

**DECREE No.142/2005/ND-CP OF NOVEMBER
14, 2005, ON COLLECTION OF LAND RENTS
AND WATER SURFACE RENTS**

THE GOVERNMENT

*Pursuant to the December 25, 2001 Law on
Organization of the Government;*

Pursuant to the November 26, 2003 Land Law;

*Pursuant to the April 26, 2002 Ordinance on
Price;*

At the proposal of the Minister of Finance,

DECREES:

Chapter I

GENERAL PROVISIONS

Article 1.- Scope of regulation

This Decree provides for the collection of land rents and water surface rents when:

1. The State leases land.
2. The form of land assignment by the State is changed to the form of land lease.
3. The State leases water surface.

Article 2.- Land rent, water surface rent payers

1. The State shall lease land with annual collection of land rents in the following cases:
 - a/ Households, individuals:
 - Rent land for agricultural production, forestry,

aquaculture or salt production.

- Wish to continue using the agricultural land areas in excess of the assignment limits before January 1, 1999, for which the land use duration has expired under the provisions of Clause 2, Article 67 of the 2003 Land Law.

- Use agricultural land in excess of the assignment limits from January 1, 1999 to the effective date of the 2003 Land Law, excluding the land areas acquired from land use right transfer.

- Rent land for use as ground for construction of production and/or business establishments; for mineral activities; production of building materials or making of pottery articles.

- Use land for construction of public facilities for business purposes.

- Households and individuals not directly engaged in agricultural production, forestry, aquaculture or salt production but assigned land without collection of land use levies shall have to switch to land lease according to the provisions of Point b, Clause 4, Article 82 of the 2003 Land Law.

b/ Economic organizations that rent land for execution of investment projects on agricultural production, forestry, aquaculture or salt production; for use as ground for construction of production and/or business establishments; construction of public facilities for business purposes; construction of infrastructures for assignment or lease; for mineral activities, production of building materials or making of pottery articles.

c/ State enterprises that had been assigned land by the State without collection of land use levies for the purpose of agricultural production, forestry, aquaculture and/or salt production before January 1, 1999, shall have to switch to land lease under

the provisions in Clause 2, Article 73 of the 2003 Land Law.

d/ Economic organizations that have been assigned land by the State with collection of land use levies and have paid land use levies or have been transferred land use rights and have paid money for the land use right transfer and such paid land use levies or paid money for the transferred land use rights belong to the state budget; economic organizations that have purchased assets liquidated, discounted, sold due to bankruptcy, no longer in use, which are attached to land for which land use levies have not yet been paid, shall be entitled to switch to land lease.

e/ Other cases to be decided by the Prime Minister at the proposal of ministers, heads of ministerial-level agencies, heads of Government-attached agencies or presidents of provincial/municipal People's Committees.

2. The State shall lease land or water surface with rents collected annually or in lump sum for the whole land or water surface lease term in the following cases:

a/ Overseas Vietnamese, foreign organizations or individuals that rent land for execution of investment projects on agricultural production, forestry, aquaculture or salt production; for use as ground for construction of production and/or business establishments; construction of public facilities for business purposes; construction of infrastructures for assignment or lease; for mineral activities, production of building materials, making of pottery articles; construction of residential houses for sale or lease.

b/ Foreign organizations with diplomatic functions, non-governmental organizations that rent

land for construction of working offices.

c/ Economic organizations, family households, individuals; overseas Vietnamese, foreign organizations and individuals that rent water surface, sea surface not belonging to the land groups specified in Article 13 of the 2003 Land Law for execution of investment projects.

d/ Other cases to be decided by the Prime Minister at the proposal of ministers, heads of ministerial-level agencies, heads of Government-attached agencies or presidents of provincial/municipal People's Committees.

Article 3.- Subjects not liable to pay land rents

1. Persons who are assigned land without collection of land use levies under the provisions of Article 33 of the Land Law.

