

## DECREE

### **On extension of time limits for payment of value-added tax, enterprise income tax, personal income tax and land rental in 2023<sup>1</sup>**

*Pursuant to the June 19, 2015 Law on Organization of the Government; and the November 22, 2019 Law Amending and Supplementing a Number of Articles of the Law on Organization of the Government and the Law on Organization of the Local Administration;*

*Pursuant to the June 13, 2019 Law on Tax Administration;*

*At the proposal of the Minister of Finance;*

*The Government promulgates the Decree on extension of time limits for payment of value-added tax, enterprise income tax, personal income tax, and land rental in 2023.*

#### **Article 1. Scope of regulation**

This Decree provides for the extension of time limits for payment of value-added tax (VAT), enterprise income tax (EIT), personal income tax (PIT), and land rental.

#### **Article 2. Subjects of application**

Subjects of application of this Decree include taxpayers; tax offices; tax officers; and related state agencies, organizations and individuals.

#### **Article 3. Subjects entitled to extension of time limits for tax and land rental payment**

1. Enterprises, organizations, households, business households, and individuals conducting production activities in the following economic sectors:

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<sup>1</sup> Công Báo Nos 677-678 (24/4/2023)

a/ Agriculture, forestry and fisheries;

b/ Food production or processing; textile; clothing production; production of leather products and related products; processing of timber and production of timber and bamboo products (except beds, wardrobes, tables and chairs); production of products from straw, thatch and plaiting materials; production of paper and paper products; production of rubber and plastic products; production of products from other non-metallic minerals; metal production; mechanical processing; metal treatment and coating; manufacturing of electronic products, computers and optical products; manufacturing of automobiles and other motor vehicles; and production of beds, wardrobes, tables and chairs;

c/ Construction;

d/ Publication; cinematography, production of television programs, and audio recording and music publishing;

dd/ Extraction of crude oil and natural gas (not applicable to EIT on crude oil, condensate and natural gas, which shall be collected under relevant treaties or contracts);

e/ Beverage production; printing and reproduction of recordings of all types; production of coke and refined petroleum products; production of chemicals and chemical products; manufacturing of products from precast metals (except machinery and equipment); manufacturing of motorcycles and motorbikes; and repair, maintenance and installation of machinery and equipment;

g/ Water drainage and wastewater treatment.

2. Enterprises, organizations, households, business households and individuals conducting business activities in the following economic sectors:

a/ Transportation and warehousing; accommodation and catering services; education and training; health and social assistance activities; and real estate business;

b/ Labor and employment services; travel agency and tour operation and services auxiliary or related to tour promotion and operation;

c/ Writing, arts and recreation; library, archive, museum and other cultural activities; sports, entertainment and recreation; and film projection;

d/ Radio and television broadcasting; computer programming, counseling services and other computer-related activities; and information services;

dd/ Auxiliary services for mining.

The lists of economic sectors specified in Clauses 1 and 2 of this Article shall be determined under the Prime Minister's Decision No. 27/2018/QĐ-TTg of July 6, 2018, promulgating Vietnam's system of economic sectors (below referred to as Decision No. 27/2018/QĐ-TTg).

The economic sectors provided in Appendix I to Decision No. 27/2018/QĐ-TTg shall be divided into 5 tiers and the application of extension of time limits for tax and land rental payment must adhere to the following principles: In case an economic sector specified in Clause 1 or 2 of this Article is classified as a tier-1 sector, the extension of time limits for tax and rental payment shall apply to all tier-2, tier-3, tier-4 and tier-5 economic sub-sectors of such tier-1 sector; in case an economic sector is classified as a tier-2 sector, the extension of time limits for tax and rental payment shall apply to all tier-3, tier-4 and tier-5 economic sub-sectors of such tier-2 sector; in case an economic sector is classified as a tier-3 sector, the extension of time limits for tax and rental payment shall apply to all tier-4 and tier-5 economic sub-sectors of such tier-3 sector; in case an economic sector is classified as a tier-4 sector, the extension of time limits for tax and land rental payment shall apply to all tier-5 economic sub-sectors of such tier-4 sector.

3. Enterprises, organizations, households, business households and individuals conducting production of supporting industry products prioritized for development and key mechanical products

Supporting industry products prioritized for development shall be determined under the Government's Decree No. 111/2015/NĐ-CP of November 3, 2015, on development of supporting industries; key mechanical products shall be determined under the Prime Minister's Decision No. 319/QĐ-TTg of March 15, 2018, approving the Strategy for development of Vietnam's mechanical engineering industry through 2025, with a vision toward 2035.

