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# TAX FREQUENTLY ASKED QUESTIONS

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## TAX FREQUENTLY ASKED QUESTIONS (cont.)

Questions	Answer	Reference
1. Which cases are eligible for 2023 personal income tax refund?	<ul style="list-style-type: none"><li>- The tax amount paid is greater than the tax amount payable;</li><li>- Individuals who have paid taxes but have taxable income that is not enough to pay tax;</li><li>- Other cases as decided by competent state agencies.</li></ul>	Pursuant to <a href="#">Article 8 of the Personal Income Tax Law 2007</a> the cases eligible for personal income tax refund.
2. How to handle erroneous invoices due to not declaring VAT reduction for tax-reduced goods and services?	<p>Create electronic invoices according to Decree 123/2020/ND-CP and Circular 78/2021/TT-BTC to adjust or replace many invoices issued with errors by the same buyer.</p> <ul style="list-style-type: none"><li>- In the content "name of goods and services" on the electronic invoice to adjust or replace invoices that have been issued with errors, specifically list the model number, invoice symbol, invoice number, date, month, year. of all invoices that are adjusted or replaced (indicated by the words "adjustment or replacement for invoices: sample symbol number..., invoice symbol..., invoice number..., day month Year).</li></ul>	<a href="#">Decree 123/2020/ND-CP</a> <a href="#">Circular 78/2021/TT-BTC</a>
3. When making an adjustment or replacement invoice, do I have to send form 04/SS-HDDT?	<p>For cases of handling invoices with errors according to the provisions of Point b, Clause 2, Article 19 of Decree 123/2020/ND-CP and the provisions of Point a.1, Clause 3, Article 22 of Decree 123/2020/ND -CP, taxpayers do not have to send error notices according to Form No. 04/SS-HDDT to the tax authority, including:</p> <ul style="list-style-type: none"><li>- Adjust invoices;</li><li>- Replace invoice;</li><li>- Handling errors in invoices sent to the Summary Form 01/TH-HDDT</li></ul>	According to point b, clause 2, Article 19 of <a href="#">Decree 123/2020/ND-CP</a> Point a.1 Clause 3 Article 22 <a href="#">Decree 123/2020/ND-CP</a>



## TAX FREQUENTLY ASKED QUESTIONS (cont.)

Questions	Answer	Reference
4. Is receiving capital transferred in shares subject to corporate income tax?	<p>1. Scope of application:</p> <p>An enterprise's income from capital transfer is income earned from the transfer of part or the whole of the capital amount the enterprise has invested in one or many other organizations or individuals (including the sale of the whole enterprise). The time of capital transfer is the time of transfer of capital ownership.</p> <p>In case an enterprise sells the whole single-number limited liability company which it owns in the form of capital transfer together with real estate, it shall declare and pay CIT for transfer of real estate and fill in the CIT return (form No. 08) promulgated together with this Circular.</p> <p>- In case an enterprise transfers capital and does not receive it in cash but receives assets or other material benefits (stocks, fund certificates...) and generates income, it must be subject to corporate income tax. The value of assets, stocks, fund certificates... is determined according to the selling price of the product on the market at the time of receiving the assets.</p>	According to the provisions of Clause 1, <a href="#">Article 14 of Circular 78/2014/TT-BTC</a> on income from capital transfer



## TAX FREQUENTLY ASKED QUESTIONS (cont.)

Questions	Answer	Reference
5. Is bank loan interest that exceeds the Enterprise's charter capital considered a deductible expense?	<p>2.17. Payment of interest on loan serving business operation taken from entities other than credit institutions or business organizations which exceeds 150% of basic interest rate announced by the State bank at the time of taking the loan.</p> <p>2.18. Payment of loan interest corresponding to the remaining registered charter capital (for private enterprises, investment capital) according to the capital contribution schedule stated in the enterprise's charter, including cases where the enterprise has gone into operation. manufacturing business. Loan interest payments during the investment process have been recorded in the value of the asset and the value of the investment project.</p> <p>If the enterprise has contributed sufficient charter capital and, during its business operation, pays interest on a loan taken to make investment in another enterprise, such payment will be deductible when calculating taxable income.</p> <p>Non-deductible payment of interest on loan equivalent to charter capital deficit according to the capital contribution schedule is determined as follows:</p> <ul style="list-style-type: none"><li>- If the loan is smaller or equal to the charter capital deficit, the whole loan interest is not deductible.</li><li>- If the loan is higher than the charter capital deficit according to capital contribution schedule:</li><li>+ If the enterprise has multiple loans, non-deductible payment of loan interest equals (=) the ratio (%) of charter capital deficit to total loan multiplied by (x) total interest.</li><li>+ If the enterprise has only one loan, non-deductible payment of loan interest equals (=) charter capital deficit multiplied by (x) loan interest rate multiplied by (x) time for eliminating charter capital deficit.</li></ul>	According to the provisions of Article 4 of <a href="#">Circular 96/2015/TT-BTC</a> on non-deductible expenses: