

THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom - Happiness

No. 135/2016/ND-CP

Hanoi, September 09, 2016

DECREE

**AMENDMENTS AND SUPPLEMENTS TO A NUMBER OF ARTICLES OF DECREES ON
LAND LEVY, LAND AND WATER SURFACE RENTS**

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

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

At the request of the Minister of Finance;

The Government has promulgated the Decree on amendments and supplements to a number of articles of decrees on land levy, land and water surface rents.

Article 1. Governing scope

This Decree provides amendments to a number of articles of the Government’s Decree No. 45/2014/ND-CP dated May 15, 2014 stipulating land levy and Decree No. 46/2014/ND-CP dated May 15, 2014 stipulating land and water surface rents.

Article 2. Amendments and supplements to a number of articles of the Government’s Decree No. 45/2014/ND-CP

1. Amendments and supplements to Clause 1, Clause 4 of Article 4 as follows:

“1. For economic organizations, households and individuals winning land use right through auction, the land levy to be paid shall be equal to the successful bid. Starting price shall be determined as follows:

a) In case value of the area of a parcel of land subject to land levy is from VND 30 billion and over for central-affiliated cities; from VND 10 billion and over for mountainous provinces and elevated mountainous regions; from VND 20 billion and over for the remaining regions, the starting price for land use right auction shall be the specific land price determined by the Service of Natural Resources and Environment, transferred to local council for land price appraisal with the Service of Natural Resources and Environment as the permanent Council for examination and verification, and submitted to the People’s Committees of provinces for approval.

a) In case value of the area of a parcel of land subject to land levy is less than VND 30 billion for central-affiliated cities; less than VND 10 billion for mountainous provinces and elevated

mountainous regions; less than VND 20 billion for the remaining regions, the starting price for land use right auction shall be the land price determined by financial agencies according to land price coefficients.

c) Determination of the starting price for auction of rights to use of land attached to state-owned properties shall be stipulated in the law on management and use of state-owned properties.

4. In case the investor fails to put the land allocated by the state into use or delays the progress of land use as stated in the investment project, the land user shall have to pay to the state an amount of money in proportion to the land levy determined as follows:

a) In case land use term is extended as stipulated in Point i, Clause 1, Article 64 of the Law on Land 2013, the amount of money in proportion to the land levy over the period of time delayed shall be equal to annual land rent.

b) In case the investor is not eligible for extension of land use term or fails to file procedures for extension or fails to put the land into use after the extension thereof expires as prescribed in Clause 1, Article 64 of the Law on Land 2013 and the decision of expropriation of the land has not yet been issued, the investor shall have to pay to the state an amount of money in proportion to the land levy which is equal to annual land rent over the period between the date of allocation of land and the date the land expropriation decision is issued.

c) Land rent as prescribed in Point a, Point b of this Clause shall be determined on the basis of the land price table, land price coefficients, percentage of land rent issued by People's committees of provinces".

2. Supplement Clause 9 to Article 10 as follows:

No exemption, reduction of land levy shall be applicable to winners of land use right auction even though they are eligible for exemption or reduction of land levy. Exemption and reduction of land levy for subjects under housing improvement policies shall be based on relevant policies and shall not be applicable in case of land use right auction".

3. The Minister of Finance shall provide specific instructions on this Article.

Article 3. Amendments and supplements to a number of articles of the Government's Decree No. 46/2014/ND-CP dated May 15, 2014 stipulating land and water surface rents

1. Supplements and amendments to Clause 3, Article 4 as follows:

“3. In case of land lease auction

a) In case of land lease auction where land rents are paid annually, the annual land rent shall be equal to the successful bid for one-year lease term. Starting price for land lease auction with annual land rent shall be determined by financial agencies based on land price coefficients.

