or another equivalent paper granted by a competent agency which remains valid;

c/ Other relevant papers.

3. A tax registration dossier of a taxpayer being a household, a business household or an individual that makes tax registration directly with a tax office must comprise:

a/ A tax registration form or tax return;

b/ A copy of his/her people's identity card, citizen identity card or passport;

c/ Other relevant papers.

4. The information connection between state management agencies and tax offices for receipt of tax registration dossiers and grant of tax identification numbers under the single-window mechanism via portals must comply with relevant laws.

**Article 32.** Places for submission of first-time tax registration dossiers

1. Places for submission of tax registration dossiers for taxpayers that make tax registration together with enterprise registration, cooperative registration or business registration are the places for submission of enterprise registration dossiers, cooperative registration dossiers or business registration dossiers as prescribed by law.

2. Places for submission of tax registration dossiers for taxpayers that make tax registration directly with tax offices are prescribed as follows:

a/ Organizations, and business households and individuals shall submit tax registration dossiers at tax offices of the localities where head offices of such organizations, households and individuals are located;



b/ Organizations and individuals responsible for withholding and paying taxes on taxpayers' behalf shall submit tax registration dossiers at tax offices directly managing such organizations and individuals;

c/ Non-business households and individuals shall submit tax registration dossiers at tax offices of the localities where taxable incomes are generated or places where they have registered their permanent residence or temporary residence or places where liability to the state budget arises.

3. Individuals who authorize income payers to make tax registration on behalf of such individuals and their dependents shall submit tax registration dossiers via such income payers. Income payers shall summarize tax registration dossiers and submit them to their managing tax offices on behalf of individuals.

**Article 33.** Time limit for first-time tax registration

1. The time limit for tax registration for taxpayers that make tax registration together with enterprise registration, cooperative registration or business registration is the time limit for enterprise registration, cooperative registration or business registration as prescribed by law.

2. The time limit for tax registration for taxpayers that make tax registration directly with tax offices is 10 working days after:

a/ They are granted business household registration certificates, establishment and operation licenses, investment registration certificates or establishment decisions;

b/ They commence their business activities, for organizations not subject to business registration, or business households and individuals subject to business registration but having not been granted business registration certificates;

c/ Their responsibility for withholding and paying taxes on taxpayers' behalf arises; organizations shall pay taxes on individuals' behalf under their business cooperation contracts or documents;

d/ They sign bidding contracts, for foreign contractors and subcontractors that make tax declaration and payment directly with tax offices; or sign petroleum contracts or agreements;

dd/ The personal income tax liability arises;

e/ A claim for tax refund is made;

g/ Another liability to the state budget arises.

3. An income payer shall make tax registration on behalf of an individual who has income within 10 working days after a tax liability arises in case the individual has no tax identification number; or make tax

registration on behalf of a taxpayer's dependent within 10 working days after the taxpayer registers for reduction of tax amounts based on family circumstances as prescribed by law in case his/her dependent has no tax identification number.

**Article 34.** Grant of tax registration certificates

1. Tax offices shall grant tax registration certificates to taxpayers within 3 working days after receiving a complete and valid tax registration dossier from a taxpayer. A tax registration certificate must contain the following information:

a/ Taxpayer's name;

b/ Tax identification number;

c/ Serial number and date of the business registration certificate, establishment and operation license or investment registration certificate, for business organizations or individuals; serial number and date of the establishment decision, for organizations not subject to business registration; or information of people's identity card, citizen identity card or passport, for individuals not subject to business registration;

d/ The tax office directly managing the taxpayer.

2. Tax offices shall notify tax identification numbers instead of granting tax registration certificates to taxpayers when:

a/ Individuals authorize income payers to make tax registration on behalf of such individuals and their dependents;

b/ Individuals make tax registration via tax declaration dossiers;

c/ Organizations or individuals make tax registration for tax withholding or payment on taxpayers' behalf;

d/ Individuals make tax registration for their dependents.

3. If a tax registration certificate or notice of tax identification number is lost, torn, damaged or burnt, tax offices shall re-grant it within 2 working days after receiving a taxpayer's valid and complete dossier of request for re-grant.

**Article 35.** Use of tax identification numbers

1. Taxpayers shall write their granted tax identification numbers on all invoices and documents when conducting business transactions; opening their deposit accounts at commercial banks or other credit institutions; upon tax declaration, tax payment, tax exemption, tax reduction, tax refund, or non-collection of tax, registering customs declarations, and making other tax-transfer pricing transactions for all liabilities to the state budget, even when

they conduct production and business activities in different geographical areas.

2. Taxpayers shall provide their tax identification numbers to related agencies or organizations or write tax identification numbers on their dossiers when carrying out administrative procedures with tax management offices under the single-window mechanism.

3. Tax administration offices, State Treasury offices and commercial banks that coordinate in collection of state budget revenues, and organizations authorized by tax offices to collect taxes shall use taxpayers' tax identification numbers in the administration and collection of taxes into the state budget.

4. Commercial banks and other credit institutions shall write tax identification numbers in taxpayers' dossiers of request for opening of accounts and on documents of transactions via these accounts.

5. Other organizations and individuals participating in tax administration shall use taxpayers' tax identification numbers when providing information for the determination of tax liability.

6. Vietnamese parties that wish to pay organizations and individuals not present in Vietnam but conducting cross-border business activities based on digital platform shall use such organizations' and individuals' tax identification numbers for tax deduction or tax payment on the latter's behalf.

7. Personal identification numbers shall be used instead of tax identification numbers after they are granted to all residents.

**Article 36.** Notice of change in tax registration information

1. When there is a change in tax registration information, taxpayers that make tax registration together with enterprise registration, cooperative registration or business registration shall notify such change together with changes in the enterprise registration, cooperative registration or business registration contents in accordance with law.

In case the change in a taxpayer's office address results in the change of his/her/its managing tax office, the taxpayer shall carry out tax-related procedures with the new managing tax office under this Law before registering information changes with the enterprise registration, cooperative registration or business registration office.

2. When there is a change in tax registration information, taxpayers that make tax registration directly with tax offices shall notify such change to their managing tax offices within 10 working days after such change is made.

3. An individual who authorizes his/her income payer to register a change in tax registration information of such individual and his/her

dependent shall notify such change to his/her income payer within 10 working days after that change is made. The income payer shall notify such change to the tax administration office within 10 working days after being authorized.

**Article 37.** Notice of suspension of operation or business activities

1. In case organizations, or business households or individuals subject to business registration suspend their operation or business activities for a definite period of time or resume their operation or business activities before the announced time under the Law on Enterprises and other relevant laws, tax offices shall, based on notices of taxpayers or competent state agencies, perform tax administration during the period of suspension or resumption as prescribed in this Law.

2. Organizations, or business households or individuals not subject to business registration shall notify their managing tax offices at least 1 working day before suspending their operation or business activities or resuming their operation or business activities before the announced time of such suspension or resumption for tax administration performance.

3. The Government shall prescribe tax administration for taxpayers during the period of suspension of their operation or business activities or resumption of their operation or business activities before the announced time.

**Article 38.** Tax registration in case of reorganization of enterprises

1. Upon the reorganization of enterprises, taxpayers that make tax registration together with enterprise registration, cooperative registration or business registration shall make tax registration together with enterprise registration, cooperative registration or business registration in accordance with law.

2. Upon the reorganization of enterprises, taxpayers that make tax registration directly with tax offices shall complete procedures for invalidation of tax identification numbers for divided, merged or consolidated organizations, or change information for split and newly-registered organizations, or make new registration or change information for new organizations after being divided and split or merged and consolidated.

**Article 39.** Invalidation of tax identification numbers

1. Taxpayers that make tax registration together with enterprise registration, cooperative registration or business registration shall complete procedures for invalidation of tax identification numbers when falling into one of the following cases:

a/ Terminating business activities or being dissolved or falling bankrupt;

b/ Having their enterprise registration certificates, cooperative registration certificates or business registration certificates revoked;

c/ Being divided, merged or consolidated.

2. Taxpayers that make tax registration directly with tax offices shall complete procedures for invalidation of tax identification numbers when falling into one of the following cases:

a/ Terminating business activities, or no longer having tax liabilities for non-business organizations;

b/ Having their business registration certificates or equivalent permits revoked;

c/ Being divided, merged or consolidated;

d/ Being informed by tax offices that taxpayers no longer operate at the registered addresses;

dd/ Taxpayers being individuals are dead or missing, or lose their civil act capacity in accordance with law;

e/ Taxpayers being foreign contractors terminate contracts;

g/ Taxpayers being contractors or investors to petroleum contracts terminate contracts or transfer all benefits from petroleum contracts.

3. Principles of invalidation of tax identification numbers:

a/ Tax identification numbers may not be used in economic transactions from the date tax offices announce their invalidation;

b/ Organizations' invalidated tax identification numbers may not be used, except the case prescribed in Article 40 of this Law;

c/ Upon the invalidation of tax identification numbers of business households or individuals, tax identification numbers of representatives of business households are not invalidated and may be used to perform other tax liabilities of such representatives;

d/ If enterprises, economic organizations, other organizations or individuals have their tax identification numbers invalidated, they are required to concurrently complete procedures for invalidation of tax identification numbers that are used to conduct on-behalf tax payment;

dd/ If taxpayers being managing units have their tax identification numbers invalidated, their affiliates' tax identification numbers shall be invalidated.

4. A dossier of request for invalidation of a tax identification number must comprise:

a/ A written request for invalidation of the tax identification number;

b/ Other relevant papers.

5. Taxpayers that make tax registration together with enterprise registration, cooperative registration or business registration shall register dissolution or termination of operation at the enterprise registration, cooperative registration or business registration agencies in accordance with law. Before making registration at such agencies, taxpayers shall make registration with their managing tax offices in order to fulfill their tax payment obligation prescribed by this Law and other relevant laws.

6. Taxpayers that make tax registration directly with tax offices shall submit dossiers of request for invalidation of tax identification numbers to their managing tax offices within 10 working days after receiving operation termination or business termination documents or after completing contracts.

#### **Article 40.** Restoration of tax identification numbers

1. If taxpayers that make tax registration together with enterprise registration, cooperative registration or business registration have their legal status restored under the law on enterprise registration, cooperative registration or business registration, their tax identification numbers may also be restored.

2. Taxpayers that make tax registration with tax offices shall submit dossiers of request for restoration of tax identification numbers to their managing tax offices when:

a/ Competent agencies issue a document annulling the document on revocation of the business registration certificate or equivalent permit;

b/ Taxpayers wish to resume business activities after dossiers of invalidation of tax identification numbers are sent to tax offices but the latter have not yet issued a notice of the invalidation;

c/ Tax offices issue a notice stating that taxpayers no longer operate at the registered addresses and their licenses have not been revoked and tax identification numbers have not been invalidated.

3. Tax identification numbers may continue to be used in economic transactions from the effective date of the business registration office's decision on restoration of legal status of taxpayers or the date of issuance of the tax office's notice of restoration of tax identification numbers.

4. A dossier of request for restoration of a tax identification number must comprise:

a/ A written request for restoration of the tax identification number;

b/ Other relevant papers.

**Article 41.** Responsibilities of the Minister of Finance and tax offices in tax registration

1. The Minister of Finance shall detail the tax registration dossier, and prescribe procedures and forms for tax registration specified in Articles 31, 34, 36, 37, 38, 39 and 40 of this Law.

2. Tax offices shall receive tax registration dossiers from taxpayers:

a/ Directly at their offices;

b/ By post;

c/ Via their portals and from the national system of information on enterprise registration, cooperative registration or business registration (below referred to as the national business registration information system).

3. Tax offices shall process tax registration dossiers as follows:

a/ If a dossier is complete, a tax office shall notify the taxpayer of the acceptance of the dossier and process the dossier within 3 working days after receiving it.

b/ If a dossier is incomplete, a tax office shall notify such to the taxpayer within 2 working days after receiving it.

4. In case a tax registration dossier is sent together with enterprise registration, cooperative registration or business registration from the national business registration information system, cooperative registration or business registration, the dossier-receiving agency shall transfer the dossier to the tax office for processing and return the dossier processing results to the taxpayer as prescribed by this Law and other relevant laws.

## Chapter IV

### TAX DECLARATION, TAX CALCULATION

**Article 42.** Principles of tax declaration and calculation

1. Taxpayers shall accurately, honestly and fully fill in their tax returns provided by the Minister of Finance, and submit all required documents in tax declaration dossiers to tax administration offices.

2. Taxpayers shall calculate by themselves payable tax amounts, unless the tax calculation is conducted by tax administration offices under the Government's regulations.

3. Taxpayers shall make tax declaration and calculation at competent tax offices of the localities where their offices are based. In case a taxpayer makes centralized accounting at the head office and has an affiliate in a provincial-level administrative unit of the locality other than where his/her/its

head office is located, the taxpayer shall make tax declaration at the head office and make tax calculation and distribute the payable tax amount for each locality eligible for state budget revenues. The Minister of Finance shall detail this Clause.

4. For e-commerce business and digital platform-based business activities and other services provided by foreign suppliers without Vietnam-based permanent establishments, foreign suppliers shall directly make or authorize tax registration, declaration and payment in Vietnam under the Minister of Finance's regulations.

5. Principles of declaration and determination of taxable prices applied to transfer pricing transactions are prescribed as follows:

a/ Declaration and determination of prices of transfer pricing transactions on the principle of analysis of and comparison with arm's length transactions and substance over form principle to determine payable tax amounts similar to transactions between independent parties;

b/ Prices of transfer pricing transactions shall be adjusted according to independent transactions to declare and determine payable tax amounts on the principle of non-reduction of taxable incomes;

c/ Small-sized taxpayers with low tax risks are not required to comply with Points a and b of this Clause and may apply the mechanism for simplification of procedures for declaration and determination of prices of transfer pricing transactions.

6. Principles of tax declaration under the mechanism for advance pricing agreement are prescribed as follows:

a/ The mechanism for advance pricing agreement shall be applied upon request of taxpayers and on the basis of consensus between tax offices and taxpayers under unilateral, bilateral or multilateral agreements between tax offices, taxpayers and related foreign tax authorities and territories;

b/ The application of the mechanism for advance pricing agreement shall be based on taxpayers' verified information and trade database to ensure legal validity;

c/ The application of the mechanism for advance pricing agreement shall be approved by the Minister of Finance before being carried out; and must comply with treaties and international agreements for bilateral and multilateral agreements to which foreign tax authorities are contracting parties.

#### **Article 43. Tax declaration dossiers**

1. For taxes declared and paid on a monthly basis, a tax declaration dossier is a monthly tax return.



2. For taxes declared and paid on a quarterly basis, a tax declaration dossier is a quarterly tax return.

3. For taxes calculated on an annual basis, tax declaration dossiers include:

a/ Annual tax declaration dossiers, including annual tax returns and other documents relevant to the determination of payable tax amounts;

b/ Year-end tax finalization declaration dossiers, including tax returns for annual finalization, annual financial statements, written declarations of transfer pricing transactions, and other documents relevant to tax finalization.

4. For taxes declared and paid upon each time of arising of a tax liability, a tax declaration dossier must comprise:

a/ Tax return;

b/ Invoices, contracts and other documents relating to the tax liability in accordance with law.

5. For imported goods and exported goods, customs dossiers prescribed by the Customs Law may be used as tax declaration dossiers.

6. For the case of termination of operation, termination of a contract, or transformation or reorganization of an enterprise, a tax declaration dossier must comprise:

a/ Declaration for tax finalization;

b/ Financial statement up to the time of termination of operation or termination of contract, or transformation or reorganization of the enterprise;

c/ Other documents relating to tax finalization.

7. A country-by-country report in case a taxpayer is an ultimate parent company of a Vietnam-based group with arising cross-border transfer pricing transactions and its global consolidated revenue surpassing the prescribed level, or in case a taxpayer has an overseas ultimate parent company that is obliged to prepare a country-by-country report under regulations of the host country.

8. The Government shall detail tax declaration dossiers defined in this Article; prescribe taxes subject to monthly, quarterly or annual declaration, declaration for each time of arising of a tax liability, and declaration for tax finalization; declaration of charges and fees to be collected by overseas representative missions of the Socialist Republic of Vietnam; declaration, provision, exchange and use of information on country-by-country reports; and criteria for identification of taxpayers to make quarterly tax declaration.

