

PwC Vietnam NewsBrief

New circular guiding customs procedures

On 25 March 2015, the Ministry of Finance (MoF) issued Circular 38/2015/TT-BTC (Circular 38) providing new guidance on a wide range of customs compliance areas including customs procedures, supervision, inspection; import and export duty; administration of imported goods and exported goods. The new circular aims to simplify administrative procedures to facilitate compliance with Customs Law. Circular 38 contains 9 chapters, 149 articles and replaced several circulars guiding Customs Law with the following salient changes:

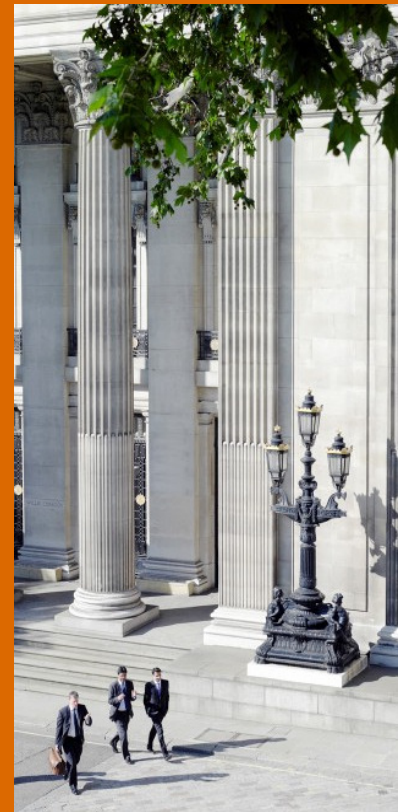
Customs declarants are no longer required to provide a copy of their commercial contract (except for temporarily imported goods) and manifest as part of their customs declaration. A copy of commercial invoice is also not required for certain cases (e.g. prioritised enterprises, toll manufacturing, goods free-of-charge). Customs declarants will be allowed to declare up to 50 lines of items of goods in a single customs declaration and a combined customs declaration will be allowed for goods of the same HS codes, origin and duty rate.

A change of the registered purpose of imported/exported goods is only recognised when the new customs declarations for such change is completed.

Circular 38 details the procedures for customs valuation. Notably, a one-off valuation is acceptable to goods purchased under one contract that are split into different shipments.

Certificate of Origin (C/O) may be submitted after importation within the time frame specified in International Treaty to which Vietnam is a signatory. However, importers may only claim special preferential duty upon presentation of the C/O.

Where there is no change in the contracting parties to a toll manufacturing contract, the materials of same types may be rolled over to subsequent contracts without limit on the number of contracts (previously this was limited to two contracts). The customs reporting requirements for changing the purpose of use of imported materials is no longer required in respect of a redundant material quantity up to 3% of the total quantity of imported materials for toll manufacturing.



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Registration of consumption norms is no longer required for export manufacturing enterprises, toll manufacturers and export processing enterprises. An import-export inventory report is now required to be submitted to customs authority on an annual basis.

Generally, the procedures and supporting documents required for duty refund and duty exemption are now reduced significantly (such as removal of the requirement of commercial contracts, consumption norm registration etc.).

In addition, Circular 38 sets out specific guidance for handling the return of goods and specific timeline in which customs authorities must complete their post-clearance audit at the taxpayer's premise.

Circular 38 took effect on 1 April 2015, except for certain rules which have retroactive effect from 1 January 2015.

In efforts to assist our clients staying abreast of the above development, PwC is organising a customs workshop on 5 May 2015 in Hanoi and 7 May in Ho Chi Minh City. The invitation to this custom workshop is attached. If you are interested in attending this workshop, please complete the registration as detailed in the invitation

