



**LEGAL, LABOR AND
TAX UPDATES
February 2021**

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A. NEW LEGAL INSTRUMENT

❖ GOVERNMENT

25/01/2021 | Circular No. 07/2021/TT-BTC providing regulations on the time of submission of documents certifying the origin of imports under the Free Trade Agreement between the Socialist Republic of Vietnam and European Union

Scope of regulation

This Circular stipulates the time of submission of documents certifying the origin of imports under the Free Trade Agreement between the Socialist Republic of Vietnam and European Union (hereinafter referred to as the EVFTA).

Subjects of application

1. Customs declarants.
2. Customs agencies and customs officers.
3. Agencies and organizations issuing certificates of origin; and traders making self-certification of the origin of goods.
4. Other organizations and individuals that have rights and obligations related to the inspection and identification of the origin of imports.

Accordingly, the time of submission is specified as follows:

- Customs declarants shall submit documents certifying the origin of imports at the time of performance of customs procedures as specified at Point a, Clause 1, Article 7 of the Circular No. 38/2018/TT-BTC dated April 20, 2018.

- In case where documents certifying the origin of imports are not yet available at the time of performance of customs procedures for application of special preferential import duty rates under the EVFTA:

Customs declarants shall declare the late submission of documents certifying the origin of goods on the import customs declaration and be entitled to additionally declare and submit such documents within 02 years after registering import customs declarations.

- In case where customs declarants submit documents certifying the origin after the prescribed validity period due to force majeure or other valid reasons beyond the control of the importers or other cases of late presentation, the Ministry of Finance shall consider and decide on the application of special preferential import duty rates under the EVFTA for specific cases.

For late submission, the goods must be imported within the validity period of the documents.

(This Circular took effect on 11 March 2021)

25/01/2021 | Circular No. 08/2021/TT-BTC promulgating of Vietnamese standards and the code of ethics for internal auditing

Scope of regulation

This Circular promulgates the Vietnamese Standards (Appendix I) and the Code of Ethics for Internal Auditing (Appendix II).

Subjects of application

1. The Vietnamese Standards and the Code of Ethics for internal auditing apply to enterprises, regulatory agencies, public sector entities prescribed in Articles 8, 9 and 10 of Decree No. 05/2019/ND-CP dated January 22, 2019 of the Government on internal audit and relevant entities in the internal audit activity of these organizations.
2. Organizations not specified in clause 1 hereof are recommended to perform Vietnamese Standards for Internal Auditing and the Code of Ethics for Internal Auditing in Appendix I and II hereto appended.

Accordingly, the Vietnamese Standards and the Code of Ethics for internal auditing apply to enterprises, regulatory agencies, public sector entities prescribed in Articles 8, 9 and 10 of Decree No. 05/2019/ND-CP.

Organizations not specified in clause 1 hereof are recommended to perform Vietnamese Standards for Internal Auditing and the Code of Ethics for Internal Auditing enclosed with Circular No. 08.

The purpose of the Standards is to:

- Provide a framework for performing and promoting a broad range of value-added internal auditing services.
- Establish the basis for the evaluation of internal audit performance.
- Foster improved organizational processes and operations.

Internal auditors are expected to apply and uphold the following principles: Integrity; Objectivity; Confidentiality; Professional competence and due care; Professional behavior.

(This Circular shall take effect on 01 April 2021)

B. OFFICIAL INSTRUCTIONS

✚ OFFICIAL DISPATCH ON TAXATION

22/02/2021 | Official Dispatch No. 377/TCT-DNNCN regarding the increased grant of electronic tax accounts to individuals.

To expand the deployment of electronic tax declaration services for individuals nationwide, facilitate taxpayers to perform electronic transactions with the Tax Authority, ensure the achievement of goals which the Government sets out as well as create favourable conditions for taxpayers in implementing PIT finalization in 2020, the General Department of Taxation requests the Director of the Tax Departments of provinces and cities to direct relevant Departments of Taxation and Sub-Departments of Taxation focus on performing the following tasks:

1. Organizations grant electronic tax accounts to individuals according to the provisions of Circular No. 110/2015 / TT-BTC, which is amended and supplemented under Circular No. 66/2019 / TT-BTC. If the individual has been granted an electronic tax account, the taxpayer shall use the granted account to perform electronic tax services provided on the ETAX system; If absence of an e-tax account, he/she could probably go to any Tax Authority to obtain an account as prescribed in Article 15 of Circular No. 110/2015 / TT-BTC, which is amended and supplemented under Clause 6 Article 1 of Circular No. 66/2019 / TT-BTC.

If an individual already has an account on the National Public Service Portal, he/she is allowed to register an electronic tax account through the Portal without having to visit the Tax Authority (expected to be implemented in 2/2021).

Steps to register an electronic tax account are guided in the Appendix attached to the Official Letter.

2. To direct the elaboration of propaganda plans and contents at tax agencies at all levels to encourage taxpayers, who are individuals with tax codes without digital signatures, register e-tax accounts and perform electronic tax obligations with tax authorities, especially individuals with e-tax accounts should declare and submit PIT finalization documents on e-tax services to reduce congestion when submitting paper documents at tax agencies according to Official Letter of the General Department of Taxation.

Strengthen the propaganda and dissemination so that taxpayers know the practical benefits of setting up electronic tax accounts with tax authorities, encouraging taxpayers to actively submit tax returns via the ETAX system. Propaganda of purposes, benefits, methods of e-tax account registration, e-tax declaration, via radio, television, newspapers, websites of the Department of Taxation, etc. At the same time, promoting widespread propaganda on the reform efforts and results of the tax industry in order to facilitate for taxpayers through e-tax services provision.