**Article 44.** Deadlines for submission of tax declaration dossiers

1. The deadline for submission of monthly or quarterly tax declaration dossiers is:

a/ The 20<sup>th</sup> day of the month following the month in which the tax liability arises, for taxes declared and paid on a monthly basis;

b/ The last day of the first month of the quarter following the quarter in which the tax liability arises, for taxes declared and paid on a quarterly basis.

2. The deadline for submission of tax declaration dossiers for taxes with annual tax periods is:

a/ The last day of the third month from the end of a calendar year or fiscal year for annual tax finalization dossiers; or the last day of the first month of a calendar year or fiscal year for annual tax declaration dossiers;

b/ The last day of the fourth month from the end of a calendar year for personal income tax finalization dossiers of individuals who conduct tax finalization themselves;

c/ December 15<sup>th</sup> of the preceding year for tax presumption declaration dossiers of business households and individuals that pay taxes by the tax presumption method; new business households and individuals shall submit tax presumption declaration dossiers within 10 days from the first business date.

3. The deadline for submission of tax declaration dossiers for taxes declared and paid upon each time of arising of a tax liability is the 10<sup>th</sup> day from the date the tax liability arises.

4. The deadline for submission of tax declaration dossiers for the case of termination of operation or termination of a contract, or transformation or reorganization of an enterprise is the 45<sup>th</sup> day from the date such event occurs.

5. The Government shall prescribe deadlines for submission of tax declaration dossiers for agricultural and non-agricultural land use levy; land use levy; land or water surface rental; royalty for mineral mining; royalty for water resources exploitation; registration fee; business license fee; revenues to the state budget prescribed by the law on management and use of public assets; and country-by-country reports.

6. The deadline for submission of tax declaration dossiers for imported goods and exported goods must comply with the Customs Law.

7. If a taxpayer makes tax declaration online on the last day of the set time limit for submission of tax declaration dossiers and the tax office's portal encounters an incident, the taxpayer shall send his/her/its online tax declaration dossier and tax payment document on the following day when the portal resumes its operation.

**Article 45.** Places for submission of tax declaration dossiers

1. Taxpayers shall submit tax declaration dossiers at their managing tax offices.

2. If a tax declaration dossier is submitted under the single-window mechanism, the place for submission of the dossier shall be provided by such mechanism.

3. The places for submission of tax declaration dossiers for imported goods and exported goods must comply with the Customs Law.

4. The Government shall provide places for submission of tax declaration dossiers for:

a/ Taxpayers engaged in different production and business activities;

b/ Taxpayers conducting production and business activities in different geographical areas; taxpayers having to pay taxes upon each time of arising of tax liability;

c/ Taxpayers having to pay taxes on land-related incomes, or licensed to exploit water resources or mineral resources;

d/ Taxpayers having to pay taxes and make personal income tax finalization;

dd/ Taxpayers making tax declaration through e-transactions, and in other necessary cases.

**Article 46.** Extension of the time limit for submission of tax declaration dossiers

1. Taxpayers that are unable to submit their tax declaration dossiers within the prescribed time limit due to natural disasters, catastrophes, epidemics, fires or accidents will enjoy an extension of the time limit for submission of tax declaration dossiers given by heads of their managing tax offices.

2. The extension must not exceed 30 days for the submission of monthly, quarterly or annual tax declaration dossiers or tax declaration upon each time of arising of tax liability; or 60 days for cases of submission of dossiers of declaration for tax finalization, from the deadline for submission of tax declaration dossiers.

3. Taxpayers shall send a written request for extension of the time limit for submission of tax declaration dossiers to tax offices before the submission deadline, clearly stating the reasons for the extension certified by commune-level People's Committees or police offices of the localities where the events specified in Clause 1 of this Article occur.

4. Within 3 working days after receiving a written request for extension of the time limit for submission of tax declaration dossiers, tax offices shall reply in writing to taxpayers stating whether they approve the extension.

**Article 47.** Making additional declarations in tax declaration dossiers

1. If taxpayers detect errors in the tax declaration dossiers already submitted to tax offices, they may make additional declarations in their tax declaration dossiers within 10 years after the submission deadline of the tax period seeing errors but shall do so before tax offices or competent agencies announce tax examination or tax inspection decisions.

2. After tax offices or competent agencies have announced tax examination or tax inspection decisions at offices of taxpayers, the latter may make additional declarations in their tax declaration dossiers. Tax offices shall sanction administrative violations related to tax administration for the acts prescribed in Articles 142 and 143 of this Law.

3. After tax offices or competent agencies have made conclusions or decisions on post-examination or post-inspection handling of tax-related matters at offices of taxpayers, the making of additional declarations in tax declaration dossiers is prescribed as follows:

a/ A taxpayer may make additional declarations in his/her/its tax declaration dossier if his/her/its incorrect declarations lead to an increase in the payable tax amount, a reduction in the deductible tax amount or a decrease in the exemptible, reducible or refundable tax amount, and shall be sanctioned for administrative violations related to tax administration for the acts prescribed in Articles 142 and 143 of this Law;

b/ If a taxpayer detects errors in his/her/its tax declaration dossier and if his/her additional declarations lead to a reduction in the payable tax amount, an increase in the deductible tax amount or an increase in the exemptible, reducible or refundable tax amount, regulations on settlement of tax-related complaints shall be applied.

4. An additional tax declaration dossier must comprise:

a/ An additional declaration form;

b/ A written explanation of additional declarations and relevant documents.

5. For imported goods and exported goods, the making of additional declarations in tax declaration dossiers must comply with the customs law.

**Article 48.** Responsibilities of tax administration offices in receiving tax declaration dossiers

1. Tax administration offices shall receive tax declaration dossiers from taxpayers:

- a/ Directly at their offices;
- b/ By post;
- c/ Via their portals.

2. Tax administration offices receiving tax declaration dossiers shall notify the receipt of such dossiers. If a tax declaration dossier is invalid, incomplete or made not according to a set form, a tax administration office shall notify such to the taxpayer within 3 working days after receiving the dossier.

## Chapter V

### TAX ASSESSMENT

#### **Article 49.** Principles of tax assessment

1. Tax assessment shall be based on the principles of tax administration, tax bases and tax calculation methods under the tax and customs laws.
2. Tax administration offices shall assess payable tax amounts or each factor and tax base relating to the determination of payable tax amounts.

#### **Article 50.** Tax assessment for taxpayers violating the tax laws

1. Taxpayers shall be subject to tax assessment in one of the following cases of violation of the tax laws:
  - a/ Failing to make tax registration or tax declaration or submit additional tax dossiers at the request of tax offices or insufficiently, untruthfully and inaccurately declaring tax bases;
  - b/ Failing to record or insufficiently, untruthfully and inaccurately recording figures in account books for determining tax liability;
  - c/ Failing to produce account books, invoices and other necessary documents relating to the determination of payable tax amounts within the set time limit;
  - d/ Failing to comply with tax inspection decisions or examination decisions under regulations;
  - dd/ Purchasing, selling, exchanging, and accounting values of, goods or services that are not true to common transaction values in the market;
  - e/ Purchasing and exchanging goods using unlawful invoices or illegally using invoices for true goods as determined by competent agencies and taxable turnover has been declared;
  - g/ Showing signs of fleeing away or dispersing their assets in order to shirk their tax liability;

h/ Conducting transactions against their economic nature and reality so as to reduce their payable tax amounts;

i/ Failing to comply with regulations on declaration and determination of prices of transfer pricing transactions or failing to provide information according to regulations on tax administration for enterprises conducting transfer pricing transactions.

2. Bases for tax assessment include:

a/ Databases of tax administration offices and trade databases;

b/ Payable tax amounts of business establishments dealing in the same goods items, conducting the same business lines or with the same business scale, for comparison purpose; if the locality where a business establishment is located has no information on goods items, business lines or business scale of such establishment, such information in another locality shall be used for comparison;

c/ Valid documents and examination or inspection results;

d/ Tax-to-sales ratio applicable for each field, sector and trade in accordance with the tax laws.

3. Taxpayers shall be subject to tax assessment based on each factor relating to the determination of payable tax amounts in one of the following cases:

a/ Through the examination of tax declaration dossiers, tax offices have grounds to believe that taxpayers make insufficient or inaccurate declarations of factors used as bases for determining payable tax amounts and requested the latter to make additional declarations but the latter fail to do so;

b/ Through the examination of account books, invoices and documents relating to the determination of payable tax amounts, tax offices have grounds to believe that taxpayers inaccurately and untruthfully account factors used as bases for determining payable tax amounts;

c/ Accounting goods and service selling prices that are not true to actually paid prices which results in a reduction of taxable turnover, or accounting prices of goods and materials purchased for production and business activities that are not true to actually paid market prices which leads to increases in costs and creditable value-added tax amounts and a reduction in payable tax amounts;

d/ Submitting tax declaration dossiers while being unable to determine factors used as grounds for determining tax bases or being able to determine such factors but unable to calculate by themselves payable tax amounts.

4. Taxpayers shall be subject to assessment of payable tax amounts based on tax-to-sales ratio prescribed by law in cases in which tax offices

detect through examination or inspection that account books, invoices and documents are insufficient and unlawful or tax declaration and calculation are not true for micro-sized enterprises having the maximum turnover as prescribed by the law on support for small- and medium-sized enterprises, and do not fall into the cases mentioned in Clause 3 of this Article.

5. The Government shall detail this Article.

**Article 51.** Determination of payable tax amounts for business households and individuals that pay taxes by the tax presumption method

1. Tax offices shall determine tax amounts payable by the tax presumption method (below referred to as presumptive tax amounts) for business households and individuals that fail to implement or inadequately implement the regulations on accounting, invoices and documents, except the case referred to in Clause 5 of this Article.

2. Tax offices shall determine presumptive tax amounts based on declarations of business households and individuals, their databases and opinions of commune-level tax consultancy councils.

3. Presumptive tax amounts shall be calculated according to the calendar year or on a monthly basis for seasonal business activities. They shall be made public in communes, wards or townships. In case of change of sectors, trades or business scale, or business termination or suspension, taxpayers shall declare such change to tax offices for adjustment of presumptive tax amounts.

4. The Minister of Finance shall prescribe in detail grounds and order for determination of presumptive tax amounts for business households and individuals.

5. Business households and individuals having turnover and number of laborers meeting the highest criteria set for micro-sized enterprises prescribed by the law on support for small- and medium-sized enterprises shall comply with regulations on accounting and tax payment by declaration method.

**Article 52.** Tax assessment for imported goods and exported goods

1. Customs offices shall assess taxes on imported goods and exported goods in the following cases:

a/ Tax declarants use unlawful documents to make tax declaration and calculation; fail to make tax declaration or declare inaccurately and insufficiently the contents relating to the determination of tax liability;

b/ Past the set time limit, taxpayers fail to supply, or refuse, delay or prolong the supply of dossiers, account books, documents and data for accurate calculation of payable tax amounts under regulations;

c/ Taxpayers fail to prove or explain or past the set time limit, they fail to explain the contents relating to the determination of tax liability prescribed by law; or they fail to observe customs offices' examination decisions or inspection decisions;

d/ Taxpayers fail to record or insufficiently, untruthfully and inaccurately record figures in account books for determining tax liability;

dd/ Customs offices have sufficient evidence and bases to believe that the declared values are not true to the actual transaction values;

e/ The conducted transactions do not reflect economic substance and are not true to reality, thus affecting the determination of payable tax amounts;

g/ Taxpayers are unable to calculate their payable tax amounts by themselves;

h/ Other cases of unlawful tax declaration and calculation as detected by customs offices or other agencies.

2. Customs offices shall base themselves on the actually imported and exported goods; tax bases and tax calculation methods; tax administration offices' databases and trade databases; customs declaration dossiers; and other documents and information relating to imported and exported goods to assess payable tax amounts.

3. The Government shall detail this Article.

**Article 53.** Responsibilities of tax administration offices in tax assessment

1. Tax administration offices shall notify in writing taxpayers the reasons for tax assessment, bases for tax assessment, assessed tax amounts and the time limit for tax payment.

2. In case tax administration offices conduct tax assessment via tax examination or tax inspection, reasons for tax assessment, bases for tax assessment, assessed tax amounts and the time limit for tax payment shall be stated in tax examination or tax inspection records and tax administration offices' decisions on handling of tax-related violations.

3. In case the tax amounts assessed by tax administration offices are larger than the payable tax amounts under competent state agencies' complaint settlement decisions or court judgments or rulings, tax administration offices shall refund overpaid tax amounts.

4. In case the tax amounts assessed by tax administration offices are smaller than the payable tax amounts under competent state agencies' complaint settlement decisions or court judgments or rulings, taxpayers shall additionally pay the deficit amounts. Tax administration offices shall take responsibility for the tax assessment.



**Article 54.** Taxpayers' responsibilities for payment of assessed tax amounts

Taxpayers shall pay assessed tax amounts according to tax administration offices' decisions on handling of tax-related violations; if disagreeing with the tax amounts assessed by tax administration offices, taxpayers shall still pay such tax amounts and may request tax administration offices to give explanations, or may lodge complaints or initiate lawsuits about the tax assessment. Taxpayers shall provide dossiers and documents to support their complaints or lawsuits.

## Chapter VI

### TAX PAYMENT

**Article 55.** Time limits for tax payment

1. In case taxpayers conduct tax calculation, the deadline for tax payment is the last day of the time limit for submission of tax declaration dossiers. In case the tax declarations dossiers need to be supplemented, the time limit for tax payment is the time limit for submission of tax declaration dossiers of the tax period in which errors are seen in tax declaration dossiers.

Enterprise income tax shall be temporarily paid on a quarterly basis no later than the 30<sup>th</sup> of the first month of the subsequent quarter.

For crude oil, the time limit for payment of royalty and enterprise income tax upon each sale is 35 days from the date of sale, for crude oil sold in the domestic market, or from the date of customs clearance in accordance with the customs law, for exported crude oil.

For natural gas, royalty and enterprise income tax shall be paid on a monthly basis.

2. In case tax offices conduct tax calculation, the time limit for tax payment is that stated in notices of tax offices.

3. The time limit for payment of other land-related state budget revenues, money paid for grant of the right to exploit water resources or mineral resources, registration fee, and license tax must comply with the Government's regulations.

4. For imported and exported goods liable to tax in accordance with the tax laws, the time limit for tax payment must comply with the Law on Import Duty and Export Duty. In case a tax amount arises after goods are cleared from customs procedures or released:

a/ The time limit for payment of additionally declared tax amounts or payment of assessed tax amounts is the deadline for tax payment under the first customs declaration;

b/ For goods subject to analysis and assessment serving the determination of the payable tax amounts; goods without official prices at the time of registration of the customs declaration; or goods for which the actually paid amount or amounts to be added to customs value has/have not yet been determined at the time of registration of the customs declaration, the time limit for tax payment must comply with regulations of the Minister of Finance.

**Article 56.** Places and modes of tax payment

1. Taxpayers shall pay taxes into the state budget:

a/ At State Treasury offices;

b/ At tax administration offices where tax declaration dossiers are submitted;

c/ Through organizations authorized by tax administration offices to collect taxes;

d/ Through commercial banks, other credit institutions and service organizations prescribed by law.

2. State Treasury offices, commercial banks, other credit institutions and service organizations prescribed by law shall arrange places, facilities and personnel to collect taxes in a way convenient to taxpayers for them to promptly pay taxes into the state budget.

3. When receiving or deducting tax amounts, agencies and organizations shall issue to taxpayers tax collection documents.

4. Within 8 working hours after collecting tax amounts from taxpayers, agencies and organizations that receive tax amounts shall remit the collected amounts into the state budget. In case of collecting taxes in cash in deep-lying or remote areas, offshore islands, or difficult-to-access areas, the time limit for remitting collected tax amounts into the state budget must comply with regulations of the Minister of Finance.

**Article 57.** Order of paying taxes, late-payment interests and fines

1. Taxpayers shall pay taxes, late-payment interests and fines according to their payment deadlines and in the order prescribed in Clause 2 of this Article.

