



GLOBAL VIETNAM
LAWYERS

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NEWLY ISSUED LEGAL DOCUMENTS

1. Extension of the deadline for paying taxes and land rent in 2023

On 14 April 2023, the Government issued Decree 12/2023/ND-CP (“**Decree 12/2023**”) on extending the deadline for payment of value added taxes (VAT), corporate income taxes (CIT), personal income taxes (PIT) and land rent in 2023 will be applied from 14 April 2023 until end of 31 December 2023 with specific regulations as follows:

1.1 Extension of tax payment deadline

Subjects	Tax obligations
Enterprises	<p>For CIT: enterprises and organisations are entitled to an extension of the deadline for temporary payment of CIT for the first and second quarters of the CIT period of 2023 period within 03 months of the end of the CIT payment deadline.</p>
	<p>For VAT (except for VAT upon imports): enterprises and organisations are entitled to an extension of the tax payment deadline for the VAT amounts payable (including the tax amount allocated to other provincial-level localities where the taxpayer is headquartered, the tax amount to be paid in each occurrence) of the tax period from March to August 2023 (for the case of monthly VAT declaration) and the tax period of the first and second quarters of 2023 (for the case of quarterly VAT declaration). The specific extension period is as follows:</p> <ul style="list-style-type: none"> ▪ 06 months for the tax amount accrued from March 2023 to May 2023 and the first quarter of 2023; ▪ 05 months for the tax amount accrued in June 2023 and the second quarter of 2023; ▪ 04 months for the tax amount of July 2023; and ▪ 03 months for the tax amount of August 2023. <p><i>Note:</i> the extension of payment of CIT and VAT also applies to branches or business affiliates the enterprise, unless those branches and affiliates do not conduct production and business activities. in the extended economic sector or field.</p>
Business households and individuals	<p>VAT, PIT: business households and individuals are entitled to an extension of the deadline for payment of VAT and PIT for the tax amounts accrued in 2023 no later than 30 December 2023.</p>

1.2 Extension of the time limit for paying land rent

The extension of the time limit for payment of 50% of the land rent in 2023 payable by enterprises, organisations, households, and business households who are directly

renting land from the State under a decision or contract signed by or with a competent state agency in the form of annual land rental payment for the period of 06 months from 31 May 2023 to 30 November 2023.

1.3 Deadline for submission of the request for the extension of land tax and rent payment

Taxpayers must directly declare and submit an application for extension of land tax and rent payment ("**Application for extension**") for the first time or submit an amended copy in case of detecting mistakes (by electronic method; sending a paper copy to the tax office or via postal service) to the direct tax administration agency for the entire tax and land rental amount accrued in the tax periods entitled to extension at the time of filing the monthly (or quarterly) tax declaration forms.

In general, the regulations on the extension of the deadline for paying tax and land rent in 2023 are mostly similar to those on extending the deadline for tax and land rent payment in 2022 of Decree 34/2022/ND-CP, except for Decree 12/2023, which eliminated the subject group of *credit institutions and foreign bank branches that implement the solutions to support customers being businesses, organisations and individuals affected by the Covid-19 epidemic according to the regulations of the State Bank of Vietnam* from the subjects entitled to the extension of the deadline for paying tax and land rent in 2023.

2. Regulations on the reporting on high value transactions

On 27 April 2023, the Prime Minister issued Decision 11/2023/QĐ-TTg ("**Decision 11/2023**") on the reporting on high value transactions. Accordingly, from 01 December 2023 (the effective date of Decision 11/2023), the required rate of financial institutions, organisations and individuals engaged in related non-financial business lines according to Articles 4.1 and 4.2 of the Law on Anti-Money Laundering must be reported to the State Bank if a transaction is made with a value of VND 400 million or more instead of VND 300 million as prescribed in Decision 20/2013/QĐ-TTg.

