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Tax Administration



GUIDANCE RULING

Value-Added Tax (“VAT”) and Corporate Income Tax (“CIT”) declaration for business locations which are not manufacturing establishments

When a company has business locations in other provinces which are not manufacturing establishments and these business locations do not use invoices registered by the business locations or the company with the tax authorities managing the business locations, the company is obligated to declare VAT and CIT for these business locations at the head office and such payable tax amount will not be allocated to the provinces where the company has business locations.

(Official Letter No. 5155/CTHN-TTHT dated 15 February 2022 issued by Hanoi Tax Department)

OTHERS

Strengthening tax audit and tax inspection against tax loss

The General Department of Taxation has recently issued an official letter to request Local Tax Departments to focus on tax audit and inspection against high-risk industries and fields, industries with strong growth and high potentiality of tax collection.

High-risk industries and fields focused by Vietnamese tax authorities for tax audit and inspection are as follows:

- Invoicing;
- Tax refund;
- E-commerce: concentrate on business activities performed by overseas suppliers under the digital platform and having no permanent establishment in Vietnam;
- Real estate business.

(Official Letter No. 769/TCT-TTKT dated 17 March 2022 issued by the General Department of Taxation)



Contact us

Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Corporation Income Tax and Transfer Pricing



GUIDANCE RULING

Application of CIT reduction for deposit interest

During phase of investment without generating revenue from business activities, income from financial activities (deposit interest) in 2021 would not be entitled to 30% CIT reduction according to Decree No. 92/2021/ND-CP.

(Official Letter No. 2203/CTBDU-TTHT dated 17 February 2022 and 2926/CTBDU-TTHT dated 28 February 2022 issued by Binh Duong Tax Department)

Cashless payment

When a company sign contract with logistic vendor for transportation of equipment for production and business activities and the logistic vendor requests the Company to pay the fee to a third party, the expense shall be deductible if the company collects sufficient supporting documents including: VAT invoice issued by the logistic vendor, bank payment voucher to the third party and the contract (or contract addendum) stipulating the payment term via the third party.

(Official Letter No. 152/CTHPH-TTHT dated 18 January 2022 issued by Hai Phong Tax Department)

Allocation of land rental expense

The land rental expense shall be deductible for CIT purpose if it meets the conditions in Article 6, Circular No. 78/2014/TT-BTC (amended and supplemented by Article 4, Circular No. 96/2015/TT-BTC). The total amount of one-time prepaid land rental shall be allocated into deductible expenses according to the term stated in the land use right certificate (including the period of operation shutdown for repair or investment in new construction).

(Official Letter No. 371/CTBNI-TTHT dated 22 February 2022 issued by Bac Ninh Tax Department)

CIT incentives for projects in the location which is newly eligible to incentives

If the company has an investment project in Thang Binh district of Quang Nam province (this location was not yet in the tax incentivized area before 01 January 2015, but it is now in areas eligible for investment incentives according to Decree No. 118/2015/ND-CP), the company is entitled to tax incentives for the remaining period from the effective date of Decree No. 118/2015/ND-CP.

(Official Letter No. 36/TCT-CS dated 06 January 2022 issued by General Department of Taxation)



Contact us

Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Corporation Income Tax and Transfer Pricing



GUIDANCE RULING

Guidance on Country-by-Country Report (“CbCR”) submission

In case the Vietnamese taxpayer has a global ultimate parent company (“GUP”) located at a country having an International Tax Agreement with Vietnam but not having any Competent Authority Agreement, the taxpayer has the obligation to submit CbCR to the Tax authority as stipulated at Clause 5, Article 18, Decree No. 132/2020/ND-CP dated 05 November 2020. If GUP is not required to submit CbCR in accordance with the host country’s regulation, the Law on Tax treaties shall be applied.

(Official Letter No. 367/CTHDU-TTHT dated 18 January 2022 issued by Hai Duong Tax Department)

On the same topic, Phu Tho Tax Department guides that Agreement for the avoidance of double taxation (“DTA”) signed between Vietnam and host country of GUP is considered an International Tax Agreement to evaluate the obligation to submit CbCR as stipulated at Clause 5, Article 18, Decree No. 132/2020/ND-CP dated 05 November 2020. Accordingly, if the Vietnamese taxpayer has GUP located at a country having DTA with Vietnam but not having any Competent Authority Agreement, the taxpayer has the obligation to submit CbCR to the tax authority.