The land rent, which is the successful bid, shall be kept unchanged for 10 years. After such 10-year period, the land rent shall be revised on the basis of policies on land rent applicable to cases of land lease without auction; Nevertheless, land rent shall not be increased or decreased by more than 30% of the successful bid or land rent of the previous 10-year period.

b) In case of land lease auction where land rent shall be paid in a lump sum for the entire lease term, the land rent shall be the successful bid. Starting price for land lease auction shall be determined as follows:

- In case value of the leased land (based on the land price table) is from VND 30 billion and over for central-affiliated cities; from VND 10 billion and over for mountainous provinces, elevated mountainous regions; from VND 20 billion and over for the remaining provinces, the starting price for land lease auction shall be the land price determined by the Service of Natural Resources and Environment, transferred to local council for land price appraisal with the Service of Natural Resources and Environment as the permanent Council for examination and verification, and submitted to the People's Committees of provinces for approval.

- In case value of the leased land (based on the land price table) is less than VND 30 billion for central-affiliated cities; less than VND 10 billion for mountainous provinces, elevated mountainous regions; less than VND 20 billion for the remaining provinces, the starting price for land lease auction shall be the land price determined by financial agencies based on land price coefficients.

c) Determination of starting price for auction of rights to lease of land attached to state-owned properties shall be stipulated in the law on management and use of state-owned properties”.

2. Amendments to Clause 8, supplements to Clause 9 and addition of Clause 10, Article 12 as follows:

“8. In case the land user fails to put the land allocated by the state into use or delays the progress of land use as stated in the investment project, the land user shall have to pay to the state an amount of money in proportion to the land rent determined as follows:

a) In case of extension of land use as stipulated in Point i, Clause 1, Article 64 of the Law on Land 2013, the amount of money in proportion to the land rent over the period of time delayed shall be calculated on the basis of land rent paid annually.

b) In case the land user is not eligible for extension of land use or fails to file procedures for extension or fails to put the land into use after the extension thereof expires as prescribed in Clause 1, Article 64 of the Law on Land 2013 and the decision on expropriation of the land has not yet been issued, the land user shall have to pay to the state an amount of money in proportion to annual land rent over the period between the date of allocation of land and the date the land expropriation decision is issued after deduction of fundamental construction period determined by competent state agencies. Maximum period of fundamental construction to be deducted shall not exceed three years and two years in case the land is leased out by the state before July 01, 2014 and since July 01, 2014 respectively.

c) Land rent as prescribed in Point a, Point b of this Clause shall be determined on the basis of the land price table, land price coefficients, percentage of land rent issued by People's committees of provinces".

9. If households and individuals receive assignment of land use right to implement the investment project in accordance with land use master plans, plans and have to convert land use purpose after the assignment and fulfill financial obligations for land rent as prescribed in Article 57, Article 73 of the Law on Land, the settlement of the money for the assignment of land use rights, land rents shall be instructed in Clause 4 of this Article.

10. The Minister of Finance shall provide specific instructions on this Article.”

3. Supplements to Clause 4, Clause 5, Clause 6, Clause 7 of Article 13:

“4. If an investment project using the land allocated by the state without auction but through such manners as allocation of land with and without land rents, land levy and the investor volunteers to make an advance payment in compensation for site clearance according to the approved plan, the deduction of such advance payment shall be based on land area types and allocated evenly over the areas used for public purposes and respective areas.

5. If an entity that has the land leased out by the state in the form of land lease with annual land rents and has fulfilled its financial obligations for a number of years (deduction of the payment it has made in compensation for site clearance from annual land rents according to laws) switches to the form of land lease with land rents to be paid once at a time for the entire lease term, the remaining money in compensation for site clearance proportional to the time of conversion shall be deducted from the time proportional to the land rents to be paid once at a time for the remaining land lease term as prescribed in Article 16 hereof.

6. If an enterprise trading in infrastructure of industrial zones, industrial complexes, export processing zones uses the land leased out by the state in the form of land lease with annual land rents and have fulfilled its financial obligations (deduction of the payment it has made in compensation for site clearance from annual land rents according to laws), such enterprise shall have the same entitlement to the land as that to the land leased out by the state in the form of land lease with annual land rents during the period of time waiting for competent agencies to give written confirmations on completion of financial obligations for annual land rents.

7. Determination and deduction of the money in compensation for site clearance to payable land rents for the cases as prescribed in Clause 1, Clause 2, Clause 4 of this Article shall be effective at the time when the land lease decision is issued by competent state agencies according to the Law on Land”.

