

THE GOVERNMENT

No. 106/2010/ND-CP

SOCIALIST REPUBLIC OF VIET NAM

Independence - Freedom – Happiness

Hanoi, October 28, 2010

DECREE

AMENDING AND SUPPLEMENTING A NUMBER OF ARTICLES OF THE GOVERNMENT'S DECREE NO. 85/2007/ND-CP OF MAY 25, 2007, DETAILING A NUMBER OF ARTICLES OF THE LAW ON TAX ADMINISTRATION, AND DECREE NO. 100/2008/ND-CP OF SEPTEMBER 8, 2008, DETAILING A NUMBER OF ARTICLES OF THE LAW ON PERSONAL INCOME TAX

THE GOVERNMENT

*Pursuant to the December 25, 2001 Law on Organization of the Government;
Pursuant to the November 29, 2006 Law on Tax Administration;
At the proposal of the Minister of Finance,*

DECREES:

Article 1. To amend and supplement a number of articles of the Government's Decree No. 85/2007/ND-CP of May 25, 2007, detailing a number of articles of the Law on Tax Administration, as follows:

1. To amend and supplement Clause 2, Article 3 as follows:

"2. Tax collection mandate must be effected through contracts between heads of tax administration agencies and agencies, organizations or individuals mandated to collect tax, except some cases of tax collection mandate with regard to irregular incomes specified by the Ministry of Finance."

2. To add the following Clause 5 to Article 4:

"5. If a taxpayer that suspends business operations has filed a written request with the managing tax office, it is not required to submit tax declaration dossiers during the period of business suspension."

3. To amend and supplement Clauses 1 and 2, Article 5 as follows:

"1. Taxpayers shall notify their managing tax offices (stated in their tax registration certificates) of any change in information declared in submitted tax registration dossiers within 10 working days from the date such change occurs. In case a taxpayer submits a dossier of registration of changes in tax registration information under the inter-agency one-stop shop mechanism according to the business registration law, it shall follow the sequence and procedures provided by such mechanism.

2. In case a taxpayer relocates its office to another province or centrally run city, leading to the change of the managing tax office, it shall fully pay declared tax amounts or request refund of overpaid tax amounts before relocating its office. In this case, the taxpayer is not required to make tax finalization with the tax office, except cases in which the time of office relocation coincides with the time of annual tax finalization."

4. To amend and supplement Article 7 as follows:

"Article 7. Value-added tax declaration

1. Value-added tax declaration (except tax declaration for imported or exported goods) is specified as follows:

a/ Monthly declaration, except cases of declaration upon each arising of tax liability specified at Point b of this Clause and tax declaration by the presumptive method.

b/ Declaration upon each arising of tax liability, for goods and services sold or provided by taxpayers that are engaged in itinerant construction, installation or sale without setting up affiliated units in provincial-level localities other than localities where they are headquartered (below referred to as extra-provincial business). A taxpayer that makes tax declaration several times in a month may register with the tax administration agency to switch to make value-added tax declaration on a monthly basis. The Ministry of Finance shall provide for other cases of tax declaration upon each arising of tax liability.

2. Dossiers of value-added tax declaration:

a/ A value-added tax declaration dossier comprises:

- The monthly value-added tax return;
- A list of goods or service sale invoices;
- A list of goods or service purchase invoices.

b/ A dossier of value-added tax declaration upon each arising of tax liability for extra-provincial business is the value-added tax declaration."

5. To amend and supplement Article 9 as follows:

"Article 9. Excise tax declaration

1. For goods and services liable to excise tax (except imported and exported goods), excise tax shall be declared on a monthly basis.

2. A dossier of excise tax declaration comprises:

- a/ The monthly excise tax return;
- b/ A list of sale invoices of goods and services liable to excise tax;
- c/ A list of creditable excise tax amounts (if any)."

6. To amend and supplement Article 10 as follows:

"Article 10. Tax declaration for imported or exported goods

1. Tax declaration for imported or exported goods specified in this Article covers value-added tax, excise tax, import duty and export duty.

