

GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

No. 79/2019/ND-CP

Hanoi, October 26, 2019

DECREE

AMENDMENTS TO ARTICLE 16 OF THE GOVERNMENT'S DECREE NO. 45/2014/ND-CP DATED MAY 15, 2014 REGULATING COLLECTION OF LAND USE FEES

Pursuant to the Law on Government Organization dated September 16, 2015;

Pursuant to the Law on Land dated November 29, 2013;

Upon the request of the Minister of Industry and Trade;

The Government hereby promulgates the Decree on amendments to Article 16 of the Government's Decree No. 45/2014/ND-CP dated May 15, 2014 regulating collection of land use fees.

Article 1. Amendments to Article 16 of the Decree No. 45/2014/ND-CP:

1. Households and individuals (including persons rendering meritorious revolutionary services; poor households; ethnic minority households and individuals; households and individuals obtaining registration for their permanent residence at communes that are recognized as difficult or extremely difficult socio-economic areas) may be granted permission for deferred repayment of land use fees if they are allocated resettlement land after the State's land expropriation in accordance with law on land.

Persons rendering meritorious revolutionary services shall be identified under law on persons rendering meritorious services.

Poor household; ethnic minority households and individuals, or those obtaining registration for their permanent residence at communes which are recognized as difficult or extremely difficult socio-economic areas shall be identified, subject to the regulations of the Government, the Prime Minister or competent regulatory authorities.

2. The amount of land use fee allowed as a deferred debt of a household or individual specified in clause 1 of this Article shall be determined by the difference (-) between the amount of land use fee payable upon allocation of resettlement land and the value of land-related compensation or support offered upon the State's land expropriation.

3. Households and/or individuals referred to in clause 1 of this Article (hereinafter referred to households and/or individuals) may repay their outstanding debts by installments within 5 years

of receipt of decisions on allocation of resettlement land from competent regulatory authorities, and may be granted exemption from the requirement for payment of any late payment fee incurred within this period.

After 5 years of receipt of resettlement land allocation decisions from competent regulatory authorities, if these households and/or individuals have not yet fully paid all debts accrued as specified in Certificates of rights to use land and own house and other associated property (hereinafter referred to Certificate), they shall be obliged to pay the remaining outstanding balance of land use fees owed and late payment fees charged on such amounts according to permissible levels prescribed in law on tax administration as from the end date of the 5-year period of permission for deferred repayment to the date of debt repayment.

4. Documentation requirements and procedures for households and/or individuals' application for permission for deferred repayment of land use fees shall be subject to the following regulations:

a) Households and/or individuals submit their application for permission for deferred repayment of land use fees, other written documents evidencing that they are eligible to obtain permission for deferred repayment of land use fees, and their application for Certificates in accordance with law (including Decision on allocation of resettlement land and Plan for compensation, support or resettlement approved by a competent regulatory authority) at Land Registration Divisions or natural resources and environment agencies (hereinafter referred to as Division).

b) Divisions review and verify submitted documents, complete and send Information Transfer Forms to tax authorities and other related entities in accordance with regulations in force. These Forms must contain information about the amount of compensation or support related to land plots that requesting households and/or individuals are allocated.

c) Based on the Forms sent by Divisions, tax authorities confirms and issues legally prescribed Notices to requesting households and/or individuals, Divisions and other related agencies (where necessary) within the maximum duration of two (02) working days from the date of issuance of such Notices. Notices must include the followings:

- Total amounts of land use fees payable.

- Amounts of land use fees that do not obtain permission for deferred repayment (i.e. amounts of compensation or support related to land plots that households and/or individuals are allocated).

- The deferred amount of land use fee is equal to (=) total amount of land use fee payable minus (-) the amount of land use fee that does not obtain permission for deferred repayment (i.e. the amount of compensation or support related to land plots that a household and/or individual is allocated).

- Maturities of payment of deferred land use fee debts, including:

+ Maturity of payment of land use fee debts that are not deferred (which are the same as those specified in the Government's Decree No. 45/2014/ND-CP dated May 15, 2014).

+ Maturity of payment of land use fee debts that are deferred (within 5 years of receipt of the decision on resettlement land allocation from a competent regulatory authority).

d) Based on Notices of tax authorities, households and/or individuals pay amounts of land use fee debts that are not deferred (i.e. amounts of compensation or support related to land plots that they are allocated) at state treasuries or any other entity authorized by state treasuries (hereinafter referred to as treasury) within prescribed time limits, and then submit payment receipts issued by treasuries to Divisions to receive Certificates.

dd) Treasuries have to collect land use fees based on tax authorities' Notices and provide receipts for households and/or individuals; transfer information about amounts collected from these households and/or individuals to relevant entities in accordance with regulations in force.

e) Based on receipts that households and/or individuals submit, Divisions issue Certificates in accordance with regulations in force. Each Certificate must show information about the deferred amount of land use fee debt and debt payment maturity (within 5 years of receipt of decisions on resettlement land allocation from competent regulatory authorities).