4. Amendments and supplements to Clause 7, supplement Clause 8 to Article 15 as follows:

“7. For land lease projects before the effective date of this Decree, if either of following papers: Investment certificate (investment license), Decision on land lease and Land lease contract issued by the competent authorities (signed) have stipulated land rent and provided principles of

adjusting land rent according to the Ministry of Finance's regulations on land rent (Decision No. 210A-TC/VP dated April 01, 1990; Decision No. 1417/TC/TCDN dated December 30, 1994, Decision No. 179/1998/QD-BTC dated February 24, 1998, Decision No. 189/2000/QD-BTC dated November 24, 2000 and Decision No. 1357TC/QD-TCT dated December 30, 1995):

a) If the land rent has not been adjusted according to Clause 2 Article 9 of the Government's Decree No. 142/2005/ND-CP dated November 14, 2005, the adjustment shall be made in proportion to each adjusting period based on the adjusting rate (%) prescribed in the Investment certificate (investment license); Decision on land lease or Land lease contract.

8. Adjustments to land rent in case the land is leased out by the state with annual land rent before January 01, 2006 and being used in the form of land lease with annual land rents in accordance with use purposes as stated in the land lease, land lease contract by competent state agencies (including cases of land leased out by the state for construction of infrastructure of industrial zones, industrial complexes) shall be made as follows:

a) In case of allocation of land before January 01, 2006 and the following papers: Investment certificate, land lease decision, land lease contract issued or signed by competent State agencies do not specify the principles of adjusting land rent based on regulations as stipulated in the Ministry of Finance's Decision No. 210A-TC/VP, Decision No. 1417/TC/TCDN, Decision No. 179/1998/QD-BTC, Decision No. 189/2000/QD-BTC, Decision No. 1357TC/QD-TCT (herein 'principles of adjusting land rent'), the payment of land rent shall be carried out as follows:

- From January 01, 2006 to December 31, 2015, pay annual land rent according to the land rent determined according to laws or temporarily calculated according to the policies and land prices at the date of notification of temporary payment of land rents. In case of temporary payment of land rent according to the policies and land prices before January 01, 2006 or in case the land rent is yet to be redetermined as prescribed in the Decree No. 142/2005/ND-CP, the land rent shall be revised in accordance with law provisions in each stage to collect land rents due.

- From January 01, 2016 to the expiration of land lease term, the land rent shall be determined on the basis of the land rent determined at January 01, 2006 as prescribed in the Decree No. 142/2005/ND-CP, number of periods of adjusting land rent from January 01, 2006 to January 01, 2016 (two periods), level of land rent to be revised in each period increases by 15% versus the land rent of the previous period. This land rent shall be stabilized for five years and revised for an increase by 15% versus the previous period and applicable for the remaining lease term. In case the land rent determined at January 01, 2016 is higher than that as prescribed herein, the land rent as prescribed in Article 4 herein shall serve as the land rent for the adjusting period from January 01, 2016.

- If the land rent as prescribed in Clause 2, Article 15 and Clause 2, Clause 4 of Article 32 herein has been settled during the period between July 01, 2014 and January 01, 2016, the land rent from January 01, 2016 shall be re-determined according to Point a of this Clause.

b) In case the projects on construction and trading in infrastructure industrial zones, industrial complexes, export processing zones are subject to adjustments to the land rent and re-

determination of land rent according to the policies and land prices as prescribed in the Decree No. 142/2005/ND-CP, the payment of land rent for the land area for the construction of shared infrastructure in industrial zones, industrial complexes and export processing zones for the remaining land lease term from January 01, 2016 shall not be required. In case these projects are not subject to adjustments to the land rent according to the policies and land prices as prescribed in the Decree No. 142/2005/ND-CP, the payment of land rent for the entire area of land leased by the state shall be made in accordance with the regulations before the effective date of the Decree No. 142/2005/ND-CP. Determination of area of land for the construction of shared infrastructure in industrial zones, industrial complexes, export processing zones shall be instructed by agencies for natural resources and environment".