2. The order of payment of taxes, late-payment interests and fines is prescribed as follows:

a/ Overdue tax arrears, fines, and late-payment interests subject to coercive collection;

b/ Overdue tax arrears, fines, and late-payment interests not yet subject to coercive collection;

c/ Newly arising tax amounts, fines and late-payment interests.

**Article 58.** Determination of tax payment date

1. In case tax is paid by cashless payment methods, the tax payment date is the date on which State Treasury offices, commercial banks, other credit institutions or service organizations deduct money on accounts of taxpayers or the persons who pay tax on behalf of taxpayers and is recorded in tax payment documents;

2. In case tax is paid in cash, the tax payment date is the date on which State Treasury offices, tax administration offices or organizations authorized by tax administration offices to collect tax issue tax collection documents.

**Article 59.** Handling of cases of late payment of tax

1. Taxpayers shall pay late-payment interests in the following cases:

a/ Taxpayers delay tax payment against the prescribed time limit or extended time limit for tax payment, the time limit stated in tax administration offices' notices, the time limit stated in tax assessment decisions or violation-handling decisions of tax administration offices;

b/ Taxpayers make additional declaration to tax declaration dossiers, leading to an increase in the payable tax amount, or competent state agencies detect through examination or inspection that taxpayers have insufficiently declared the payable tax amount; in this case, taxpayers shall pay late-payment interests on the deficit tax amount for the period from the day following the deadline for tax payment for the tax period in which errors are detected or from the deadline for tax payment under the initial customs declaration;

c/ Taxpayers make additional declaration to tax declaration dossiers, leading to a decrease in the refundable tax amount, or competent state agencies detect through examination or inspection that the refundable tax amount is smaller than the actually refunded tax amount; in this case, taxpayers shall pay late-payment interests on the to-be-retrieved refunded tax amount for the period from the date of receiving tax refund from the state budget;

d/ Taxpayers are permitted to pay tax arrears in installments under Clause 5, Article 124 of this Law;

dd/ Taxpayers are not sanctioned for their tax administration-related administrative violations as the statute of limitations for sanctioning has

expired but are subject to retrospective collection of the deficit tax amount under Clause 3, Article 137 of this Law;

e/ Taxpayers commit the acts prescribed in Clauses 3 and 4, Article 142 of this Law but are not sanctioned for their tax administration-related administrative violations;

g/ In case agencies and organizations authorized by tax administration offices to collect tax late remit the tax amounts, late-payment interests or fines collected from taxpayers into the state budget, they shall pay late-payment interests on the late-remitted amounts according to regulations.

2. Late-payment interest rates and time periods for calculation of late-payment interests are prescribed as follows:

a/ The late-payment interest rate is 0.03%/day, calculated on the late-paid tax amount;

b/ Late-payment interests shall be calculated consecutively for the period from the day following the day when the late-paid amount prescribed in Clause 1 of this Article arises to the day proceeding the day when the tax arrears, to-be-retrieved refunded tax amount, increased tax amount, assessed tax amount or late-remitted tax amount are/is paid or remitted into the state budget.

3. Taxpayers shall determine late-payment interests under Clauses 1 and 2 of this Article and pay them into the state budget according to regulations. Taxpayers that have overpaid tax amounts, late-payment interests or fines shall comply with Clause 1, Article 60 of this Law.

4. Past 30 days from the tax payment deadline, if taxpayers still fail to pay tax amounts, late-payment interests or fines, tax administration offices shall notify taxpayers of the tax amounts or fines they owe and the number of days of late payment.

5. Taxpayers are not subject to late-payment interests in the following cases:

a/ Taxpayers, including also those being subcontractors to contracts signed with project owners under which they will receive payments directly from project owners, supply goods or services for which payments are made from the state budget but have not yet received the payments.

The amount of tax arrears not subject to late-payment interests is the total amount of tax arrears taxpayers still owe to the state budget which, however, must not exceed the money amount not yet received from the state budget;

b/ In the case prescribed at Point b, Clause 4, Article 55 of this Law, taxpayers are not required to pay late-payment interests for the period

pending goods analysis and assessment results; announcement of official prices of goods, or the determination of the actually paid amount or amounts to be added to the customs value.

6. Taxpayers who have their tax arrears frozen under Article 83 of this Law are not required to pay late-payment interests.

7. In case taxpayers make additional declaration to tax declaration dossiers, leading to a decrease in the payable tax amount, or tax administration offices or competent state agencies detect through examination or inspection that taxpayers are eligible for reduction of the payable tax amount, the calculated late-payment interest shall be decreased correspondingly to the difference between the initial payable tax amount and the adjusted one.

8. Taxpayers that are subject to late-payment interests under Clause 1 of this Article will be exempt from late-payment interests in *force majeure* events prescribed in Clause 27, Article 3 of this Law.

9. The Minister of Finance shall prescribe procedures for handling cases of late payment of tax.

**Article 60.** Handling of overpaid tax amounts, late-payment interests and fines

1. Taxpayers that have paid a tax amount, late-payment interest or fine larger than the payable tax amount, late-payment interest or fine may have the overpaid amount cleared against the tax amount, late-payment interest or fine they still owe or against the payable tax amount, late-payment interest or fine of the subsequent tax period or have the overpaid amount refunded, in case taxpayers do not owe any tax amount, late-payment interest or fine.

In case taxpayers request clearing of the overpaid tax amount, late-payment interest or fine against the tax amount, late-payment interest or fine they owe, late-payment interests will not be calculated on the to-be-cleared amount for the period from the day the overpaid amount arises to the day tax administration offices effect the clearing.

2. In case taxpayers request refund of the overpaid tax amount, late-payment interest or fine, tax administration offices shall issue a decision on refund of the overpaid amount or issue a reply clearly stating the reason for refusal to refund the overpaid amount within 5 working days after receiving the request.

3. Tax administration offices shall not refund but liquidate the overpaid tax amount, late-payment interest or fine on account books and electronic databases in the following cases:

a/ Tax administration offices have notified taxpayers of the refundable overpaid tax amount, late-payment interest or fine but taxpayers have issued a written reply stating that they refuse to receive the refund;

b/ Taxpayers do not operate at the address registered with tax offices and tax administration offices have made an announcement of taxpayers' overpaid amount in the mass media but past 1 year from the date of announcement, taxpayers still fail to send to tax administration offices a written request for refund of the overpaid amount;

c/ Past 10 years from the date of remittance of money into the state budget, taxpayers still fail to request clearing of the overpaid amount against their tax liability or refund of the overpaid amount.

4. In case taxpayers that do not operate at the address of business registration have an overpaid tax amount, late-payment interest or fine and concurrently owe tax arrears, late-payment interest or fine, tax administration offices shall clear the overpaid tax amount, late-payment interest or fine against the tax amount, late-payment interest or fine the taxpayers owe.

5. The Minister of Finance shall prescribe the competence and procedures for handling overpaid tax amounts, late-payment interests or fines under this Article.

**Article 61.** Tax payment in the course of settlement of complaints or initiation of lawsuits

1. In the course of settlement of complaints or initiation of lawsuits over tax amounts, late-payment interests or fines calculated or assessed by tax administration offices, taxpayers shall still fully pay such tax amounts, late-payment interests or fines, unless competent state agencies decide to suspend the execution of tax administration offices' tax calculation or tax assessment decisions.

2. In case the paid tax amount, late-payment interest or fine is larger than the tax amount, late-payment interest or fine determined under competent agencies' complaint settlement decisions or court judgments or rulings, taxpayers will be refunded the overpaid tax amounts, late-payment interest or fine.

Taxpayers may request the tax administration office to pay an interest at the rate of 0.03%/day on the overpaid tax amount, late-payment interest or fine. Interests shall be paid from the central budget in accordance with the law on the state budget.

3. The procedures for handing the cases in which the paid tax amount, late-payment interest or fine is larger than the tax amount, late-payment interest or fine determined under complaint settlement decisions of

competent agencies or court judgments or rulings must comply with Clause 5, Article 60 of this Law.

**Article 62.** Extension of tax payment time limits

1. Extension of tax payment time limits shall be considered upon request of taxpayers that fall into one of the following cases:

a/ They suffer material damage in the *force majeure* events prescribed in Clause 27, Article 3 of this Law, thus directly affecting their production or business activities;

b/ They have to suspend operation to relocate their production or business establishments at the request of competent agencies, thus affecting their production and business results.

2. Taxpayers falling into the cases eligible for extension of tax payment time limits prescribed in Clause 1 of this Article will enjoy the extended time limit for payment of part or the whole of the payable tax amount.

3. The tax payment time limit shall be extended:

a/ For no more than 2 years from the date of its expiration, for the case prescribed at Point a, Clause 1 of this Article;

b/ For no more than 1 year from the date of its expiration, for the case prescribed at Point b, Clause 1 of this Article.

4. Taxpayers are not subject to fines and late-payment interests on tax arrears within the extended tax payment time limit.

5. Heads of tax administration offices directly managing taxpayers shall base themselves on dossiers of request for extension of tax payment time limits to decide on the tax amounts eligible for extension of the payment time limits and the extended time limits.

**Article 63.** Extension of tax payment time limits in special cases

The Government shall decide on the extension of tax payment time limits for entities, sectors and trades that meet special difficulties in each period. The extension of tax payment time limits must not lead to adjustment of state budget revenue estimates already decided by the National Assembly.

**Article 64.** Dossiers of request for extension of tax payment time limits

1. Taxpayers that fall into the cases eligible for extension of tax payment time limits under this Law shall make and send dossiers of request for extension of tax payment time limits to their managing tax administration offices.

2. A dossier of request for extension of the tax payment time limit must comprise:

a/ A written request for extension of the tax payment time limit, clearly stating the reason for extension, the tax amount eligible for extension of the payment time limit, and the payment time limit;

b/ Documents proving the reasons for extension of the tax payment time limit.

3. The Minister of Finance shall stipulate in detail the dossier of request for extension of the tax payment time limit.

**Article 65.** Receipt and processing of dossiers of request for extension of tax payment time limits

1. Tax administration offices shall receive dossiers of request for extension of tax payment time limits from taxpayers:

a/ Directly at their offices;

b/ By post;

c/ Via their portals.

2. A dossier of request for extension of the tax payment time limit shall be processed according to the following regulations:

a/ In case the dossier is valid and complete and made according to a set form, the concerned tax administration office shall issue a notice of the extension of the tax payment time limit within 10 working days after receiving the dossier;

b/ In case the dossier is incomplete, the concerned tax administration office shall issue a notice thereof to the taxpayer within 3 working days after receiving the dossier.

## Chapter VII

### RESPONSIBILITIES TO FULFILL THE TAX PAYMENT OBLIGATION

**Article 66.** Fulfillment of the tax payment obligation by persons on exit

1. Taxpayers subject to coercive enforcement of tax administration-related administrative decisions, Vietnamese who leave the country for permanent residence abroad, overseas Vietnamese and foreigners shall fulfill the tax payment obligation before leaving Vietnam; those who fail to fulfill the tax payment obligation shall be suspended from exit in accordance with the law on entry and exit.

2. Tax administration offices shall notify immigration agencies of the persons and taxpayers prescribed in Clause 1 of this Article.

3. The Government shall detail this Article.



**Article 67.** Fulfillment of the tax payment obligation in case of dissolution, bankruptcy or termination of operation

1. Dissolved enterprises shall fulfill the tax payment obligation in accordance with the laws on enterprises, credit institutions, and insurance business, and other relevant laws.

2. Bankrupt enterprises shall fulfill the tax payment obligation in accordance with the order and procedures specified by the Law on Bankruptcy.

3. In case enterprises terminate their operation or no longer conduct business at the registered place but have not yet fulfilled the tax payment obligation, their tax arrears shall be paid by owners of private enterprises, owners of single-member limited liability companies, capital-contributing shareholders, capital-contributing members, or partners according to the Law on Enterprises' provisions applicable to enterprises of each type.

4. In case business households or business individuals terminate their operation without having fulfilled the tax payment obligation, their tax arrears shall be paid by heads of those households or those individuals themselves.

5. If taxpayers' branches or dependent cost-accounting units terminate their operation but still owe taxes and other state budget revenues, the taxpayers shall inherit the debts owed to the state budget by their branches or dependent cost-accounting units.

**Article 68.** Fulfillment of the tax payment obligation by reorganized enterprises

1. To-be-divided enterprises shall fulfill the tax payment obligation before the division. If a divided enterprise fails to fulfill the tax payment obligation, enterprises newly founded on the basis of the divided enterprise shall fulfill the tax payment obligation.

2. To-be-split, to-be-consolidated or to-be-merged enterprises shall fulfill the tax payment obligation before the splitting, consolidation or merger. If they fail to fulfill the tax payment obligation, the split enterprises and splitting enterprises, consolidating enterprises or merging enterprises shall fulfill the tax payment obligation.

3. Enterprises subject to ownership transformation shall fulfill the tax payment obligation before the transformation. If the enterprises have not yet fulfilled the tax payment obligation, enterprises founded after the transformation shall fulfill the tax payment obligation.

4. The reorganization of enterprises does not change the time limit for tax payment by reorganized enterprises. If reorganized enterprises or newly

founded enterprises fail to fully pay taxes within the set tax payment time limit, they shall be sanctioned in accordance with law.

**Article 69.** Fulfillment of the tax payment obligation in case taxpayers are dead or are declared by court as dead, missing or having lost their civil act capacity

1. The tax payment obligation of dead persons or persons declared by court as dead shall be fulfilled by their heirs with the property left by dead persons or persons declared by court as dead or the property portions divided to these heirs at the time of inheritance acceptance. In case no heir is available or all heirs renounce the inheritance, the fulfillment of the tax payment obligation of dead persons or persons declared by court as dead must comply with the civil law.

2. The tax payment obligation of persons who are declared by court as missing or having lost their civil act capacity shall be fulfilled by managers of property of those persons with their property portions.

3. In case the court issues a decision to annul the decision declaring a person as dead, missing or having lost his/her civil act capacity, his/her tax arrears, late-payment interests or fines already written off under Article 85 of this Law shall be restored but the taxpayer will not be subject to late-payment interests for the period he/she is declared as dead, missing or having lost his/her civil act capacity.

## Chapter VII

### PROCEDURES FOR TAX REFUND

**Article 70.** Cases eligible for tax refund

1. Tax administration offices shall make tax refund for organizations and individuals eligible for tax refund in accordance with the tax laws.

2. Tax offices shall refund overpaid amounts to taxpayers that have paid into the state budget an amount larger than the payable amount under Clause 1, Article 60 of this Law.

**Article 71.** Tax refund dossiers

1. Taxpayers that are eligible for tax refund shall make and send tax refund dossiers to competent tax administration offices.

2. A tax refund dossier must comprise:

a/ A written claim for tax refund;

b/ Documents relating to the tax refund claim.

**Article 72.** Receipt of and response to information on tax refund dossiers

1. Tax administration offices shall receive tax refund dossiers according to the following regulations:

a/ Taxpayer-managing tax offices shall receive tax refund dossiers from taxpayers eligible for tax refund in accordance with the tax laws. Revenue-managing tax offices shall receive dossiers of request for refund of overpaid amounts; for cases of request for refund of overpaid amounts under enterprise income tax finalization or personal income tax finalization, the tax offices that have received taxpayers' enterprise income tax or personal income tax finalization dossiers shall receive dossiers of request for refund of overpaid amounts;

b/ Revenue-managing customs offices shall receive tax refund dossiers for cases eligible for tax refund in accordance with the tax laws; in case foreigners or overseas Vietnamese on exit have goods eligible for tax refund, customs offices carrying out exit procedures shall receive tax refund dossiers.

2. Taxpayers shall submit tax refund dossiers:

a/ Directly at tax administration offices;

b/ Sending dossiers by post;

c/ Sending dossiers via portals of tax administration offices, for electronic dossiers.

3. Within 3 working days after receiving a tax refund dossier, the tax administration office shall classify the dossier and notify the concerned taxpayer of the acceptance of the dossier and the time limit for processing the dossier or send a written notice to the taxpayer, if the dossier is incomplete.

4. The Minister of Finance shall detail this Article.

**Article 73.** Classification of tax refund dossiers

1. Tax refund dossiers shall be classified into dossiers subject to examination before tax refund and dossiers entitled to tax refund before examination.

