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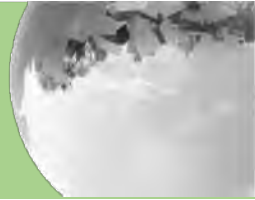
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I. CORPORATE INCOME TAX

Official Letter 1791/CT-TTHT dated 26/07/2018 of Long An Tax Department about CIT on promotional activity

If the Company organizes promotion events for production and business activities purpose with the total value of prizes and gifts less than 100 million dong from July 15th, 2018, the Company don't have to inform the Department of Industry and Trade.

Dossiers for determining deductible expenses are the company's decisions on promotion events signed and stamped by the company's representatives, and invoices, documents related to this promotion events under regulations.

Regulations: Clause 2a, Article 17, Decree 81/2018/ND-CP

Official Letter No. 53064/CT-TTHT dated July 31st, 2018 of Hanoi Tax Department about CIT for IT projects in oversea

According to this Official Letter, in case the Company implements an investment project of IT server system in oversea, if the conditions for recording tangible fixed assets and / or intangible fixed assets is met and the Company has documents proving the ownership, which is recognized by the Authorities in Vietnam, the depreciation expenses for servers located in oversea and the costs of hiring services related to this server system will be deducted when calculating CIT.

Regulations:

+ Clause 1, Article 2, Circular 45/2013 / TT-BTC.

+ Article 4, Circular 96/2015 / TT-BTC.

II. PERSONAL INCOME TAX

Official Letter No. 47484/CT-TTHT dated July 09th, 2018 of Hanoi Tax Department about PIT of probationary salary

According to this Official Letter, after the probation contract is terminated, the Company decides to sign the labor contract for 3 months or more, the Company shall withhold the personal income tax according to the progressive tax table for the whole salary included probationary salary.

Conversely, if after the probationary period, the company does not sign labor contract, the salary will be deducted from the PIT for resident individuals at the rate of 10% (except the worker has the Commitment about low income).

For example: The company signed a probation contract with individual A from June 10th, 2018 to August 09th with the salary of 3 million / month including PIT. The Company's payroll period is from the 16th to the 15th of the following month and the Company pays for all employees on the 20th. On July 20th, 2018, the company deducts 10% PIT before paying income to individual A for the working period from June 10th, 2018 to July 15th, 2018. On August 20th, 2018, if individual A has signed a labor contract with the Company, the Company will deduct the tax according to the progressive tax table for the working period from July 16th, 2018 to Aug 15th, 2018 (including probationary period from July 16, 2018 to August 09, 2018).



III. INVOICES

Official Letter No. 2775/TCT-CS dated July 13th, 2018 of the Ministry of Finance about the treatment of invoice violations

In cases the seller issues invoices when Tax Office has Decisions on the application of enforcement by the notice of expiring invoices or the notice that the taxpayer does not operate at the valid registered address, this is the using illegal invoices, the Tax Office will treat as below:

- Penalties for buyer: Buyer will be subject to administrative penalty of using illegal invoices, the expense and the corresponding input VAT will be non-deductible.

- Penalties for seller: If the seller issues many illegal invoices, the seller will be punished for using illegal invoices and be subject to aggravating circumstance because of breaking the law during the effective time of Decisions on administrative violation from Tax Office.

Regulations:

- + Clause 8, Clause 9 Article 3 Decree No. 51/2010/ND-CP
- + Clause 1 Article 13 Circular No. 215/2013/TT-BTC
- + Article 3, Clause 5 Article 38, Clause 2 Article 39 Decree No. 109/2013/ND-CP
- + Article 27 Circular No. 39/2014/TT-BTC
- + Clause 7 Article 3 Circular No. 10/2014/TT-BTC

IV. OTHERS

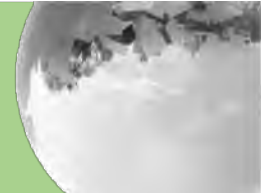
Circular No. 02/2018/TT-BKHCN dated May 15th, 2018 of the Ministry of Science and Technology (MOST) regarding report on implementation of technology transfer contract

Pursuant Article 2 of this Circular, annually, technology transferee and technology transferor (in cases transferring from Vietnam to abroad) must submit the report on the implementation of restriction technology transfer contract to the MOST.

The report form is Form No. 05 attached with this Circular. The due date to submit the report is December 31st of the reporting year. The reporting data is from December 15th previous year to December 14th of reporting year.

The format of the report is in writing, including paper reports and electronic reports, submitted directly or by mail for the paper reports and sent via online (to email address: yudtg@most.gov.vn) for electronic reports.

This Circular takes effect from July 1st, 2018.



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



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