5. Amendments, supplements to Clause 1, Clause 3, and supplement Clause 9, Clause 10, Clause 11 to Article 18:

“1. Exemption, reduction of land and water surface rents shall be done according to each investment project attached with new land lease except following cases:

a) State farms allocated with land without land levy eligible for exemption, reduction of land rent according to the areas, administrative divisions of investment incentives according to the Law on Investment when switching to the form of land lease according to the Law on Land.

b) Public service organizations allocated with land without land levy eligible for exemption of land rent with regard to the land for construction of public service works as prescribed in the Law on Land when switching to the form of land lease.

c) Organizations, individuals that have been issued Decision on allocation of land without land levy, Decision on land lease, or Contract for land lease according to laws before July 01, 2014 and have to lease the land in its quo status and are eligible for exemption, reduction of land rent as prescribed in Points d, dd, e, g, h, I, k, Clause 1, Article 19, Clause 1, Article 20 of this Decree.

d) Organizations and/or individuals as land lessees who are eligible for exemption, reduction of land rent according to the Government, Prime Minister’s regulations.

3. Exemption, reduction of land, water surface rents as prescribed in Articles 19, 20 herein shall be applicable to those who are eligible for the lease of land from the state and calculated on the land, water surface rents to be paid, unless otherwise as regulated in Point b, Clause 1, Article 19 herein.

9. No exemption, reduction of land rent in case of land use right auction for lease.

10. If an entity who has the land leased out by the state with annual land rents and remains in the period of entitlement to exemption, reduction of land rents assigns its properties on the leased land to another and the assignee shall be entitled to the lease of the land for the remaining lease term provided that the land use purpose remains unchanged, the exemption, reduction of land rents shall be instructed as follows:

- a) The assignor shall not include exempted, reduced land rents in the assignment price.
- b) The assignee shall continue to enjoy exemption, reduction of land rents for the remaining preferential period.

If the assignee ceases to continue using the land according to the use purpose at the time of assignment after receiving the assignment of land but uses it for other purposes, the assignee shall perform his/her financial obligations as prescribed in Clause 4, Article 12 herein.

11. If an entity who has the land leased out by the state with annual land rents and remains in the period of entitlement to exemption and reduction of land rents changes operation models or carries out equitization according to laws, the newly-formed economic organization shall continue to enjoy exemption, reduction of land rents for the remaining preferential period provided that the land use purpose remains unchanged.”

6. Amendments, supplements to Point b, Clause 1; supplement Point dd to Clause 3; amendments, supplements to Clause 8, Clause 10, Clause 11, Article 19 as follows:

“1. Exemption of land, water surface rent for the entire lease term in following cases:

...b) Housing construction projects for workers in industrial zones, export processing zones on the land leased out by the state or sub-leased from the investor of infrastructure of industrial zones, export processing zones to carry out the approved master plan;

3. Exemption of land, water surface rents after the period of fundamental construction as prescribed in Clause 2 of this Article, specifically as follows:

...dd) Exemption of land rents for the projects on investment and construction of infrastructure of industrial zones, industrial complexes, export processing zones, hi-tech industrial parks is instructed in Clause 10 of this Article.

8. Exemption of land rents for projects on investment in agriculture and rural areas shall be stipulated in the Government's regulations on investment incentives for agriculture and rural areas.

10. Investors who have land leased out by the state for the construction and trading in infrastructure of industrial zones, industrial complexes, export processing zones, economic zones, hi-tech zones shall be entitled to exemption of land rents after the period of fundamental construction as prescribed in Clause 2 of this Article, particularly as follows:

- a) 11 years if investments are made in administrative divisions of rural districts outside the list of administrative divisions of investment incentives according to the Law on Investment.
- b) 15 years if investments are made in administrative divisions of rural districts belonging to the list of administrative divisions facing difficult socio-economic conditions according to the Law on Investment.

c) Entire lease term if investments are made in administrative divisions of rural districts belonging to the list of administrative divisions facing extremely difficult socio-economic conditions according to the Law on Investment.