2. Dossiers subject to examination before tax refund include:

a/ Dossiers of taxpayers that request for the first time tax refund in each case of eligibility for tax refund in accordance with the tax laws. For a taxpayer that has sent a tax refund dossier to a tax administration office for the first time but is ineligible for tax refund according to regulations, the subsequent request for tax refund shall be considered first-time request;

b/ Dossiers submitted within 2 years after the concerned taxpayer is handled for tax evasion;

c/ Dossiers of organizations that dissolve, are bankrupt or terminate operation and of state enterprises that are sold, assigned or transferred;

d/ Tax refund dossiers classified as highly risky according to regulations on risk management and classification in tax administration;

dd/ Tax refund dossiers eligible for tax refund before examination but past the time limit stated in the notice of tax administration offices, taxpayers fail to give explanations on, or supplement, the dossiers or have managed to give explanations on, or supplement, the dossiers but cannot prove the accuracy of the declared tax amounts;

e/ Tax refund dossiers for imported and exported goods the payment for which is not made via commercial banks or other credit institutions in accordance with law;

g/ Tax refund dossiers for imported and exported goods subject to examination before tax refund according to the Government's regulations.

3. Dossiers eligible for tax refund before examination are dossiers of taxpayers that do not fall into the cases prescribed in Clause 2 of this Article.

4. The Minister of Finance shall detail this Article.

**Article 74.** Places of examination of tax refund dossiers

1. Dossiers eligible for tax refund before examination shall be examined at offices of tax administration offices.

2. Dossiers subject to examination before tax refund shall be examined at offices of taxpayers or related agencies, organizations and individuals.

**Article 75.** Time limits for processing tax refund dossiers

1. For a dossier eligible for tax refund before examination, within 6 working days after issuing a notice of dossier acceptance and the time limit for processing the dossier, the concerned tax administration office shall decide to refund tax to the taxpayer or issue a notice of shift to examination of the dossier before tax refund, if the dossier falls into the case prescribed in Clause 2, Article 73 of this Law, or issue a notice of refusal to refund tax, if the dossier is unqualified for tax refund.

In case the information declared in the tax refund dossier differs from management information of the tax administration office, the tax administration office shall make a written notice thereof for the taxpayer to make explanation or supplement information. The time limit for making explanation or supplementing information shall not be counted into the time limit for processing the tax refund dossier.

2. For a dossier subject to examination before tax refund, within 40 days after issuing a notice of acceptance of the dossier and the time limit for

processing the tax refund dossier, the tax administration office shall decide to refund tax, or not to refund tax to the taxpayer, if the dossier is unqualified for tax refund.

3. If the tax administration office issues the tax refund decision after the expiration of the time limit prescribed in Clause 1 or 2 of this Article due to its fault, in addition to the to-be-refunded tax amount, the tax administration office shall also pay interests on this amount at the rate of 0.03%/day for the period of late refund. Interests shall be paid from the central budget in accordance with the law on the state budget.

**Article 76. Competence to decide on tax refund**

1. The General Director of Taxation or directors of provincial-level Tax Departments shall decide on tax refund for cases of tax refund under the tax laws.

2. Heads of tax offices receiving dossiers of request for refund of overpaid tax amounts shall decide on tax refund for cases of refund of overpaid tax amounts under this Law.

3. The General Director of Customs, directors of provincial-level Customs Departments or heads of district-level Customs Branches of the localities where to-be-refunded tax amounts arise shall decide on tax refund for cases of tax refund under the tax laws.

4. The Minister of Finance shall prescribe the order and procedures for tax refund.

**Article 77. Post-tax refund inspection and examination**

1. Tax administration offices shall conduct inspection and examination for dossiers entitled to tax refund before examination according to the principles of risk management in tax administration within 5 years after the date of issuing tax refund decisions.

2. The procedures and tax administration offices' competence and responsibility for inspection and examination of tax refund dossiers must comply with this Law and the Inspection Law.

**Chapter IX**

**NON-COLLECTION OF TAXES, TAX EXEMPTION AND REDUCTION;  
FREEZING OF TAX ARREARS; WRITE-OFF OF TAX ARREARS,  
LATE-PAYMENT INTERESTS AND FINES**

**Section 1**

**NON-COLLECTION OF TAXES, TAX EXEMPTION AND REDUCTION**

**Article 78.** Non-collection of tax on imported and exported goods

1. Not to collect taxes in cases not liable to payment of import duty and export duty in accordance with the law on import duty and export duty.

2. The Minister of Finance shall prescribe the procedures for non-collection of taxes.

**Article 79.** Tax exemption and reduction

1. Tax exemption and reduction shall be effected in accordance with the tax laws and Clause 2 of this Article.

2. The following entities are entitled to tax exemption:

a/ Households and individuals that are payers of non-agricultural land use tax with the annual payable tax amount of VND 50,000 or less;

b/ Individuals with the annual payable tax amount left after finalization of personal income tax from wages and remuneration of VND 50,000 or less.

**Article 80.** Tax exemption or reduction dossiers

1. In case taxpayers determine by themselves the tax amount to be exempted or reduced, a tax exemption or reduction dossier must comprise:

a/ A tax return;

b/ Documents relating to the determination of the tax amount to be exempted or reduced.

2. In case tax administration offices decide on tax exemption or reduction, a tax exemption or reduction dossier must comprise:

a/ A written request for tax exemption or reduction, clearly stating the kind of tax requested for exemption or reduction; reasons for tax exemption or reduction; and the tax amount proposed to be exempted or reduced;

b/ Documents relating to the determination of the tax amount to be exempted or reduced.

3. In the case of tax exemption prescribed at Point a, Clause 2, Article 79 of this Law, tax offices shall base themselves on tax registers to announce lists of households and organizations eligible for tax exemption. In case of tax exemption under Point b, Clause 2, Article 79 of this Law, taxpayers shall determine by themselves the to-be-exempted tax amounts on the basis of the personal income tax finalization declaration.

4. The Minister of Finance shall specify tax exemption or reduction dossiers prescribed in this Article; cases in which taxpayers determine by themselves the to-be-exempted or to-be-reduced tax amounts and cases in which tax administration offices determine the to-be-exempted or to-be-reduced tax amounts.

**Article 81.** Submission and receipt of tax exemption or reduction dossiers

1. In case taxpayers determine by themselves the to-be-exempted or to-be-reduced tax amounts, the submission and receipt of tax exemption or reduction dossiers shall be conducted simultaneously with tax declaration and submission and receipt of tax declaration dossiers under Chapter IV of this Law.

2. In case tax administration offices decide on tax exemption or reduction in accordance with the tax laws, the submission of tax exemption or reduction dossiers is specified as follows:

a/ For export duty, import duty and other taxes on exported and imported goods, dossiers shall be submitted to customs offices competent to process such dossiers according to the Government's regulations;

b/ For other taxes, dossiers shall be submitted to tax administration offices directly managing taxpayers.

3. Taxpayers shall submit tax exemption or reduction dossiers:

a/ Directly at tax administration offices;

b/ Sending dossiers by post;

c/ Sending dossiers via portals of tax administration offices, for electronic dossiers.

4. Tax administration offices that receive tax exemption or reduction dossiers shall notify the receipt of the dossiers; in case tax exemption or reduction dossiers are invalid or incomplete or are made not according to set forms, tax administration offices shall, within 3 working days after receiving those dossiers, notify such in writing to taxpayers.

**Article 82.** Time limits for processing tax exemption or reduction dossiers in case tax administration offices decide on the to-be-exempted or to-be-reduced tax amounts

1. Within 30 days after receiving a complete dossier, the concerned tax administration office shall issue a tax exemption or reduction decision or notify in writing the taxpayer of reasons for ineligibility for tax exemption or reduction.

2. When necessary to conduct site inspection to obtain sufficient grounds for processing a tax exemption or reduction dossier, within 40 days after receiving a complete dossier, the concerned tax administration office shall issue a tax exemption or reduction decision or notify in writing the taxpayer of reasons for ineligibility for tax exemption or reduction.

## Section 2

### FREEZING OF TAX ARREARS

#### **Article 83.** Cases eligible for freezing of tax arrears

1. Taxpayers that are dead or declared by court as dead, missing or having lost their civil act capacity.

The tax arrears freezing period shall be calculated from the date of issuance of a death certificate or death notice or a substitute of the death notice in accordance with the law on civil status or a court ruling declaring the concerned taxpayer as dead, missing or having lost civil act capacity.

2. Taxpayers that have sent their dissolution decisions to tax administration offices and business registration agencies to carry out dissolution procedures and business registration agencies have made an announcement in the national business registration information system of taxpayers' undergoing dissolution procedures but the taxpayers have not yet completed dissolution procedures.

The tax arrears freezing period shall be calculated from the date business registration agencies make announcement of the taxpayers' undergoing dissolution procedures in the national business registration information system.

3. Taxpayers that have filed a request for opening of bankruptcy procedures or taxpayers of whom persons with related rights and obligations have filed a request for opening of bankruptcy procedures in accordance with the law on bankruptcy.

The tax arrears freezing period shall be calculated from the date competent courts notify that they have accepted the request for opening of bankruptcy procedures or that the taxpayers have sent enterprise bankruptcy dossiers to tax administration offices and are awaiting completion of debt payment and handling procedures in accordance with the Law on Bankruptcy.

4. Taxpayers no longer conduct business operation at the addresses registered with business registration agencies and tax administration offices have coordinated with commune-level People's Committees of the localities where the taxpayers' offices are located or where exist their contact addresses in examining and verifying information on taxpayers' non-presence in the localities and issued nationwide notices of the taxpayers' or their at-law representatives' non-presence at the address of taxpayers' offices or contact addresses registered with tax administration offices.

The tax arrears freezing period shall be calculated from the date tax administration offices issue a nationwide notice of the taxpayers' or their at-



law representatives' non-presence at the addresses of their offices or contact addresses registered with tax administration offices.

5. Tax administration offices have requested in writing competent agencies to revoke, or competent agencies have revoked, taxpayers' business registration certificates, enterprise registration certificates, cooperative registration certificates, establishment and operation licenses or practice licenses.

The tax arrears freezing period shall be calculated from the date tax administration offices request in writing competent agencies to revoke, or from the effective date of the decision on revocation of, taxpayers' business registration certificates, enterprise registration certificates, cooperative registration certificates, establishment and operation licenses or practice licenses.

**Article 84.** Procedures, dossiers and period of, and competence to decide on, tax arrears freezing

1. The Government shall specify the procedures, dossiers and period of tax arrears freezing for cases eligible for tax arrears freezing.

2. Heads of tax administration offices directly managing taxpayers shall decide on tax arrears freezing.

3. Tax administration offices shall further monitor tax arrears which are frozen and coordinate with related agencies in order to retrieve such tax arrears when taxpayers are able to pay them or to write them off under Article 85 of this Law.

### Section 3

#### WRITE-OFF OF TAX ARREARS, LATE-PAYMENT INTERESTS AND FINES

**Article 83.** Cases eligible for write-off of tax arrears, late-payment interests and fines

1. Enterprises and cooperatives that have been declared bankrupt and made payments in accordance with the bankruptcy law and therefore have no assets to pay tax arrears, late-payment interests or fines.

2. Individuals who are dead or declared by court as dead, missing or having lost their civil act capacity and have no assets, including also inheritance, to pay tax arrears, late-payment interests or fines.

3. Taxpayers other than those prescribed in Clauses 1 and 2 of this Article have tax arrears, late-payment interests or fines against which tax administration offices have applied coercive measures prescribed at Point g, Clause 1, Article 125 of this Law and which remain irretrievable though 10 years have passed from the payment deadline.

Before resuming production or business activities or establishing new production or business establishments, taxpayers being individuals, business individuals, heads of households, heads of business households, or owners of private enterprises or single-member limited liability companies that have their tax arrears, late-payment interests and fines written off as prescribed in this Clause shall refund the written-off tax arrears, late-payment interests and fines to the State.

4. Taxpayers that are affected by large-scale natural disasters, catastrophes or epidemics and have been considered for exemption from late-payment interests under Clause 8, Article 59 of this Law and are entitled to extension of the tax payment time limit under Point a, Clause 1, Article 62 of this Law but still suffer damage and are unable to restore production and business activities and incapable of payment of tax arrears, late-payment interests and fines.

5. The Government shall prescribe the coordination among tax administration offices, business registration agencies and local administrations so as to ensure that the written-off tax arrears, late-payment interests and fines will be refunded to the state budget under Clause 3 of this Article before granting business registration certificates or enterprise registration certificates; and detail Clause 4 of this Article.

**Article 86.** Dossiers of request for write-off of tax arrears, late-payment interests and fines

1. Tax administration offices directly managing taxpayers eligible for write-off of tax arrears, late-payment interests and fines shall make and send dossiers of request for write-off of tax arrears, late-payment interests and fines to competent agencies or persons.

2. A dossier of request for write-off of tax arrears, late-payment interests or fines must comprise:

a/ A written request for write-off of tax arrears, late-payment interests or fines, made by the tax administration office directly managing the taxpayer eligible for write-off of tax arrears, late-payment interests or fines;

b/ The bankruptcy declaration decision, for taxpayers being enterprises or cooperatives declared bankrupt;

c/ Documents relating to the request for write-off of tax arrears, late-payment interests or fines.

3. The Minister of Finance shall detail this Article.

**Article 87.** Competence to write off tax arrears, late-payment interests and fines

1. Provincial-level People's Committee chairpersons shall decide to write off tax arrears, late-payment interests and fines for:

a/ The cases prescribed in Clauses 1 and 2, Article 85 of this Law;

b/ Households, business households, business individuals and individuals prescribed in Clause 3, Article 85 of this Law;

c/ Enterprises and cooperatives falling into the cases prescribed in Clause 3, Article 85 of this Law and having tax arrears, late-payment interest or fine of under VND 5,000,000,000.

2. The General Director of Taxation or General Director of Customs shall decide to write off tax arrears, late-payment interests and fines for enterprises and cooperatives falling into the cases prescribed in Clause 3, Article 85 of this Law and having tax arrears, late-payment interest or fine of between VND 5,000,000,000 and under VND 10,000,000,000.

3. The Minister of Finance shall decide to write off tax arrears, late-payment interests and fines for enterprises and cooperatives falling into the cases prescribed in Clause 3, Article 85 of this Law and having tax arrears, late-payment interest or fine of between VND 10,000,000,000 and under VND 15,000,000,000.

4. The Prime Minister shall decide to write off tax arrears, late-payment interests and fines for enterprises and cooperatives falling into the cases prescribed in Clause 3, Article 85 of this Law and having tax arrears, late-payment interest or fine amount of VND 15,000,000,000 or higher.

5. Provincial-level People's Committee chairpersons shall report on the write-off of tax arrears, late-payment interests and fines to the same-level People's Councils at the first meeting every year. The Minister of Finance shall summarize information on the write-off of tax arrears, late-payment interests and fines for reporting by the Government to the National Assembly upon finalization of state budget funds.

**Article 88.** Responsibilities for processing dossiers of request for write-off of tax arrears, late-payment interests and fines

1. Competent agencies and persons that have received dossiers of request for write-off of tax arrears, late-payment interests or fines shall notify the agencies having sent such dossiers within 10 working days after receiving them for the latter to complete the dossiers, if the dossiers are incomplete.

2. Within 60 days after receiving the complete dossiers, competent persons shall issue decisions on write-off of tax arrears, late-payment interests or fines or notices of ineligibility for write-off of tax arrears, late-payment interests or fines to the agencies having sent the dossiers.

## Chapter X

### USE OF ELECTRONIC INVOICES AND DOCUMENTS

#### **Article 89.** Electronic invoices

1. Electronic invoices (e-invoices) are invoices with or without tax offices' identification numbers which are displayed in the form of electronic data created with electronic means by organizations or individuals selling goods or providing services to acknowledge information on the sale of goods or provision of services in accordance with the accounting and tax laws, including also invoices created on billing machines connected to tax offices for transmission of electronic data.

2. E-invoices include value-added invoices, sales invoices, electronic stamps, electronic tickets, electronic cards, electronic receipts, electronic delivery-cum-internal transfer slips or electronic documents with other titles.