(Official Letter No. 151/CTPTH-TTHT dated 21 January 2022 issued by Phu Tho Tax Department)

With respect to CbCR obligation in case the multinational group has more than 01 Vietnamese taxpayers, in accordance with Clause 5, Article 18, Decree No. 132/2020/ND-CP, Bac Giang Tax Department guides that it is compulsory for GUP of the group to issue a written notification letter to designate one of the taxpayers in Vietnam to submit CbCR to Tax authority and the designated Vietnamese taxpayer has the obligation to submit such notification letter by or on the ending date of the fiscal year of GUP. The designated taxpayer in Vietnam also has the obligation to submit CbCR to the tax authority no later than 12 months since the ending date of the GUP’s fiscal year.

(Official Letter No. 18/CTBGI-TTHT dated 05 January 2021 issued by Bac Giang Tax Department)



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Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Indirect Tax



GUIDANCE RULING

Guidance on VAT reduction under Decree No. 15/2022/ND-CP

To ensure the consistent implementation of Decree No. 15/2022/ND-CP, the Ministry of Finance provides the following guidelines:

Regarding the List of goods and services not eligible for VAT reduction: To comply with regulations, Tax Departments guide taxpayers to compare goods and services produced, sold with list of goods and services that are not eligible for VAT reduction in clause 1 Article 1 Decree No. 15/2022/ND-CP and the List of goods and services not eligible for VAT reduction in Appendix I, II, III, Decree No. 15/2022/ND-CP.

Regarding the date of invoicing:

- In case of providing the service that is prepaid or paid during service provision, the taxpayer has issued invoices with VAT rate of 10% at the date of receipt before 01 February 2022 and completed the service in the period from 01 February 2022 to 31 December 2022, VAT deduction shall be applied for the remaining unpaid amount invoiced from 01 February 2022 to 31 December 2022 under current regulations, not for the amount invoiced before 01 February 2022.

- If goods and services (subject to the tax rate of 10%) were provided in January 2022 but invoiced in February 2022, it is considered as wrong invoicing date and not eligible for VAT reduction.

- For invoices issued before 01 February 2022 with the VAT rate of 10% and adjusted after 01 February 2022 due to mistakes in the amount, VAT or goods returned, the adjustment invoice or the return invoice shall be issued with the VAT rate of 10%.

- For specific goods and services such as electricity supply, taxpayers are entitled to VAT reduction according to regulations for invoices issued from 01 February 2022 to 31 December 2022.

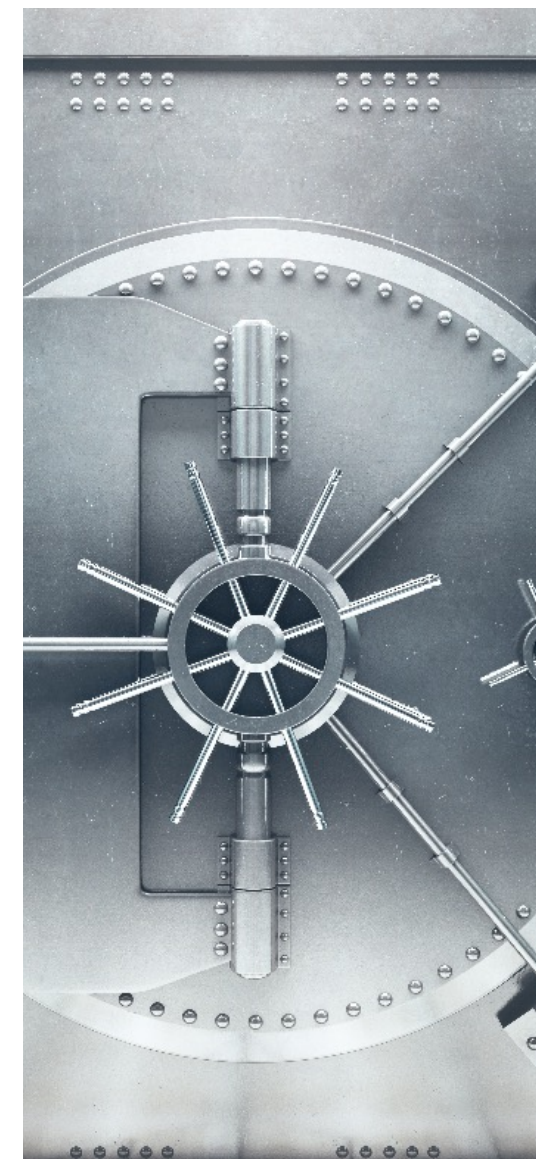
(Official Letter No. 2688/BTC-TCT dated 23 March 2022 issued by the Ministry of Finance)

Urging the implementation of VAT reduction

The General Department of Taxation has requested Directors of Tax Department to instruct divisions and Sub-Departments to further instruct and encourage citizens and businesses in the areas under their management; closely follow the locality and taxpayers to guide, support, inspect and supervise the implementation of guidelines and policies of the National Assembly, the Government, especially businesses, organizations, households, individuals trading goods and services subject to VAT reduction in order to strictly comply with regulations on 2% VAT reduction in 2022, ensuring that the policies of the National Assembly and the Government impact the society's well-being.

