

Vietnam News Brief

PLACE OF CONSUMPTION IS IRRELEVANT FOR EXPORTED SERVICES TO BE ELIGIBLE FOR ZERO VAT RATING

We would like to draw your attention to Letter 2061/TCT-CS dated 14 June 2010 issued by the General Department of Taxation to the Ho Chi Minh City Tax Department, which clearly confirms that from 1 January 2009, the place of consumption is irrelevant for exported services to be eligible for zero VAT rating.

Letter 2061 provides more clarity than previous Letters of the GDT on the same matter (please refer to our News Brief dated 8 October 2009), and therefore more comfort to tax-payers to apply the zero rating for exported services.

This publication is intended for general guidance only and should not form the basis of specific decisions. Please contact us for further information and details of our services. In Ho Chi Minh City: contact David Fitzgerald, Richard Irwin or Jean Loi (Tax), Phan Thi Thuy Duong (Legal), Masako Tsunoi (Japanese Business), Seong Ryong Cho (Korean Business), Ian Lydall (Audit), Steve Gaskill (Advisory) at phone (84-8) 38230796, fax (84-8) 38251947. In Ha Noi: contact Dinh Thi Quynh Van (Tax), Le Anh Tuan (Legal), Eisuke Kofugata (Japanese Business), Nguyen Phi Lan (Audit) at phone (84-4) 39462246, fax (84-4) 39460705.