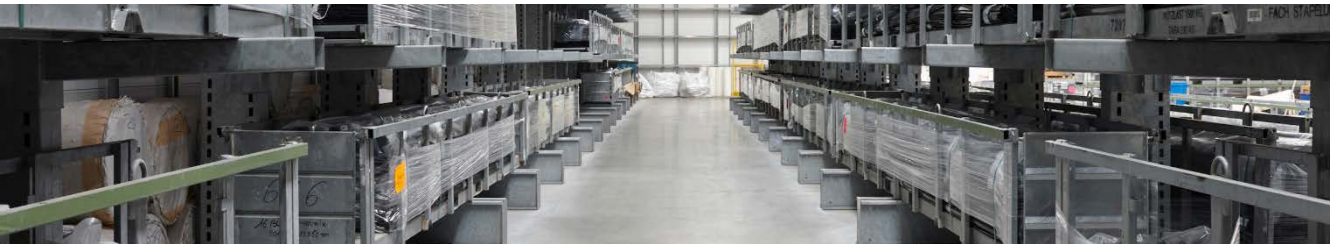




Update recent policies/ guidelines on supporting enterprises affected by COVID-19 pandemic

These updates are on recent policies/ guidelines of the State competent authorities as of June 2020 on supporting enterprises affected by COVID-19 pandemic.

Tax spotlights - 06/2020



1. Resolution on tasks and solutions for continuously removing difficulties for production and business, promoting disbursement of public investment capital and ensuring social security during COVID-19 pandemic

On 29 May 2020, the Government issued Resolution No. 84/NQ-CP ("Resolution 48") on tasks and solutions for continuously removing difficulties for production and business, promoting disbursement of public investment capital and ensuring social security during COVID-19 pandemic. Specifically, it has been clearly stated that the Government will continuously permit implementation of measures for supporting enterprises as follows:

- **No criminalizing economic and civil relations; strictly solving all violations of law** in accordance with Resolution No. 11-NQ/TW dated 03 June 2017 of the 5th Plenum of the 12th Central Committee of the Communist Party of Vietnam
- **Reducing 15% of the payable land rental fee in 2020** for affected enterprises, organizations, households and individuals which directly lease land from the State under the Decisions, Contracts of the State competent authorities and pay the land rental fee on an annual basis
- **Exempting guarantee fees arising in 2020 for Government-guaranteed loans** to aviation enterprises having outstanding loans until 31 December 2019
- **Reducing 50% of takeoff, landing fares and operating fares of departure and arrival** for domestic flights from March to the end of September 2020; **applying the minimum price of VND 0** to specialized aviation services in the list of price regulated by the State from March to the end of September 2020
- **Reducing 2% of interest rate for direct and indirect loans to small and medium-sized enterprises** from the Small and Medium Enterprise Development Fund
- **Reducing 50% of registration fee when registering domestically-manufactured or assembled cars** until the end of 2020 in order to stimulate domestic consumption
- **Extending the expiry time of the payable special consumption tax on domestically-manufactured or assembled cars**, for payable amounts from March 2020; the extension is no later than 31 December 2020
- **Permitting foreign experts, enterprise managers, investors, high-tech employees** working on investment and business projects in Vietnam, **to enter Vietnam** for maintaining manufacture and business activities of enterprises, ensuring the compliance with the regulations on pandemic prevention and control
- **Extending current work permits** for experts, business managers, technical employees who **are expats working in enterprises**; granting new work permits to foreign experts, business managers, technical employees who replace for staff that are not entering or not returning to Vietnam
- **Permitting donations and supports in anti-pandemic activities to be treated as reasonable deductible expenses** for corporate income tax purposes



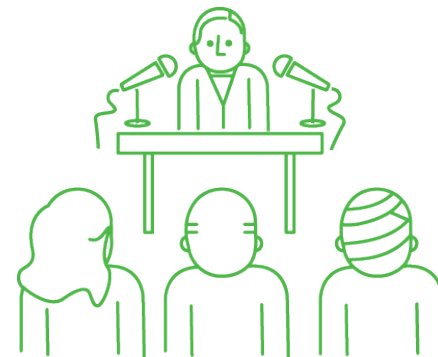
2. Official Letter guiding procedures to support foreign employees entering Vietnam