2. Persons who are assigned land with collection of land use levies under the provisions of Article 34 of the Land Law.

3. Organizations or individuals that use land for construction of infrastructures for common use in industrial parks under plannings already approved by competent authorities.

4. Organizations or individuals that are permitted to explore and/or exploit minerals but do not use the surface land layers and do not affect the use of surface land layers shall not be subject to land rents for areas where the surface land is not used.

Chapter II

**SPECIFIC PROVISIONS ON LAND RENTS,
WATER SURFACE RENTS**

Article 4.- Land rent unit

1. The annual land rent unit shall be equal to 0.5% of the land price according to the use purpose of the rented land, promulgated by provincial/municipal People's Committees (hereinafter referred to collectively as provincial-level People's Committees) in accordance with the Government's Decree No. 188/2004/ND-CP of November 16, 2004, on methods of determining prices and price brackets for assorted land categories.

2. For land of urban centers, commercial or service centers, traffic hubs, concentrated population quarters, which may yield special profits or be used as ground for production, business and/or service activities, provincial-level People's Committee presidents shall base on the local situation to decide on the promulgation of land rent units higher than the set rent units, which, however, must not exceed four times the land rent unit specified in Clause 1 of this Article.

3. For land in deep-lying, remote, highland or island regions, areas facing socio-economic difficulties, areas facing particular socio-economic difficulties; land used for agricultural production, forestry, aquaculture or salt production, land used as ground for production and/or business activities of projects in the domains entitled to investment encouragement or special investment encouragement, provincial-level People's Committee presidents shall decide on the promulgation of land rent units lower than the set land rent units, which, however, must not be lower than half the set rent unit specified in Clause 1 of this Article.

4. Land rent units in case of auction of the rented-land use rights or bidding for projects involving the use of rented land shall be winning bids.

Article 5.- Water surface rent bracket

1. For water surface not specified in Article 13 of the 2003 Land Law, the rent bracket shall be stipulated as follows:

a) Projects involving the fixed water surface use: VND 10,000,000 to 100,000,000/km²/year.

b) Projects involving the non-fixed water surface use: VND 50,000,000 to 250,000,000/km²/year.

2. The water surface rent for each project shall be decided by provincial-level People's Committee presidents; where the rented sea surface lies within two or more provinces and/or centrally run cities, the water surface rent shall be unanimously agreed upon by the presidents of the People's Committees of such provinces and/or cities; if they cannot reach agreement, they must report such to the Prime Minister for decision.

3. The Finance Ministry shall guide the determination of sea surface rents for projects on oil and gas exploitation in the territorial waters and continental shelf of Vietnam.

Article 6.- Determination of land rent units for each specific project

1. Based on the land prices promulgated by provincial-level People's Committees under the provisions of the Government's Decree No. 188/2004/ND-CP of November 16, 2004, on methods of determining prices and price bracket for assorted land categories; based on the land rent unit specified in Article 4 of this Decree, provincial-level People's Committees shall promulgate the rent units for each category of land, each type of urban center, type of commune, region, type of street, land position or grade.

2. Based on land rent units set by provincial-level People's Committees:

a/ Directors of provincial/municipal Services of Finance shall decide on the land rent unit for each specific project in cases where economic organizations, overseas Vietnamese, foreign organizations or individuals rent land.

b/ District-level People's Committee presidents shall decide on the land rent unit for each specific project for land-renting households and individuals.

In case of divergent opinions on land rent units between the land lessees and the agencies competent to decide on land rents, the settling decisions of provincial-level People's Committee presidents shall be final.

Article 7.- Determination of land rents, water surface rents

1. The annual land rent or water surface rent shall be the rented area multiplied by the land rent unit or water surface rent unit.

2. Land rents and water surface rents shall be collected from the date of issue of land lease or water surface lease decisions of competent state bodies; where the time of handing over the land or water surface on the site is different from the time stated in the land lease or water surface lease decisions, the land rents or water surface rents shall be collected from the time of handing over the land or water surface.

