



TAX ALERT AND LAW

February - 2024

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1. Circular No. 06/2024/TT-BTC regulating risk management in customs operations

January 29, 2024, The Ministry of Finance has just issued Circular No. 06/2024/TT-BTC amending and supplementing a number of articles of Circular No. 81/2019/TT-BTC regulating risk management in customs operations.

1. Circular No. 06/2024/TT-BTC regulating risk management in customs operations

Circular amending and supplementing regulations on risk level classification of customs declarants. Accordingly, customs declarants are classified by risk level according to one of the following categories:

- **Rank 1:** Priority enterprise
- **Rank 2:** Very low risk customs declarant.
- **Rank 3:** Low-risk customs declarant.
- **Rank 4:** Medium risk customs declarant.
- **Rank 5:** High-risk customs declarant.
- **Rank 6:** Very high risk customs declarant.
- **Rank 7:** Customs declarants have not had any export or import activities in the past 365 days from the date of assessment and have never been handled for violations in customs and other fields. sanctioned by customs authorities.
- **Rank 8:** Customs declarants have not had any export or import activities in the past 365 days from the date of assessment and have been handled for violations in customs and other fields. sanctioned by customs authorities, except for the acts specified for Class 9 in this Article.
- **Rank 9:** Customs declarants have not had any export or import activities in the past 365 days from the date of assessment and have been handled for one of the violations specified in Section I, Section II Appendix VI issued together with this Circular.

1. Circular No. 06/2024/TT-BTC regulating risk management in customs operations.

The Customs authority conducts an assessment and classification of the level of compliance with the law for customs declarants who have import-export and immigration activities for 365 consecutive days or earlier from the date of assessment according to one of the following levels: Legal compliance is as follows:

- **Level 1:** Priority businesses.
- **Level 2:** Enterprises comply with a very high level.
- **Level 3:** Enterprises comply with a high level.
- **Level 4:** Enterprises comply with the average level.
- **Level 5:** Enterprise does not comply.

1. Circular No. 06/2024/TT-BTC regulating risk management in customs operations.

Based on the provisions of tax administration law, tax law and the level of risk for export and import activities, customs authorities classify tax refund and non-collection dossiers and apply management measures. processed and notified on the Customs Electronic Data Processing System as follows:

- **High risk:** Check first, refund later.
- **Medium risk:** Refund tax first, check later and perform the check within the time limit specified in Clause 1, Article 77 of the Law on Tax Administration dated June 13, 2019.
- **Low risk:** Tax refund in advance, inspection later and random inspection within the time limit specified in Clause 1, Article 77 of the Law on Tax Administration dated June 13, 2019.

Effectiveness: This Circular takes effect from March 15, 2024

2. Resolution 110/2023/QH15 – Continue to reduce VAT in the first 6 months of 2024

Recently, the National Assembly passed Resolution 110/2023/QH15, 6th Session, Session XV. Thus, with the recently passed Resolution of the 6th Session of the 15th National Assembly, after the end of 2023, Value Added Tax (VAT) will continue to be reduced in the first 6 months of 2024.

Discount from January 1, 2024 - June 30, 2024

Accordingly, the Resolution clearly states a 2% reduction in value-added tax rates for groups of goods and services specified in Point a, Section 1.1, Clause 1, Article 3 of Resolution 43/2022/QH15 during the period from the date January 1, 2024 through June 30, 2024.

2. Resolution 110/2023/QH15 – Continue to reduce VAT in the first 6 months of 2024

At the same time, assign the Government to organize timely and effective implementation, without affecting the estimated state budget revenue and deficit in 2024 according to the Resolution of the National Assembly, and report to the National Assembly on the results of implementation at the 2024 Session. Saturday meeting, 15th National Assembly.

Thus, according to Resolution 110/2023/QH15, VAT will continue to be reduced from January 1, 2024 - June 30, 2024.

2. Resolution 110/2023/QH15 – Continue to reduce VAT in the first 6 months of 2024

According to Resolution 43/2022/QH15, a 2% reduction in VAT applies to groups of goods and services that are currently subject to a 10% value added tax rate (to 8%), except for some groups of goods. , the following services: telecommunications, information technology, financial activities, banking, securities, insurance, real estate business, metals, prefabricated metal products, mining products (not including coal mining), coke, refined petroleum, chemical products, goods and services subject to special consumption tax.

In case the goods and services listed in Appendixes I, II and III issued with Decree 44/2023/2022/ND-CP are not subject to value added tax or are subject to value added tax An increase of 5% according to the provisions of the Law on Value Added Tax shall comply with the provisions of the Law on Value Added Tax and no reduction in value added tax will be allowed./.

