



S&S AUDITING AND CONSULTING COMPANY

8th Floor, 41 Nguyen Thi Minh Khai Street, District 1, Ho Chi Minh City

Tel: 028-39104.996 – 39104.997

Email: SAMUEL230@HANMAIL.NET

Fax: 028-39104.998

SAMUEL230@SSAUDIT.COM

S&S's Newsletter – Jan 2020

Dear our Readers,

Happy New Year 2020!

On the occasion of New Year, below are S&S's Tax and Legal update Newsletter for **January 2020**.

We trust that you will enjoy this edition and welcome any feedback or queries that may arise to our email address: samuel230@hanmail.net

S&S Auditing and Consulting Co., Ltd

Head office:

8th Floor, Yoco Building
41 Nguyen Thi Minh Khai St, Ben Nghe Ward,
District 1, TP. HCM, Viet Nam

Tel: 84 (28) 39 104 996

Fax: 84 (28) 39 104 998

Web: <http://www.ssaudit.com>

Hanoi Branch:

7th Floor, Vinaconex 9 Building,
Pham Hung St., Me Tri Ward, Tu Liem Dist,
Hanoi, Viet Nam

Tel: 84 (24) 62 512 199

Fax: 84 (24) 62 512 201

Enjoy your reading! And we would be happy to meet up with you to discuss how best we can assist your company in this regard.





CONTENTS •••••

1. TAX AND TAX ADMINISTRATION

1.1 OFFICIAL LETTER NO. 90749/CT-TTHT REGARDING TO CORPORATE INCOME TAX (CIT) DEDUCTIBLE FOR PROJECT INVESTED IN OVERSEA

- Page 3

1.2 CIRCULAR NO. 01/2020/TT-BTC PROVIDING RATES AND REGIME OF COLLECTION, REMITTANCE, MANAGEMET AND USE OF CHARGE FOR MANAGEMENT AND SUPERVISION OF INSURANCE OPERATION

- Page 3

2. CUSTOM

2.1 OFFICIAL LETTER NO. 13/TCHQ-TXNK REGARDING CUSTOMS VALUE OF ACCESSORIES IMPORTED TO REPLACE THE DEFECTED ITEMS

- Page 4

3. OTHERS

3.1 DECISION NO 1967/QD-BKHDT REGARDING TO ANNOUNCEMENT OF ADDITIONAL ADMINISTRATIVE PROCEDURE IN THE SECTOR OF INVESTMENT FROM VIETNAM ABROAD

- Page 4-5





S&S AUDITING AND CONSULTING COMPANY

8th Floor, 41 Nguyen Thi Minh Khai Street, District 1, Ho Chi Minh City

Tel: 028-39104.996 – 39104.997

Email: SAMUEL230@HANMAIL.NET

Fax: 028-39104.998

SAMUEL230@SSAUDIT.COM

1.1 OFFICIAL LETTER NO. 90749/CT-TTHT REGARDING TO CORPORATE INCOME TAX (CIT) DEDUCTIBLE FOR PROJECT INVESTED IN OVERSEA

On 4 Dec 2019, Ha Noi Tax Department issued OL No. 90749/CT-TTHT regarding to CIT deductible for project invested in oversea (especially in Myanmar). Following that, in case of the Company incurred income from project invested in Myanmar:

- With the case of the Company carries out the business operation through permanent address in Myanmar, the Company has to pay CIT in Myanmar. Upon the CIT declaration in Vietnam, income from project invested in Myanmar has combined into income generated in Vietnam and the CIT amount paid in Myanmar will deduct into tax payable in Vietnam if satisfy the condition and implement the rule guidance at Article 48, Circular 204/2013/TT-BTC. The procedure for deductible CIT paid in Myanmar is based on the guidance at item 4, Article 44, Chapter V of Circular 156/2013/TT-BTC.
- With the case of the Company carries out the business operation in Myanmar without the permanent address in Myanmar, the Company has contacted with Myanmar Tax Dept to request for refund the CIT paid. For the CIT amount to be deductible, the Company will not deduct with CIT payable in Vietnam and will not treat as deductible expenses for defined taxable income.