2. Tax declaration for imported or exported goods shall be made upon each arising of tax liability.

Tax declaration and calculation for imported or exported goods for which a single customs declaration is registered for multiple importation or exportation shall be made upon each

importation or exportation at the time of carrying out customs procedures for such imported or exported goods.

3. For cases in which imported or exported goods are not liable to import duty, export duty, excise tax or value-added tax or have been exempted or considered for exemption from import duty or export duty, taxpayers shall make tax declaration within 10 days after a change in objects not liable to tax or tax exemption or exemption consideration purposes occurs.

4. Tax declaration dossiers for imported or exported goods are the customs dossiers.

5. Additional tax declaration and dossiers of additional tax declaration for imported or exported goods comply with the Finance Ministry's regulations."

7. To amend and supplement Clause 1, Article 13 as follows:

"1. Licensing tax declaration is specified as follows:

a/ Licensing tax shall be declared once when taxpayers commence business operation. In this case, licensing tax shall be declared no later than the last day of the month of commencement of business operation. In case a taxpayer has just set up a business establishment but not yet commenced production and business operations, it shall declare licensing tax within 30 days after the date of issue of the business registration certificate and tax registration certificate.

b/ Licensing tax shall be declared on an annual basis upon change in the licensing tax rate."

8. To add the following Point d to Clause 1, Article 15:

d/ Customs fees shall be declared under the Finance Ministry's regulations."

9. To amend and supplement Article 16 as follows:

Article 16. Declaration of value-added tax and enterprise income tax (or personal income tax) of foreign organizations (or individuals) doing business or earning incomes in Vietnam (below referred to as foreign contractors) that do not practice Vietnam's accounting regime; declaration of tax amounts withheld and paid for foreign carriers

1. Declaration of value-added tax and enterprise income tax (or personal income tax) of foreign contractors that do not practice Vietnam's accounting regime is specified as follows:

a/ Foreign contractors' tax shall be declared upon each arising of tax liability. A taxpayer that makes tax declaration several times in a month may register with the tax administration agency to switch to make monthly tax declaration;

b/ Foreign contractors' tax shall be declared for finalization upon the expiration of their contracts.

2. Dossiers of foreign contractors' tax declaration are specified as follows:

a/ A dossier of tax declaration upon each arising of tax liability or monthly tax declaration comprises:

- A foreign contractor's tax return;

- A copy of the contractor's or sub contractor's contract and the Vietnamese-language summary of the contract related to declared tax amounts (for the first-time tax declaration for such contract).

b/ A dossier of declaration for foreign contractor tax finalization comprises:

- The tax finalization return;
- A list of contractors and sub-contractors jointly performing the contract;
- A list of tax receipts;
- A written record of contract liquidation.

3. Declaration of tax amounts withheld and paid for foreign carriers:

a/ Tax amounts withheld and paid for foreign carriers shall be declared on a monthly basis.

b/ Organizations acting as shipping agents or forwarding agents for foreign carriers shall withhold and paid for foreign carriers. Tax declaration dossiers shall be submitted to tax offices directly managing shipping agents or forwarding agents. Each dossier comprises:

- The tax return;
- A list of incomes earned from international transport;
- Other enclosed documents."

10. To amend and supplement Article 17 as follows:

"Article 17. Declaration of tax on crude oil exploitation and export and hydropower generation

1. For crude oil exploitation and export:

a/ Declaration of tax on crude oil exploitation and export is specified as follows:

- Export duty, royalties and enterprise income tax shall be declared upon each exportation of crude oil;
- Royalty and enterprise income tax finalization shall be declared on an annual basis or upon termination of petroleum exploitation contracts.

b/ The Ministry of Finance shall specify the declaration and payment of tax on crude oil declaration and export in conformity with oil export transactions and payment.