4. Small- and micro-sized enterprises shall be determined in accordance with the 2017 Law on Support for Small- and Medium-Sized Enterprises and the Government's Decree No. 80/2021/NĐ-CP of August 26, 2021, detailing a number of articles of the Law on Support for Small- and Medium-Sized Enterprises.

The economic sectors or fields of enterprises, organizations, households, business households or business individuals specified in Clauses 1, 2 and 3 of this Article are the sectors or fields in which such enterprises, organizations, households, business households or business individuals carry out production or business activities and which generate revenues in 2022 or 2023.

**Article 4.** Extension of time limits for tax and land rental payment

1. For VAT (except VAT at the import stage)

a/ To extend payment time limits for payable VAT amounts (including also VAT amounts distributed to provincial-level localities other than those where taxpayers' head offices are located and VAT amounts to be paid upon each time the tax liability arises) of the tax period from March thru August of 2023 (in case of making monthly VAT declarations) and the tax periods of the first and second quarters of 2023 (in case of making quarterly VAT declarations) of the enterprises and organizations specified in Article 3 of this Decree. The extension duration is 6 months for VAT amounts arising from March thru May of 2023 and in the first quarter of 2023; 5 months for VAT amounts arising in June 2023 and the second quarter of 2023; 4 months for VAT amounts arising in July 2023; or 3 months for VAT amounts arising in August 2023. The extension duration mentioned at this Point shall be counted from the deadline for VAT payment specified in the law on tax administration.

Enterprises and organizations entitled to extension of tax-payment time limits shall make and submit monthly or quarterly VAT declaration forms in accordance with current regulations while not having to pay payable VAT amounts stated in the filled-in VAT declaration forms. The deadlines for payment of VAT amounts for months and quarters eligible for extension of tax-payment time limits are as follows:

The deadline for VAT payment for the tax period of March 2023 is October 20, 2023.

The deadline for VAT payment for the tax period of April 2023 is November 20, 2023.

The deadline for VAT payment for the tax period of May 2023 is December 20, 2023.

The deadline for VAT payment for the tax period of June 2023 is December 20, 2023.

The deadline for VAT payment for the tax period of July 2023 is December 20, 2023.

The deadline for VAT payment for the tax period of August 2023 is December 20, 2023.

The deadline for VAT payment for the tax period of the first quarter of 2023 is October 31, 2023.

The deadline for VAT payment for the tax period of the second quarter of 2023 is December 31, 2023.

b/ In case an enterprise or organization specified in Article 3 of this Decree has branches or affiliated units that make separate VAT declarations with their managing tax offices, such branches or affiliated units will be entitled to extension of time limits for VAT payment. In case branches or affiliated units of an enterprise or organization specified in Clause 1, 2 or 3, Article 3 of this Decree carry out production or business activities not belonging to the economic sectors and fields eligible for extension of time limits for VAT payment, they will not be entitled to extension of time limits for VAT payment.

## 2. For EIT

a/ To extend payment time limits for of EIT amounts to be temporarily paid for tax periods of the first and second quarters of 2023 for the enterprises and organizations specified in Article 3 of this Decree. The extension duration is 3 months from the deadline for EIT payment specified in the law on tax administration.

b/ In case an enterprise or organization specified in Article 3 of this Decree has branches or affiliated units that make separate EIT declarations with their managing tax offices, such branches or affiliated units will be entitled to extension of time limits for EIT payment. In case branches or affiliated units of an enterprise or organization specified in Clause 1, 2 or 3, Article 3 of this Decree carry out production or business activities not belonging to the economic sectors and fields eligible for extension of time limits for EIT payment, they will not be entitled to extension of time limits for EIT payment.

## 3. For VAT and PIT of business households and business individuals

To extend payment time limits for payable VAT and PIT amounts arising in 2023 of business households and business individuals operating in the economic sectors and fields specified in Clauses 1, 2 and 3, Article 3 of this Decree. Business households and business individuals shall pay tax amounts eligible for extension of payment time limits under this Clause no later than December 31, 2023.

## 4. For land rental

To extend time limits for land rental payment for 50% of payable land rental amounts in 2023 for the enterprises, organizations, households and individuals specified in Article 3 of this Decree and leased land directly by the State under decisions of or contracts signed with competent state agencies in the form of land lease with annual payment of land rental. The extension duration is 6 months, from May 31, 2023, through November 30, 2023.

The above provision also applies to cases in which enterprises, organizations, households and individuals are leased land directly by the State under more than one decision or contract and carry out production and business activities in different economic sectors, covering the economic sectors and fields specified in Clauses 1, 2 and 3, Article 3 of this Decree.