3. E-invoices with tax offices' identification numbers are those of which identification numbers are granted by tax offices before being sent to buyers by organizations and individuals selling goods or providing services.

The tax office's identification number on an e-invoice consists of the serial number of the transaction, which is a unique sequence of numerals created by the tax office's system, and a sequence of characters encrypted by the tax office based on information created by the seller on the invoice.

4. E-invoices without tax offices' identification numbers are those sent by organizations and individuals selling goods or providing services to buyers without identification numbers granted by tax offices.

5. The Government shall detail this Article.

#### **Article 90.** Principles of making, management and use of e-invoices

1. When selling goods or providing services, sellers shall make e-invoices for issuance to sellers according to the standard format and fill sufficient information in accordance with the tax and accounting laws, regardless of the value of the goods sold or services provided at each time.

2. If using billing machines, the sellers shall register to use e-invoices created on billing machines connected with tax offices for transmission of electronic data.

3. The registration, management and use of e-invoices in sale of goods and provision of services must comply with the e-transaction, accounting and tax laws.

4. Tax offices shall grant identification numbers for e-invoices based on information created on invoices by enterprises, economic institutions, other institutions, or business households. Enterprises, economic institutions, other

institutions, and business households and individuals shall be held responsible for the accuracy of information on invoices.

5. The Government shall detail this Article.

**Article 91.** Use of e-invoices in sale of goods and provision of services

1. When selling goods or providing services, enterprises and economic institutions shall use e-invoices with tax offices' identification numbers, regardless of the value of the goods sold or services provided at each time, except the cases specified in Clauses 2 and 4 of this Article.

2. Enterprises operating in the fields of electricity, petrol and oil, post and telecommunications, clean water supply, finance and credit, insurance, health, e-commerce, supermarket business, commerce, air, road, railway, sea or waterway transportation, and enterprises and economic institutions that conduct or are going to conduct transactions with tax offices by electronic modes, have built or are going to build information technology infrastructure, have already applied or are going to apply accounting software and e-invoice making software that meet the prescribed requirements for making and looking up e-invoices and storing e-invoice data and ensuring the transmission of e-invoice data to buyers and tax offices may use e-invoices without tax offices' identification numbers upon sale of goods or provision of services, regardless of the value of the goods sold or services provided at each time, except cases of high tax risks under regulations of the Minister of Finance and cases of registration for use of e-invoices with tax offices' identification numbers.

3. Business households and individuals falling into the cases specified in Clause 5, Article 51 of this Law and those that can determine turnover when selling goods or providing services shall use e-invoices with tax offices' identification numbers upon sale of goods or provision of services.

4. Business households and individuals that do not satisfy the conditions for use of e-invoices with tax offices' identification numbers prescribed in Clauses 1 and 3 of this Article but need invoices for issuance to customers or enterprises, economic institutions, and other institutions that are granted e-invoices by tax offices for issuance to customers shall be granted by tax offices e-invoices with tax offices' identification numbers upon each time the need arises and shall declare and pay taxes before being granted e-invoices by tax offices.

**Article 92.** E-invoicing services

1. E-invoicing services include e-invoicing solution services and taxpayer-to-tax office data transmission services for e-invoices without tax offices' identification numbers and e-invoicing services for e-invoices with tax offices' identification numbers.

2. E-invoicing service providers include organizations providing e-invoicing solutions and organizations providing e-invoice data receipt, transmission and storage services and other services related to e-invoices.

3. The Government shall detail this Article and specify cases of using e-invoices with tax offices' identification numbers without having to pay service charges, cases of using e-invoices with tax offices' identification numbers and having to pay service charges, and cases of using e-invoices without tax offices' identification numbers via e-invoicing service providers.

4. The Minister of Finance shall specify criteria for selection of e-invoicing service providers to sign contracts on provision of services for e-invoices with tax offices' identification numbers, e-invoice data receipt, transmission and storage services, and other relevant services.

### **Article 93.** E-invoice databases

1. Tax offices shall build, manage and develop databases and technical infrastructure facilities of invoice information systems; organize the collection and processing of information and management of invoice databases, and ensure the maintenance, operation, confidentiality, security and safety of invoice information systems; and formulate standard formats of invoices.

E-invoice databases shall be used for tax administration and provision of information on e-invoices to related organizations and individuals.

2. Enterprises and economic institutions mentioned in Clause 2, Article 91 of this Law that use e-invoices without tax offices' identification numbers shall provide e-invoice data under regulations of the Minister of Finance.

3. The Ministries of Industry and Trade; Natural Resources and Environment; Public Security; Transport; and Health and other related agencies shall connect and share necessary related information and data in the fields under their management with the Ministry of Finance for use as a basis for formulation of e-invoice databases.

4. When inspecting goods in market circulation, if such goods are accompanied with e-invoices, state agencies and competent persons shall not require paper invoices but access portals of tax offices to look up information on relevant e-invoices to serve their management requirements. Related agencies shall use devices to access and look up e-invoice data.

5. The Minister of Finance shall provide forms, management and use of electronic stamps; the looking up, provision and use of e-invoice information; the provision of e-invoice information in case of impossibility to look up invoice data due to incidents or natural disasters affecting the Internet access.

### **Article 94.** Electronic documents

1. Electronic documents include documents and receipts displayed in the form of electronic data which are issued by tax administration offices or tax-deducting organizations by electronic means upon carrying out tax-related procedures related or other state budget revenues, and other types of electronic documents and receipts.

2. The Government shall specify types of electronic documents mentioned in this Article and the management and use of electronic documents.

## Chapter XI

### TAXPAYER INFORMATION

#### **Article 95.** Taxpayer information systems

1. A taxpayer information system is a collection of information and data on taxpayers which are collected, arranged, stored, exploited and used in accordance with this Law.

2. Taxpayer information serves as a basis for tax administration, assessment of forecasts, formulation of tax policies, evaluation of the degree of law observance by taxpayers, and prevention and detection of violations of the tax laws.

#### **Article 96.** Collection and processing of taxpayer information and building and management of taxpayer information systems

1. Tax administration offices shall organize the building, management and development of databases and technical infrastructure facilities of taxpayer information systems and tax administration information systems; organize specialized units in charge of collecting, processing, summing up and analyzing information, making forecasts, managing databases and ensuring the maintenance and operation of taxpayer information systems and tax administration information systems.

2. Tax administration offices shall apply necessary professional measures to collect, exchange and process information at home and abroad, official information from foreign tax administration offices and authorities under treaties to which the Socialist Republic of Vietnam is a contracting party and international agreements related to tax or customs for use in tax administration.

3. Tax administration offices shall coordinate with related agencies, organizations and individuals in exchanging information and setting up online connection.

4. The Minister of Finance shall detail the collection and processing of information and building and management of taxpayer information systems.

**Article 97.** Responsibilities of taxpayers in providing information

1. To provide information in tax dossiers and information relating to the determination of their tax liability at the request of tax administration offices in an adequate, accurate, truthful and timely manner.

2. To provide information in writing or via network connection with information systems of tax administration offices when requested.

**Article 98.** Responsibilities of related organizations and individuals in providing taxpayer information

1. The following agencies shall provide information on taxpayers to tax administration offices:

a/ Agencies granting investment registration certificates, enterprise registration certificates and establishment and operation licenses shall provide information on contents of investment registration certificates, enterprise registration certificates, cooperative registration certificates, business registration certificates, practice licenses, establishment and operation licenses, and certificates of changes in contents of business registration of organizations and individuals to tax administration offices within 7 working days after granting those certificates or licenses; and provide other information at the request of tax administration offices;

b/ State Treasury offices shall provide information on paid or refunded tax amounts of taxpayers.

2. The following agencies, organizations and individuals shall provide information at the request of tax administration offices:

a/ Commercial banks shall provide information on contents of via-account transactions and account balances of taxpayers within 10 working days after receiving a request of a tax administration office;

b/ State management agencies in charge of houses and land shall provide information on the actual land use and house ownership of organizations, households, business households, individuals and business individuals;

c/ Public security offices shall provide and exchange information relating to the prevention and combat of tax-related crimes; provide information on individuals on exit or entry, and information on vehicle registration and management;

d/ Income-paying organizations and individuals shall provide information on payment of incomes and withheld tax amounts of taxpayers at the request of tax administration offices;



dd/ State management agencies in charge of commerce shall provide information on policies on management of imported, exported or transited goods of Vietnam and foreign countries; and information on market management.

3. Related ministries and sectors shall provide taxpayer information to tax administration offices via online networks or exchange electronic data on a daily basis via taxpayer information systems or the Vietnam National Single-Window portal.

4. Other agencies, organizations and individuals related to taxpayers shall provide taxpayer information in the form of written document or electronic data at the request of tax administration offices.

5. The Government shall detail this Article.

**Article 99. Confidentiality of taxpayer information**

1. Tax administration offices, tax administration officers, former tax administration officers and organizations providing and exchanging taxpayer information to/with others, and tax service providers shall keep confidential taxpayer information in accordance with law, except the cases specified in Clause 2 this Article and Article 100 of this Law.

2. In order to serve the litigation, inspection, examination or audit activities, if so requested in writing, tax administration offices shall provide taxpayer information to the following agencies:

a/ Investigation bodies, procuracies, courts;

b/ State inspecorates, state audit offices;

c/ Other state management agencies defined by law;

d/ Foreign tax authorities in conformity with tax treaties to which the Socialist Republic of Vietnam is a contracting party.

**Article 100. Disclosure of taxpayer information**

1. Tax administration offices may disclose taxpayer information that fall into the following cases:

a/ Evading taxes, intentionally delaying the payment of taxes and other state budget revenues; owing taxes and other state budget revenues;

b/ Committing tax-related violations, affecting interests and tax payment obligation of other organizations and individuals;

c/ Failing to comply with requests of tax administration offices in accordance with law.

2. The Government shall detail this Article.

## Chapter XII

### ORGANIZATIONS PROVIDING TAX AND CUSTOMS SERVICES

#### **Article 101.** Organizations providing tax services

1. Organizations providing tax services (below referred to as tax agents) are enterprises established and operating in accordance with the law on enterprises and provide services as agreed with taxpayers.

2. Enterprises qualified for provision of tax services shall register with provincial-level Tax Departments for grant of certificates of eligibility for provision of tax services.

#### **Article 102.** Conditions for grant of certificates of eligibility for provision of tax services

1. Being a lawfully established enterprise.

2. Having at least 2 full-time staff members possessing certificates of practice in the field of tax service provision.

#### **Article 103.** Grant of certificates of eligibility for provision of tax services

1. A dossier of application for a certificate of eligibility for provision of tax services must comprise:

a/ An application for a certificate of eligibility for provision of tax services;

b/ Copies of certificates of practice in the field of tax service provision of individuals working at the enterprise;

c/ Copies of labor contracts between the enterprise and individuals possessing certificates of practice in the field of tax service provision.

2. Provincial-level Tax Departments shall grant certificates of eligibility for provision of tax services to enterprises within 5 working days after receiving a complete and valid dossier; in case of refusal to grant such a certificate, they shall reply in writing, clearly stating the reason.

#### **Article 104.** Provision of tax services

1. Services provided by tax agents to taxpayers under contracts include:

a/ Completion of procedures for tax registration, declaration, payment and finalization; making of dossiers of request for tax exemption, reduction or refund; and completion of other tax-related procedures on behalf of taxpayers;

b/ Tax consultancy services;

c/ Accounting services for micro-sized enterprises under Article 150 of this Law. Micro-sized enterprises shall be identified in accordance with the law on support for small- and medium-sized enterprises.

2. Tax agents have the following rights and obligations:

a/ To perform services for taxpayers as agreed in contracts;

b/ To comply with this Law, the tax laws and other relevant laws in the provision of tax services;

c/ To be held responsible before law and taxpayers for services they provide.

3. The Minister of Finance shall prescribe the management of the provision of tax services.

**Article 105.** Certificates of practice in the field of tax service provision

1. To be granted a certificate of practice in the field of tax service provision, an applicant must meet the following criteria:

a/ Having full civil act capacity;

b/ Possessing a university or higher degree in economics, finance, accounting, audit or another discipline under regulations of the Minister of Finance;

c/ Having worked in the field of finance, accounting, audit or taxation for at least 36 months after his/her graduation from university;

d/ Having passed exams for grant of certificate of practice in the field of tax service provision.

Exams for grant of certificate of practice in the field of tax service provision include tax law and accounting subjects.

2. Those who possess an auditor certificate or accountant certificate granted by a competent agency under regulations shall be granted a certificate of practice in the field of tax service provision without having to pass exams for grant of certificate of practice in the field of tax service provision.

3. Those who possess a certificate of practice in the field of tax service provision and work at a tax agent are referred to as tax agent staff members. Tax agent staff members must attend knowledge update programs as required.

4. The following persons may not act as tax agent staff members:

a/ Cadres, civil servants, public employees; officers, non-commissioned officers, professional army men, and national defense workers and public

employees; officers, non-commissioned officers and workers of the public security forces;

b/ Those who are banned from practicing in the field of taxation, accounting or audit services under legally effective court judgments or rulings; those who are examined for penal liability;

c/ Those who have been sentenced for one of the offenses of infringing upon the economic management order related to tax, finance or accounting and have not had their criminal records expunged; those subject to the administrative measure of commune-, ward- or township-based education, or confinement to compulsory education institutions or compulsory rehabilitation centers;

d/ Those who have been sanctioned for administrative violations of regulations on tax administration, accounting or audit and have completely executed sanctioning decisions for less than 6 months, for those subject to caution, or 1 year, for those subject to other sanctions.

5. The Minister of Finance shall prescribe the organization of exams, conditions for exemption from an exam subject; procedures for grant and revocation of certificates of practice in the field of tax service provision; and updating of knowledge for tax agent staff members.

**Article 106.** Organizations providing customs services

Organizations providing customs services (below referred to as customs agents) shall comply with the customs law.

## Chapter XIII

### TAX EXAMINATION AND INSPECTION

#### Section 1

#### GENERAL PROVISIONS ON TAX EXAMINATION AND INSPECTION

**Article 107.** Principles of tax examination and inspection

1. To apply the risk management principles in tax administration and apply information technology in tax examination and inspection.

2. To comply with this Law, other relevant laws and regulations on forms used in the examination and inspection and tax examination order, procedures and dossiers as prescribed by the Minister of Finance.

3. Not to obstruct normal operation of taxpayers.

4. When conducting tax examination or inspection at offices of taxpayers, heads of tax administration offices shall issue examination or inspection decisions.

5. Tax examination and inspection aim to assess the completeness, accuracy and truthfulness of contents of documents, information and dossiers declared, submitted or produced by taxpayers to tax administration offices; assess taxpayers' observance of the tax laws and other relevant laws so as to obtain grounds for tax handling in accordance with law.

**Article 108.** Processing of tax examination and inspection results

1. Based on tax examination and inspection results, heads of tax administration offices shall issue decisions on handling of tax-related violations, recovery of tax amounts refunded in contravention of the tax laws or sanctioning of tax administration-related administrative violations according to their competence or request competent persons to issue decisions on sanctioning of tax administration-related administrative violations. In case acts of administrative violations are clearly defined in tax examination or inspection records, such records shall be regarded as administrative violation records.

2. If, through tax examination and inspection, an act of tax evasion showing criminal signs is detected, tax administration offices shall forward the file thereof to a competent investigation body for investigation in accordance with law. Tax administration offices shall coordinate with proceeding-conducting bodies in investigation, prosecution and trial in accordance with law.

Section 2

TAX EXAMINATION

**Article 109.** Tax examination at offices of tax administration offices

1. Tax examination at offices of tax administration offices, which shall be carried out by tax administration offices for tax dossiers, is prescribed as follows:

a/ Tax examination at offices of tax offices shall be carried out on the basis of taxpayers' tax dossiers in order to assess the completeness and accuracy of information and documents in such dossiers, and the tax law observance by taxpayers. Tax officers tasked to carry out the tax examination shall propose plans on tax examination at offices of tax offices or handling under Clause 2 of this Article based on the degree of tax risks of tax dossiers as classified by information technology in databases or results of analysis of tax dossiers according to their degree of tax risks as assigned by heads of tax offices;

b/ Tax examination at offices of customs offices shall be carried out to examine and compare contents of tax dossiers with relevant information and documents, provisions of the tax laws and results of physical inspection of

exports and imports when necessary. Post-customs clearance examination at offices of customs offices must comply with the customs law.