On 29 May 2020, the Government issued Resolution No. 84/NQ-CP After Notice No. 82, the National Steering Committee for COVID-19 Prevention and Control issued Official Letter No. 2847/CV-BCD ("Official Letter 2847") on 23 May 2020 to the Head of the People's Committee of provinces and cities for stipulating the procedure to support foreign investors, technical experts, highly qualified workers and enterprise managers (hereinafter referred to as "expats") to enter Vietnam to work as well as the necessary precautions for COVID-19 prevention when expats enter Vietnam, specifically as follows:

- In accordance with the needs of local authorities and organizations, the provincial People's Committee shall decide a list of experts who will be permitted to work, and then send the list to the Ministry of Public Security (Immigration Department) to review and take actions
- People's Committees of provinces and cities shall designate and select concentrated quarantine facilities reserved for the experts in the area (hereinafter referred to as "quarantine facilities") in accordance with the guidance in Decision No. 878/QD-BYT issued by the Ministry of Health on 12 March 2020 regarding the concentrated quarantine or Decision No. 1246/QD-BYT issued by the Ministry of Health on 20 March 2020 regarding the quarantine at hotels voluntarily paid by quarantined persons
- Expats will be tested for COVID-19 two (02) times from entry date. Upon 14-day concentrated quarantine period, they shall continuously undergo medical supervision in 14 days for the purpose of infection prevention in community

Accordingly, People's Committees of the provinces and cities shall notify the authorities and organizations in the area which have the need to hire expats to work in Vietnam with the following contents:

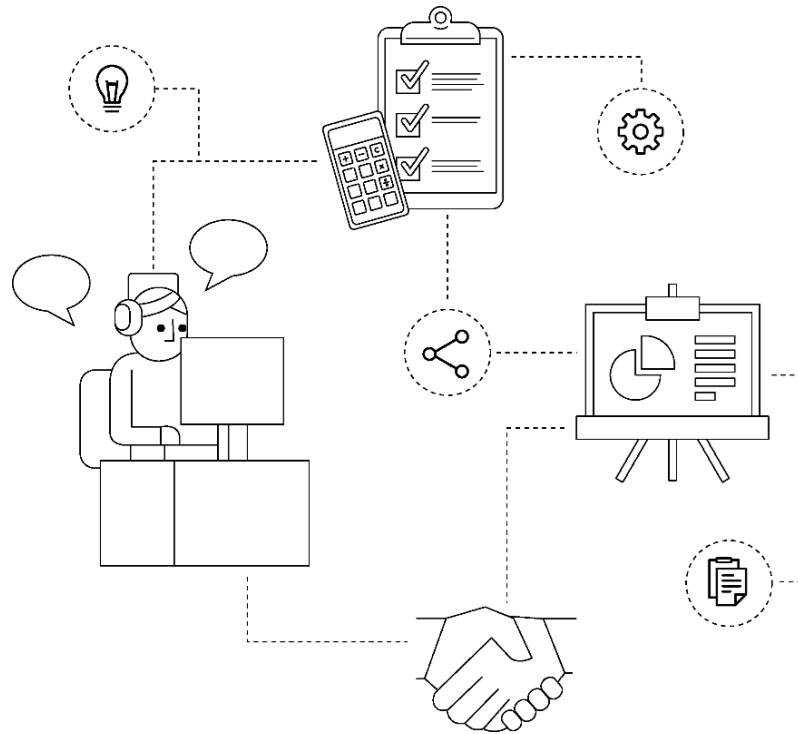
- Information on quarantine facilities designated and selected by the Provincial People's Committees
- Registering a list and proposing specific quarantine plans and transportation for expats, and submit the provincial People's Committee for approval
- Requesting the Ministry of Public Security (Immigration Department) to consider and settle the submitted entry expats (making separate lists for the number of expats currently having valid visas; and the number of expats required for visas) enclosed with a written approval from the provincial People's Committee





3. Official Letter detailing the procedures of request for expats to enter in Ho Chi Minh City

According to Official Letter No. 13413/SLDTBXH-VLATLD issued on 29 May 2020, the Department of Labor - Invalids and Social Affairs of Ho Chi Minh City ("DOLISA HCM") requires the authorities, organizations and enterprises that hire expats to provide a written request enclosed with a list of expats that need to enter in Ho Chi Minh City before 08 June 2020 so that the DOLISA HCM can collect and submit information to the People's Committee of Ho Chi Minh City for consideration and approval.



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