5. For enterprises, organizations, business households and business individuals that carry out production and business activities in different economic sectors, covering the economic sectors and fields specified in Clauses 1, 2 and 3, Article 3 of this Decree, enterprises and organizations will be entitled to extension of payment time limits for the whole of payable VAT and EIT amounts, while business households and business individuals will be entitled to extension of payment time limits for the whole of payable VAT and PIT amounts under the guidance of this Decree.

**Article 5.** Order and procedures for extension of time limits for tax and land rental payment

1. Taxpayers that directly declare and pay taxes and land rental to tax offices and are entitled to extension of time limits for tax and land rental payment shall submit a written request for extension of time limits for tax and land rental payment, made according to the form provided in the Appendix to this Decree (below referred to as request for extension), or a modified request if detecting any errors, to their managing tax offices (sending by electronic means or by hand delivery or by post) once for the whole of tax and land rental amounts arising in the tax periods eligible for the extension simultaneously with submission of monthly (or quarterly) tax declaration dossiers in accordance with the law on tax administration. In case the request for extension is not submitted simultaneously with the monthly (or quarterly) tax declaration dossier, the deadline for submission of such request is September 30, 2023, and the tax office shall still apply extension of time limits for tax and land rental payment for the extension-eligible tax periods prior to the time of submission of the request.

In case a taxpayer's payable tax amounts eligible for extension of payment time limits arise in different geographical areas under the management by different tax offices, the taxpayer's managing tax office shall transmit information on sending of the taxpayer's request for extension to the related managing tax office(s).

2. Taxpayers shall determine by themselves and take responsibility for their requests for extension of time limits for tax and land rental payment, ensuring their eligibility for the extension under this Decree. If a taxpayer submits a request for extension to a tax office after September 30, 2023, it/he/she will not be entitled



to extension of time limits for tax and land rental payment under this Decree. In case a taxpayer makes additional declaration to its/his/her tax declaration dossier for a tax period eligible for extension of the time limit for tax and land rental payment, resulting in an increase in the payable amount, and sends the additional declaration to the related tax office before the extended duration expires, the extension-eligible payable tax amount will be inclusive of the payable amount increased as a result of additional declaration. If a taxpayer makes additional declaration to its/his/her tax declaration dossier for a tax period eligible for extension of the time limit for tax and land rental payment after the extended duration expires, it/he/she will not be entitled to the extension of the time limit for payment of the payable amount as a result of additional declaration.

3. Tax offices are not required to notify taxpayers of the acceptance of requests for extension of time limits for tax and land rental payment. In the extension duration, if a tax office has grounds to believe that a taxpayer is ineligible for the extension, it shall notify in writing the taxpayer of its refusal of the extension and the taxpayer shall fully remit the payable tax amount, land rental amount and late-payment interest for the duration during which it/he/she has enjoyed the extension regime into the state budget. After the extension duration has expired, if a competent state agency detects through inspection and examination that a taxpayer is ineligible for extension of time limits for tax and land rental payment under this Decree, the taxpayer shall fully remit the deficient tax amount, fine and late-payment interest into the state budget.

4. In the extension duration, late-payment interests will not be calculated for tax and land rental amounts eligible for extension of payment time limits (including also cases in which taxpayers submit requests for extension to tax offices after having submitted their tax declaration dossiers under Clause 1 of this Article, and cases in which competent agencies detect through inspection and examination an increase in taxpayers' payable tax amounts for tax periods eligible for the extension). In case tax offices have calculated late-payment interests (if any) for tax dossiers eligible for extension of time limits for tax and land rental payment under this Decree, they shall adjust but shall not calculate late-payment interests.

5. Owners of capital construction works and work items built with state budget funds or payments from the state budget for capital construction works under VAT-liable ODA-funded projects shall, when carrying out payment procedures with the State Treasury, submit notices stating that tax offices have received the work construction contractors' requests for extension of time limits for tax and land rental payment or that certified requests for extension of time

limits for tax and land rental payment have been submitted to tax offices. Based on dossiers sent by project owners, the State Treasury shall postpone the VAT credit in the extension duration. When the extension duration expires, contractors shall fully pay tax amounts eligible for extension of payment time limits under regulations.

**Article 6.** Organization of implementation and effect

1. This Decree takes effect from the date of its signing through December 31, 2023.

2. After the extension duration mentioned in this Decree, time limits for tax and land rental payment must comply with current regulations.

3. The Ministry of Finance shall direct and organize, and settle problems arising in the course of, implementation of this Decree.

4. Ministers, heads of ministerial-level agencies, heads of government-attached agencies, chairpersons of provincial-level People's Committees, and related enterprises, organizations, households, business households, and individuals shall implement this Decree.-

*On behalf of the Government*

For the Prime Minister

Deputy Prime Minister

LE MINH KHAI

*\* The Appendix to this Decree is not translated.*