11. The Prime Minister shall review and make decisions on land rents for other cases submitted by the Minister of Finance on the basis of proposals from ministers, heads of ministerial-level agencies, governmental agencies, presidents of the People’s Committees of provinces”.

7. Supplements and amendments to Point a, Clause 1, Article 23 as follows:

“1. In case land rents and water surface rents are paid annually.

a) For cases eligible for exemption of land, water surface rents as prescribed in Article 19 herein, annual land rents and water surface rents to be paid at the start day for payment of land, water surface rents (after the period of entitlement to exemption of land rents expires) shall be determined as follows:

$$\begin{array}{l} \text{Land, water} \\ \text{surface rents} \end{array} = \begin{array}{l} \text{Annual land, water surface rent at} \\ \text{the start day for payment of land,} \\ \text{water surface rents} \end{array} \times \begin{array}{l} \text{Areas subject to} \\ \text{land, water} \\ \text{surface rents} \end{array}$$

8. Amendments, supplements to Clause 11, supplements to Clause 13, Clause 15, Clause 16, Clause 17, Article 31:

“11. If the amount in compensation for site clearance which has been advanced by the investor according to the plan approved by a competent authority following the policies on compensation and support for resettlement when the land is expropriated by the State under the Law on Land 2003, has not been completely deducted from annual land rents under the regulations of the laws of each stage, the remaining amount which has been determined by the competent state agencies shall continue to be deducted and converted into payable land rent term according to the land rent determined according to the policies and land prices at the date of January 01, 2015.

For the cases eligible for the lease of land by the state before January 01, 2006 and eligible for re-determination of land rent as prescribed in Clause 8, Article 15 herein, the land rent serving as foundations for the determination of payable land rent term shall be the land rent determined according to the policies and land price at the date of January 01, 2016.

13. The amount in compensation agreed between the entity that has the land leased out by the state in the form of land lease with annual land rents and those who are subject to land expropriation, determined by competent state agencies, not deducted from payable land rents till July 01, 2014 or gradually deducted from payable land rents according to the Law on Land 2003 (before March 01, 2011) shall continue to be deducted from payable land rents. This amount in compensation shall be converted into the fulfilled land rent term according to the policies and land prices at the date of January 01, 2015.

14. If the land is leased out by the state with annual rents according to the Law on Land 2003 but actually handed over after July 01, 2014, the land rent shall be determined according to the policies and prices at the time of hand over.

15. An entity that has a land leased out by the state with land rents to be paid once at a time for the entire lease term according to the Law on Land 2003 has not yet fulfilled its financial obligations for land rents before July 01, 2014 shall be dealt with as follows:

a) If payable land rents have been determined and notified by competent state agencies, the economic organization shall be responsible for making the payment of such land rents to the state along with late payment interest (if any) according to laws.

b) If the payable land rents determined by competent state agencies are found inconsistent with laws at the date of determination and notification of land rents, the People's committees of provinces shall rely on actual circumstances in localities to provide instructions on the determination of land rents in accordance with laws. The economic organization shall be notified of payment of extra payable amounts (if any) arising before the date of re-determination and shall not be liable for any late payment interests thereon.

c) If no notification of payment of land rents is made by competent state agencies, no or partial payment of the land rents made by the economic organization shall be dealt with as follows:

Any partial payment already made (if any) shall be converted into the area of land for which the land rents have been paid at the date of actual handover of land. The remaining area of land shall be subject to the land rents according to the policies and land prices at the date of actual handover of land (if actual handover of land takes place before January 01, 2005, the land price for determination of land rent shall be determined at the date of January 01, 2005) and late payment for the land rents in this case shall be settled as follows:

- If late payment is caused by the economic organization, the economic organization shall pay an amount of money equivalent to the late payment interests according to laws on tax administration.

- Otherwise, the economic organization shall not be liable for any late payment interest thereon.

Late payment interests shall be calculated from the date of handover of land to the date the notification of land rents is officially issued according to percentage of late payments.

d) The payment of notified land rents made to the state budget by the economic organization in case actual handover of land is yet to take place shall be considered as a temporary payment and settled in accordance with Point b of this Clause.

dd) Date of actual handover of land shall be determined as follows:

- For lands with site clearance fully completed, the date of handover of land shall be the date when the land allocation decision is issued by competent state agencies.