3. Persons who are leased land by the State and have advanced money for land compensations or supports shall have such compensation or support money subtracted from the payable land rents; where upon the expiration of the land rent

term, the land compensation or support money amounts are not fully subtracted, they shall be further subtracted in the extended land rent duration.

Where the land rent term expires and the State recovers the land, the land compensation or support money amounts not yet fully subtracted shall be compensated for under the provisions of law on compensations and supports when the State recovers land.

Article 8.- The period during which land rent units or water surface rent units are kept stable

1. The land rent unit of each project shall be kept stable for 5 years. At the end of this period, directors of provincial/municipal Services of Finance or presidents of district-level People's Committees shall adjust land rent units for application to the subsequent period. Land rent units applicable to the subsequent period shall be adjusted under the provisions of Articles 4 and 6 of this Decree.

2. The water surface rent unit of each project shall be kept stable for 5 years. At the end of this period, provincial-level People's Committee presidents shall adjust the water surface rent units for application to the subsequent period. Water surface rent units applicable to the subsequent period shall be adjusted under the provisions of Article 5 of this Decree.

3. The land rent units, water surface rent units shall be adjusted in the following cases:

a/ Projects for which land rents or water surface rents have been collected for the whole stable period under the provision of Clause 1 or 2 of this Article.

b/ Projects which have changed the use purpose of the rented land. In this case, the rent units shall be adjusted according to new use purposes at the time of changing the land use purposes.

4. The land rent or water surface rent adjustment shall not apply to the following cases where:

a/ At the time of adjustment of land rent units or water surface rent units by provincial-level People's Committee presidents, the period during which rent units are kept stable has not yet expired, except for the cases specified in Clause 2, Article 9 of this Decree.

b/ The land rents or water surface rents have been paid in lump sum for the whole renting terms and at the time of adjustment of land rent units, water surface rent units by provincial-level People's Committee presidents the land rent units or water surface rent units have been already determined and the land rents or water surface rents have been already paid.

Article 9.- Application of land rent units, water surface rent units

1. For projects involving land rent or water surface rent from January 1, 2006, the land rent unit or water surface rent unit specified in Articles 4, 5 and 6 of this Decree shall apply.

2. For projects involving land rent or water surface rent before January 1, 2006, with the rents being paid annually, the land rent units or water surface rent units shall be redetermined under the provisions of Articles 4, 5 and 6 of this Decree and applied as from January 1, 2006.

3. For cases of land rent or water surface rent before the effective date of this Decree where the

land rents or water surface rents have been paid for many years, the land rent unit or water surface rent unit specified in this Decree shall not be redetermined for the duration for which the land rents or water surface rents have been paid. Upon the expiration of such duration, the land rent unit or water surface rent unit shall be redetermined for the subsequent duration as provided for in this Decree.

4. For cases of land rent, water surface rent before the effective date of this Decree where the land rents or water surface rents have been paid in lump sum for the whole renting terms, the land rent unit or water surface rent unit shall not be redetermined under the provisions of this Decree.

5. For cases where competent bodies have permitted the use of rented land use right value (land rents, water surface rents) for contribution of joint-venture or cooperation capital before the effective date of this Decree, the adjustment under the provisions of this Decree shall not be made. Upon the expiration of the duration of joint-venture or cooperation capital contribution with the land use right value, the land rent unit or water rent unit must be redetermined under the provisions of Articles 4, 5 and 6 of this Decree.

Article 10.- Switch from land assignment to land rent for households, individuals

1. Households and individuals that have been assigned agricultural land by the State within the set limits, are allowed to change the land use purpose to non-agricultural production and/or business and select the form of land rent shall be entitled to subtract the agricultural land use right value from the payable land rents provided that the subtracted amounts must not exceed the payable

land rent amounts.