3. Regulations on carrying out the debt rescheduling for clients in need

On 23 April 2023, the State Bank of Vietnam issued Circular 02/2023/TT-NHNN ("**Circular 02/2023**") on credit institutions and foreign bank branches ("**the Bank**") carrying out the debt rescheduling and maintaining classified loan groups in order to support customers in need with the notable regulation that the Bank is allowed to carrying out the debt rescheduling for customers until end of 30 June 2024.

Accordingly, the Banks are allowed to consider carrying out the debt rescheduling for loan principals and/or interests on the basis of the customers' requests, their financial capacity, if the following conditions are fully met:

The principal balance arises before the effective date of Circular 02/2023 (ie. 24 April 2023) from lending and financial leasing activities.

Becoming liable for payment of the loan principal and/or interest from 24 April 2023 until end of 30 June 2024.

The balance of the rescheduled loan is not due or falls overdue for up to 10 days from the due date under a contract or an agreement.

Customers are unable to pay their loan principals and/or interests as they are due under contracts or agreements as a result of the loss of revenue or income compared to that in the plan for payment of loans, as evaluated by the Bank.

Customers are evaluated by the Bank that they are able to pay off loan principals and/or interests on the rescheduled due date.

Banks will refuse to reschedule the debts in violation of law.

The rescheduled period (also in cases of extension of debt payment) shall be determined based on the customers' degree of hardship, and must not exceed 12 months from the due date of the loan balance.

Debt payment rescheduling as specified in Circular 02/2023 will be carried out from 24 April 2023 until end of 30 June 2024.

4. A new Decree detailing a number of articles of the Anti-Money Laundering Law

On 28 April 2023, the Government issued Decree 19/2023/ND-CP (“Decree 19/2023”) detailing a number of articles of the Anti-Money Laundering Law (effective from the date of signing, ie. 24 April 2023 to replace Decree 116/2013/ND-CP and Decree 87/2019/ND-CP) with some notable novelties as follow:

4.1 4 cases where financial institutions must conduct know-your-customer

A financial institution must conduct the know-your-customer process in 4 cases as follow¹:

a/ A customer opens an account for the first time, including: payment account, e-wallet or another account or establishes a relationship with the financial institution for the first time in order to use the products or services provided by such financial institution.

b/ A customer has no account or has an account that has not been active for 6 previous consecutive months but conducts transactions with the total value of VND 400 million or more, or with equivalent value in a foreign currency within a day, except for transactions of finalised payment, withdrawal of interest, repayment of credit card debt, repayment for a credit extension, periodic payments registered with the financial institution, withdrawal of interest from the securities or bond investment.

c/ A customer or his/her/its transaction or transactions of the concerned parties have one or more fundamental suspicious signs, suspicious signs in the fields of banking, intermediate payment, life insurance business and securities as regulated by the Anti-Money Laundering Law or other suspicious signs reported by others;

d/ A customer provides additional information or documents that do not match the previously provided information or documents, or those collected and identified in a report.

4.2 National assessment of money laundering risks

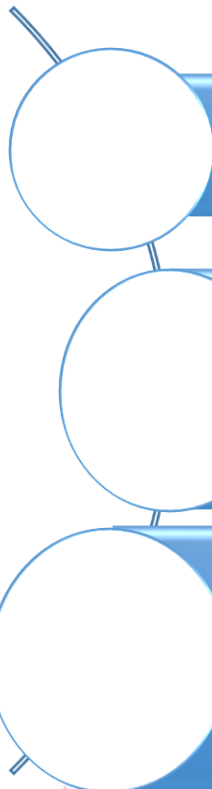
Decree 19/2023 stipulates the national assessment of money laundering risks by using the scoring toolkit and with the risk assessment criteria to rank the risks on a scale from 1 to 5, specifically:

Criteria/ Scoring Scale	5	4	3	2	1
Money laundering risk	High	Medium-high	Medium	Medium-low	Low
Appropriateness of anti-money laundering policies and measures	Low	Medium-low	Medium	Medium-high	High
Consequences of money laundering	High	Medium-high	Medium	Medium-low	Low
National assessment of money laundering risk	High	Medium-high	Medium	Medium-low	Low