- For lands with site clearance undone, the date of handover of land shall be the date of completion of site clearance according to the progress stated in the approved investment project; if the completion of site clearance is inconsistent with the progress as stated in the approved investment project, the date of actual handover of land shall be the date of handover of lands with site clearance actually completed.

For projects with site clearance lasting more than two years and without progress of land allocation stated therein, the actual handover of land shall be implemented on an annual basis and in accordance with actual completion of site clearance.

16. Economic organizations that submit applications for exemption from land rents during the period of fundamental construction after July 01, 2014 shall be eligible for exemption from land rents during fundamental construction for no more than three years since the decision on land lease is issued or the date of actual handover of land; applications for exemption from land rents during fundamental construction period shall be submitted to competent state agencies for fulfillment of procedures before January 01, 2017. Any application submitted after this date shall be eligible for exemption from land rents only for the remaining term (if any) from the date of application submission according to laws. Any land rent already paid during the period of exemption shall be deducted from payable land rents in the following years.

17. In case of land lease granted by the state before July 01, 2014, if the certificate of investment incentives or investment license issued by competent state agencies has specified level of exemption, reduction of land rents which have been confirmed compliant with the law on investment; or if such certificate of investment incentives or investment license has not specified level of exemption, reduction of land rents or the economic organization is not eligible for the issuance of aforesaid papers but meets requirements for exemption and reduction of land rents according to laws at the date of state permission for land lease, the economic organization shall remain entitled to exemption and reduction of land rents according to laws even though fulfillment of procedures for such exemption and reduction is delayed. Applications for exemption and reduction of land rents shall be submitted to competent state agencies before January 01, 2017 for fulfillment of procedures. Any application submitted after this date shall be eligible for exemption and reduction for the remaining term (if any) from the date of application submission according to laws.

9. Supplement Clause 5, Clause 6 to Article 32 as follows:

“5. Determination of financial obligations of enterprises trading in infrastructure of industrial zones, industrial complexes and export processing zones who have the land leased out by the state with annual land rents and sublet it with infrastructure thereon in the form of land lease with one-time payment of land rents for the entire lease term before July 01, 2014.

a) For enterprises having land leased out by the state before January 01, 2006: If following papers Investment certificate, Decision on land lease, Contract for land lease issued (signed) by competent State agencies have not specified the principles of adjusting land rent or either of such papers has specified the principles but some amendments thereto are made according to Clause 2, Article 9 of the Decree No. 142/2005/ND-CP, the enterprise, in subletting the land in the form

of land lease with one-time payment of land rents for the entire lease term before July 01, 2014, shall have to pay land rents as stipulated in Clause 2, Article 210 of the Law on Land 2013 as follows:

- Determine annual land rents for the lease term from January 01, 2006 to December 31, 2015 on the basis of the land rent determined according to laws or the land rent temporarily calculated according to the policies and land prices at the date the Notice of temporary payment of land rents is issued. In case of temporary payment of land rent according to the policies and land prices before January 01, 2006 or in case the land rent has not yet been redetermined in accordance with the Decree No. 142/2005/ND-CP, the land rent shall be revised in accordance with law provisions in each stage to determine and collect the land rents for the period between January 01, 2006 and December 31, 2015.

- Determine land rents to be paid once at a time for the lease term between January 01, 2016 and end of the sublease term: This amount of money shall be determined on the area of subleased land, remaining sublease term as of January 01, 2016, the land rent (annual land rent) determined at the date of January 01, 2006 plus late payment interests on this amount of money from January 01, 2006 to the date of payment (in case subletting takes place before January 01, 2006) or from the date of subletting to the date of payment (in case subletting takes place after January 01, 2006 to before July 01, 2014).

b) Enterprises that have land leased out by the state between January 01, 2006 and before July 01, 2014 and sublet the land for one-time payment of land rent for the entire lease term before July 01, 2014 shall pay land rents as prescribed in Clause 2, Article 210 of the Law on Land as follows:

- Determine annual land rents from the date of state permission for land lease to December 31, 2015 on the basis of the land rent determined according to laws or the land rent temporarily calculated according to the policies and land prices at the date of notification of temporary payment of land rents. If the land rent has not been determined or the temporary payment of annual land rents have been inconsistent with the policies and land prices at the time of notification of temporary payment of land rents, the re-determination of land rent shall be implemented as foundations for collection of land rents for the lease term between the date of state permission for land lease and the date of December 31, 2015.

