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I. INVOICE

Official Letter No. 78552/CT-TTHT dated November 28th, 2018 issued by Ha Noi Tax Department giving instructions on how to issue the E-invoice in case the list of goods, service exceeds the numbers of lines on the invoice.

When the Company issues the e-invoice to the customer, the Company must fulfill name of goods in the content of invoice to ensure the compliance of the principle that the information contained in the e-invoice can be accessed. The company is not allowed to issue the e-invoice without the name of goods in the content of invoice and instead it by the detailed list of goods in paper separately.

In case of converting the e-invoice into paper invoice, the company is entitled to issue more than one paper invoice if the top of the invoices display the same invoice number (which was automatically issued by the computer system), as well as name, address, tax code of the buyer, the seller, form and invoice symbol of next pages must be the same to the first page, with a "continued from previous page – pageX/Y" footnote written in Vietnamese without the accent (X is the page number, Y is the total number of pages of that invoice).

II. PERSONAL INCOME TAX

Official Letter No.2642/CT-TTHT dated November 5th, 2018 issued by Long An Tax Department regarding the house rental fee.

In case the Company has the dormitory at the workplace for employees working far from hometown and the expatriate employees who live and work at the company for free, it is considered as a benefit in kind for employees. Therefore:

- + This benefit is included in the taxable income from wages and salaries;
- + The Company has to calculate the depreciation, electricity and water expenses as well as other service fees according to the ratio of the individually used area to the working area to determine the taxable income regarding this benefit.

III. CORPORATE INCOME TAX

Official letter No. 2763/CT-TTHT dated November 13th, 2018 of Long An Tax Department regarding air ticket expenses for business trip paid by individual bank card.

In case the Company has air ticket expenses for business trip bought via e-commerce website (from VND 20 million), paid by bank card owned by the individual who joined in the business trip and then claim to the Company, these expenses are considered as CIT deductible expenses if satisfying below documents:

1. Business trip decisions;
2. Air tickets or boarding passes if it can be collected; in case it can not be collected, the business trip decision can be used instead.



3. Company policy allowed that the individuals who join in business trip can pay to suppliers by their bank card and claim to the Company.

4. Remittance voucher from bank card of individuals who join in business trip to suppliers, and from the Company to the individuals.

In addition, the Company should note in case air tickets for business trip paid by bank card of another individual who did not join in the business trip, this payment is not considered as bank payment and this expense is not included in deductible expenses when calculating CIT.

IV. OTHERS

Official letter 2446 / BHXH-QLT dated November 29th, 2018 of Social Insurance Department of Ho Chi Minh City temporarily instructs the compulsory social insurance for foreign employees in Vietnam

1. Subject

To comply with the guidance in Article 2 of Decree No. 143/2018 / ND-CP dated 15/10/2018

2. Contribution rate

2.1. From Dec 1st, 2018:

The employer, on a monthly basis, contribute social insurance (SI) in proportion to the social insurance salary is as follows:

- 3% into the sickness and parental insurance benefit fund;
- 0.5% into the occupational accident and disease benefit fund;

2.2. From Jan 01st, 2022:

The employer, on a monthly basis, contribute social insurance (SI) in proportion to the social insurance salary is as follows:

- 3% into the sickness and parental insurance benefit fund;
- 0.5% into the occupational accident and disease benefit fund;
- 14% into the retirement and death insurance benefit fund

The employee, on a monthly basis, contribute SI with 8% based on SI salary to the retirement and death benefit fund.

3. Salary used to calculate SI

Salary used to calculate SI is salary, allowance and other benefit shall be subject to article 30 Circular 59/2015/TT-BLĐTBXH dated 29/12/2015 of Ministry of Labor - Invalids - Social Affairs.



4. Benefit

To comply with the guidance from Article 6 to Article 11 of Decree No. 143/2018 / ND-CP date 15/10/2018.

5. Application procedure

- From 01/12/2018 the social insurance department will transfer all foreigners who are participating in health insurance code BW to code IC to participate in social insurance, health insurance. **In cases where the foreigners specified in Point 1.2, Clause 1, Decree 143/2018/ND-CP, the company shall prepare electronic document of receipt of form 600 for decreasing the IC code and receipt of form 603 for increasing them into BW code.**

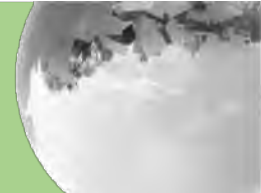
When making the payment voucher, the Company has to be filled in with three criteria: the name of the company, the company code of the social insurance, the content of the payment. In cases where the company makes one voucher for many SI codes (such as YN, IC, BW), the amount of each code shall be clearly stated in the payment contents.

Official letter No. 6830/TCHQ-TXNK date November 21st, 2018 of General Custom Department about not refunding tax for raw materials which are not used for manufacturing and then exporting

Under Article 36 Decree No. 134/2016/ND-CP, if imported goods for business operation was used for manufacturing and exported to foreign countries or non-tariff areas, import tax shall be refunded.

Thus, this regulation only allows to refund import tax for raw materials of products exported to foreign countries or non-tariff areas. Other cases of exporting (including on-the-spot export to domestic enterprises) shall not be refunded tax.

The General Department of Customs has requested Customs Office of all provinces to review all tax refund documents from September 1st, 2016 to now to collect tax refunds in contravention of regulations (including import tax, safeguard tax, anti-dumping duties, anti-subsidy duties).



Abbreviation

CIT	Corporate Income Tax	JVC	Joint Venture Company
PIT	Personal Income Tax	Ltd.	Limited
VAT	Value Added Tax	PC	People's Committee
FCT	Foreign Contractor Tax	MOF	Ministry of Finance
FA	Fixed Asset	MOIT	Ministry of Industry and Trade
GDT	General Department of Taxation	MOLISA	Ministry of Labor, Invalid and Social affairs
EPE	Export Processing Exporting Company	DPI	Department of Planning and Investment
EPZ	Export Processing Zone	OL	Official Letter
UAL	Usage of Agricultural Land	SBV	The State Bank of Vietnam
IZ	Industrial Zone	FC	Foreign Contractor
SB	State Budget	SI	Social Insurance
SI	Social Insurance	UI	Unemployed Insurance

Vietnamese

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