2. For hydropower generation:

a/ Declaration and payment of value-added tax: A hydropower establishment shall declare value-added tax in the locality where it is headquartered and pay value-added tax into the state treasury of the locality in which its hydropower plant is located (the place where its turbines, hydropower dams and major physical foundations are located). In case the hydropower plant is located in different provinces or centrally run cities, the hydropower establishment shall pay value-added tax into the state budget of each province or city in proportion to the ratio of investment in that province or city.

b/ Declaration and payment of enterprise income tax: Independent cost-accounting hydropower companies which have dependent cost-accounting hydropower establishments in provinces or centrally run cities other than the localities where the companies are headquartered; and dependent cost-accounting hydropower establishments under the Vietnam Electricity Group (EVN) (including dependent cost-accounting hydropower companies and affiliate hydropower plants) which are located in provinces or centrally run cities other than the locality where EVN is headquartered shall calculate and pay enterprise income tax in the localities where they are headquartered and where dependent cost-accounting hydropower establishments are located. In

case a hydropower plant (turbines, hydropower dams and major physical foundations) is located in different provinces or centrally run cities, the dependent cost-accounting hydropower company under the EVN shall pay enterprise income tax into the state budget of each province or city in proportion to the ratio of investment in that province or city.

c/ Royalty declaration and payment: Hydropower establishments shall declare and pay royalties in the localities in which they register for tax declaration and payment. A hydropower establishment which is required to pay royalties into the budgets of different provinces or centrally run cities shall submit the royalty declaration dossier to the tax office of the locality in which it has registered for tax declaration (or the locality where it is headquartered) and send copies of this dossier to tax offices of localities entitled to such royalties. In this case, the hydropower establishment shall pay royalties in the budget of each province or city on the basis of the area of hydropower reservoir, funds for compensation for ground clearance, relocation and resettlement, the number of households resettled and the value of compensation for damage.

d/ The determination of value-added tax, enterprise income tax and royalties defined at Points a, b and c of this Clause shall apply to hydropower plants which commence production and business activities from the effective date of this Decree."

11. To amend and supplement Article 18 as follows:

"Article 18. Tax declaration for cases of tax payment by the presumption method

1. For regular business activities of business households and individuals, tax shall be declared on an annual basis.
2. For irregular business activities of business households and individuals, tax shall be declared upon each arising of tax liability.
3. Business individuals that pay tax by the presumptive method shall declare value-added tax and personal income tax. except those who are not liable to value-added tax specified in Article 25 of the Law on Value-Added Tax and those whose incomes fall below the personal income tax threshold prescribed by the law on personal income tax.

The Ministry of Finance shall specify the turnover levels which serve as a basis for tax declaration by business individuals under this Clause."

12. To amend and supplement Article 20 as follows:

"Article 20. Places of submission of tax declaration dossiers

1. Taxpayers shall submit their tax declaration dossiers and dossiers of declaration of charges, fees and other state budget revenues to their managing tax offices, except the cases specified in Clauses 2, 3, 4 and 5 of this Article.
2. Dossiers of declaration of housing and land taxes, dossiers of declaration of agricultural land use tax, dossiers of declaration of registration fees, dossiers of declaration of value-added tax on extra-provincial business activities and dossiers of declaration for tax payment by the presumptive method shall be submitted to district-level Tax Departments of the localities in which these taxes or fees arise.
3. A taxpayer that is headquartered and conducts natural resource exploitation or real estate transfer in the same province or centrally run city shall submit dossiers of declaration of royalties on natural resource exploitation or dossiers of declaration of enterprise income tax on real estate

transfer to the managing tax office (provincial- or district-level Tax Department) of the locality in which the taxpayer conducts natural resource exploitation or real estate transfer. A taxpayer that conducts natural resources exploitation or real estate transfer in a province or centrally run city other than the locality in which the taxpayer is headquartered shall submit tax declaration dossiers to the managing tax office (provincial- or district-level Tax Department) of the locality in which the taxpayer conducts natural resource exploitation or real estate transfer.