2. Households and individuals that have been assigned land by the State with collection of land use levies or transferred the land use rights by lawful land users and now switch to rent land shall be entitled to subtract the land use right value calculated at the land prices set for the assigned-land use purposes or the transferred-land use purposes from the payable land rents provided that the subtracted amounts must not exceed the payable land rent amounts.

Article 11.- Switch from land assignment to land rent for organizations

1. Organizations which have been assigned land and paid land use levies not originating from the state budget, are allowed to change the land use purpose to non-agricultural production and/or business and select the form of land rent shall be entitled to subtract the land use right value from the payable land rent amounts provided that the subtracted amounts must not exceed the payable land rent amounts.

2. Organizations which have been assigned land without having to pay land use levies are allowed to change the land use purpose to non-agricultural production and/or business and select the form of land rent shall pay the land rents according to the provisions of Articles 4 and 6 of this Decree.

3. Organizations which have been lawfully transferred the land use rights and paid for the land use right transfer money not originating from the state budget and now switch to rent land shall be entitled to subtract the land use right value calculated at the land prices at the time of switch to rent land from the payable land rents provided

that the subtracted amounts must not exceed the payable land rent amounts.

Article 12.- Determination of land compensation or support money, the assigned- or transferred-land use value subtracted from land rents

1. The land compensation or support money subtracted from the payable land rents under the provisions at Clause 3, Article 7 of this Decree shall be calculated at the prices used for calculation of compensation of the category of land having the same use purpose with the compensation or support land, promulgated by provincial-level People's Committees, at the time of subtracting the land compensation or support money.

2. The assigned- or transferred-land use right value subtracted from the payable land rents as provided for in Articles 10 and 11 of this Decree shall be calculated at the prices of the assigned or transferred land at the time of switch from land assignment to land rent, promulgated by provincial-level People's Committees.

Chapter III

LAND RENT, WATER SURFACE RENT EXEMPTION OR REDUCTION

Article 13.- Principles for land rent, water surface rent exemption or reduction

1. For land or water surface rented for execution of investment projects entitled to land rent or water surface rent exemption or reduction, the rent exemption or reduction shall apply on a case-by-case basis.

2. Where the rented land or rented water surface

is entitled to both rent exemption and reduction, only the land or surface rent exemption shall be enjoyed; where the land rent or water surface rent is reduced at different levels, the highest reduction level shall be enjoyed.

3. Land rent exemption and reduction shall not apply to cases of auction of land use rights for land lease.

4. Land or water surface rent exemption and reduction under the provisions of Articles 14 and 15 of this Decree shall only apply directly to the lessees and be calculated on the payable land or surface rent amounts.

5. Operational projects enjoying land or surface rent exemption or reduction preferences at levels higher than the levels set in this Decree shall enjoy such preference levels for the remaining duration; in cases where preference levels are lower than the levels set in this Decree, such projects shall be entitled to enjoy the preference levels set in this Decree for the remaining preference duration.

Article 14.- Land rent or water surface rent exemption

Land rents and water surface rents shall be exempted in the following cases:

1. Investment projects in the domains where investment is specially encouraged, which are executed in geographical areas facing exceptional socio-economic difficulties.

2. Projects involving the use of land for construction of condominiums for industrial park workers under projects approved by competent authorities, covering the house-selling prices or house-leasing prices which do not include land rent expenses; projects involving the use of land for

construction of students' dormitories with state budget money, for which the units assigned to manage such dormitories may only calculate charges enough to cover expenses for services, electricity and water supply, for management and other relevant expenses and must not calculate land rent expenses and depreciate the houses; projects involving the use of land for construction of public facilities for business purposes (socialization) in the fields of education, health, physical training, sport, science and technology.

3. Rents shall be exempted in the duration of construction under projects approved by competent authorities; in cases where a project is composed of many construction items or involves independent construction stages, rents shall be exempted according to each item or each independent construction stage; where it is impossible to separately calculate the rent for each construction item or independent construction stage, the construction duration shall be that of the construction item with the largest capital proportion.