26/2/2021 | Official Dispatch No. 1938 / BTC-TCT dated February 26, 2021 implementing Circular No. 156/2013 / TT-BTC and other Circulars

Law on Tax Administration No. 38/2019 / QH14 took effect from July 1, 2020. The Law on Tax Administration No. 38/2019 / QH14 assigns the Minister of Finance to detail and give a guidance on the implementation of some articles. The Ministry of Finance issued Official Letter No. 1914 / BTC-TCT to gain opinions of ministries, industries, agencies and units on the draft circular guiding the implementation of some articles of the Law on Tax Administration No. 38/2019 / QH14 and Decree No. 126/2020 / ND-CP. While the Circular has not yet been issued and has not taken effect, the Ministry of Finance has the following opinions:

(1) The following Circulars are not legal documents detailing the implementation of the Law on Tax Administration. Therefore, these are not falling into the case specified in Clause 4, Article 154 of the Law on the Promulgation of Legal Documents, including:

- Circular No. 156/2013/TT-BTC giving a guidance on some articles of the law on tax administration, the law on the amendments to the law on tax administration, and the Government's Decree No. 83/2013/ND-CP
- Circular No. 176/2014 / TT-BTC guiding tax on oil and gas prospection, exploration, development and exploitation of the Vietnam-Russia Joint Venture "Vietsovpetro" from Lot 09-1 under the 2010 Agreement and the 2013 Protocol.
- Circular No. 92/2015/TT-BTC guidelines for VAT and PIT incurred by residents doing business, amendments to some articles on personal income tax of the law No. 71/2014/QH13 on the amendments to tax laws and the Government's Decree No. 12/2015/NĐ-CP
- Circular No. 36/2016/TT-BTC guiding the implementation of regulation on tax to organizations and individuals conducting the search, exploration and extraction of oil and gas according to regulation of petroleum law
- Circular No. 22/2010/TT-BTC guiding the Government's Decree No. 100/2009/ND-CP providing for the collection of a surcharge on the volume of oil divided as profit to petroleum contractors when the price of crude oil increases
- Circular No. 56/2008 / TT-BTC guiding the declaration, payment and settlement of State revenues specified in Article 18 of the Financial Management Regulation of the Parent Company - Vietnam Oil and Gas Group issued together with Decree No. 142/2007 / ND-CP.
- Circular No. 76/2014/TT-BTC ON providing guidance on Decree No. 45/2014/ND-CP dated May 15, 2014 of the Government on collection of land levies
- Circular No. 77/2014/TT-BTC providing guidance on a number of articles of the Government's Decree No. 46/2014 / ND-CP dated May 15, 2014 defining collection of land rents and water surface rents

- Circular No. 84/2016/TT-BTC on guidelines for collection and payment of taxes and domestic revenues for the state budget
- Circular No. 99/2016/TT-BTC on management of value added tax refund
- Circular No. 61/2016 / TT-BTC guiding the collection, payment and management of profits and dividends divided for the state capital invested in enterprises.
- Circular No. 12/2016/TTLT-BKHCH-BTC on guidelines for the allocation and management of the science and technology development fund in enterprises
- Circular No. 130/2016/TT-BTC ON guidelines for the Government Decree No. 100/2016/ND-CP on the implementation of the law on amendments to certain articles of the law on value added tax, the law on special excise tax and the law on tax administration and to certain articles of tax-related circulars.
- Circular No. 301/2016/TT-BTC on guidelines for the registration charge.
- Circular No. 302/2016/TT-BTC on guidelines for license fees
- Circular No. 06/2017 / TT-BTC amending and supplementing Clause 1 Article 34a of Circular No. 156/2013 TT-BTC guiding the implementation of a number of articles of the Law on Tax Administration (added in Clause 10, Article 2 of Circular No. 26/2015 / TT-BTC).
- Circular No. 41/2017/TT-BTC providing guidance on implementation of certain articles of the Government's Decree No. 20/2017/ND-CP on tax administration for enterprises engaged in transfer pricing
- Circular No. 03/2021/TT-BTC providing guidance on remission of corporate income tax incurred by science and technology enterprises as prescribed in the Government's Decree No. 13/2019/ND-CP on science and technology enterprises
- Circular No. 93/2017/TT-BTC amendments to Clause 3 and Clause 4 Article 12 of Circular No. 219/2013/TT-BTC (amended in Circular No. 119/2014/TT-BTC); abrogation of Clause 7 Article 11 of Circular No. 156/2013/TT-BTC.
- Circular No. 79/2017 / TT-BTC amending and supplementing Item b1, Point b, Clause 4, Article 48 of Circular No. 156/2013 / TT-BTC guiding the implementation of a number of articles of the Law on Tax Administration
- Circular No. 119/2014/TT-BTC amendments or simplify tax formalities
- Circular No. 151/2014/TT-BTC on providing guidance on Decree No. 91/2014/ND-CP.
- Circular No. 26/2015/TT-BTC guidelines for value-added tax and tax administration in the Government's Decree No. 12/2015/NĐ-CP
- Circular No. 31/2017/TT-BTC amending and supplementing a number of articles of the Ministry of Finance's Circular No. 99/2016/TT-BTC

(2) The provisions of the Circulars mentioned at Point 1 of this Official Letter, except those specified in the Law on Tax Administration No. 38/2019 / QH14 and Decree No. 126/2020 / ND-CP continue in force until there are other legal documents.

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