Deliberate violations must be strictly handled in accordance with the law.

(Official Letter No. 02/CD-TCT dated 09 February 2022 issued by the General Department of Taxation)



Contact us

Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Indirect Tax



GUIDANCE RULING

Additional guidance on imported goods entitled to VAT reduction in 2022

Further to Official Letter No. 370/TCHQ-TXNK dated 28 January 2022 on the identification and declaration of imported goods entitled to 2% VAT reduction, the General Department of Customs provided several guidance as follows:

- VAT declaration for imported goods is based on the actual imported goods, compared with the list of goods subject to VAT and the VAT rates according to the Law on VAT and guiding documents.
- The scope of imported goods entitled to the 2% VAT reduction is determined according to Resolution No. 43/2022/QH15 and Decree No. 15/2022/ND-CP: Imported goods entitled to VAT reduction to 8% are items not mentioned in the List of goods not entitled to VAT reduction (Appendix I, II, III, Decree No. 15/2022/ND-CP).
- Regarding the List of goods and services not eligible for VAT reduction specified in Appendix I and III, Decree No. 15/2022/ND-CP, the goods and services belong to the industries excluded from Resolution No. 43/2022/QH15.

- Imported goods, if on the list of goods not eligible for VAT reduction and satisfy the criteria stated in column 8 "Product name", column 9 "Content" of Appendix I and Part A of Appendix III, column 3 "Goods" of Part B of Appendix III, or are items subject to Special Consumption Tax in Appendix II, Decree No. 15/2022/ND-CP, shall be subject to 10% VAT.

- Regarding goods ineligible to VAT reduction mentioned in Appendix I, Appendix III of Decree No. 15/2022/ND-CP:

- If only Chapter (02 digits) is mentioned, the entire 8-digit code of that chapter shall not be entitled to tax reduction;

- If heading (04 digits) or subheading (06 digits) is mentioned, the whole 08-digit code of that heading/subheading shall not be entitled to tax reduction;

- If 08-digit HS code is mentioned, only goods / service that belong to that 08-digit code is not entitled to tax reduction.

(Official Letter No. 521/TCHQ-TXNK dated 18 February 2022 issued by the General Department of Customs)

Determination of goods and services entitled to VAT reduction

Bac Ninh Tax Department provides instructions on the determination of goods and services eligible for VAT reduction as follows:

Step 1: Taxpayers determine specific information of goods and services produced, supplied, sold or imported, traded goods in terms of product name and product industry code (the product industry code consists of 07 numbers, in reference to the List and Contents of Vietnam's product code system promulgated under Decision No. 43/2018/QD-TTg), with following notes:

- Determining the product industry code based on the product's uses, functions, design and components;

- HS code applied upon importation is the additional information to identify products originating from production and trading in the domestic market;

- Processing and repairing activities; construction, installation and service provision activities (except for 03 service groups in Appendix I: Information and communication, Banking and finance, insurance, and Real estate business) are all eligible for VAT reduction;

- Processing, repairing and installation services provided with goods and materials must separate the value of the supplied goods and materials to determine the VAT reduction eligibility.

- Information technology goods and services in Appendix III include finished products and attached parts.

- Information technology goods and services in Part B of Appendix III are extracted from Appendix 2, Circular No. 09/2013/TT-BTTTT, therefore taxpayers may refer to the regulations and definitions of products in Decree No. 71/2007/ND-CP and Circular No. 09/2013/TT-BTTTT.

Step 2: After determining the product name and corresponding code, the taxpayer shall compare with those on Appendix I, II, III - List of goods and services not eligible for VAT reduction under Decree No. 15/2022/ND-CP:

- For goods and services on the list in the appendices, if they are directly produced by the taxpayer (or re-imported after processing) then sold, or are imported or traded shall not be entitled to VAT reduction;

- For goods and services not on the list in the appendices, if they are directly produced by the taxpayer (or re-imported after processing) then sold, or are imported or traded shall be entitled to VAT reduction.

