

# Vietnam News Brief\*

Update on Circular 27 PIT deferral

4 June 2009

## CIRCULAR 27 PERSONAL INCOME TAX DEFERRAL – AN UPDATE

As covered in our previous NewsBriefs, the National Assembly of Vietnam is now considering the conversion of this deferral into a full exemption. The Committee for Finance and Budgeting has approved the following in a Report to the National Assembly:

- Exemptions of the deferred PIT for the period from 1 January to 30 June 2009 (ie a one month extension of the deferral period, which ran to 31 May) as follows:

Income from	Tax resident	Tax non-resident
Business activities	Yes	No
Salaries and wages	Yes	No
Capital investment (e.g. dividends)	Yes	Yes
Capital assignment (e.g. sales of securities)	Yes	Yes
Royalties and franchising	Yes	Yes

- PIT exemption for income from capital investment, capital assignment, royalties and franchising until the end of 2009.

The National Assembly has not yet approved this Report, and is scheduled to debate it on 20 June. We will keep you updated of further developments.