4.3 Grounds for delaying the Blacklisted transactions

¹ According to Article 6.1 of Decree 19/2023

According to Article 12 of Decree 19/2023, there are 3 signs of a party being involved in a Blacklisted transaction which should be delayed, particularly:

- 
- (a) An involved individual or entity which has information fully matching the information of an individual or entity on the blacklist.
 - (b) An involved individual who has a piece of information fully matching the information of an individual on the Blacklist, and based on the information collected, it is believed that the individual is involved in terrorism or terrorism financing, proliferation of or financing the proliferation of weapons of mass destruction.
 - (c) An involved entity which has one of the details: transaction name, establishment license number, enterprise code or tax code matching that of an entity on the Blacklist, and based on the information collected, it is believed that the individual is involved in terrorism or terrorism financing, proliferation of or financing the proliferation of weapons of mass destruction.

5. Additional regulations on business household registration

On 18 April 2023, the Ministry of Planning and Investment issued Circular 02/2023/TT-BKHDT (“Circular 02/2023”) amending and supplementing a number of articles of Circular 01/2021/TT-BKHDT guiding enterprise registration. Circular 02/2023 will take effect from 01 July 2023 with some notable regulations on business household registration.

5.1 Business household code is also tax code

According to Circular 02/2023, the business household code is also the tax code. Accordingly, the business household code is a series of digits automatically generated by the tax registration system, transmitted to the business household registration system and printed on the business household registration certificate.

5.2 Recording business lines of a business household

When registering a business household, or when notifying the addition or change of business lines, the business household founder will select a level-4 economic sector in the Vietnam Standard Industrial Classification system (according to the Decision No. Decision No. 27/2018/QĐ-TTg) to record it as the main business line in the business household registration request form. The district-level business registration agency

shall guide, cross check and record the main business lines of the business household in the business household registration system.

5.3 Adding the method of business household registration via the internet

In addition to the method of submitting documents and receiving results in person at the district-level business registration office, Circular 02/2023 adds the method of business household registration via the internet for business household registration procedures. To carry out online business household registration, the applicant will declare information, download electronic files, and use a digital signature to authenticate the business household registration dossier according to the process on the system of business household registration.

5.4 Re-registration of business households is not required

According to Article 3.2 of Circular 02/2023, in case a business household has been granted a business household registration certificate before 01 July 2023, it may continue operating without having to re-register as prescribed in Circular 02/2023.

5.5 Business households may not get registration fees refunded if the registration certificate is not granted

According to Circular 02/2023, the applicant for business household registration will pay the business household registration fee at the time of submitting the business household registration dossier by 1 of 3 methods: (i) pay in person at the district-level business household registration office, or (ii) transfer to the account of the district-level business household registration office, or (iii) use the online payment function on the National Public Service Portal. However, the business household registration fee will not be refunded in case the business household registration certificate is not granted.

5.6 Changing the forms used in household business registration

Circular 02/2023 promulgates 23 forms used in business household registration to replace the forms in Circular 01/2021/TT-BKHDT. Accordingly, the forms in Appendices III-1 to III-7 and from VI-1 to VI-16 of Circular 02/2023 will replace the forms specified in Appendices III-1 to VI-6 and from VI-1 to VI-14 of Circular 01/2021/TT-BKHDT.

5.7 Entities and individuals may look up business household registration information

According to Circular 02/2023, entities and individuals can look up business household registration information by themselves and free of charge at www.dangkytinhdanh.gov.vn, including: business household name, business household registration number, business household code, head office address, business lines, name of the business household owner.

1. Cases of using the itemized list when making invoices

Specific goods and services such as electricity, water, telecommunications services, information technology services, television services, postal and delivery services, banking, securities and insurance are sold for a certain period, the invoice must specify the period of providing goods and services. For services produced by the period, the list may be used to itemise the types of goods and services sold together with the invoice; the list is kept together with the invoice to serve the inspection and comparison by the competent authority as prescribed in Article 10.6(a) of Decree 123/2020/ND-CP.