2. The handling of results of tax examination at offices of tax administration offices is specified as follows:

a/ If a violation which leads to loss of tax revenues or tax evasion is detected through the tax examination in the course of carrying out customs procedures, taxpayers shall fully pay payable tax amounts and be imposed fines in accordance with this Law and other relevant laws.

b/ If tax dossiers have unclear contents related to payable, exempted or reduced tax amounts, tax amounts to be deducted and carried forward to the subsequent period, refundable tax amounts or tax amounts not to be collected, tax administration offices shall notify and request taxpayers to make explanations or add information and documents. If taxpayers are able to explain unclear contents and add information and documents to prove accuracy of declared tax amounts, their tax dossiers will be accepted. In case of lacking grounds to prove accuracy of declared tax amounts, tax administration offices shall request taxpayers to make additional declarations.

Past the time limit notified by tax administration offices, if taxpayers fail to explain unclear contents and add information and documents or make additional declarations in their tax dossiers, or if they improperly explain unclear contents or improperly make additional declarations in their tax dossiers, heads of tax administration offices shall assess payable tax amounts or issue decisions on tax examination at offices of taxpayers or, on that basis, formulate examination and inspection plans according to the principles of risk management in tax administration.

**Article 110.** Tax examination at offices of taxpayers

1. Tax examination at offices of taxpayers shall be carried out in the following cases:

a/ Cases in which taxpayers' dossiers are subject to examination before tax refund; post-tax refund examination for dossiers eligible for tax refund before examination;

b/ Cases specified at Point b, Clause 2, Article 109 of this Law;

c/ Cases of post-customs clearance examination at offices of customs declarants in accordance with the customs law;

d/ Cases which show signs of law violations;

dd/ Cases of examination under plans;

e/ Cases proposed by the State Audit Office, state inspectorates and other competent agencies;

g/ Cases in which enterprises are divided, split up, merged or consolidated, undergo ownership transformation, dissolve, terminate operation, are equitized, have their tax identification numbers invalidated, change their business locations and cases of unscheduled examination or examination under directions of competent authorities, except cases of dissolution and termination of operation without requiring tax finalization by tax offices in accordance with law.

2. For the cases specified at Points dd, e and g, Clause 1 of this Article, tax administration offices shall carry out examination at offices of taxpayers no more than once a year.

3. Tax examination decisions must be sent to taxpayers within 3 working days and publicized within 10 working days after signing. Before tax examination decisions are publicized, if taxpayers can prove that their declared tax amounts are accurate and they have fully paid such tax amounts, tax administration offices shall cancel tax examination decisions.

4. Order and procedures for tax examination are as follows:

a/ Announcing the tax examination decision when tax examination commences;

b/ Comparing declared contents with accounting books and documents, financial statements, tax risk analysis results, information and data available at the office of the tax office, relevant documents and practical state within the scope and contents of the tax examination decision;

c/ Carrying out tax examination at the office of the taxpayer within the time limit stated in the examination decision, which, however, must not exceed 10 working days. The examination time limit shall be calculated from the date the examination decision is publicized. In case the scope of examination is large and covers complicated contents, the person having decided on the examination may extend such time limit only once for no more than 10 working days;

d/ Making a written record of tax examination within 5 working days after the expiration of the examination time limit;

dd/ Handling violations according to competence or proposing competent authorities to handle violations based on examination results.

5. Post-customs clearance examination must comply with the law on customs.

**Article 111.** Rights and obligations of taxpayers in tax examination at offices of taxpayers

1. Taxpayers have the following rights:

a/ To reject examination if there is no tax examination decision;

b/ To refuse to provide information and documents irrelevant to tax examination contents; information and documents pertaining to state secrets, unless otherwise provided for by law;

c/ To receive records of tax examination and request explanations of such contents;

d/ To reserve their opinions in records of tax examination;

dd/ To file complaints, institute lawsuits and claim damages in accordance with law;

e/ To denounce law violations committed in the course of tax examination.

2. Taxpayers have the following obligations:

a/ To comply with tax examination decisions of tax administration offices;

b/ To promptly, fully and accurately provide information and documents relevant to the examination contents at the request of tax examination teams; to take responsibility before law for the accuracy and truthfulness of provided information and documents;

c/ To sign records of tax administration within 5 working days after the completion of the examination;

d/ To comply with recommendations in tax examination records and conclusions and decisions on handling based on tax examination results.

**Article 112.** Tasks and powers of heads of tax administration offices that issue tax examination decisions and tax administration officers in tax examination

1. Heads of tax administration offices that issue tax examination decisions have the following tasks and powers:

a/ To direct the compliance with the examination contents and time limit stated in tax examination decisions;

b/ To apply the measures specified in Article 122 of this Law;

c/ To extend the examination time limit;

d/ To issue decisions on tax handling or sanctioning of administrative violations according to their competence, or to request competent persons to make conclusions and issue decisions on sanctioning of tax administration-related administrative violations;

dd/ To settle complaints and denunciations according to their competence.



2. While carrying out tax examination, tax administration officers have the following tasks and powers:

a/ To strictly comply with examination contents and time limit stated in tax examination decisions;

b/ To request taxpayers to provide information and documents relevant to examination contents;

c/ To make records of tax examination; to report on examination results to persons who have issued examination decisions and take responsibility for the accuracy, truthfulness and objectiveness of those records and reports;

d/ To sanction administrative violations according to their competence or propose competent persons to issue decisions on handling of tax-related violations.

### Section 3

#### TAX INSPECTION

##### **Article 113.** Cases subject to tax inspection

1. When there are signs of violations of the tax laws.

2. To settle complaints and denunciations or implement corruption prevention and combat measures.

3. To meet tax administration requirements on the basis of results of the classification of risks in the tax administration.

4. At the request of State Audit offices, conclusions of state inspectorates and other competent agencies.

##### **Article 114.** Tax inspection decisions

1. Heads of tax administration offices at all levels may issue tax inspection decisions.

2. A tax inspection decision must have the following contents:

a/ Legal grounds for tax inspection;

b/ Entity(ies) subject to, contents, scope and tasks of tax inspection;

c/ Tax inspection time limit;

d/ Head and other members of the tax inspection team.

3. Within 3 working days after its signing, a tax inspection decision shall be sent to the inspected subject.

4. A tax inspection decision shall be publicized within 15 days from the date of issuance.

##### **Article 115.** Tax inspection time limit

1. Tax inspection time limit must comply with the Inspection Law. The time limit for an inspection shall be calculated as the period of carrying out the inspection of the office of the concerned taxpayer from the date of publicization of the inspection decision to the date of inspection completion.

2. When necessary, tax inspection decision issuers may extend the tax inspection time limit in accordance with the Inspection Law. The extension of the inspection time limit shall be decided by tax inspection decision issuers.

**Article 116.** Tasks and powers of tax inspection decision issuers

1. Tax inspection decision issuers have the following tasks and powers:

a/ To direct, examine and oversee tax inspection teams to ensure compliance with contents of the tax inspection decisions;

b/ To request inspected subjects to provide information and documents, report in writing and explain matters related to tax inspection contents; to request agencies, organizations and individuals having information and documents relating to inspection contents to provide such information and documents;

c/ To solicit expert examination of matters related to tax inspection contents;

d/ To stop or propose competent persons to stop acts if deeming that such acts are seriously detrimental to interests of the State, lawful rights and interests of agencies, organizations and individuals;

dd/ To handle according to their competence or propose competent persons to handle tax inspection results; to urge the execution of handling decisions after tax inspection;

e/ To settle complaints and denunciations about the responsibility of heads and other members of tax inspection teams;

g/ To suspend or change heads and other members of inspection teams if the latter fail to accomplish inspection requirements or tasks, commit violations, are detected to be related to inspected subjects or cannot perform inspection tasks due to other objective reasons.

h/ To make conclusions on tax inspection contents.

i/ To forward files of violations to investigation bodies if detecting signs of crimes and at the same time, notify such to the same-level procuracy;

k/ To apply the measures specified in Articles 121, 122 and 123 of this Law;

l/ To request credit institutions where inspected subjects open accounts to block such accounts to serve the inspection if having grounds to believe

that these inspected subjects disperse their property and fail to implement decisions on retrieval of money and property issued by heads of concerned state inspectorates, agencies assigned to carry out specialized inspection or state management agencies.

2. When performing the tasks and exercising the powers specified in Clause 1 of this Article, tax inspection decision issuers shall be held responsible before law for their decisions.

**Article 117.** Tasks and powers of heads and members of tax inspection teams

1. Heads of tax inspection teams have the following tasks and powers:

a/ To organize tax inspection and instruct members of their teams to strictly comply with contents of the tax inspection decisions;

b/ To propose inspection decision issuers to apply the measures falling under the latter's competence in accordance with the inspection law so as to ensure the fulfillment of assigned tasks;

c/ To request inspected subjects to produce their practice certificates, business registration certificates, enterprise registration certificates, cooperative registration certificates, investment registration certificates or establishment and operation licenses, provide information and documents, and make written reports and explanations about matters related to tax inspection contents;

d/ To make records of violations of inspected subjects;

dd/ To inventory inspected subjects' property related to inspection contents;

e/ To request other agencies, organizations and individuals that have information and documents related to inspection contents to provide such information and documents;

g/ To request competent persons to temporarily seize illegal money, objects and licenses if deeming it necessary to prevent violations or verify circumstances for use as proofs for the conclusion and handling;

h/ To decide to seal documents of inspected subjects when there are grounds to believe that the latter have committed violations;

i/ To stop or propose competent persons to stop acts if deeming that such acts are seriously detrimental to interests of the State, lawful rights and interests of agencies, organizations and individuals;

k/ To request credit institutions where inspected subjects open accounts to block such accounts to serve the inspection if having grounds to believe that inspected subjects disperse their property;

l/ To impose administrative sanctions in accordance with law;

m/ To report to tax inspection decision issuers on inspection results and bear responsibility for the accuracy, truthfulness and objectiveness of their reports;

n/ To apply the measures specified in Article 122 of this Law.

2. Members of tax inspection teams have the following tasks and powers:

a/ To perform the tasks assigned by heads of their tax inspection teams;

b/ To request inspected subjects to provide information and documents; make written reports and explanations about matters related to inspection contents; and request agencies, organizations and individuals that have information and documents relating to inspection contents to provide such information and documents;

c/ To propose heads of inspection teams to apply measures falling under the latter's tasks and powers under Clause 1 of this Article so as to ensure the fulfillment of their assigned tasks;

d/ To propose the handling of matters related to inspection contents;

dd/ To report results of the performance of their assigned tasks to heads of their tax inspection teams; to be held responsible before law and heads of their inspection teams for the accuracy, truthfulness and objectivity of their reports.

**Article 118.** Rights and obligations of entities subject to tax inspection

1. Entities subject to tax inspection have the following rights:

a/ To explain matters related to tax inspection contents;

b/ To file complaints about decisions issued and acts committed by tax inspection decision issuers, and heads and members of tax inspection teams in the course of inspection; to file complaints about inspection conclusions or post-inspection violation-handling decisions in accordance with the law on complaints. Pending the settlement of their complaints, to execute these decisions;

c/ To receive tax inspection records and request explanations about contents of these records;

d/ To refuse to provide information and documents irrelevant to tax inspection contents, and information and documents classified as state secrets, unless otherwise provided by law;

dd/ To request compensations for damage in accordance with law;

e/ To denounce illegal acts of heads of tax administration offices, and heads and members of tax inspection teams in accordance with law.

2. Entities subject to tax inspection have the following obligations:

a/ To abide by tax inspection decisions;

b/ To provide in a prompt, sufficient and accurate manner information and documents at the request of tax inspection decision issuers, or heads or members of tax inspection teams and take responsibility before law for the accuracy and truthfulness of the provided information and documents;

c/ To fulfill or execute tax inspection requests, recommendations and conclusions and abide by violation-handling decisions of tax inspection decision issuers, or heads or members of tax inspection teams and competent state agencies;

d/ To sign inspection records.

#### **Article 119.** Tax inspection conclusions

1. Within 15 days after receiving a report on tax inspection results, except the case where inspection conclusions cannot be made without professional conclusions of competent agencies and organizations, a tax inspection decision issuer shall make a written tax inspection conclusion, which must have the following contents:

a/ Assessment of the observance of the tax laws by the inspected entity with respect to tax inspection contents;

b/ Conclusion on tax inspection contents;

c/ Clear determination of the nature, severity and cause of the violation, and responsibility of the violator;

d/ Handling of the administrative violation according to his/her competence or request for a competent person to handle the administrative violation in accordance with law.

2. In the course of making written conclusions or violation-handling decisions, inspection decision issuers may request heads or members of inspection teams to report, or request the inspected entities to give explanations in order to further clarify matters necessary for the making of conclusions or violation-handling decisions.

#### **Article 120.** Tax re-inspection

1. The competence to decide on re-inspection of cases or matters on which conclusions have been made but in which signs of violation are detected is provided as follows:

a/ The Chief of the Inspectorate of the Ministry of Finance may decide on re-inspection of cases or matters under the state management by the Ministry of Finance on which conclusions have been made by the General Directors of General Departments when assigned by the Minister of Finance;

b/ The General Directors of General Departments may decide on re-inspection of cases or matters on which conclusions have been made by directors of Departments under General Departments;

c/ Directors of Departments may decide on re-inspection of cases or matters on which conclusions have been made by heads of Branches under Departments;

d/ A re-inspection decision must have the contents specified in Article 114 of this Law. Within 3 working days after signing a re-inspection decision, the decision issuer shall send such decision to the inspected entity. A re-inspection decision shall be announced within 15 days after it is signed with a written record of announcement thereof made by the inspection team.

2. Re-inspection shall be carried out when one of the following grounds exists:

a/ A serious violation related to order and procedures committed in the course of inspection;

b/ An error in the application of law upon making of inspection conclusions;

c/ Inconsistency of inspection conclusions with evidences collected in the course of inspection, or signs of prominent risks based on risk analysis and assessment criteria;

d/ Intentional falsification of the case or matter dossier or intentional making of an unlawful conclusion by the inspection decision issuer, or head or a member of the inspection team;

dd/ Signs of a serious violation of the inspected entity which have not fully been detected through the inspection.

3. Statute of limitations and time limit for re-inspection are prescribed as follows:

a/ The statute of limitations for re-inspection is 2 years from the date of signing an inspection decision;

b/ The time limit for re-inspection must comply with Article 115 of this Law.

4. When carrying out re-inspection, inspection decision issuers, and heads and members of inspection teams shall perform the obligations and exercise the powers provided in Articles 116 and 117 of this Law.

5. Re-inspection conclusions and disclosure of re-inspection conclusions are prescribed as follows:

a/ Re-inspection conclusions shall be made under Article 119 of this Law. Re-inspection conclusions must clearly state the nature, severity and causes of violations, responsibility of agencies, organizations or individuals that have carried out the inspection, inspection conclusions, and handling measures.

Within 15 days after signing re-inspection conclusions, a re-inspection decision issuer shall send such conclusions to the head of the same-level state management agency and superior state inspectorate;

b/ The disclosure of re-inspection conclusions shall be carried out in accordance with the inspection law.

#### Section 4

### MEASURES TO BE APPLIED IN TAX INSPECTION TO CASES SHOWING SIGNS OF TAX EVASION

**Article 121.** Collection of information about acts of tax evasion

1. Heads of tax administration offices may request agencies, organizations and individuals that have information on acts of tax evasion to provide such information in writing or verbally.

2. When requested to provide information in writing, agencies, organizations and individuals shall provide information with contents, within a time limit and to an address as requested and take responsibility for accuracy and truthfulness of the provided information. If they are unable to provide information, they shall reply in writing clearly stating the reason.

3. When requested to provide information verbally, the concerned persons shall present themselves at the time and place indicated in written requests for provision of information with requested contents and take responsibility for the accuracy and truthfulness of the provided information. If they are unable to present themselves, they shall provide information in writing.

