

**STANDING COMMITTEE
OF NATIONAL ASSEMBLY**

No. 406/NQ-UBTVQH15

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness

Hanoi, October 19, 2021

RESOLUTION

**ON PROMULGATION OF CERTAIN MEASURES FOR SUPPORTING ENTERPRISES
AND RESIDENTS TO EASE IMPACT OF COVID-19 PANDEMIC**

STANDING COMMITTEE OF NATIONAL ASSEMBLY

Pursuant to the Constitution of the Socialist Republic of Vietnam;

Pursuant to the Law on Organization of the National Assembly No. 57/2014/QH13 which has been amended by the Law No. 65/2020/QH14;

Pursuant to the Law on Corporate Income Tax No. 14/2008/QH12, which has been amended by the Law No. 32/2013/QH13, Law No. 71/2014/QH13 and Law No. 61/2020/QH14;

Pursuant to the Law on Personal Income Tax 04/2007/QH12, which has been amended by Law No. 26/2012/QH13 and Law No. 71/2014/QH13;

Pursuant to the Law on Value-Added Tax No. 13/2008/QH12, which has been amended by Law No. 31/2013/QH13, Law No. 71/2014/QH13 and Law No. 106/2016/QH13;

Pursuant to the Law on Tax Administration No. 38/2019/QH14;

Pursuant to Resolution No. 30/2021/QH15 dated July 28, 2021 of the National Assembly in the first meeting of 15th National Assembly.

Pursuant to Official Dispatch No. 2062-CV/VPTW dated October 16, 2021 of the Party Central Committee's Office on the Politburo's conclusion on the policy of tax exemption and reduction to support businesses and people to ease the impact of the COVID-19 pandemic.

HEREBY RESOLVES:

Article 1. Certain solutions on tax exemption and reduction

1. A reduction of 30% in the payable corporate income tax amount of 2021 will be given to a taxpayer regulated by the Law on Corporate Income Tax that has a turnover of not greater than VND 200 billion in 2021 and a decrease in revenue in 2021 compared to the revenue in 2019.

However, the decrease in revenue in 2021 compared to the revenue in 2019 will not prevail as a criterion for reduction of payable corporate income tax if the taxpayer has just been established, engaged in consolidation, merger, partial division, or full division in the tax period of 2020 or 2021.

2. The exemption from personal income tax, value-added tax, and other payable taxes incurred in production and business of the months in the third and fourth quarters of 2021 for households and individuals engaged in these production and business in districts affected by COVID-19 pandemic in 2021 shall be subject to decision of the President of People's Committee of province or central-affiliated city. Tax exemption does not apply to incomes and revenue from provision of software products and services; digital content products and services related to entertainment, video games, digital movies, digital photos, digital music; digital advertising.

3. Apply reduction of value-added tax from November 1, 2021 to the end of December 31, 2021 to the following goods and services: (i) Transport services (railway transport, water transport, aviation transport, other road transport); accommodation services; food and drink services; services of travel agencies, tour operators and support services, related to promotion and organization of tours; (ii) publishing products and services; cinematographic services, production of television programme, sound recording and music publishing; works of art and services for composing, arts, and entertainment; services of libraries, archives, museums and other cultural activities; sports, recreation and entertainment services. The goods and services mentioned in category (ii) do not include publishing software, and goods and services provided in online form.

Subject to the tax accounting method, the value-added tax reduction will be given as follows:

a) If the credit method (deduction method) is used, the enterprise or organization will be eligible for a reduction of 30% in VAT rate;

b) If the direct method (payable VAT amount equals given rate multiplied by revenue) is used, the enterprise or organization will be eligible for reduction of 30% in the rate for direct VAT calculation;

4. Grant exemption of late payment interest incurred in 2020 and 2021 on debts of taxes, land use levies, and land rents to enterprises and organizations (including affiliated entities, places of business) that incur losses in 2020.

This provision does not apply to a case where the late payment interest has been paid.

Article 2. Implementation

1. The Government is responsible for implementing this Resolution so that consumers can enjoy benefits from the reduction of value-added tax specified in Clause 3, Article 1 of this Resolution.

2. Assign the Government to continue to review and implement solutions to the best of their competence and ability to support enterprises and organizations to reduce input costs; work on a plan to support corporate income tax based on labor costs, a plan to use the budget to make up

for loan interest rates for businesses and organizations which have been hard hit by the COVID-19 pandemic to recover production and business.

Article 3. Entry into force

1. This Resolution comes into force as of the date of signing.
2. The Government shall guide the implementation of this Resolution.
3. Standing Committee of National Assembly, Finance and Budget Committee, Ethnic Council and other Committees of the National Assembly, National Assembly Delegation, National Assembly deputies, People's Councils at all levels, State Audit shall, within the ambit of their duties and powers, supervise the implementation of this Resolution./.

**ON BEHALF OF STANDING
COMMITTEE OF NATIONAL ASSEMBLY
CHAIRPERSON**

Vuong Dinh Hue

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