In case the Company does not trade in the above-mentioned particular goods and services, the list may not be used to itemise the goods and services sold together with the invoice.

Ha Noi City Tax Department replies to the question of Soundton Industry JSC in Official Letter No. 30384/CTHN-TTHT dated 05/5/2023.

2. Issuing value-added tax (VAT) invoices for goods temporarily imported for re-export

In case the Company does business in connection with the goods that are temporarily exported or re-imported, they are not subject to taxes as prescribed in Article 4.20 of Circular 219/2013/TT-BTC. The Company makes invoices according to the instructions in Article 10 of Decree 123/2020/ND-CP, on the VAT invoice at the target "tax rate", the Company shows having the goods not subject to VAT according to

the guidance in Decision 1450/QD-TCT dated 07 October 2021 of the General Department of Taxation.

Ha Noi City Tax Department replies to the question of Auto System Vietnam Co., Ltd. in Official Letter No. 27085/CTHN-TTHT dated 25/4/2023.

3. Handling the expenses on someone's behalf that give rise to a difference

In case the Company uses electronic invoices according to Decree 123/2020/ND-CP, when selling goods or providing services, the seller must issue an invoice the buyer as prescribed in Article 4.1 of Decree 123/2020/ND-CP.

In case the services of management and use of collateral are subject to value-added tax (VAT) reduction according to Decree 15/2022/ND-CP but having their invoices made after 31 December 2022 is not allowed to apply the VAT rate of 8% as prescribed in Article 3 of Decree 15/2022/ND-CP.

In case BIDV Bank signs a trust contract on asset management and handling with the Company, the Company signs a contract with units providing valuation and asset management services, ... and when this Bank pays the costs of handling collateral for the Company, the Company must issue an invoice to the Bank. BIDV Bank uses this invoice as a valid document to account expenses in accordance with regulations.

Ha Noi City Tax Department replies to the question of BIDV Asset Management and One Member Limited Liability Company in Official Letter No. 27083/CTHN-TTHT dated 25/4/2023.

4. Personal income taxes on employees as prize-winners

In case the employee receives a reward in kind from participating in prize-winning contests or other forms of winning organised by the Company, which is determined as income from winning according to the guidance in Article 2.6 of Circular 111/2013/TT-BTC, and if the prize value exceeds VND 10 million received by the prize-winner, the Company will deduct personal income tax before paying the prize to the winner. The withholding tax is determined according to the guidance

in Article 15 of Circular 111/2013/TT-BTC.

The personal income tax declaration for organisations that pay income to individual prize-winners is made according to the form specified in Appendix II issued together with Circular 80/2021/TT-BTC.

Ha Noi City Tax Department replies to the question of Everpia JSC in Official Letter No. 24601/CTHN-TTHT dated 19/4/2023.



1. Banks may immediately redeem corporate bonds

The State Bank of Vietnam has just amended the regulations allowing credit institutions to immediately redeem unlisted corporate bonds, instead of waiting 12 months as before through the issuance of Circular 03/2023/TT-NHNN (“Circular 03”) ceasing the effect of Article 4.11 of Circular 16/2021/TT-NHNN stipulating the purchase and sale of corporate bonds by credit institutions. Circular 03 will take effect from 24 April 2023 until end of 2023.

Previously, according to regulations applied from 2021, banks might only buy unlisted corporate bonds 12 months after these bonds were sold and might only buy back the same type that credit institutions had sold before. Now the State Bank of Vietnam has terminated this provision, which means that it allows credit institutions to

immediately buy back unlisted or unregistered bonds on UPCoM that they have sold.

The condition is that the bond purchaser has previously paid in full to the credit institution at the time of signing the contract. At the same time, bond issuers must be rated at the highest level according to internal credit rating regulations by banks.

