

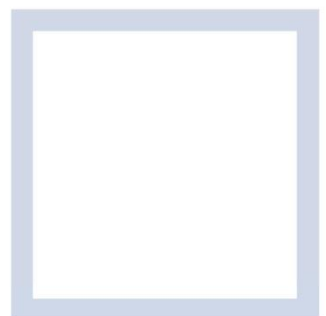
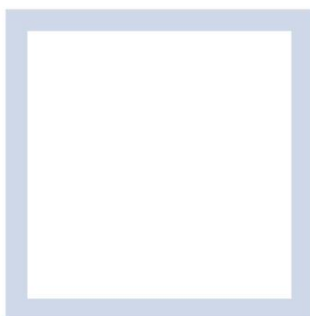
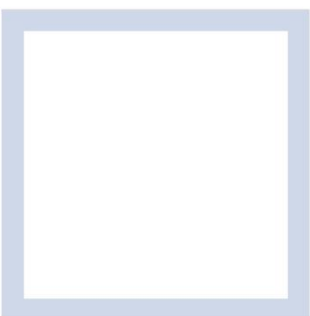
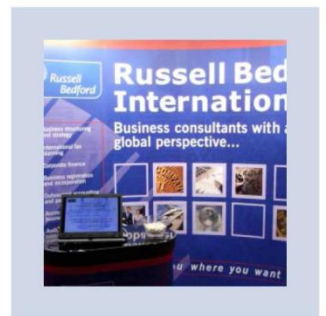
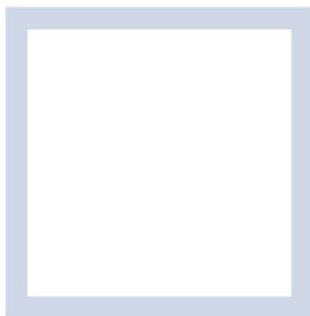
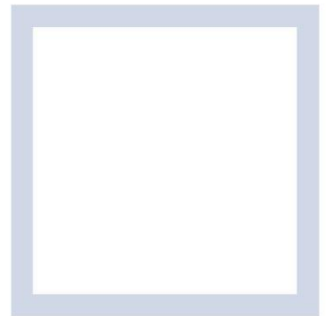


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# NEWSLETTER

Issue 23, October 2017



## IN THIS ISSUE

	Page
<b>New policy on VAT</b> Circular No. 93/2017/TT-BTC date 2 October 2017 by Ministry of Finance	1 1
<b>Updated declaration software</b> Circular No. 110/2015/TT-BTC by Ministry of Finance	1 1
<b>Regulations on online submission of explanation about demand for employment of foreign workers</b> Circular No. 23/2017/TT-BLĐTBXH date 2 October 2017	1 1
<b>Compensation for damage by improper determination of the retirement fund's net asset value (NAV)</b> Circular No. 86/2017/TT-BTC date 1 October 2017 by Ministry of Finance	2 2
<b>Guidance on collection records of social insurance, health insurance, unemployment insurance and occupational accident insurance</b> Decision 595/QĐ-BHXH	2 2

## New policy on VAT

Circular 93/2017/TT-BTC amending and supplementing clauses 3 and 4 of Article 12 of Circular 219/2013/TT-BTC and abrogating Clause 7, Article 11 of Circular 156/2013/TT-BTC as follows

- Remove the form 06/GTGT for registration of the application of VAT by the deduction method for newly set up business establishments and operating business establishments with VAT-liable turnover of unde 1 billion VND.
- Remove the form 06/ GTGT when applying the VAT calculation method.
- Supplement the guidance on methods of calculation of VAT by business establishments, which are determined according to the VAT declaration dossier guided in Article 11 of Circular 156/2013/TT-BTC (amended and supplemented in 2014 and 2015).

As of 5 November 2017, the determination of the method of calculating VAT is based on the tax declaration dossier submitted by the business establishment to the tax office as follows:

- In case of applying for VAT by deduction method, the VAT declaration form 01/GTGT and form 02/GTGT shall be sent to the tax office.
- In case of applying for VAT by direct method, the VAT declaration form 03/GTGT, form 04/GTGT shall be sent to the tax office.