1.2 CIRCULAR NO. 01/2020/TT-BTC PROVIDING RATES AND REGIME OF COLLECTION, REMITTANCE, MANAGEMET AND USE OF CHARGE FOR MANAGEMENT AND SUPERVISION OF INSURANCE OPERATION

On 3 January 2020, the Ministry of Finance issued Circular 01/2020/TT-BTC, following that the Circular provides for rates of operation management charges with regard to insurance enterprises in Vietnam. Detailed as:

- Insurance enterprises, branches of foreign insurance enterprises in Vietnam: 0.03% of principal insurance premiums (after subtraction of refunds or deductions of principal insurance premiums).
- Reinsurance enterprises: 0.03% of reinsurance undertaking premiums (after subtraction of refunds, deductions of reinsurance premiums).
- Insurance brokerage enterprises: 0.03% of revenue from insurance broking activities.

The charges shall be collected yearly under 2 stages. On August 31 at the latest of each year and on April 30th at the latest of the succeeding year.

This Circular takes effect from February 20th, 2020 and applies from the fiscal year 2020.



S&S AUDITING AND CONSULTING COMPANY

8th Floor, 41 Nguyen Thi Minh Khai Street, District 1, Ho Chi Minh City

Tel: 028-39104.996 – 39104.997

Email: SAMUEL230@HANMAIL.NET

Fax: 028-39104.998

SAMUEL230@SSAUDIT.COM

2.1 OFFICIAL LETTER NO. 13/TCHQ-TXNK REGARDING CUSTOMS VALUE OF ACCESSORIES IMPORTED TO REPLACE THE DEFECTED ITEMS

On 2 Jan 2020, General Department of Vietnam Customs issued OL 13/TCHQ-TXNK, following that in according to Article 2 of the Law on import and export No. 107/2016/QH13, imports sent by foreign partners to replace the defected imports shall be subject to import duty.

Accordingly, upon importing accessories sent by a foreign partner to replace the defected one, the importer still has to declare and pay import duty.

Customs value of goods imported without a sale contract or commercial invoice is the value declared by the company guidance at Clause 9 Article 1 of Circular No. 60/2019/TT-BTC.

3.1 DECISION NO 1967/QD-BKHDT REGARDING TO ANNOUNCEMENT OF ADDITIONAL ADMINISTRATIVE PROCEDURE IN THE SECTOR OF INVESTMENT FROM VIETNAM ABROAD

On 13 Dec 2019, the Ministry of Planning and Investment issued Decision No. 1967/QD-BKHDT, following that the procedures which are instructed in this Decision include:

1. Notification of offshore investment operation
2. Approval for extension of transfer of profits to Vietnam

Accordingly, within 60 days after the investment project is approved or licensed by the host country, the investor shall send the dossier of notification of offshore investment activity to the Ministry of Planning and Investment, the State Bank of Vietnam, Vietnamese representative mission in the host country.

The dossier of notification comprises:

- The written notification of offshore investment operation - Form No. 9 issued together with Circular No. 03/2018/TT-BKHDT;
- The copy of the Certificate of outward investment registration;
- The copy of the written approval for investment project given by the host country;
- The copy of the credit institution's written approval for opening of outward investment capital account;
- Copies of other relevant documents (if any).



S&S AUDITING AND CONSULTING COMPANY

8th Floor, 41 Nguyen Thi Minh Khai Street, District 1, Ho Chi Minh City

Tel: 028-39104.996 – 39104.997

Email: SAMUEL230@HANMAIL.NET

Fax: 028-39104.998

SAMUEL230@SSAUDIT.COM

In case the investor earns profits from the investment project outside Vietnam but he has not yet transferred the profits to Vietnam, he shall carry out procedures for approval for extension of transfer of profits to Vietnam at the Ministry of Planning and Investment.

This Decision takes effect from the date of its signing.

-----0o0-----

Happy New Year 2020

Should you have any query, please do not hesitate to contact with our company – **S&S Auditing and Consulting Co., Ltd**

S&S Auditing and Consulting Co., Ltd

Ho Chi Minh Head Office:

8th Floor, Yoco Building
41 Nguyen Thi Minh Khai St,
District 1, HCMC, Vietnam
Tel: 84 (28) 39 104 996
Fax: 84 (28) 39 104 998

Hanoi Branch:

Room 702, 7th floor, Vinaconex 9 building
Pham Hung Street, Me Tri Ward,
Nam Tu Liem District, Hanoi, Vietnam
Tel: 84 (24) 62 512 199
Fax: 84 (24) 62 512 201