4. A taxpayer that is headquartered in a province or centrally run city other than the locality in which its establishment producing excise tax-liable goods is located shall submit excise tax declaration dossiers in such locality.

5. Dossiers of tax declaration for exported and imported goods shall be submitted to customs offices with which customs declarations are registered.

6. The places of submission of tax declaration dossiers under the inter-agency "one-stop-shop" procedures comply with these procedures."

13. To amend and supplement Article 21 as follows:

"Article 21. Payment of taxes and fines

1. In case taxpayers pay taxes into the state budget via commercial banks, credit institutions or service organizations according law, tax administration agencies may open state budget revenue accounts at commercial banks and credit institutions for collection of taxes, charges, fees and other state budget revenues and shall, at the end of every working day, transfer all collected amounts into the state treasuries' accounts opened at the State Bank according to the Law on the State Bank of Vietnam.

The Ministry of Finance shall specify the payment of taxes, charges, fees and other slate budget revenues into the state budget fund, the opening of accounts, the accounting of tax amounts paid by taxpayers and the remittance of paid tax amounts into the state budget.

2. The order of payment of owed tax amounts, retrospectively collected tax amounts, arisen tax amounts and fines for administrative violations of tax laws complies with Article 45 of the Law on Tax Administration.

3. Taxes and fines for administrative violations of tax laws shall be paid into the state budget funds at state treasuries."

14. To amend and supplement Article 22 as follows:

Article 22. Handling of overpaid tax and fine amounts

1. A tax or fine amount is considered overpaid when:

a/ The tax or fine amount paid by a taxpayer is larger than the payable tax or fine amount, except the cases defined in Clause 2. Article 111 of the Law on Tax Administration;

b/ A taxpayer has a refundable tax amount under the law on value-added tax, excise tax, export duty, import duty, personal income tax or petrol and oil charge.

2. A taxpayer may request tax administration agencies to handle an overpaid lax or fine amount by the following methods:

a/ Clearing such amount against tax and fine arrears, event between different taxes:

- b/ Clearing such amount against the payable tax amount of the subsequent tax payment period;
 - c/ Refunding such amount when the taxpayer has no tax or fine arrears (including cases in which tax is overpaid because the taxpayer is not liable to value-added tax).
3. In case a taxpayer dies, is missing or loses his/her civil act capacity, his/her overpaid tax amounts shall be directly handled by his/her managing tax office under Clause 2 of this Article.
4. The Ministry of Finance shall specify the procedures for clearing tax and fine amounts prescribed at Point a. Clause 2 of this Article.
5. Salary and wage payers that are authorized by individuals to conduct personal income tax finalization shall effect the clearing of overpaid and deficit tax amounts, withhold to-be-paid tax amounts and refund overpaid tax amounts upon tax finalization. The Ministry of Finance shall specify the implementation of this Clause.

15. To amend and supplement Article 24 as follows:

"Article 24. Tax payment delay 1. Cases eligible for delay:

A taxpayer is allowed to delay payment of tax or fine arrears in the following cases:

- a/ It suffers from material loss caused by a natural disaster, fire or accident that directly affects its production or business;
- b/ Its place of business is relocated at the request of a competent state agency, leading to operation interruption and affecting its production or business results;
- c/ There is a change in state policy that directly affects its production or business results;
- d/ Its capital construction activities have not yet received payment of investment capital from the state budget;
- e/ It implements infrastructure projects or housing projects with land allocated by the State, land acquired through auction of land-use rights or leased land but such land has not yet been cleared or handed over and therefore, it has no source to make payment into the state budget;
- f/ It meets with other special difficulties. In this case, the tax payment delay shall be decided by the Prime Minister at the proposal of the Minister of Finance.

The Ministry of Finance shall specify the tax payment delay allowed at Points a, b, c, d and e, Clause 1 of this Article.