(Official Letter No. 396/CTBNI-TTHT dated 24 February 2022 issued by Bac Ninh Tax Department)



Contact us

Website: [deloitte.com/vn](https://www.deloitte.com/vn)
Email: deloittevietnam@deloitte.com

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Indirect Tax



GUIDANCE RULING

Invoices for adjustment of VAT reduction

When a company received service fee payment before 01 February 2022 and issued an invoice at the VAT rate of 10% upon payment, however, on 01 March 2022 the customer stop using the service and the company has to refund fee for unused service, tax rate on adjustment invoice would be the same as of the date of payment.

During 01 February 2022 to 31 December 2022, if a company provide service eligible to VAT reduction according to the provisions of Decree No. 15/2022/ND-CP and issue VAT invoices according to the provisions of Article 9, Decree No. 123/2020/ND-CP at the tax rate of 8% VAT, relevant adjustment invoice issued after 31 December 2022 should apply 8% VAT rate too.

(Official Letter No. 6778/CTHN-TTHT dated 02 March 2022 issued by Hanoi Tax Department)

Invoices for adjustment of VAT reduction

VAT declaration for construction and installation activities are triggered on the date of acceptance minutes, construction work or work items handover minutes, construction volumes, installation acceptance minutes, regardless payments received or not, as prescribed in Clause 5, Article 8, Circular No. 219/ 2013/TT-BTC.

For the value of construction, work items or work volume that have been accepted and handed over before 01 February 2022, VAT reduction shall not be applied (including the case that taxpayers issue VAT invoices in February 2022).

(Official Letter No. 6488/CTHN-TTHT dated 28 February 2022 issued by Hanoi Tax Department)

Invoice issuance for goods and services entitled to VAT reduction

VAT reduction under Decree No. 15/2022/ND-CP, is based on the date of issuing invoice for goods and service. Accordingly, the invoice date must comply with the tax and invoice regulations.

For deliberate violations of delaying the invoice issuance to the period between 01 February 2022 and 31 December 2022, the 2% VAT reduction will not be applied.

(News dated 05 March 2022 at Binh Phuoc Provincial Portal)



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Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Personal Income Tax



GUIDANCE RULING

Official Letters of local tax authorities guiding PIT finalization for 2021

Generally, regulations on PIT finalization in 2021 do not have many major changes compared to previous years. Below is the summary of some notable points:

- Deadline for submission of PIT finalization dossier for income paying organizations is 31 March 2022, for individuals conducting direct finalization is 04 May 2022.

- Authorization for PIT finalization:

- Individuals earning income from salaries or wages according to labor contracts for 3 months or more with an employer and are actually working there at the time the employer performs the tax finalization, even if the individuals do not work for full 12 months in a year (previous regulation is “actually working there at the time of authorization for PIT finalization”).

- Individuals transferred from the old organization to the new organization in the same system can authorize to the new organization to perform PIT finalization on their behalves.

- Power of Attorney (08/UQ-QTT-TNCN) can be made as a list in case many employees have authorized to the income-paying organization to perform PIT finalization on their behalves.

- Adjustment of PIT finalization: In case there are errors in the submitted PIT finalization dossier, the income-paying organization or individual is required submit supplementary PIT finalization return, as well as make adjustment for the incorrect monthly/quarterly declaration (adjustment for the incorrect monthly/ quarterly declaration is not required as per previous regulations).

- New tax forms applied for PIT finalization 2021: according to the guidance in Circular No. 80/2021/TT-BTC, new tax forms will be applied from 01 January 2022 and the PIT finalization 2021. In which, the key contents changed mainly to conform to the new regulations (for example, remove the item of 50% tax reduction due to working in the economic zone, supplement the case of tax exemption due to the payable tax amount of VND 50,000 or less, etc.)

(Official Letter No. 507/CTHPH-TTHT dated 03 March 2022 issued by Hai Phong Tax Department, Official Letter No. 535/CTBNI-TTHT dated 04 March 2022 issued by Bac Ninh Tax Department, Official Letter No. 164/CTSLA-KK dated 22 February 2022 issued by Son La Tax Department)

Promoting tax declaration and payment by electronic method

In order to strengthen the application of information technology in handling administrative procedures and improve the quality of supporting taxpayer, on 02 February 2022, Ho Chi Minh City Tax Department has issued the Official Letter No. 1575/CTTPHCM-KK requesting taxpayers to cooperate in implementing tax administrative procedures (tax declaration, tax payment, etc.) by electronic method.