4. As from the date of putting projects into operation, specifically as follows:

a/ Three years for projects on the list of domains where investment is encouraged; at new production or business establishments of economic organizations which are relocated under plans or due to environmental pollution.

b/ Seven years for projects of investment in geographical areas facing socio-economic difficulties; projects on the list of domains where investment is specially encouraged.

c/ Eleven years for projects of investment in geographical areas facing exceptional socio-economic difficulties; projects on the list of domains

where investment is encouraged which are executed in areas facing socio-economic difficulties.

d/ Fifteen years for projects on the list of domains where investment is encouraged which are executed in geographical areas facing exceptional socio-economic difficulties.

The lists of domains of investment encouragement, domains of special investment encouragement, geographical areas facing socio-economic difficulties, geographical areas facing exceptional socio-economic difficulties shall comply with the Government's regulations.

5. If projects involving the use of land transferred upon switch to land rent are entitled to land or water surface rent exemption under the provisions of Clauses 1, 3 and 4 of this Article, they shall be exempt from land rent for the remaining duration of land rent exemption.

6. Projects meeting with difficulties and having to temporarily stop construction or operation shall be exempt from land rents or water surface rents for the duration of temporary cessation of construction or operation under certification of the agencies granting investment licenses or business registration certificates.

7. Projects on construction of working offices of foreign diplomatic missions, consulates or representative offices of international organizations in Vietnam under treaties to which Vietnam is a contracting party according to the principle of reciprocity.

8. Other cases to be decided by the Prime Minister at the proposal of ministers, heads of ministerial-level agencies, heads of Government-attached agencies or presidents of provincial/

municipal People's Committees.

Article 15.- Land rent, water surface rent reduction

Land rents or water surface rents shall be reduced in the following cases:

1. Land rented for use as ground for production and/or business activities of cooperatives shall be entitled to 50% land rent reduction.

2. For land rented or water surface rented and used for the purpose of agricultural production, forestry, aquaculture or salt production, and suffering from natural disasters or fires which have caused a loss of under 40% of the output, the corresponding land rent reduction shall be considered; if the loss is 40% or over, the land rent shall be exempted for the year of loss.

3. For land rented or water surface rented and used for production and/or business purposes other than agricultural production, forestry, aquaculture or salt production, and suffering from natural disasters, fires or force majeure accidents, the land rent or water surface rent shall be reduced by 50% for the duration of temporary cessation of production and/or business.

4. Land rented under projects on construction of working offices of foreign diplomatic missions, consulates or representative offices of international organizations in Vietnam under treaties to which Vietnam is a contracting party or on the principle of reciprocity.

5. Other cases to be decided by the Prime Minister at the proposal of ministers, heads of ministerial-level agencies, heads of Government-attached agencies or presidents of provincial/municipal People's Committees.

Article 16.- Competence to decide on exemption, reduction of land rents, water surface rents

Tax offices shall base themselves on the cadastral dossiers enclosed with papers evidencing the subjects eligible for land rent, water surface rent exemption or reduction as specified in Articles 14 and 15 of this Decree to determine the payable land rent or water surface rent amounts, the exempted or reduced land rent or water surface rent amounts.

Directors of provincial/municipal Tax Departments shall decide on land rent, water surface rent exemption or reduction for economic organizations, foreign organizations and individuals or overseas Vietnamese that rent land.

Heads of Tax Sub-Departments shall decide on land rent, water surface rent exemption or reduction for land-renting households and individuals.