2. Resolution 110/2023/QH15 – Continue to reduce VAT in the first 6 months of 2024

According to the Ministry of Finance, it is estimated that implementing the 2% VAT reduction policy in the first 6 months of 2024 is expected to reduce State Budget revenue by about 25,000 billion VND.

The solution to reduce VAT along with other tax, fee and charge solutions are creating great conditions to help businesses reduce production costs, increase profits, and increase the ability to stimulate demand.

It is estimated that after 3 months of implementation (from July 2023 to September 2023), the 2% VAT reduction policy has supported businesses and people with a total of about 11,700 billion VND. Thereby contributing to reducing the cost of goods and services, thereby promoting production and business and creating more jobs for workers, contributing to stimulating consumer demand and promoting production and business development.

3. The Ministry of Finance has just issued Circular No. 76/2023/TT-BTC regulating the organization of implementation of state budget estimates in 2024

According to the Circular, the decentralization of revenue sources and expenditure tasks between the central budget and local budgets is carried out in accordance with the provisions of the State Budget Law and documents guiding the implementation of the State Budget Law.

Continue to regulate the central budget to enjoy 100% of revenues from e-commerce business activities, digital-based businesses, cross-border services and other services provided by foreign suppliers. In addition to tax registration, tax declaration, and direct tax payment at the Electronic Information Portal of the General Department of Taxation

3. The Ministry of Finance has just issued Circular No. 76/2023/TT-BTC regulating the organization of implementation of state budget estimates in 2024

Implement the division of revenue from granting rights to exploit water resources and the division of environmental protection taxes on gasoline and oil products between the central budget and the local budget according to the provisions of Point a, Clause 3, Article 3 of the Decision. Decision No. 1600/QD-TT dated December 10, 2023 of the Prime Minister.

- Road use toll revenue collected through automobiles (after deducting collection organization costs) is paid 100% to the central budget and divides 65% of the revenue to the central budget and arranges estimates. Targeted additional central budget for local budgets corresponds to 35% of revenue to carry out road management and maintenance.

3. The Ministry of Finance has just issued Circular No. 76/2023/TT-BTC regulating the organization of implementation of state budget estimates in 2024

- Revenues from land use fees according to the provisions of land law, revenues from equitization and divestment of state capital at locally managed state-owned enterprises are used for development investment expenditures of investment subjects. investment from the local budget.
- Revenue from lottery activities in local budget estimates is used according to the provisions of Point b, Clause 3, Article 3 of Decision No. 1600/QD-TT dated December 10, 2023 of the Prime Minister.

3. The Ministry of Finance has just issued Circular No. 76/2023/TT-BTC regulating the organization of implementation of state budget estimates in 2024

Stabilize the percentage of revenue division between the central budget and local budgets. The circular clearly states that by 2024, the percentage (%) division of revenues between the central budget and local budget will be stabilized; For the additional budget balancing amount (if any), the additional central budget increases by 2% compared to the 2023 budget balancing supplement decided by the National Assembly; supplement the local budget to implement the base salary of 1.8 million VND/month in Decision No. 1600/QD-TT, No. 1602/QD-TTG dated December 10, 2023 of the Prime Minister.

3. The Ministry of Finance has just issued Circular No. 76/2023/TT-BTC regulating the organization of implementation of state budget estimates in 2024

The decentralization of revenue sources and expenditure tasks between local government budgets, and the percentage (%) of revenue division between local budget levels are implemented in accordance with the resolutions of the Provincial People's Council. decided for the budget year during the stabilization period. For 2024, based on the balancing ability of the superior budget, the Provincial People's Committee shall submit to the People's Council at the same level to decide to increase the additional budget balance for the lower budget compared to 2023. In special cases where revenue from a newly put into operation project causes a large increase in local budget revenue, the Provincial People's Committee submits it to the People's Council at the same level for decision according to the provisions of Clause 7, Article 9. State Budget Law.

At the same time, the provincial budget supplements the budget balance for the lower level budget to implement salary reform according to the resolution of the Provincial People's Council and the decision of the People's Committee at the same level.

3. The Ministry of Finance has just issued Circular No. 76/2023/TT-BTC regulating the organization of implementation of state budget estimates in 2024

Ministries, central agencies, People's Committees of provinces and centrally-run cities deploy tasks of state budget collection in 2024 to affiliated units and lower-level governments to ensure at least the level State budget revenue estimates assigned by the Prime Minister.

The assignment of state budget revenue estimates for 2024 must be based on review, analysis, and full assessment of revenue sources arising and the results of budget collection implementation in 2023; Pursuant to policies and laws on budget collection; Forecasting the economic growth of each industry, each field, and the production and business situation of taxpayers in the area.

This Circular takes effect from February 12, 2024 and applies to the 2024 budget year.

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