Meanwhile, Hanoi Tax Department has also announced on its website on promoting tax declaration and payment by electronic method to ensure the prevention and control of the epidemic, as well as create favorable conditions for taxpayers in performing tax finalization procedures. Hanoi Tax Department also noted that individuals who have not been granted an electronic tax account can be granted one at any Tax authority according to regulations.

(Official Letter No. 1575/CTTPHCM-KK dated 22 February 2022 issued by Ho Chi Minh City Tax Department and News dated 10 March 2022 at the website of Hanoi Tax Department)



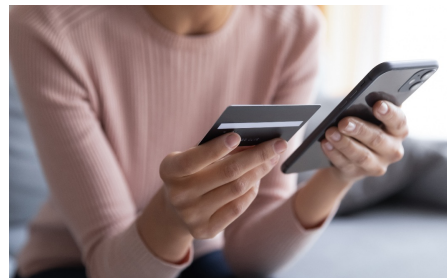
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Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Labor



NEW REGULATION

Regulations on receipt and payment, financial and asset management at grassroots trade unions

On 01 March 2022, the Vietnam General Confederation of Labor has issued Decision which stipulate grassroots trade unions are able to use 75% of trade union fees, 60% of union fees and 100% of other receipts (previously, the rate of use of funds not specified and will be announced by the General Confederation annually).

In addition, the limit for using trade union and union funds is adjusted as follows:

- For trade union fund: to spend at least 60% on caring, protection, training, fostering and training of union members and employees; a maximum of 25% for propaganda and advocacy and a maximum of 15% for administrative expenses.
- For union fund: a maximum of 45% of salaries and allowances for union officers; a minimum of 40% of expenses for visiting union members and a maximum of 15% of other payments.

Regarding the contribution rates of union fees (paid by union members) and trade union fees (paid by enterprises) still apply according to Decision No. 1908/QĐ-TLĐ dated 19 December 2016.

The Decision takes effect from 01 March 2022 and replaces Decision No. 1910/QĐ-TLĐ dated 19 December 2016.

(Decision No. 4290/QĐ-TLĐ dated 01 March 2022 issued by the Vietnam General Confederation of Labor)

Stopping the implementation of support policies for union members and employees infected with Covid-19

According to Decision No. 4292/QĐ-TLĐ issued by the Vietnam General Confederation of Labor, the support program (from VND 1,500,000 to VND 3,000,000) provided to union members and employees infected with Covid-19 as regulated in Decision No. 3749/QĐ-TLĐ dated 15 December 2021 has been officially stopped since 01 March 2022:

- The payment for supporting union members and employees affected by the Covid-19 epidemic (including F0 deaths) will be implemented according to the regulations on supporting and visitation payments in accordance with Decisions No. 4290/QĐ-TLĐ and Decisions No. 4291/QĐ-TLĐ from 01 March 2022.
- Cases infected with Covid-19 before 01 March 2022, the application for support will be received until 31 March 2022.

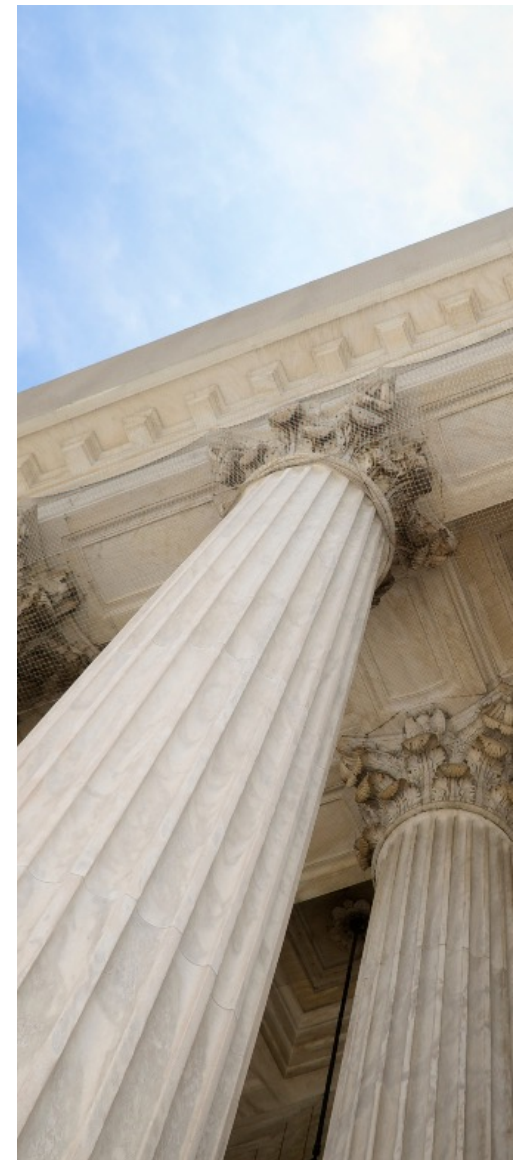
(Decision No. 4292/QĐ-TLĐ dated 01 March 2022 issued by the Vietnam General Confederation of Labor)