2. Tax or fine amounts eligible for payment delay:

- a/ For the case specified at Point a, Clause 1 of this Article, it is the total tax or fine amount owed by the taxpayer up to the time of occurrence of a natural disaster, fire or accident which, however, must not exceed the value of the material loss;
- b/ For the cases specified at Points b, c, d, e and f. Clause 1 of this Article, it is the tax or fine amount arising in these cases.

3. Duration of tax payment delay:

- a/ Tax payment may be delayed for up to two years from the tax payment deadline, for the case specified at Point a Clause 1 of this Article:

b/ Tax payment may be delayed for up to one year from the tax payment deadline, for the cases specified at Point b. c. d. e and f. Clause 1 of this Article.

4. Other regulations on tax payment delay comply with the Law on Tax Administration.

16. To amend and supplement Article 25 as follows:

"Article 25. Tax assessment

1. A taxpayer is subject to tax assessment in the following cases:

a/ It fails to make tax registration under Article 22 of the Law on Tax Administration;

b/ It fails to submit tax declaration dossiers within 10 days from the prescribed deadline or the extended deadline for submission of tax declaration dossiers.

c/ It fails to supplement tax declaration dossiers at the request of the tax administration agency or supplements tax declaration dossiers with incomplete, untruthful and inaccurate tax bases.

d/ It fails to produce accounting documents, invoices, vouchers and documents related to the determination of tax bases upon the expiration of the period of tax examination or inspection at its head office.

e/ Tax inspection and examination results show that the taxpayer has conducted accounting activities improperly or accounting figures are incomplete, inaccurate or untruthful, thus leading to incorrect determination of tax bases:

f/ There are signs that the taxpayer absconds or disperses its assets in order to shirk its tax liability;

g/ It has submitted tax declaration dossiers to the tax administration agency but cannot calculate payable tax amounts by itself.

2. For taxpayers engaged in certain production and business lines, if tax offices, after conducting examination and inspection, detect that their accounting books, invoices or vouchers are incomplete or tax declarations and calculations are incorrect, they shall fix added value ratios and ratios of income to turnover according to regulations of the Ministry of Finance for application to each of these production or business lines in each period.

3. A taxpayer is subject to assessment of duties on imported or exported goods in the following cases:

a/ It makes tax declaration and calculation based on invalid documents: or it fails to declare or completely or accurately declare contents related to the determination of tax liability;

b/ It refuses to provide or fails to provide within the prescribed time limit relevant documents to serve the determination of payable tax amounts to customs offices; it fails to prove or explain within the prescribed time limit contents related to the determination of tax liability according law;

c/ Customs offices have sufficient grounds to prove that the customs value declared by the taxpayer is different from the actual transaction value:

d/ The taxpayer cannot calculate the payable tax amounts by itself;

e/ Other cases of making tax declaration and calculation in contravention of tax laws which are detected by customs offices or other offices.

The General Director of Customs: directors of provincial-level Customs Departments and directors of district-level Customs Departments are competent to conduct tax assessment under this Clause."

17. To amend and supplement Clauses 2 and 3, Article 27 as follows:

"2. Information on:

a/ Taxpayers dealing in the same goods item or business line in the same business scale in their localities. In case of lacking information on local taxpayers' goods items, business lines and business scales, information on goods items, business lines and business scales of taxpayers in other localities may be used:

b/ Average payable tax amounts of some establishments dealing in the same business line or goods item in their localities. In case of lacking information on local establishments dealing in the same business line or goods item with taxpayers, information on establishments dealing in the same business line or goods item in other localities may be used.

3. Valid tax examination and inspection documents."

18. To add the following Article 27A to the end of Article 27:

Article 27A. Organizations that pay incomes liable to personal income tax and withhold personal income tax may themselves print withholding vouchers for handing over to individuals with withheld income if they meet all conditions prescribed by law. The Ministry of Finance shall specify conditions for self-printing of withholding vouchers, forms of vouchers and the issuance, use and management of self-printed withholding vouchers."

