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Further guidance on the implementation of new regulations on invoice issuance

Decree 51/2010/NĐ-CP dated 14 May 2010 and its guiding Circular 153/2010/TT-BTC dated 28 September 2010 introduced significant changes in invoices, essentially transferring responsibilities to control the issuance, management and usage of invoices to enterprises. It is, therefore, arising many concerns over their interpretation and application.

On 11 October 2010, the General Department of Taxation ("GDT") has published the Official Letter No.4052/TCT-CS to provide further instructions to Provincial Tax Departments regarding implementation process. Some major changes in the Decree and Circular are also reinstated in this guidance. Below are noteworthy points in this Official Letter:

Training program

The Provincial Tax Departments are required to provide training for their Officers and Enterprises located in such province by 10 November 2010 with similar content as that held by the GDT for them.

Notification on actions by enterprises

A notification must be sent by the Provincial Tax Offices to all enterprises by 30 October 2010. Its content covers the following actions which must be taken by the enterprises:

- To attend all of relevant training programs delivered by the Tax Offices;
- To determine whether they are subject to and/or decide to apply self-print invoice, invoice pre-printed by order, or purchase from local tax authorities;
- Enterprises apply **self-printed invoice** are requested to prepare proper printing system with secured user-assignment functions; issue decision to self-print invoice, volume to be printed, submit a decision and notification on self-printed invoice to the tax office and announce the notification at their offices;
- Enterprises apply **pre-printed invoices** by order should decide invoice volume to be ordered, select printing company and arrange printing contract, submit a notification on invoice issuance to the tax office and announce the notification at their offices;
- To review the invoice usage status and destruct all outstanding invoices by 31 December 2010 **or** register to continuously use the existing invoice until 31 March 2011.

Other actions required for the tax authorities

A number of other major tasks for the Provincial Tax Department are:

- To create a list of lawful printing companies in the locality as to inform enterprises and report to GDT;

- To define the need of qualified enterprises and prepare for printing invoice to sell to them. The qualified enterprise are reaffirmed as micro enterprises and ones located in difficult/special difficult areas from 01 January 2011, ect;
- To have available telephone number/hotline in order to provide support for enterprises' relevant concerns; and

Following this Official Letter, GDT shall issue further guidance on invoice issuance by the Local Tax Offices later on and provide training on invoice management software and procedures for tax officers in charges in Local Tax Departments in December 2010.

We shall keep you updated with any further developments on this matter. In the mean time, if you wish to clarify/discuss about this, please kindly contact us.

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