Contact us

Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Immigration



NEW REGULATION

Visa exemption for citizens of 13 countries

On 15 March 2022, the Government has issued Resolution No. 32/NQ-CP, accordingly:

- The visa exemption will be applicable to citizens of the Federal Republic of Germany, The French Republic, Italian Republic, Kingdom of Spain, The United Kingdom of Great Britain and Northern Ireland, Russian Federation, Japan, Republic of Korea, Kingdom of Denmark, Kingdom of Sweden, Kingdom of Norway, Republic of Finland, and the Republic of Belarus, who stay in Vietnam for 15 days from the date of entry, regardless of the passport type and entry purpose; and

- Valid in 03 years, from 15 March 2022 to 14 March 2025, and may be extended in accordance with Vietnam law.

The Resolution takes effect from the date of signing and replace Resolutions No. 21/NQ-CP dated 28 February 2020, No. 23/NQ-CP dated 02 March 2020, No. 29/NQ-CP dated 11 March 2020 and No. 33/NQ-CP dated 19 March 2020 issued by the Government.

(Resolution No. 32/NQ-CP dated 15 March 2022 issued by the Government)

Restoring pre-pandemic immigration policies

According to Official Letter No. 1606/VPCP-QHQT dated 15 March 2022, the Government agrees the restoration of the immigration measures and procedures for foreigners and Vietnamese living overseas like pre-pandemic since 15 March 2022.

(Official Letter No. 1606/VPCP-QHQT dated 15 March 2022 issued by the Government Office)

Covid-19 prevention and protection for immigrants

Quarantine for immigrants has no longer been required. In addition, negative testing result with SARS-CoV-2 under rapid antigen testing method within 24 hours is acceptable (previously, only negative testing result by RT-PCR/RT-LAMP method within 72 hours is acceptable).

This new guidance has started to be applied since 15 March 2022.

(Official Letter No. 1265/BYT-DP dated 15 March 2022 issued by the Ministry of Health)



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Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Foreign Contractor Withholding Tax



OTHERS

Launching the Portal of tax code registration, tax declaration and tax payment for foreign suppliers

On 21 March 2022, the General Department of Taxation announced to launch the Portal for foreign suppliers. Accordingly, from 21 March 2022, foreign suppliers conducting e-commerce business, business on digital platforms and other services without a permanent establishment in Vietnam can directly register tax code, declare and pay tax in Vietnam according to the provisions of Chapter IX, Circular No. 80/2021/TT-BTC.

Shown below are some notable points on tax declaration for foreign suppliers who directly register tax code, declare and pay tax in Vietnam:

Deadline for tax declaration and tax

payment: foreign suppliers shall declare and pay tax on quarterly basis. The deadline for quarterly tax declaration and payment is the last day of the first month of the following quarter when tax liability arises.

Tax calculation method: Foreign suppliers shall calculate value-added tax and corporate income tax by multiplying tax rate with revenue. In which:

- Revenue subject to VAT and CIT is the revenue received by the overseas supplier.
- Tax rates for each product and service are specified under Decree No. 209/2013/ND-CP for VAT and Decree No. 218/2013/ND-CP for CIT.

Method for tax code registration, tax declaration and tax payment: online at the General Department of Taxation's website (<https://etaxvn.gdt.gov.vn>).



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Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Trade & Customs



GUIDANCE RULING

Guidance on the determination of imported goods that are not eligible for 2% reduction of VAT

Following the guidance in Decree No. 15/2022/ND-CP ("Decree 15") (summarized by Deloitte in our February Tax and Customs Newsletter), the General Department of Customs has provided further instruction on the declaration of VAT rate, determination of name and application of HS codes for imported goods not eligible for VAT reduction.

Accordingly, imported goods ineligible to 2% VAT reduction are those listed in:

- Column 8 - "product name", and described (if any) in column 9 - "description" of Appendix I; or
- Part A, Appendix III, or column 3 - "goods" of Part B, Appendix III; or
- Imported goods subject to excise tax in Appendix II.