19. To amend and supplement Point b, Clause 2, Article 28 as follows:

"b/ For other cases, the tax payment time limits comply with Clause 3. 4 and 5, Article 42 of the Law on Tax Administration.

The Ministry of Industry and Trade shall issue a list of imported consumer goods as a ground for the implementation of Point b, Clause 3, Article 42 of the Law on Tax Administration."

20. To amend and supplement Clauses 2 and 3, Article 29 as follows:

"2. Taxpayers specified in Clause I of this Article shall obtain tax administration agencies' certification of their fulfillment of tax obligations before they exit the country. Tax administration agencies shall certify the taxpayers' fulfillment of tax obligations upon request.

3. Upon receiving a tax administration agency's written notice of or e-information on an individual's failure to fulfill tax obligations before he/she exits the country, the migration office shall disallow the exit of that individual."

21. To amend and supplement Clauses 2 and 3, Article 30 as follows:

"2. Cases subject to documentary examination before tax refund:

a/ Tax refund under treaties to which the Socialist Republic of Vietnam is a contracting party;

b/ Taxpayers request refund for the first time, except cases of requesting refund of personal income tax;

c/ Taxpayers request tax refund within 2 years after being handled for tax evasion or tax fraud.

In case a taxpayer files many tax refund requests within 2 years after being handled for tax evasion or tax fraud, if the examination of the tax refund dossier submitted by the taxpayer upon its first request shows that the taxpayer neither makes false declaration which may lead to a deficit in the payable tax amount or an increase in the refundable tax amount as prescribed in Article 107 of the Law on Tax Administration nor commits any act of tax evasion or tax fraud as prescribed in Article 108 of the Law on Tax Administration, the taxpayer will no longer be subject to documentary examination before tax refund for its subsequent requests for tax refund. If, upon a subsequent request for tax refund, the taxpayer is detected as having falsified the tax refund dossier or committed tax evasion or tax fraud as prescribed in Articles 107 and 108 of the Law on Tax Administration, it will be subject to documentary examination before tax refund for 2 years from the time of being handled for such act of tax evasion or tax fraud.

d/ The payment for goods or services declared in the taxpayer's tax refund dossier is not made via bank according to regulations;

e/ Enterprises which undergo merger, consolidation, division, dissolution, bankruptcy, ownership transformation or termination of operation: state enterprises which are assigned, sold, contracted or leased:

f/ Taxpayers fail to explain or supplement their tax refund dossiers as requested within the time limit stated in notices of tax administration agencies. This regulation does not apply to the volume of goods and services qualified for tax refund according to regulations;

g/ Taxpayers have no via-bank payment documents at the time of submitting tax refund dossiers:

h/ Imported goods are subject to inspection before tax refund according to the Finance Ministry's regulations.

3. The time limit for handling tax refund dossiers complies with Clauses 2 and 3, Article 60 of the Law on Tax Administration. Heads of tax administration agencies at various levels shall issue tax refund decisions. If the handling of tax refund dossiers is delayed due to the fault of tax administration agencies, taxpayers are, apart from getting tax amounts refunded according to regulations, entitled to interests on late refunded tax amounts for the duration of delayed refund. The interest rate used for calculation of interests is specified in Clause 2, Article 23 of this Decree. The source for payment of interests is the tax refund fund set up under the Finance Ministry's regulations.

22. To amend and supplement Clause 1 and Point a, Clause 2, Article 31 as follows:

a/ To amend Clause 1, Article 31 as follows:

"1. Taxpayers shall determine by themselves tax amounts to be exempted, considered for exemption or reduced in their tax declaration dossiers or tax exemption, exemption consideration or reduction dossiers sent to tax administration agencies, except the cases specified in Clause 2 of this Article."

b/ To amend Point a. Clause 2, Article 31 as follows:

"a/ Exemption from or reduction of excise tax, royalties and personal income tax for taxpayers that are unable to pay these taxes according to law due to natural disasters, fires or accidents: exemption from housing and land tax, agricultural land use tax and land and water surface rents for taxpayers according to law. The Ministry of Finance shall specify tax exemption and reduction prescribed at this Point;"

23. To amend and supplement Clauses 6 and 7, Article 33 into new Clauses 6, 7 and 8 as follows:

"6. State management agencies in charge of commerce shall provide information on policies on the management of Vietnamese and foreign traders' activities of international trading, including import, export, temporary import for re-export, temporary export for re-import, border-gate transfer, entrusted import and export, goods sale and purchase agency, processing and transit, and other information at the request of tax administration agencies.