In the course of collection of information in verbal form, members of inspection teams shall make written records thereof and may make public audio-visual recordings.

**Article 122.** Temporary seizure of documents and exhibits related to acts of tax evasion

1. Heads of tax administration offices or tax inspection teams may decide on temporary seizure of documents and exhibits related to acts of tax evasion.

2. Temporary seizure of documents and exhibits related to acts of tax evasion or tax fraud shall apply when it is necessary to verify circumstances for making decisions on handling or prompt prevention of acts of tax evasion.

3. In the course of tax inspection, if an inspected entity shows signs of dispersion or destruction of documents and exhibits related to acts of tax evasion, the head of a tax inspection team on duty may temporarily seize those documents and exhibits. Within 24 hours after temporarily seizing documents and exhibits, the head of the tax inspection team shall report to the head of the tax administration office for issuance of a decision on temporary seizure of documents and exhibits. Within 8 working hours after receiving a report, a competent person shall consider and issue a decision on temporary seizure of documents and exhibits. If a competent person disagrees with the temporary seizure, the head of the tax inspection team shall return documents and exhibits within 8 working hours.

4. When temporarily seizing documents and exhibits related to acts of tax evasion, the head of a tax inspection team shall make a written record of temporary seizure of documents and exhibits. Such a record must clearly state appellations, quantities and types of temporarily seized documents and exhibits, and bear signatures of the person who temporarily seizes and person who currently manages documents and exhibits. Issuers of decisions on temporary seizure of documents and exhibits shall preserve the temporarily seized documents and exhibits and be held responsible before law if these documents and exhibits are lost, sold, exchanged or damaged.

In case documents and exhibits need to be sealed up, the sealing shall be carried out in the presence of owners of such documents and exhibits. When owners of documents and exhibits are absent, the sealing shall be carried out in the presence of representatives of their families or organizations, commune-level administrations and witnesses.

5. Exhibits being Vietnamese currency, foreign currencies, gold, silver, gems, precious metals and objects subject to special management shall be preserved in accordance with law; for exhibits being perishable goods or articles, issuers of decisions on temporary seizure of exhibits shall make written records of temporary seizure and promptly sell them to avoid any loss. Proceeds from the sale of exhibits shall be transferred into custody accounts opened at State Treasury offices so as to ensure full collection of tax amounts, late-payment interests and fines.

6. Within 10 working days after the temporary seizure is carried out, an issuer of a decision on temporary seizure of documents and exhibits shall dispose of the temporarily seized documents and exhibits by taking measures stated in the disposal decision or return them to their owners when confiscation of such documents and exhibits is not applied. The time limit for



temporary seizure of documents and exhibits may be prolonged for complicated cases which need verification but must not exceed 60 days after such documents and exhibits are temporarily seized. The prolongation of the time limit for temporary seizure of documents and exhibits shall be decided by competent persons defined in Clause 1 of this Article.

7. A tax administration office shall send 1 copy of the decision on temporary seizure of documents and exhibits, record of the temporary seizure and decision on disposal of documents and exhibits related to the act of tax evasion to the owners of such documents and exhibits.

**Article 123.** Search of hiding places of documents and exhibits related to acts of tax evasion

1. Heads of tax administration offices may decide on search of hiding places of documents and exhibits related to acts of tax evasion. In case a hiding place of documents and exhibits related to acts of tax evasion is a place of residence, the search shall be approved in writing by a competent person defined by law.

2. Search of a hiding place of documents and exhibits shall be carried out when there is a ground to believe that documents and exhibits related to an act of tax evasion are hidden there.

3. Search of a hiding place of documents and exhibits shall be carried out in the presence of its owner and witnesses. In case the owner of a searched place is absent and the search cannot be delayed, the presence of representatives of the commune-level administration and 2 witnesses is required.

4. Search of hiding places of documents and exhibits related to acts of tax evasion may not be carried out at night, on public holidays or when owners of searched places proceed with weddings or funerals, except where illegal acts are caught *in flagrante delicto*, and reasons for the search shall be recorded in writing.

5. All cases of search of hiding places of documents and exhibits related to acts of tax evasion shall be decided and recorded in writing. One copy of a decision on and written record of search of a hiding place of documents and exhibits shall be handed to the owner of the searched place.

## Chapter XIV

### ENFORCEMENT OF TAX ADMINISTRATION-RELATED ADMINISTRATIVE DECISIONS

**Article 124.** Cases subject to enforcement of tax administration-related administrative decisions

1. Taxpayers fail to pay tax after 90 days from the date of expiration of the prescribed time limit for tax payment.

2. Taxpayers fail to pay tax upon the expiration of the extended time limit for tax payment.

3. Taxpayers that have tax arrears commit acts of dispersing their property or fleeing away.

4. Taxpayers fail to abide by tax administration-related administrative sanctioning decisions within the time limits stated in such decisions, except where they are entitled to postponement or suspension of execution of such decisions.

5. No tax enforcement measure shall be applied to taxpayers whose tax arrears are frozen during the freezing period; no late-payment interest shall be imposed on these taxpayers in accordance with this Law; tax arrears may be paid in installments within 12 months from the starting date of the tax enforcement period.

The installment payment of tax arrears shall be considered by heads of agencies directly managing taxpayers at the latter's request and shall be guaranteed by credit institutions. The Minister of Finance shall prescribe the number of installments and dossiers and procedures for installment payment of tax arrears.

6. No enforcement measure shall be applied to taxpayers that owe customs charges and fees for transited cargoes and vehicles.

7. Individuals who are at-law representatives of taxpayers shall fulfill the tax payment obligation of enterprises subject to enforcement of tax administration-related administrative decisions before their exit from the country and may have their exit postponed in accordance with the law on entry and exit.

**Article 125.** Measures to enforce tax administration-related administrative decisions

1. Measures to enforce tax administration-related administrative decisions include:

a/ Deduction of money amounts from accounts of entities subject to enforcement of tax administration-related administrative decisions at State Treasury offices, commercial banks or other credit institutions; freezing of accounts;

b/ Deduction of part of salaries or incomes;

c/ Cessation of customs procedures for imported or exported goods;

d/ Stoppage of use of invoices;

dd/ Distraint of property, auction of distrained property in accordance with law;

e/ Confiscation of money or other property of entities subject to enforcement of tax administration-related administrative decisions which is held by other agencies, organizations or individuals;

g/ Revocation of enterprise registration certificates, business registration certificates, cooperative registration certificates, investment registration certificates, establishment and operation licenses, or practice licenses.

2. Measures to enforce tax administration-related administrative decisions specified in Clause 1 of this Article cease to be effective as soon as tax arrears are fully paid into the state budget.

3. The application of measures to enforce tax administration-related administrative decisions shall be carried out as follows:

a/ Based on actual situation, tax administration offices shall apply appropriate enforcement measures specified at Points a, b and c, Clause 1 of this Article;

b/ In case it is impossible to apply the first of the measures specified at Points d, dd, e and g, Clause 1 of this Article, tax administration offices shall apply another measure specified next to it;

c/ In case decisions to apply enforcement measures remain valid but are proved to be ineffective and tax administrative offices have sufficient information and conditions, they shall apply another measure specified prior or next to them as prescribed in Clause 1 of this Article.

**Article 126.** Competence to decide on enforcement of tax administration-related administrative decisions

1. Heads of tax administration offices, the Director of the Anti-Smuggling Investigation Department of the General Department of Customs, and the Director of the Post-Customs Clearance Inspection Department are competent to issue decisions on enforcement of tax administration-related administrative decisions for the cases specified at Points a, b, c, d, dd and e, Clause 1, Article 125 of this Law.

2. The revocation of enterprise registration certificates, business registration certificates, cooperative registration certificates, investment registration certificates, establishment and operation licenses or practice licenses specified at Point g, Clause 1, Article 125 of this Law shall be carried out in accordance with law.

**Article 127.** Decisions on enforcement of tax administration-related administrative decisions

1. A decision on enforcement of a tax administration-related administrative decision must have the following principal contents:

a/ Date of issuance;

b/ Grounds for issuance;

c/ Decision issuer;

d/ Name, address and tax identification number of the taxpayer subject to enforcement of the decision;

dd/ Reason(s) for enforcement of the decision;

e/ Measures to enforce the decision;

g/ Date and place of enforcement;

h/ Agency assuming the prime responsibility for and agency coordinating in executing the decision on enforcement of the tax administration-related administrative decision.

2. Decisions on enforcement of tax administration-related administrative decisions shall be sent to entities subject to enforcement of such decisions, direct superior tax administration offices and related organizations and individuals. Where conditions permit the performance of e-transactions in tax administration, decisions on enforcement of tax administration-related administrative decisions may be sent electronically and updated on portals of tax administration offices. In case of application of the measure specified at Point dd, Clause 1, Article 125 of this Law, decisions shall be sent to chairpersons of commune-level People's Committees of localities where the enforcement is carried out before they are executed.

3. An enforcement decision is valid for 1 year from the date of issuance. In case of enforcement by the measure of deduction of money amounts from accounts or freezing of accounts of entities subject to enforcement, an enforcement decision is valid for 30 days from the date of issuance.

**Article 128.** Responsibilities for organizing the execution of decisions on enforcement of tax administration-related administrative decisions

1. Issuers of decisions on enforcement of tax administration-related administrative decisions are responsible for organizing the execution of such decisions.

2. Commune-level People's Committees of localities where entities subject to enforcement of tax administration-related administrative decisions reside or are located shall direct responsible agencies to coordinate with tax administration offices in enforcing tax administration-related administrative decisions.

3. People's public security forces shall protect security and ensure social order and safety and support tax administration offices in the course of enforcing tax administration-related administrative decisions at the request of issuers of enforcement decisions.

**Article 129.** Enforcement by the measure of deduction of money amounts from accounts or freezing of accounts of entities subject to enforcement of tax administration-related administrative decisions

1. The measure of deduction of money amounts from accounts or freezing of accounts shall be applied to entities subject to enforcement of tax administration-related administrative decisions that have deposits at State Treasury offices, commercial banks or other credit institutions.

2. Upon receiving decisions on enforcement of tax administration-related administrative decisions, State Treasury offices, commercial banks or other credit institutions shall deduct money amounts stated in enforcement decisions from accounts of entities subject to the enforcement and transfer these amounts to the state budget's accounts at the State Treasury offices, and at the same time notify such in writing to issuers of the enforcement decisions and entities subject to the enforcement.

3. If State Treasury offices, commercial banks or other credit institutions cannot fully deduct tax amounts as stated in the enforcement decisions upon the expiration of such decisions' validity period, they shall notify such in writing to issuers of such decisions.

4. During the validity period of a decision on enforcement of a tax administration-related administrative decision, if there remains a balance on the account of the entity subject to enforcement of such decision but the concerned State Treasury office, commercial bank or another credit institution fails to deduct a money amount from such account for payment into the state budget under the enforcement decision, it shall be administratively sanctioned under Chapter XV of this Law.

5. The Government shall detail this Article.

**Article 130.** Enforcement by the measure of deduction of part of salaries or incomes

1. The measure of deduction of part of salaries or incomes shall be applied to taxpayers subject to enforcement of tax administration-related administrative decisions who are working on state payrolls or under contracts of a term of at least 6 months or enjoying pension or working capacity loss allowances.

2. The rate of deduction from salary, pension or working capacity loss allowance applicable to an individual must be between 10% and 30% of the total monthly salary or allowance of such individual. For other incomes, the

rate of deduction shall be based on the actual income but must not exceed 50% of the total income amount.

3. Employers that currently manage salaries or incomes of persons subject to enforcement of tax administration-related administrative decisions shall:

a/ Deduct part of salaries or incomes of such persons and transfer the deducted amounts into the state budget's accounts at State Treasury offices as stated in decisions on enforcement of tax administration-related administrative decisions from the latest payment period of salaries or incomes until fully deducting the tax arrears stated in the enforcement decisions, and at the same time notify such to the enforcement decision issuers and such persons;

b/ In case labor contracts of such persons expire when the tax arrears have not been fully deducted under the enforcement decisions, employers shall notify such to the enforcement decision issuers within 5 working days after the termination of those labor contracts;

c/ If employers that currently manage salaries or incomes of persons subject to enforcement of tax administration-related administrative decisions intentionally shirk executing such decisions, they shall be administratively sanctioned under Chapter XV of this Law.

d/ The Government shall detail this Article.

**Article 131.** Enforcement by the measure of stopping customs procedures for imported or exported goods

1. Heads of customs offices of places where taxpayers having overdue tax arrears reside or are located shall notify the measure of stopping customs procedures for imported or exported goods at least 5 working days before the measure is applied.

2. The measure of stopping customs procedures shall not be applied to:

a/ Exported goods exempt from or not liable to export duty or enjoying an export duty rate of 0%;

b/ Imported or exported goods directly serving national defense, security, prevention and control of natural disasters or epidemics, or emergency relief; and goods as humanitarian aid or non-refundable aid.

3. The Government shall detail this Article.

**Article 132.** Enforcement by the measure of suspending the use of invoices

1. When applying the measure of suspending the use of invoices, tax administration offices shall announce it on their portals and in the mass media for 24 hours.

2. The Government shall detail this Article.

**Article 133.** Enforcement by the measure of distraining property or auctioning distrained property

1. The measure of distraining property may not be applied to taxpayers that are individuals currently undergoing medical treatment at medical examination and treatment centers established in accordance with law.

2. The value of distrained property of entities subject to the enforcement is equal to the tax amount stated in the enforcement decision plus expenses for the enforcement.

3. The following property items may not be distrained:

a/ Medicines, food and foodstuffs to meet essential needs of entities subject to enforcement of tax administration-related administrative decisions and their families;

b/ Working tools;

c/ Sole houses and essential personal articles of entities subject to enforcement of tax administration-related administrative decisions and their family members;

d/ Worshipping objects; relics of deceased persons, orders, medals, and certificates of merit;

dd/ Property items used to serve national defense and security.

4. If entities subject to enforcement of tax administration-related administrative decisions fail to fully pay tax arrears within 30 days after the distraint of their property, tax administration offices may auction the distrained property so as to fully collect the tax arrears.

5. The Government shall detail this Article.

**Article 134.** Enforcement by the measure of confiscating money or other property of entities subject to the enforcement currently held by other organizations or individuals

1. The enforcement by the measure of confiscating money amounts or other property items of an entity subject to the enforcement which are held by another agency, organization or individual (below referred to as third party) shall be applied when the tax administration office has grounds to believe that the third party owes a debt to or holds a money amount or another property item of the entity subject to the enforcement.

2. Principles of confiscation of money or other property items of an entity subject to the enforcement from a third party are as follows:

a/ The third party that owes a due debt to the entity subject to the enforcement or holds money or another property item of such entity shall pay the tax arrears on the latter's behalf;

b/ If money or another property item of the entity subject to the enforcement held by a third party is a subject matter of secured transactions or involved in a case of bankruptcy, the confiscation of such money or property shall be carried out in accordance with law;

c/ Money amount paid by the third party into the state budget on behalf of the entity subject to the enforcement is regarded as the money amount paid to such entity.

3. Responsibilities of the third party that owes a debt to or holds money or another property of the entity subject to the enforcement:

a/ To provide the tax administration office with information on the debt to or money amount or another property of such entity, clearly stating the money amount, time limit for debt payment, and type, quantity and state of property;

b/ To refrain from returning, upon receiving a written request from the tax administration office, money or another property to such entity until fulfilling the obligation of paying tax or transferring property to the tax administration office for carrying out property auction procedures;

c/ To send to the tax administration office a written explanation about the failure to satisfy the latter's request within 5 working days after receiving such request;

d/ An agency, organization or individual that owes a debt or holds money or another property of the entity subject to enforcement of a tax administration-related administrative decision and fails to pay the tax amount subject to enforcement within 15 days after receiving a request from the tax administration office shall be regarded as owing tax to the State and subject to the enforcement measures specified in Clause 1, Article 125 of this Law.

4. The Government shall detail this Article.

**Article 135.** Enforcement by the measure of revoking enterprise registration certificates, business registration certificates, cooperative registration certificates, investment registration certificates, establishment and operation licenses or practice licenses

1. Heads of tax administration offices shall send written requests to competent state management agencies for revocation of enterprise registration certificates, business registration certificates, cooperative



registration certificates, investment registration certificates, establishment and operation licenses or practice licenses.