*This Circular takes effect on 5 November 2017*

## Updated declaration software

There was an upgrade of iHTKK 3.5.0, specifically upgraded the function of registration service using iHTKK application, including:

- To register the use of services according to form No. 01/DK-TĐT of Circular 110/2015/TT-BTC (hereinafter referred to as Circular 110);
- Registration of change of information according to form No. 02/DK-TĐT of Circular 110;

- To register the suspension of services according to form No. 03/DK-TĐT of Circular 110;
- To send notices on registration results according to form No. 03/TB-CTT of Circular 110.

The iTaxViewer version 1.4.0 application upgrade fulfills the iHTKK version 3.5.0 update

- Accordingly, starting from 2 October 2017, when declaring tax related to the upgrade content mentioned above, taxpayers will use the forms declared at the application iHTKK 3.5.0, iTaxViewer 1.4.0 instead of previous versions.

*The updates are effective from 2 October 2017*

## Regulations on online submission of explanation about demand for employment of foreign workers

This is the most noticeable regulation in the Circular No. 23/2017/TT-BLDTBXH (which is coming into force as from 2 October 2017) regarding guidance on online issuance of work permit to foreign workers in Vietnam.

- According to this Circular, at least 20 days before the planned date for employment of foreign workers, the employer must electronically submit the declaration and explanation about his/her demand for employment of foreign workers.
- Presently, the submission of such declaration and explanation about demand for employment of foreign workers must be completed within duration of 30 days before the planned date for employment of foreign workers in accordance with regulations in the Circular No. 40/2016/TT-BLDTBXH dated 25 October 2016.

*This Circular takes effect on 2 October 2017*

## **Compensation for damage by improper determination of the retirement fund's net asset value (NAV)**

This regulation is introduced in the Circular No. 86/2017/TT-BTC which provides guidance on the implementation of the Government's Decree No. 88/2016/ND-CP on voluntary supplemental retirement program and is coming into force as from 1 October 2017.

According to this Circular, the retirement fund management company that improperly determines the retirement fund's NAV or individual retirement accounts' balance resulting in damage suffered by fund participants must:

- Make compensation for damage suffered by fund participants in accordance with regulations in Article 23 of the Government's Decree No. 88/2016/ND-CP dated 1 July 2016;
- The margin of error at which the compensation is payable is calculated in accordance with the regulations on determination of the retirement fund's NAV and balances of individual retirement accounts provided that it must not be lower than 0.75% of the retirement fund's NAV.
- Within three working days from the valuation date, the retirement fund's NAV must be published on websites of the retirement fund management company and its retirement agents.

*This Circular takes effect on 1 October 2017*

## **Guidance on collection records of social insurance, health insurance, unemployment insurance and occupational accident insurance**

The Social Insurance of Ho Chi Minh City guides the implementation of Article 38 of Decision No. 595/QD-BHXH on the compulsory collection of compulsory social insurance, health insurance, unemployment insurance and occupational accident insurance as follows:

In case of request for retrospective collection according to inspection conclusions of the social insurance agencies or the inspection agency or the decision on handling of administrative violations committed by competent agencies (retrospective collection of 6 months or more); or the inspection conclusions of competent bodies (for cases of retrospective collection of less than 6 months), the units that compile electronic transaction dossiers for collection and receipt of dossiers to collect the collection (in case of violating the provisions of legislation on social insurance payment, Health insurance, unemployment insurance, occupational accident and health insurance) (Form No. 601) enclosed with a scan of inspection conclusions or decisions on handling of violations.

In case of self-proposed collection, the implementing unit:

- E-filing dossiers shall be compiled according to the dossier-receiving tickets and immediately increased for laborers in the current month so as to promptly issue social insurance books and health insurance cards to laborers.
- The applicant shall file a request for collection for the remaining period. The social insurance agency will organize, check comparison or decide on the inspection according to the unit's retrospective request.
- After the minutes of the work (or inspection conclusions or handling decisions of the competent agencies), the units shall compile dossiers according to Section 1 above and send them to the social insurance agencies for collection according to regulations.

*This Circular takes effect on 1 October 2017*

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