7. The State Bank shall coordinate with the Ministry of Finance in formulating and implementing a mechanism on the provision on information on taxpayers to tax administration agencies.

8. Other state management agencies shall coordinate with tax administration agencies in formulating and implementing a mechanism on the provision of information on taxpayers to tax administration agencies."

24. To add the following Point c to Clause 2, Article 42:

"c/ Tax refund decisions; decisions on non-collection of tax;"

25. To replace the phrase "income tax on high-income earners" with the phrase "personal income tax" and the phrase "enterprise income tax on transfer of land use rights or land rent rights" with the phrase "enterprise income tax on real estate transfer."

Article 2. To amend and supplement Articles 29 and 31 of Decree No. 100/2008/ND-CP of September 8, 2008, detailing a number of articles of the Law on Personal Income Tax, as follows:

"Article 29. Declaration of personal income tax

Income payers withholding personal income tax and individuals earning incomes liable to personal income tax as prescribed in the Law on Personal Income Tax shall declare tax as follows:

1. Monthly tax declaration:

a/ Monthly tax declaration is applied to income payers that withhold tax on:

- Incomes from salaries and wages;
- Incomes from capital investment;
- Incomes from capital transfer or securities sale;
- Incomes from won prizes;
- Incomes from copyright;
- Incomes from commercial franchise;
- Incomes from business activities of non-residents

b/ A monthly tax declaration dossier is the personal income tax return.

2. Quarterly tax declaration:

a/ Quarterly tax declaration is applied to business individuals and groups of business individuals that pay tax based on declaration. A tax declaration dossier is the temporary personal income tax return.

b/ Quarterly tax declaration is applied to income payers that have a total monthly withheld tax amount for each type of tax returns of under VND 5 million. A tax declaration dossier is the personal income tax returns.

3. Annual tax declaration:

a/ For income payers:

- Annual tax finalization declaration for taxable incomes, withheld tax amounts and other reductions (if any).

- A tax declaration dossier comprises:

+ The personal income tax return;

+ A list of taxable incomes and withheld tax amounts.

b/ For individuals:

- Annual tax finalization declaration, for individuals earning incomes from salaries and wages or incomes from business activities who have payable tax amounts larger than the withheld tax amounts or request tax refund or clearing of the overpaid tax amount against the payable amount of the subsequent period.

Individuals earning incomes from salaries or wages from a single source may authorize income payers to make tax finalization for them.

- Individuals earning incomes from securities sale who register for tax payment at the rate of 20%.

- Business individuals and groups of business individuals that pay tax by the presumption method shall declare tax on an annual basis.

4. Tax declaration upon each arising of tax liability is applied to:

a/ Incomes from real estate transfer;

b/ Incomes from capital transfer;

c/ Incomes from inheritance and gifts.

5. Tax declaration by resident individuals earning incomes in foreign countries.

6. The Ministry of Finance shall specify tax declaration dossiers in the cases specified at Point b. Clause 3. and Clauses 4 and 5 of this Article."

Article 3. Implementation provisions

1. This Decree takes effect on January 1, 2011.

2. The Ministry of Finance shall guide the implementation of this Decree.

3. Ministers, heads of ministerial-level agencies, heads of government-attached agencies, chairpersons of provincial-level People's Committees and concerned organizations and individuals shall implement this Decree.-

**ON BEHALF OF THE GOVERNMENT
PRIME MINISTER**

Nguyen Tan Dung