(Official Letter No. 642/TCHQ-TXNK dated 25 February 2022 issued by the General Department of Customs)

NEW REGULATION

Rules of Origin under the Regional Comprehensive Economic Partnership Agreement ("RCEP")

On 18 February 2022, the Ministry of Industry and Trade issued Circular No. 05/2022/TT-BCT on Rules of Origin under RCEP. Notable contents include:

- Determination of goods' origin; and
- Certification and inspection of goods' origin.

The Circular's Appendices include:

- Appendix I: Product Specific Rules.
- Appendix II: List of minimum information to be shown on proof of origin ("P/O").
- Appendix III: Certificate of origin ("C/O") form RCEP for export and a sample declaration to supplement C/O.
- Appendix IV: List of goods subject to conditional tax difference.

In summary, goods originating from Vietnam exported to RCEP parties may be entitled to preferential duty treatment if supported with a C/O form RCEP issued according to this Circular. On the other way, goods imported into Vietnam from RCEP members might enjoy preferential duty treatment if either the below P/O is available:

- A C/O issued by a designated issuing authority; or
- A Declaration of origin issued by an approved exporter.

The Circular also notes that the issuing authorities of Vietnam might consider issuing C/O form RCEP for Vietnamese exports before the effective date of this Circular in order to enjoy preferential duty treatment under the commitments of RCEP and importing parties.

P/O issued from 01 January 2022 onward shall be accepted by customs authorities of RCEP importing parties.

The Circular will take effect from 04 April 2022.

(Circular No. 05/2022/TT-BCT dated 18 February 2022 issued by the Ministry of Industry and Trade)

GUIDANCE RULING

Development of new HS code nomenclature according to the Asean Harmonised Tariff Nomenclature 2022 ("AHTN 2022")

The Ministry of Finance is developing a draft Circular promulgating a new nomenclature of imported and exported goods to replace Circular No. 65/2017/TT-BTC and Circular No. 09/2019/TT-BTC. This draft Circular has been published on the official website of the General Department of Customs, and the Ministry of Finance is currently seeking comments from other relevant ministries, agencies and authorities.

According to the General Department of Customs, Vietnam will officially apply the HS code nomenclature under AHTN 2022 from 01 July 2022.

At present, the determination of HS codes shall still follow the prevailing regulations and will be further guided during the transition period.

(Official Letter No. 638/TCHQ-TXNK dated 25 February 2022 issued by the General Department of Customs)



Contact us

Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Trade & Customs



GUIDANCE RULING

Application of cumulative rules of origin under the United Kingdom-Vietnam Free Trade Agreement (“UKVFTA”) between Vietnam and Korea

The Government has authorized the Ministry of Industry and Trade to sign a Diplomatic Note with the competent representative of the Republic of Korea and inform the United Kingdom on implementing the cumulative rules of origin for fabric to produce textiles and garments under the UKVFTA.

In addition, the Ministry of Industry and Trade is also authorized to develop a written guidance on the application of cumulative rules of origin for fabric from Korea to implement the Rules of Origin under UKVFTA.

(Resolution No. 20/NQ-CP dated 25 February 2022 issued by the Government)

NEW REGULATION

Application of Preferential Export and Import Tariffs under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (“CPTPP”) with Peru

Decree No. 21/2022/ND-CP amending and supplementing articles of Decree No. 57/2019/ND-CP dated 26 June 2019 has been issued on 10 March 2022 regarding the implementation of CPTPP during 2019 – 2022 for application of preferential export and import tariffs on import and export shipments between Vietnam and the Republic of Peru from 19 September 2021 to the effective date of this Decree. The paid amount of duty might be refunded if all conditions are satisfied.

The Decree takes effect from the signing date.

(Decree No. 21/2022/ND-CP dated 10 March 2022 issued by the Government)



Contact us

Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Trade & Customs



GUIDANCE RULING

Guidance on fulfilling customs inspection and supervision conditions for export processing enterprises (“EPEs”)

1. Installation of a camera system connected to customs authorities’ system:

- The camera system shall be installed at the gate, door and goods storage locations. No requirement on the camera installation in other production and operation areas;
- For EPEs established after 02 March 2022: The minimum technical standards should be adopted as prescribed;
- EPEs shall:
 - prepare outlines of goods storage locations and camera installation locations with detailed numbering and notes, then submit to the managing Customs Sub-Department;
 - develop and regularly update logs to monitor the camera system;
 - inform the managing Customs Sub-Department on contact point and incidents (if any).

- The camera systems must operate 24/24, including weekends and holidays.

