

**THE MINISTRY OF FINANCE - THE  
MINISTRY OF DEFENSE**

**INTER-MINISTERIAL CIRCULAR No. 19/  
2000/TTLT/BTC-BQP OF MARCH 14, 2000  
GUIDING THE COLLECTION,  
REMITTANCE, MANAGEMENT AND USE  
OF FINES ON ADMINISTRATIVE  
VIOLATIONS IN THE TERRITORIAL  
WATERS, THE CONTIGUOUS ZONE, THE  
EXCLUSIVE ECONOMIC ZONE AND THE  
CONTINENTAL SHELF OF THE  
SOCIALIST REPUBLIC OF VIETNAM**

*In furtherance of Article 37 of Decree No.36/1999/ND-CP of June 9, 1999 of the Government on fining administrative violations in the territorial waters, the contiguous zone, the exclusive economic zone and the continental shelf of the Socialist Republic of Vietnam,*

*The Ministry of Finance and the Ministry of Defense jointly provide the following guidance on a number of points:*

**I. GENERAL PRINCIPLES**

1. Vietnamese and foreign individuals and organizations committing administrative violations in the territorial waters, the contiguous zone, the exclusive economic zone and the continental shelf of the Socialist Republic of Vietnam shall be fined under Decree No.36/1999/ND-CP. They shall have to pay the fines in Vietnam dong at the assigned place written in the fining decisions. Foreign individuals and organizations may pay the fines in foreign currencies at the exchange rates announced by the Vietnam State Bank at the time of the fine collection.

The form of the decision to impose fines on administrative violations in the sea areas and in the continental shelf of Vietnam shall be issued together with this Inter-ministerial Circular.

2. The fine receipt shall be uniformly issued, managed and used by the Ministry of Finance (the General Tax Department) under current regimes.

3. The Coast Guard and the State Treasury of the locality where the Coast Guard Department or Region has its office shall sign contracts of delegation to collect and remit the fines promptly, conveniently and lawfully, and to ensure the principle that he who

imposes the fine shall not personally collect it and collected fine amount shall be fully remitted to the State Treasury.

**II. DETAILED GUIDANCE ON  
PROCEDURES FOR COLLECTING,  
REMITTING, MANAGING AND USING  
FINES COLLECTED FROM  
ADMINISTRATIVE VIOLATIONS**

**1. Collection and remittance of fines**

1.1. The fining decision of the person competent to impose sanctions against administrative violations under Article 35 of Decree No. 36/1999/ND-CP or the decision of the competent person to settle complaints is the basis for the collection of the fine and its remittance to the State budget.

The fining decision has two forms: Form No. 01A/XPHC when it is necessary to write the record on the violation; and Form No. 01B/XPHC for on-spot fines up to 20,000 Vietnam dong.

The fining decision of the person competent to impose the fine shall be done in 3 copies (1 to be kept by the fined person, 1 to be handed to the Coast Guard unit assigned to collect the fine, 1 to be kept at the agency of the person with fining competence).

For fines up to 2,000,000 Vietnam dong and above, there must be another copy of the fining decision to be sent to the provincial People's Procuracy of the locality where the Coast Guard Region or Department has its office or the place where the administrative violation is detected.

1.2. The State Treasury of the locality where the Coast Guard Department or Region has its office shall assign the Coast Guard unit to collect the fine on administrative violations. The assignment of collection of fines must be done through the assignment contract. The contents of the assignment contract shall conform to the Form issued by the State Treasury in which the responsibilities of each side are clearly defined.

1.2.1. Responsibilities of the State Treasury of the locality where the Coast Guard Department or Region has its office to directly carry out assignment collection:

-To hand in all the receipts and other vouchers related to the collection of fines to the Coast Guard unit assigned with the collection. The hand-in and reception of the receipts of fines shall be done as in the hand-in of receipts to the fine collection counters

stipulated in Point 3, Section II of Official Dispatch No. 527-KB/CD of July 25, 1995 of the State Treasury.

- To guide the Coast Guard units assigned with the collection in using the joint receipts and filling the procedures of remitting the fines to the Treasury in conformity with the regime prescribed by the Ministry of Finance;

- To fully pay the assignment fee to the Coast Guard unit entrusted with the collection.

- To inspect periodically and extraordinarily the use of the receipts and vouchers on the fine collection;

1.2.2. Responsibilities of the Coast Guard unit assigned with the collection

- To receive, use, preserve and settle the receipts of collection of fines according to prescriptions on delegation of the State Treasury;

- To notify in time when detecting fake receipts, loss of receipts or damaged receipts to the State Treasury which has entrusted it with the collection;

- To take material responsibility stipulated in Paragraph 6.1, Point 6, Section II, Official Dispatch No.527-KB /CD of July 25, 1995 of the State Treasury in case of damage or loss of receipts of collection of fines;

- To carry out strictly the contract on collection of fines entrusted by the State Treasury.

1.2.3. On assignment fee:

The assignment fee shall be agreed upon by the State Treasury that makes direct assignment and the assigned Coast Guard unit in the Assignment Contract, taking into account the special expenditures of the Coast Guard when collecting fines in the offshore sea areas and on the offshore islands. The assignment fee shall be used as part of the expenditures allocated by the Finance-Price Service to pay the assigned unit. The fee shall be deducted from the collected fines left to the local budget.

1.3. The Coast Guard unit assigned to collect fines shall have to issue the receipt of fine collection to the fined person after the latter has fully paid the fine in order to prove that it has collected the full amount of fine as written in the fining decision. A fine receipt shall comprise four copies: 1 for inspection, 1 to be kept by the fined person, 1 to be kept at the agency of the person with fining competence and 1 to be kept as stub of the receipt. The person assigned with collecting fines must

register the serial number of the receipt of fine as commonly stipulated for cash collection vouchers of the Ministry of Finance.