Chapter IV

LAND RENT, WATER SURFACE RENT COLLECTION, PAYMENT

Article 17.- Land rent- or water surface rent-determining order

1. For cases of new land renting, new water surface renting:

a/ Land renting cadastral dossiers sent by land use right registration offices or natural resources and environment agencies, land or water surface rent rate decisions of provincial-level People's Committee presidents, provincial/municipal Finance Service directors or district-level People's Committee presidents shall serve as bases for tax

offices to determine the land or water surface rent amounts to be paid by organizations, households or individuals.

b/ Within 5 working days as from the date of receipt of complete cadastral dossiers sent by land use right registration offices or natural resource and environment agencies, the tax offices must:

- Examine the cadastral dossiers (data), determine the payable land or water surface rent amounts; send written notices on land or water surface rent amounts to payers, clearly stating the payable rent amounts to be paid in lump sum for the whole rent term or to be paid annually, payment time and other contents prescribed by the Finance Ministry. Where there are not enough bases for determining the land or water surface rent amounts, within 10 working days after the receipt of dossiers, the tax offices must notify the dossier-sending agencies thereof in writing for supplement; after the receipt of complete cadastral dossiers, the time limit of 5 working days shall be counted from the date of receipt of complete supplemental dossiers.

- Compile dossiers for monitoring land or water surface rent payment according forms set by the Finance Ministry; send notices on land or water surface rent payment to payers.

2. For cases of currently using land or water surface rented before this Decree takes effect, which fall into the renting cases defined in Clauses 2 and 3 of Article 9 of this Decree, the tax offices

shall base on the current land rent units to sum up and report these cases to provincial/municipal Finance Services which shall assume the prime responsibility for, and coordinate with relevant branches in, adjusting land or water surface rent units according to the provisions of this Decree. Based on the decisions of provincial-level People's Committee presidents, provincial/municipal Finance Service directors or district-level People's Committee presidents on adjustment of land or water surface rent units, the tax offices shall re-determine the payable land rent or water surface rent amounts and issue notices to the rent payers.

3. After the first year of land renting or water surface renting and the payment of land or water surface rent amounts notified in writing to the rent payers, tax offices shall issue notices to rent payers for the subsequent years just before each land or water surface rent payment period. In cases where competent People's Committees adjust the land prices or the bases for calculation of land rents or water surface rents, they must re-determine the payable land or water surface rent amounts and notify the payers thereof for implementation.

Article 18.- Determination of payable land rents, water surface rents

1. In case of annual payment of land rents or water surface rents

a/ For normal cases:

<p>Annual payable land rent or water surface rent</p>	=	Land or water surface rent unit	x	Rented land or water surface area	-	<p>Land or water surface rent amount reduced under Clause 1, Article 15 of this Decree (if any)</p>	-	<p>Land compensation or support money allocated for one year and subtracted from the land or water surface rent amount</p>
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b/ Land or water surface rent payment year shall be the calendar year starting from January 1 to the end of December 31. In cases where the first year of land or water surface renting or the last year of land or water surface renting is not composed of full 12 months, the rent of the first or last year of land or water surface renting shall be calculated according to the number of months.

c/ In case of land or water surface rent reduction under the provisions of Clause 2 or 3, Article 15 of this Decree:

$$\begin{array}{l} \text{Payable land} \\ \text{or water surface} \\ \text{rent amount} \end{array} = \begin{array}{l} \text{Payable land or water surface} \\ \text{rent determined at Point a,} \\ \text{Clause 1 of this Article} \end{array} - \begin{array}{l} \text{Land or water surface rent amount} \\ \text{reduced under Clause 2} \\ \text{or 3, Article 15 (if any)} \end{array}$$

2. In case of lump-sum rent payment for the whole land or water surface renting duration:

$$\begin{array}{l} \text{Payable} \\ \text{land or} \\ \text{water} \\ \text{surface} \\ \text{rent amount} \end{array} = \begin{array}{l} \text{Number of} \\ \text{land or} \\ \text{water surface} \\ \text{rent payment} \\ \text{years} \end{array} \times \begin{array}{l} \text{Land or} \\ \text{water surface} \\ \text{rent unit} \end{array} \times \begin{array}{l} \text{Rented land} \\ \text{or water} \\ \text{surface area} \end{array} - \begin{array}{l} \text{Land or water} \\ \text{surface rent} \\ \text{amount reduced} \\ \text{under Clause 1,} \\ \text{Article 15 of} \\ \text{this Decree (if any)} \end{array} - \begin{array}{l} \text{Land} \\ \text{compensation} \\ \text{or support} \\ \text{money} \end{array}$$

Note: The number of land or water surface rent payment years is the total number of years minus the number of land or water surface rent exemption years (if any).