5. Documentation requirements and procedures for repayment and removal of land use fee debts that households and/or individuals are permitted to defer paying shall be subject to clause 3 of this Article.

a) Based on Notices from tax authorities, households and/or individuals will pay land use fee debts in installments at treasuries within 5 years of receipt of decisions on resettlement land allocation from competent regulatory authorities to the extent that they discharge all payment obligations within the 5-year maturity period. In case where Notices are lost or go missing within this 5-year period, they must contact tax authorities to be reissued other Notices.

b) After 5 years of receipt of decisions on resettlement land allocation, if they have not yet paid all debts, they will contact tax authorities to request them to inform the remaining amounts of outstanding debt and the amounts of late payment charge calculated based on the aforesaid remaining amounts (determined within the period from the end date of the 5-year maturity that starts from the date of receipt of decisions on resettlement land allocation from competent regulatory authorities to the date on which these households and/or individuals contact tax authorities to request them to inform the remaining amounts of outstanding debt), and will receive Notices within the same working day. Each Notice must show the following information: The outstanding amount of land use fee debt, the amount of late payment charge; time limit for payment to treasuries which is 30 days from the date specified in the Notice.

After this 30-day time limit, if households and/or individuals have not yet paid their debts due, they will have to contact tax authorities to inform the outstanding amounts of land use fee debts and late payment charges as prescribed above.

c) After discharging all debt repayment obligations as provided in point a and b of this clause, households and/or individuals must submit the following documents: Certificates (original copies), payment receipts (original copies) at Divisions to remove the debt amounts specified in

these Certificates. In case of lost or missing receipts, they must contact treasuries to receive their certification of the paid amounts.

d) Divisions have to review and verify documents that households and/or individuals have submitted to remove debts shown in Certificates and return Certificates within the same working day.

6. Households and/or individuals obtaining permission for deferred repayment of land use fee debts must pay the outstanding amount of land use fee debts and late payment charges (if any) in full before transferring, giving, donating, mortgaging land use rights, providing these rights as pledges or capital contributions. If an heir inherits land use rights in accordance with laws, but land use fee debts have not yet been paid in full, he/she shall have the burden of continuing to pay the remaining amount of outstanding debts in accordance with laws.

Article 2. Transition provisions

1. If households and/or individuals already obtaining permission for deferred repayment of land use fee debts as shown in their Certificates in accordance with laws over periods of time have not yet repaid all of their outstanding debts before this Decree enters into force, the following provisions shall be applied:

a) Households and/or individuals already obtaining permission for deferred repayment of land use fee debts prior to March 1, 2016 shall have to pay their debts according to policies and prices in effect till the date of issue of Certificates (or based on the amounts specified in Certificates which are determined in accordance with law) by end of February 28, 2021. This regulation shall not be applied to land use fee amounts that they have already paid to the state budget.

From March 1, 2021 onwards, households and/or individuals must pay outstanding land use fee debts according to policies and prices in effect on the date of debt repayment.

b) Households and/or individuals already obtaining permission for deferred repayment of land use fee debts from March 1, 2016 to the date preceding the effective date of this Decree must continue to repay the remaining amounts of outstanding land use fee debts according to the amounts specified in Certificates which are determined according to the Decree No. 45/2014/ND-CP within the 5-year period from the date of permission for deferred repayment of land use fee debts.

After the 5-year period from the date of permission for deferred repayment of land use fee debts, households and/or individuals must pay outstanding land use fee debts according to policies and prices in effect on the date of debt repayment.

2. If households and/or individuals pay debts before the 5-year maturity period from the effective date of this Decree, they shall not be granted 2% of subsidies per year offset against land use fees payable.

3. Documentation and procedures for debt repayment and removal required for the cases specified in clause 1 of this Article shall be subject to clause 5 of Article 1 herein.

4. If households and/or individuals obtain permission for deferred repayment of land use fee debts before entry into force of this Decree, but provide gold bullion, property or equivalents in other in-kind forms as security for repayment of their debts in breach of regulations in force at the date of permission for deferred repayment of land use fee debts, People's Committees at centrally-affiliated provinces or cities shall direct their competent units to re-determine the amounts of land use fee debts in cash according to respective laws in force over periods of time, and shall administer debt repayment and removal according to provisions laid down in clause 1 and 3 in this Article.

5. If households and/or individuals have already obtained Certificates or receiving Notices of land use fees from tax authorities before the effective date of this Decree, but have also submitted application for permission for deferred repayment of debts to be applied from the effective date of this Decree onwards, except those specified in clause 1 of Article 1 herein, such application shall be rejected.

Article 3. Entry into force

1. This Decree shall take effect from December 10, 2019.

2. This Decree shall repeal Article 16 of the Government's Decree No. 45/2014/ND-CP dated May 15, 2014 regulating collection of land use fees.

Article 4. Implementation responsibilities

1. Ministers, Heads of Ministry-level agencies, Heads of Governmental bodies, and Chairmen/Chairwomen of People's Committees of centrally-affiliated cities and provinces, shall be responsible for implementing this Decree.

2. People's Committees of centrally-affiliated cities and provinces shall be responsible for commanding their subordinate units that have imperatively implemented this Decree, but not yet finishing collection of all debts owed by households and/or individuals to request them to inform households and/or individuals owing land use fee debts of regulations relating to permission for deferred debt repayment, debt repayment and removal of land use fee debts in accordance with this Decree./.

**PP. GOVERNMENT
PRIME MINISTER**

Nguyen Xuan Phuc

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