The promulgation of Circular 03, according to the State Bank of Vietnam, contributes to increasing liquidity, removing difficulties, and promoting the development of the corporate bond market in the current difficult situation in accordance to the policy of the Government and the direction of the Prime Minister.

By vnexpress.net

2. Increasing base salary to VND 1.8 million/month form 01 July 2023

The Government has just issued Decree No. 24/2023/ND-CP stipulating the base salary for officials, civil servants, public employees and the armed forces.

Accordingly, from 01 July 2023, the base salary of officials, civil servants and public employees will increase to VND 1.8 million/month, up 20.8% compared to VND 1.49 million/month according to current regulations.

The persons entitled to this salary are officials, civil servants, public employees, wage earners, allowances and employees (collectively referred to as wage/allowances earners) working in agencies, organisations, non-businesses units, socio-political organisations and

associations supported by the state budget to operate at the central level, in provinces and centralized cities (provincial level), in districts, towns, and provincial cities, centralized cities (district level), in communes, wards and townships (commune level), in special administrative-economic units and the armed forces.

The base salary is used as the basis for calculating the salary level in the payrolls, allowances and other regimes as prescribed by law; calculating activity and living costs in accordance with law; calculating deductions and benefits according to the base salary.

By thesaigontimes.vn

No.	Document title	Issuance date	Effective date
GOVERNMENT			
1	Decree 21/2023/ND-CP on microinsurance.	05/5/2023	05/5/2023
2	Decree 20/2023/ND-CP amending and supplementing a number of articles of Decree 114/2021/ND-CP on the management and use of official development assistance (ODA) and concessional loans of foreign donors.	04/5/2023	01/3/2022
3	Decree 19/2023/ND-CP detailing a number of articles of the Anti-Money Laundering Law.	28/4/2023	28/4/2023
4	Decree 17/2023/ND-CP detailing a number of articles and measures to implement the Intellectual Property Law on copyright and related rights.	26/4/2023	26/4/2023
5	Resolution 58/NQ-CP on a number of key policies and solutions to support enterprises to proactively adapt, recover quickly and develop sustainably by 2025.	21/4/2023	21/4/2023
6	Decree 13/2023/ND-CP on personal data protection.	17/4/2023	01/7/2023
7	Decree 12/2023/ND-CP on the extension of deadlines for payment of value-added taxes, corporate income taxes, personal income taxes and land rentals in 2023.	14/4/2023	14/4/2023
PRIME MINISTER			
1	Decision 11/2023/QĐ-TTg on the reporting on high value transactions.	27/4/2023	01/12/2023
MINISTRY OF INDUSTRY AND TRADE			
1	Decision 1062/QĐ-BCT 2023 regulating the selling price of electricity.	04/5/2023	04/5/2023
2	Circular 10/2023/TT-BCT amending and supplementing a number of articles of Circular 21/2020/TT-BCT providing the sequence and procedures for grant of electricity activity licenses.	21/4/2023	09/6/2023
3	Circular 09/2023/TT-BCT amending and supplementing a number of articles of Circular 16/2014/TT-BCT stipulating the implementation of electricity selling prices and Circular 25/2018/TT-BCT amending and supplementing a number of articles of Circular 16/2014/TT-BCT.	21/4/2023	15/6/2023
MINISTRY OF PLANNING AND INVESTMENT			
1	Circular 02/2023/TT-BKHDT amending and supplementing a number of articles of Circular 01/2021/TT-BKHDT guiding enterprise registration.	18/4/2023	01/7/2023
STATE BANK OF VIETNAM			
1	Circular 03/2023/TT-NHNN on the cessation of the effect of Article 4.11 of Circular 16/2021/TT-NHNN providing the purchase and sale of corporate bonds by credit institutions and foreign bank branches.	23/4/2023	24/4/2023
2	Circular No. 02/2023/TT-NHNN on credit institutions and foreign bank branches carrying out debt rescheduling and maintaining classified loan groups in order to support clients in need.	23/4/2023	24/4/2023



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