1.4. The fined person has the responsibility to pay fully the fine as written in the fine decision within 5 days after the fining decision is issued. When paying the fine, the fined person shall be issued copy 2 of the receipt of fine collection.

1.5. In case the violator fails to carry out the payment of fine as stipulated in the fining decision, he/she shall be forced to do so under Article 55 of the Ordinance on Handling of Administrative Violations and be subjected to other coercive measures, such as temporary seizure of his/her papers or properties equal to the amount of fine until he/she has paid fully the fine, as prescribed in the fining decision. After paying fully the fine he/she shall be issued copy 2 and copy 3 of the fine collection receipt; copy 3 shall be remitted to the place where his/her papers or properties are held up as evidence for the recovery of the temporarily seized papers or properties.

1.6. At the end of each day, the Coast Guard unit assigned with collecting the fine shall draw up a table of receipts of fine collection in the day; on the basis of this table, it shall draw up a deed of remittance of cash in the State budget. At the same time it shall remit all the amount of money already collected to the State Treasury in conformity with current regulations (place where the State Treasury collects the fines stipulated in the assignment contract).

In case of long travels of ocean-going vessels, after each trip the Coast Guard unit shall draw up the deed of money remittance and remit the whole amount already collected into the State Treasury.

1.7. Periodically on the 25th of each month the State Treasury and the Coast Guard assigned to collect fines shall add up and compare the whole amount of fines collected and the fines not yet collected though the fining decisions have been issued so as to take measures to urge payment or back payment or to make forcible collection.

## **2. Management and use of fines collected from administrative violations**

2.1. The whole amount of fines collected from administrative violations in the territorial waters, the contiguous zone, the exclusive economic zone and the continental shelf of the Socialist Republic of

Vietnam must be remitted to the State Treasury according to the current State budget index and shall be left entirely to the budget of the locality where the Coast Guard Department or Region has its office.

2.2. The expenditures for the handling of administrative violations must be based on Point 6, Section B, Part II of Circular No.52-TC/CSTC of September 12,1996 of the Ministry of Finance including the following accounts:

- Spending on the procurement of necessary equipment and means in direct service of the prevention and fight against acts of violation;

- Supplementary spending on the printing of fining decisions and records and other related forms; spending on popularization work and document printing; organizing study and professional exchange of the Coast Guard;

- Spending on the collection of information, investigation, verification, arrest and escort of violators and handling of violations;

- Spending on maintenance in stores and yards, transportation, loading and unloading from the time of reception of properties, evidences and means according to the impoundage decision and remittance to the financial agency to the State fund till the auctioning of these properties;

- Providing financial support for the enforcement of the decision;

- Reward to the collective and individuals taking part in the handling of administrative violations shall be based on the quality and result of the work accomplished but with a maximum rate not exceeding 30% the fines collected for complicated cases and the individual reward not exceeding 200,000 Vietnam dong/month;

- Payment to the agency that decides to confiscate properties into the State fund for those expenditures that have really taken place: spending on the verification, arrests and handling of violations and on the loading and unloading, transportation, maintenance, laboratory tests and assessment of the properties, evidences and means confiscated and paying compensations for objective reasons (if any) up to the time of the hand- over to the financial agency for auctioning;

- Spending on the organization of price setting and auctioning of the properties, evidences and means confiscated into the State fund as stipulated in current regime of the State and decided by the competent

agency;

- Spending on hiring technical evaluation, price setting of properties, evidences and means before the sale and paying compensations for losses due to objective reasons (if any) till the hand-over to the price-setting board for organizing the auction;

- Spending on repairs of properties, evidences and means before the sale (if any).

Other expenditures shall conform with the approved planning and with the current general regulations on financial management.

### **3. Drafting spending estimates**

Based on the stipulations in Point 2.2, Section II above, the assigned agency or unit shall draft the spending estimates and send them to the financial agency of the same level for consideration and integrate them into the State budget to submit to the competent State agency for approval.

### **4. Management of allocation and final settlement**

The Finance and Pricing Service shall base itself on the approved draft budget to allocate fund to the agencies and units according to the set progress of the implementation in each case.

The cash using agencies and units shall have to make final settlement according to the current financial regime.

## **III. RESPONSIBILITIES OF THE STATE AGENCIES AND THE PERSONS WITH FINING COMPETENCE IN THE HANDLING AND COLLECTION OF FINES**

1. When handling administrative violations, the person with fining competence must base himself/herself on the provisions in Decree No.36,1999/ND-CP of June 9, 1999 of the Government to issue decisions to fine at the right level and shall have to guide the violator to pay the fine at the assigned place. For the violators who fail to willingly abide by the fining decision, the competent fining person shall decide to forcibly enforce the fine and organize this forcible fining as stipulated in Article 55 of the Ordinance on Handling of Administrative Violations.

2. The State Treasury shall have to carry out the provisions under the assigned collection contract

signed with the assigned Coast Guard unit. At the same time it shall integrate the fines collected from the administrative violations from the Coast Guard unit assigned with the collection into the State Budget fund according to the index and the rate of distribution to different levels of the budget as currently prescribed.

3. The Finance Service, the State Treasury, the Tax Department and the other specialized agencies of the locality where the Coast Guard Department or Region has its office shall coordinate with the Coast Guard unit to carry out the inspection and supervision of the collection of fines and their use as stipulated.

4. All organizations and individuals that violate the prescriptions on the collection, remittance and use of the fines shall be held responsible before law.

#### **IV. IMPLEMENTATION ORGANIZATION**

This Circular takes effect 15 days after its signing. In the process of its implementation, if any difficulties or questions arise, the Coast Guard Department should report them to the Ministry of Finance and the Ministry of Defense for consideration and settlement.