

LEGAL & TAX UPDATES

**RESOLUTION NO. 406/NQ-CP DATED OCTOBER 19, 2021 OF THE
STANDING COMMITTEE OF THE NATIONAL ASSEMBLY ON SOME
SOLUTIONS TO SUPPORT BUSINESSES AND PEOPLE SUFFERED
BY THE IMPACTS OF THE COVID-19 PANDEMIC**

OVERVIEW

On October 19, 2021, the National Assembly Standing Committee issued Resolution No. 406/NQ-UBTVQH15 on some solutions to support businesses and people affected by the Covid-19 pandemic.

We hereby update some noticeable contents for legal compliance purposes.

SOME REMARKABLE ISSUES

30% reduction of CIT payable in 2021

Applicable to the taxpayer, according to the provisions of the CIT Law, who has a revenue of not exceeding VND 200 billion in 2021 and being lower than that of 2019.

Note: *Not applicable to the case that the taxpayer recently established, consolidated, merged or separated in the tax period of 2020-2021.*

Exemption of PIT, VAT and others payable in the third and fourth quarters of 2021 for business households and individuals

Applicable to business households and individuals incurring production and business activities in district-level areas affected by the Covid-19 pandemic in 2021, decided by the Chairman of the People's Committee of the provinces or central cities.

Note: *Not applicable to income and revenue from providing software products and services; digital information content products and services on entertainment, video games, digital movies, digital photos, and digital music; and digital advertisement.*

SOME REMARKABLE ISSUES

30% discount on
VAT from
November 1, 2021
to December 31,
2021

Applicable to businesses and organizations providing goods and services including:

(i) Transportation services (*rail transport, water transport, air transport, other road transport*); Lodging; Dining service; services of travel agencies, tour operators and supporting services related to the promotion and organization of tours;

(ii) Publishing products and services; cinematographic services, television program production, sound recording and music publishing; works of art and services for composing, art, and entertainment; services of libraries, archives, museums and other cultural activities; sports, entertainment and entertainment services.

Note: *Types of goods and services in section (ii) are exclusive of publishing software and online-based goods and services.*

The government is responsible for implementing so that consumers could possibly benefit from VAT reduction.

SOME REMARKABLE ISSUES

Exemption of late payment interests related to taxes, land use fees, and land rents arising in 2020 and 2021

Applicable to enterprises and organizations (including dependent units and premises) that incur losses in 2020.

Note: Not applicable to cases where late payment interests have been fulfilled.

The Resolution took effect from October 19, 2021, and the Standing Committee of the National Assembly assigns the Government to implement the Resolution.

CONTACT INFORMATION

This document gives the general information on interested matters that is not considered as professional consultancy. For more information, please contact:



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