- EPEs which are required to obtain a confirmation on satisfying the customs supervision and inspection conditions before 25 April 2022: The customs authority will complete the inspection on required conditions before 25 April 2022. If the EPEs neither implement nor meet the required conditions, the duty treatment for non-tariff zone shall not be applied.

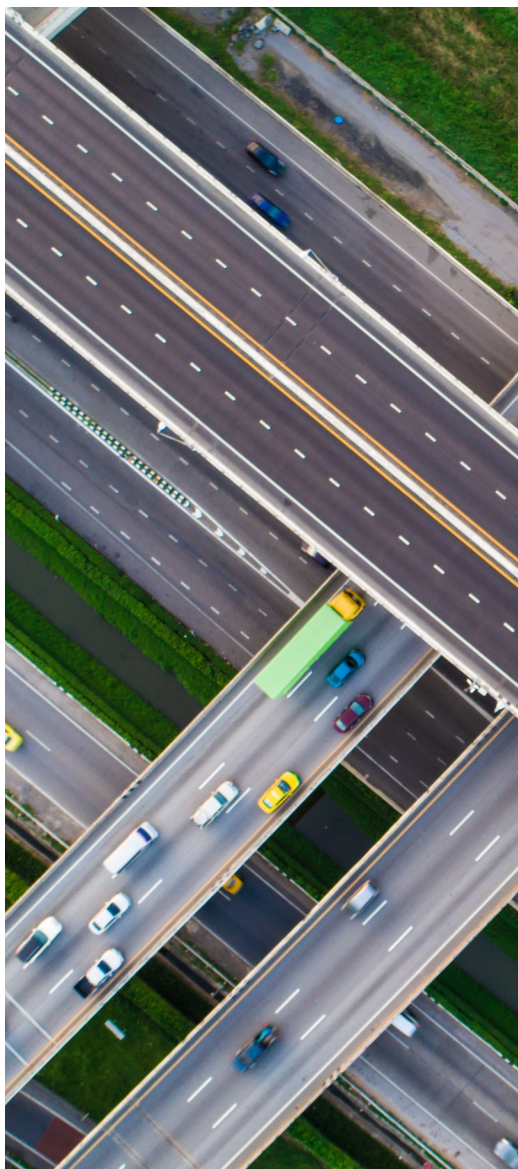
(Decision No. 247/QĐ-TCHQ dated 02 March 2022, Official Letter No. 730/TCHQ-GSQL dated 04 March 2022 issued by the General Department of Customs)

2. Consistent application of regulations on customs inspection for EPEs

The General Department of Customs provided guidance on the consistent application of regulations on customs supervision and inspection conditions for EPEs mentioned in clause 10, Article 1, Decree No. 18/2021/ND-CP, including:

- Specifications of hard fence;
- Management of EPEs’ dependent branches established in regions different from the head office;
- Storage duration for camera data at EPEs;
- Duty treatment for EPEs that fail to meet the customs inspection and supervision conditions;
- No requirement on the minimum acreage for EPEs as prevailing regulations do not stipulate this subject matter.

(Official Letter No. 679/TCHQ-TXNK dated 02 March 2022 issued by the General Department of Customs)



Contact us

Website: deloitte.com/vn
Email: deloittevietnam@deloitte.com

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Contact us



Thomas McClelland
National Tax Leader
+84 28 7101 4333
tmcclelland@deloitte.com



Bui Ngoc Tuan
Tax Partner
+84 24 7105 0021
tbui@deloitte.com



Bui Tuan Minh
Tax Partner
+84 24 7105 0022
mbui@deloitte.com



Phan Vu Hoang
Tax Partner
+84 28 7101 4345
hoangphan@deloitte.com



Dinh Mai Hanh
Tax Partner
+84 24 7105 0050
handinh@deloitte.com



Vo Hiep Van An
Tax Partner
+84 28 7101 4444
avo@deloitte.com



Vu Thu Nga
Tax Partner
+84 24 7105 0023
ngavu@deloitte.com

Hanoi Office

15th Floor, Vinaconex Building,
34 Lang Ha Street, Dong Da District,
Hanoi, Vietnam.
Tel: +84 24 7105 0000
Fax: +84 24 6288 5678
www.deloitte.com/vn

Ho Chi Minh City Office

18th Floor, Times Square Building,
57-69F Dong Khoi Street, District 1,
Ho Chi Minh City, Vietnam.
Tel: +84 28 7101 4555
Fax: +84 28 3910 0750
deloittevietnam@deloitte.com

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