

# Extension of deadline to pay tax

On 08 April 2020, the Government released Decree 41/2020/NĐ-CP regarding the extension of deadlines for payments of taxes and land rental fee. The Decree took effect from the signing date (08 April 2020).

*RSM Vietnam – Latest insight series on COVID-19*



# Applicable subjects

Group	Subjects to be extended	Conditions
1	Manufacturing sector	<p>Enterprises, organizations, households and individuals engaged in manufacturing activities (determined under <b>Decision No. 27/2018/QD-TTg</b> dated 06 July 2018) as follows:</p> <ul style="list-style-type: none"> <li>• Agriculture, forestry and fishery</li> <li>• Food manufacture and processing</li> <li>• Weaving</li> <li>• Clothes manufacture</li> <li>• Manufacture of leather and relevant products</li> <li>• Wood processing and manufacture of products from wood, bamboo of various species (except beds, wardrobes, tables, chairs); manufacture of products from straw and plaiting materials</li> <li>• Manufacture of paper and paper-related products</li> <li>• Manufacture of products from rubber and plastic</li> <li>• Manufacture of products from other non-metallic minerals</li> <li>• Metal manufacture</li> <li>• Mechanical processing</li> <li>• Handling and coating metal</li> <li>• Manufacture of electronic products; computers and optical products</li> <li>• Manufacture of automobiles and other motor</li> <li>• Manufacture of beds, wardrobes, tables, chairs</li> <li>• Construction</li> </ul>
2	Service sector	<p>Enterprises, organizations, households and individuals engaged in business activities (determined under <b>Decision No. 27/2018/QD-TTg</b> dated 06 July 2018) as follows:</p> <ul style="list-style-type: none"> <li>• Transportation and warehousing, accommodation and catering services, education and training, health and social assistance activities, real estate business</li> <li>• Labor and employment service activities, activities of travel agents, tour operators and support services related to advertising and organizing tours</li> <li>• Composing, artistic, entertainment activities, library activities, conservation, museums and other cultural activities, sports activities, entertainment activities, movies</li> </ul>

# Applicable subjects

Group	Subjects to be extended	Conditions
3	Other sectors	<ul style="list-style-type: none"> <li>Enterprises, organizations, households and individuals engaged in manufacture activities of supporting industrial products given priority for development, key mechanical products as defined</li> <li>Small and micro enterprises as defined</li> <li>Credit organizations, foreign bank branches (meeting the conditions for the implementation)</li> <li>of solutions to support customers being enterprises, organizations and individuals affected</li> <li>by Covid-19 epidemic in accordance with the regulations by the State Bank of Vietnam</li> </ul>

## Notable contents on the applicable subjects

- The enterprises, organizations, households and individuals which have multiple business activities, including the business activities mentioned in Clauses 1, 2, 3 and 5 above, will be entitled to extend the payments deadline of full Value-Added Tax ("VAT") and Enterprise Income Tax ("CIT") incurred pertaining to all activities
- The extension on land rental fee will be granted to only enterprises which conduct business activities as mentioned above and "directly lease land from the State under the Decisions, Contracts of the competent state agencies and pay the land rental fee on an annual basis



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For the taxpayers being enterprises, the deadline for Value Added Tax ("VAT") and Corporate Income Tax ("CIT") payments will be extended for 05 months from the statutory deadline.

For the taxpayers being households and individuals, the deadline of VAT and CIT payments in 2020 will be extended to 31 December 2020.

Tax period	Statutory tax payment deadlines	Extended tax payment deadlines
<b>VAT</b>		
March 2020	20 April 2020	20 September 2020
April 2020	20 May 2020	20 October 2020
May 2020	20 June 2020	20 November 2020
June 2020	20 July 2020	20 December 2020
Quarter I/ 2020	30 April 2020	30 September 2020
Quarter II/ 2020	30 July 2020	30 December 2020
<b>CIT</b>		
The remaining CIT payments due per the FY19 CIT final return	30 March 2020	30 August 2020
The provisional CIT payments for Quarter I/ 2020	30 April 2020	30 September 2020
The provisional CIT payments for Quarter II/ 2020	30 July 2020	30 December 2020

# Relevant procedures

No.	Procedure	Relevant documents, dossiers	Implementation methods
1	The extension of deadlines for payments of VAT, CIT and land rental fee	Request on the extension of deadlines for payments of taxes and land rental fee	The enterprises should submit one (01) Request on the extension of deadlines for payments of taxes and land rental fee to their local tax department directly in charged (either by digital method or by post) no later than 30 July 2020. Note: In this case, the enterprise requests the extension of tax payment deadline in accordance with the self-assessment principle. Therefore, the tax authority will <b>not</b> be obliged to inform or confirm whether or not the extensions are acceptable.
2	Supplementary tax declaration of the extended tax period	Application dossier for supplementary tax declaration	The enterprises should submit the supplementary tax declaration dossiers to tax authority before the expiry of the extended deadline for tax payment.



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