- Determine land rents to be paid once at a time for the lease term between January 01, 2016 and end of the sublease term in proportion to the area of subleased land as follows:

+ For enterprises that have land leased out by the state with annual land rents in the period between January 01, 2006 and before October 01, 2009 (the effective date of the Decree No. 69/2009/ND-CP dated August 13, 2009), the amount of land rents to be paid once at a time shall be determined by multiplying the annual land rent at the time of subletting by (x) the number of subletting years (from January 01, 2016 to the end of the sublease term) plus late payment interests according to laws on tax management in each stage from the date of subletting to the date of payment to state budget.

+ For enterprises that have land leased out by the state with annual land rents during the period between October 01, 2009 and before July 01, 2014, the amount of land rents to be paid once at a time shall be determined as payable land levy as in the case of allocation of land with land levy (from January 01, 2016 to the end of sublease term) according to the policies and land prices at the date of subletting.

c) For enterprises that have land leased out by the state with annual land rents for investment and construction of infrastructure of industrial zones, industrial complexes and export processing zones: If following papers Investment certificate, Decision on land lease, Contract for land lease issued (signed) by competent State agencies have specified the principles of adjusting land rent and amendments thereto have not been made according to Clause 2, Article 9 of the Decree No. 142/2005/ND-CP, these enterprises, in subletting the land with infrastructure thereon for one-time payment of land rents for the entire lease term between January 01, 2006 and before July 01, 2014 shall have to make one-time payment of land rents to the state as determined in the principles as stipulated in Point a, Point b of this Clause.

d) The enterprises shall complete payment of the land rent as determined according to Point a, Point b, Point c of this Clause before December 31, 2016 or face administrative measures if failing to fulfill the obligations according to laws on tax administration.

6. Settlement of money in compensation for site clearance under the approved plan paid by land users according to laws before July 01, 2004 shall be implemented as follows:

a) Enterprises that have land leased out by the state with one-time payment of land rents but have not been notified of the payable land rents which have been determined according to laws or such payable land rents are found inconsistent with laws at the date of determination shall be entitled to deduction of the money in compensation for site clearance in the form of land, land use rights ... from payable land rents.

b) Enterprises that have land leased out by the state with annual land rents with the land rent having been revised according to the policies and land prices as prescribed in Clause 2, Article 9 of the Government's Decree No. 142/2005/ND-CP dated November 14, 2005 or to be revised according to Clause 8, Article 5 hereof shall be entitled to deduction of the money in compensation for site clearance in the form of land, land use rights ... from payable land rents. The amount deducted from payable land rents shall be converted into the fulfilled land lease term. The land rent for conversion shall be based on the policies and land prices at the date of January 01, 2016.

c) If enterprises that have land allocated by the state without land levy, land rents according to laws before July 01, 2004, or have land leased out by the state with annual land rents after July 01, 2004, have switched to the form of land allocation with land levy after July 01, 2004 with payable land rents not determined and notified by competent state agencies according to laws shall be entitled to deduction of the money in compensation for site clearance in the form of land, land use rights ... from payable land rents”.

10. The Minister of Finance shall provide specific instructions on this Article.

Article 4. Effect and responsibility

1. This Decree takes effect since November 15, 2016.
2. Ministers, heads of ministerial-level agencies, heads of Governmental agencies, presidents of the People's Committees of all levels and other relevant organizations and individuals shall be responsible for executing this Decree./.

**PP THE GOVERNMENT
THE PRIME MINISTER**

Nguyen Xuan Phuc

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