Article 19.- Land or water surface rent collection and payment

1. Land or water surface rents shall be paid in Vietnamese currency (VND); where foreign organizations and individuals or overseas Vietnamese pay land or water surface rents in foreign currencies, they shall convert them into VND (or through a third currency in case of non-availability of direct exchange rates) at the average transaction exchange rates of the interbank market at the time of land or water surface rent payment.

2. The land or water surface rent payment is provided for as follows:

a/ According to the notices sent by tax offices,

which are further sent by the natural resources and environment agencies to the land or water surface rent-paying organizations, households or individuals.

b/ Organizations, households and individuals shall pay land or water surface rents strictly according to the notices of tax offices.

3. In case of annual payment of land or water surface rents:

a/ After the first year of rent payment, in the subsequent years, the tax offices shall notify the rent payment directly to rent payers.

b/ Rents shall be paid twice a year, the first payment shall be made before April 1 and the

second payment before October 1.

4. The Finance Ministry shall prescribe the forms, vouchers and books for monitoring land rent and water surface rent payment.

Article 20.- Handling of problems in land rent or water surface rent collection

1. In case of overpayment of land rents or water surface rents for the renting duration before the effective date of this Decree:

a/ In case of overpayment in foreign currency, the overpaid amounts shall be converted into VND and carried forward to the subsequent payment period as from the effective date of this Decree.

b/ In case of overpayment in VND, the overpaid amounts shall be carried forward to the subsequent payment period as from the effective date of this Decree.

2. In case of outstanding land rents or water surface rents of the renting duration before the effective date of this Decree:

a/ In case of outstanding rents in foreign currency, the outstanding amounts shall be converted into VND at the exchange rates at the time of rent payment.

b/ In case of outstanding rents in VND, the outstanding amounts shall be paid.

3. Outstanding land or water surface rent amounts must be fully paid in 2006; past this time limit, fines shall be imposed as provided for in Clause 1, Article 22 of this Decree.

Article 21.- Responsibilities of tax offices, natural resource and environment agencies, treasuries and land or water surface rent payers

1. Tax offices:

a/ To determine land rents, water surface rents and notify them to payers according to the provisions of this Decree.

b/ To urge, guide, inspect all organizations and individuals in payment of land rents or water surface rents into the state budget strictly according to the deadline specified in Article 19 of this Decree.

c/ To clarify queries of rent payers; to settle complaints about land rents or water surface rents.

2. Treasury offices:

- To fully collect rents into the State Treasury according to notices on land rent or water surface rent payment.

- Not to leave the money collection till the following day when the persons who have the responsibility to fulfill the financial obligations have completed the payment procedures.

- Not to refuse the collection for any reason.

3. Natural resource and environment agencies:

a/ To correctly determine the location, position, area and type of rented land.

b/ To bear responsibility for the completeness and legality of the dossiers used as a basis for determination of land rent units and land rents.

c) To certify and fully write the data used as bases for determination of land rent units and land rents.

4. Responsibilities of land or water surface lessees

a/ To pay land rents or water surface rents strictly by the mode and within the time limit stated in the land or water surface renting contracts.

b/ To be fined for late payment as provided for in Clause 1, Article 22 of this Decree if failing to fully pay land rents or water surface rents within the land rent or water surface rent payment time limit.

Article 22.- Sanctions

1. For late payment of land rents or water surface rents into the state budget, a fine of 0.02% of the late paid rent amount shall be imposed for each day of late payment.