2. When applying the enforcement measure specified in this Article, competent state management agencies shall publicly announce it in the mass media.

3. The Government shall detail this Article.

## Chapter XV

### SANCTIONING OF TAX ADMINISTRATION-RELATED ADMINISTRATIVE VIOLATIONS

#### Section 1

#### GENERAL PROVISIONS

**Article 136.** Principles of sanctioning of tax administration-related administrative violations

1. The sanctioning of tax administration-related administrative violations shall be carried out in accordance with the law on tax administration and law on handling of administrative violations.

2. An administrative violation of illegally using invoices, using unlawful invoices or using invoices in contravention of regulations leading to tax underpayment or evasion shall not be sanctioned as an invoice-related administrative violation but as a tax administration-related administrative violation.

3. The maximum fine for the act of incorrectly declaring tax leading to tax underpayment or increase in the exempted, reduced, refunded or uncollected amount or the act of tax evasion must comply with this Law.

4. For the same tax administration-related administrative violation, the fine to be imposed on an organization must be twice that to be imposed on an individual, except the violation of incorrectly declaring tax leading to tax underpayment or increase in the exempted, reduced, refunded or uncollected amount or the act of tax evasion.

5. Taxpayers subject to tax assessment under Articles 50 and 51 of this Law shall, depending on the nature and severity of their violations, be sanctioned for tax administration-related administrative violations in accordance with this Law.

6. Competent persons on duty who detect tax administration-related administrative violations shall make written records of administrative violations under regulations. For taxpayers that make tax registration, submit tax declaration dossiers and make tax finalization online, notices of receipt of

online tax registration, tax declaration or tax finalization dossiers that clearly state their tax administration-related administrative violations may be used as written records of administrative violations and a basis for issuance of sanctioning decisions.

7. Tax administration-related violations that are serious enough for penal liability examination shall be handled in accordance with the penal law.

**Article 137.** Statute of limitations for sanctioning of tax administration-related administrative violations

1. For violations related to tax procedures, the statute of limitations for sanctioning is 2 years from the date of commission of the violations.

2. For violations related to tax evasion that are not serious enough for penal liability examination, acts of making untruthful declarations to reduce payable tax amounts or increase exemptible, reducible, refundable or uncollectible tax amounts, the statute of limitations for sanctioning is 5 years from the date of commission of the violations.

3. Past the statute of limitations for sanctioning of tax administration-related administrative violations, violating taxpayers will not be sanctioned but shall still fully pay the unpaid, evaded or improperly exempted, reduced, refunded or uncollected tax amounts or late-payment interests to the state budget for retrospective 10 years up to the date of detection of their violations. Taxpayers that have not made tax registration shall fully pay the unpaid or evaded tax amounts or late-payment interests for the whole retrospective period up to the date of detection of their violations.

**Article 138.** Sanctioning forms, fine levels and consequence remedies

1. Forms of sanctioning of tax administration-related administrative violations include:

a/ Caution;

b/ Fine.

2. Fine levels to be imposed for tax administration-related administrative violations are prescribed as follows:

a/ The maximum fine level to be imposed for the acts specified in Article 141 of this Law must comply with the law on handling of administrative violations;

b/ A fine level equal to 10% of under-declared payable tax amounts or over-declared exempted, reduced, refunded or uncollected tax amounts shall be imposed for the act specified at Point a, Clause 2, Article 142 of this Law;

c/ A fine level equal to 20% of under-declared payable tax amounts or over-declared exempted, reduced, refunded or uncollected tax amounts shall

be imposed for the acts specified in Clause 1 and at Points b and c, Clause 2, Article 142 of this Law;

d/ A fine level equal to between one time and three times the evaded tax amounts shall be imposed for the acts specified in Article 143 of this Law.

3. Consequence remedies in the sanctioning of tax administration-related administrative violations include:

a/ Forcible full payment of evaded or unpaid tax amounts;

b/ Forcible full payment of improperly exempted, reduced, refunded or uncollected tax amounts.

4. The Government shall detail this Article.

**Article 139.** Competence to sanction tax administration-related administrative violations

1. The competence to sanction administrative violations of tax procedures is provided in the law on handling of administrative violations.

2. Heads of tax administration offices and the Director of the Anti-Smuggling Investigation Department of the General Department of Customs are competent to issue decisions on administrative sanctioning of the acts specified in Articles 142, 143, 144 and 145 of this Law.

3. The Government shall detail this Article.

**Article 140.** Exemption from fines for tax administration-related administrative violations

1. Taxpayers that are fined for their tax administration-related administrative violations and suffer damage in *force majeure* circumstances specified in Clause 27, Article 3 of this Law are exempted from fine. A total exempted fine amount must not exceed the value of their damaged property or goods.

2. Taxpayers that have completely executed tax administration offices' or competent state agencies' decisions on sanctioning of tax administration-related administrative violations are not exempt from fines for tax administration-related administrative violations.

3. The Government shall detail this Article.

## Section 2

### TAX ADMINISTRATION-RELATED ADMINISTRATIVE VIOLATIONS

**Article 141.** Acts of violating tax procedures

1. Acts of violating tax procedures include:

a/ Violating the regulations on time limit for tax registration or notification of changes in information in tax registration;

b/ Failing to submit tax declaration dossiers within 90 days from the date of expiration of the time limit or extended time limit for submission of such dossiers as prescribed in this Law;

c/ Failing to submit tax declaration dossiers during the period from the date of expiration of the time limit for submission of customs declaration forms to the date of disposal of unclaimed goods as prescribed in the Customs Law;

d/ Incorrectly or inadequately filling in contents of tax dossiers without leading to a decrease in payable tax amounts or an increase in exemptible, reducible, refundable or uncollectible tax amounts, unless taxpayers make additional declarations within the prescribed time limit;

dd/ Violating the regulations on provision of information related to tax liability determination;

e/ Failing to abide by decisions on tax examination or tax inspection or enforcement of tax administration-related administrative decisions.

2. No tax administration-related administrative sanction shall be imposed for acts of violating tax procedures in the following cases:

a/ Taxpayers enjoy an extension of the time limit for submission of tax declaration dossiers;

b/ Individual taxpayers that directly finalize personal income tax are late in submitting their personal income tax finalization dossiers and enjoy refundable tax amounts;

c/ Business households or businesspersons are subject to tax assessment under Article 51 of this Law.

3. The Government shall detail this Article.

**Article 142.** Acts of making incorrect declarations to reduce payable tax amounts or increase exemptible, reducible, refundable or uncollectible tax amounts

1. Acts of making incorrect declarations to reduce payable tax amounts or increase exemptible, reducible, refundable or uncollectible tax amounts include:

a/ Incorrectly declaring tax bases or deductible tax amounts or wrongfully identifying cases eligible for tax exemption, reduction or refund leading to a decrease in payable tax amounts or an increase in exemptible, reducible or refundable tax amounts while economic operations have been fully reflected in account books, and lawful invoices and documents;

b/ Providing in their market price determination dossiers or transfer pricing transaction declarations figures different from the figures found through inspection or examination in order to reduce payable tax amounts or increase exemptible, reducible or refundable tax amounts, as concluded by tax administration offices or other competent agencies;

c/ Using unlawful invoices or documents, or illegally using invoices to account the value of purchased goods or services in order to reduce payable tax amounts or increase exemptible, reducible or refundable tax amounts in case goods or service purchasers can prove that sellers are at fault regarding the use of such invoices or documents.

2. Taxpayers that make incorrect declarations to reduce payable tax amounts or increase exemptible, reducible, refundable or uncollectible tax amounts for imported or exported goods but do not fall into the cases specified in Clauses 6 and 7, Article 143 of this Law shall, in addition to making additional declarations and fully paying tax amounts and late-payment interests, be sanctioned for tax administration-related administrative violations in the following cases:

a/ Taxpayers discover by themselves incorrect declarations and make additional declarations after customs offices notify the direct inspection of customs dossiers for goods currently undergoing customs procedures or within 60 days from the date of customs clearance and before customs offices decide on post-customs clearance inspection or inspection of customs-cleared goods;

b/ Customs offices detect incorrect declarations while carrying out customs procedures, inspecting customs-cleared goods or carrying out post-customs clearance inspection and violators are willing to remedy consequences by fully paying payable tax amounts under regulations;

c/ Taxpayers do not fall into the cases specified at Points a and b of this Clause and are willing to remediate consequences by fully paying payable tax amounts.

3. Taxpayers that make incorrect declarations to reduce payable tax amounts or increase exemptible, reducible or refundable tax amounts but then make additional declarations in tax declaration dossiers and are willing to remediate consequences by fully paying payable tax amounts before tax offices announce tax examination or tax inspection decisions at the taxpayers' offices or before tax offices detect incorrect declarations not through examination or inspection at the taxpayers' offices, or before competent agencies detect incorrect declarations will not be sanctioned for tax administration-related administrative violations.

4. For imported or exported goods, taxpayers will not be sanctioned for tax administration-related administrative violations but shall still pay unpaid tax amounts and late-payment interests to the state budget in the following cases:

a/ They make additional declarations before customs offices notify the direct examination of customs dossiers for goods currently undergoing customs procedures;

b/ They make additional declarations within 60 days from the date of customs clearance and before customs offices decide on post-customs clearance inspection or inspection of customs-cleared goods.

**Article 143.** Acts of tax evasion

1. Failing to submit a tax registration dossier; failing to submit a tax declaration dossier; submitting a tax declaration dossier past 90 days after the expiration of the time limit or extended time limit for submission of tax declaration dossiers prescribed in this Law.

2. Failing to record in account books revenues related to the determination of payable tax amounts.

3. Failing to issue invoices upon selling goods or services in accordance with law or writing in sale invoices a value lower than the actually paid value of goods or services sold.

4. Using unlawful invoices or documents or illegally using invoices for accounting goods or input materials in operations that give rise to the tax liability, thereby reducing payable tax amounts or increasing exemptible, reducible, deductible, refundable or uncollectible tax amounts.

5. Using documents to untruthfully reflect the nature of transactions or actual transaction value in order to incorrectly determine payable tax amounts or exemptible, reducible, deductible, refundable or uncollectible tax amounts.

6. Making declarations not truthful to the actual state of imported or exported goods without making any additional declaration in tax declaration dossiers after the customs clearance of goods.

7. Intentionally failing to make declarations or making incorrect declarations of duties on imported or exported goods.

8. Colluding with goods consignors to evade duties on imported goods.

9. Using goods not liable to duty, duty-free goods or goods eligible for duty exemption consideration for improper purposes without declaring use purpose change to tax administration offices.

10. Conducting business activities during the period of business operation cessation or suspension without notifying such to tax administration offices.

11. Taxpayers will not be sanctioned for tax evasion but shall be sanctioned under Clause 1, Article 141 of this Law if:

a/ They fail to submit tax registration dossiers or tax declaration dossiers or submit tax declaration dossiers past 90 days after the expiration of the time limit for submission of tax declaration dossiers without giving rise to a new payable tax amount;

b/ Submitting tax declaration dossiers past 90 days after a payable tax amount arises, provided they fully pay tax amounts and late-payment interests into the state budget before tax offices announce tax examination or tax inspection decisions or make written records of late submission of tax declaration dossiers.

**Article 144.** Handling of violations of commercial banks and tax payment guarantors in the field of tax administration

1. Commercial banks that fail to perform the responsibility to deduct and transfer from taxpayers' accounts to the state budget's accounts payable tax arrears of taxpayers at the request of tax administration offices shall be imposed fines equal to such tax amounts, unless taxpayers' accounts no longer have a balance or the balance of such accounts has been wholly transferred to the state budget's accounts but is not enough to pay the tax arrears.

2. Guarantors that fail to perform the obligation of providing guarantee for taxpayers in case the latter fail to pay tax shall perform the obligation of taxpayers within the scope of guarantee.

**Article 145.** Handling of violations of related organizations and individuals in the field of tax administration

1. Organizations and individuals that are related to the implementation of the tax laws as specified in Clause 4, Article 2 of this Law and commit acts of colluding with or covering up taxpayers that commit tax evasion or fail to abide by decisions on enforcement of tax administration-related administrative decisions shall, depending on the nature and severity of their violations, be sanctioned for administrative violations or examined for penal liability in accordance with law.

2. Other organizations and individuals that are related to the implementation of the tax laws as specified in Clause 4, Article 2 of this Law and fail to perform their responsibilities prescribed in this Law shall, depending on the nature and severity of their violations, be sanctioned for

administrative violations or examined for penal liability in accordance with law.

**Article 146.** Sanctioning of administrative violations related to charges, fees or invoices in the field of tax administration

The sanctioning of administrative violations related to charges, fees or invoices in the field of tax administration must comply with regulations of the Government.

## Chapter XVI

### COMPLAINTS, DENUNCIATIONS AND INITIATION OF LAWSUITS

**Article 147.** Complaints and denunciations

1. Taxpayers, organizations and individuals may file complaints with competent agencies about administrative decisions or administrative acts of tax administration offices or officers when they have grounds to believe that those decisions or acts are unlawful or infringe upon their lawful rights and interests.

2. Individuals may file denunciations against tax law violations committed by taxpayers, tax administration officers or other organizations and individuals.

3. The competence, order and procedures for settling complaints or denunciations must comply with the law on complaints and denunciations.

**Article 148.** Initiation of lawsuits

Lawsuits against administrative decisions or administrative acts of tax administration offices or officers shall be initiated in accordance with the law on administrative procedures.

**Article 149.** Responsibilities and powers of tax administration offices in the settlement of tax-related complaints

1. Upon receiving complaints about the tax law implementation, tax administration offices may request complainants to provide dossiers and documents related to their complaints; and may refuse to consider and settle complaints if complainants refuse to provide dossiers and documents.

2. Tax administration offices shall refund incorrectly collected tax amounts, late-payment interests or fines to taxpayers or third parties within 15 days after receiving decisions of competent agencies.

3. For complicated complaints, heads of tax administration offices who are settlers of complaints, including first-time complaints, shall consult related agencies and organizations. When carrying out the consultation, heads



of tax administration offices shall issue decisions to set up advisory councils. Advisory councils shall operate on the principle of majority vote. Voting results serve as a reference for heads of tax administration offices to issue complaint settlement decisions, who shall bear responsibility for such decisions.

## Chapter XVII

### IMPLEMENTATION PROVISIONS

**Article 150.** Addition of one article to Accounting Law No. 88/2015/QH13

To add Article 70a below Article 70 in Chapter IV as follows:

“Article 70a. Provision of accounting services by tax procedure service providers

A tax procedure service provider may provide accounting services to micro-sized enterprises when having at least one certified accountant.”.

**Article 151.** Effect

1. This Law takes effect on July 1, 2020, except the case specified in Clause 2 of this Article.

2. This Law’s provisions on e-invoices and e-documents take effect on July 1, 2022; agencies, organizations and individuals are encouraged to apply these provisions before July 1, 2022.

3. Law No. 78/2006/QH11 on Tax Administration, which had a number of articles amended and supplemented under Law No. 21/2012/QH13, Law No. 71/2014/QH13, and Law No. 106/2016/QH13, cease to be effective on the effective date of this Law, except the case specified in Clause 1, Article 152 of this Law.

4. Pursuant to this Law and other relevant regulations, the Government shall prescribe the application of this Law’s provisions on the management of tax revenues to the management of other state budget revenues and provisions on tax administration of transfer pricing transactions of related enterprises.

**Article 152.** Transitional provisions

1. Tax amounts eligible to be exempted, reduced, not collected or written off that arise before July 1, 2020, shall continue to be handled in accordance with Law No. 78/2006/QH11 on Tax Administration, which had a number of articles amended and supplemented under Law No. 21/2012/QH13, Law No. 71/2014/QH13, and Law No. 106/2016/QH13.

2. Tax arrears that remain unpaid through June 30, 2020, shall be handled in accordance with this Law, except the case specified in Clause 1 of this Article.

*This Law was passed on June 13, 2019, by the XIV<sup>th</sup> National Assembly at its 7th session.-*

*Chairwoman of the National Assembly*  
NGUYEN THI KIM NGAN