2. Those who abuse their positions and powers to deliberately cause difficulties or obstacles to land rent or water surface rent payers or to appropriate or embezzle rent money; falsify dossiers, causing losses to the state budget, shall, depending on the seriousness of their violations, be disciplined, pay compensations or be examined for penal liability according to the provisions of law.

3. Land rent or water surface rent payers violating the provisions of this Decree shall be administratively sanctioned.

Article 23.- Complaints and settlement of complaints

1. Land rent or water surface rent payers may complain about wrong implementation of the provisions of this Decree on land rent and water surface rent collection. Written complaints must be addressed to the agencies which have directly calculated and collected the rents within 30 days as from the date of receipt of notices on land rent or water surface rent payment. Pending the settlement, complainants must pay on time and in full the notified land rent or water surface rent amounts.

2. The settlement of complaints shall comply with the provisions of the Law on Complaints and Denunciations.

Chapter V

ORGANIZATION OF IMPLEMENTATION

Article 24.- The Finance Ministry shall have the responsibility:

1. To guide the calculation and payment of land rents and water surface rents; to guide the procedures and dossiers for land rent or water surface rent exemption or reduction.

2. To set forms of books for management of land rent, water surface rent collection and payment and to decentralize the management of land rent or water surface rent collection and payment in accordance with the decentralization of state budget management and with the land law.

3. To coordinate with the Ministry of Natural Resources and Environment in providing for dossiers, order and procedures for receipt, transfer of dossiers between finance bodies, tax offices and natural resource and environment agencies for determination of land rent or water surface rent amounts on the principle of one agency receiving dossiers for cases of new land renting, change of land use purposes, switch from land assignment, and reception through land use right transfer to land lease.

Article 25.- The Ministry of Natural Resources and Environment shall have the responsibility:

1. To guide the determination of land categories, land use purposes, rented land acreage, other

relevant papers on land renting, water surface renting; the switch from land assignment, land reception via land use right transfer to land renting.

2. To reach agreement with the Finance Ministry in guiding dossiers, order and procedures for receipt and transfer of dossiers to the finance bodies and tax offices of different levels for use as bases for determination of land rent or water surface rent units; and determination of land rent or water surface rent amounts.

3. To guide the determination of land location, category and grade, serving as bases for application of land rent units.

Article 26.- Provincial/municipal People's Committees

1. To decide on water surface rents and promulgate land rent units for use as bases for provincial/municipal Finance Service directors or district-level People's Committee presidents to decide on the land rent unit for each specific project.

2. To direct People's Committees of different levels to apply measures for inspecting and supervising the use of land by land or water surface lessees and the collection and payment of land rents and water surface rents in accordance with the provisions of this Decree.

3. To direct the specialized agencies of provincial-level People's Committees to coordinate with tax offices in organizing the management of lessees and the collection of land rents or water surface rents according to the provisions of this Decree.

To inspect and handle cases of violation in declaration and implementation of exemption or reduction for wrong subjects and/or in contravention

of regulations, causing damage to the state or land rent payers.

4. To decide on settlement of complaints and denunciations or to decentralize the settlement according to competence of complaints and denunciations about wrong implementation of the provisions on land rent or water surface rent collection in accordance with provisions of the law on complaints and denunciations.

Article 27.- Implementation effect

This Decree takes effect 15 days after its publication in "CONG BAO."

This Decree replaces the provisions on land rent preferences specified in the Government's Decree No. 71/2001/ND-CP of October 5, 2001, on preferences for construction of residential houses for sale and for lease.

The previous regulations on land rent units and land rent collection which are contrary to the provisions of this Decree shall all be annulled.

Article 28.- Implementation responsibility

The Finance Minister shall guide the implementation of this Decree.

Ministers, heads of ministerial-level agencies, heads of Government-attached agencies, provincial/municipal People's Committee presidents, and persons leased land or water surface by the State shall have to implement this Decree.

On behalf of the Government
Prime Minister
PHAN VAN KHAI