



PwC Vietnam NewsBrief

Resolution 406/NQ-UBTVQH15
on tax support measures



At a glance...

On 19 October, the National Assembly approved Resolution 406/NQ-UBTVQH15 introducing certain tax policies to support corporate and individual taxpayers impacted by COVID-19.



In detail...

The Resolution stipulates four key measures as below:

- 30% reduction of CIT liability for 2021 for companies having total revenue in 2021 not exceeding VND200b and lower than what they earned in 2019. The latter requirement will not be applied in certain cases, such as newly established companies and companies having undergone a merger or de-merger in 2020 or 2021.
- Exemption from PIT, VAT and other taxes arising in Quarter 3 and Quarter 4 of 2021 for business households and business individuals doing businesses in locations impacted by COVID-19 in 2021 (except for certain sectors such as software products and software services, digital content products and services, games, digital films, etc.). The locations treated as impacted will be determined by the Chairman of the provinces or the city's People Committee.
- Reduction of 30% of the applicable VAT rates/deemed VAT rates for companies conducting business in certain sectors, including transportation, tourism, accommodation and catering services, cinema, sports activities and entertainment activities for the period from 1 Nov 2021 to 31 Dec 2021.
- Waiver of late payment interest on tax debts, land use fee and land rental fee incurred in 2020 and 2021 for companies (including their dependent units, business locations) which incurred losses in 2020. This will not be applied if the late payment interest has already been paid.

This Resolution took effect from the signing date. The Government will provide implementing guidance to ensure consumers benefit from the VAT reduction and consider applying other measures to support companies impacted by COVID-19.

Contact us



This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. For further information or if you require our official advice or assistance, please reach out to us.



Richard Irwin

Partner

+84 (28) 3824 0117

r.j.irwin@pwc.com



Nguyen Huong Giang

Partner

+84 24 3946 2246 Ext. 1502

n.huong.giang@pwc.com



www.pwc.com/vn



At PwC Vietnam, our purpose is to build trust in society and solve important problems. We're a member of the PwC network of firms in 156 countries with over 295,000 people who are committed to delivering quality in assurance, advisory, tax and legal services. Find out more and tell us what matters to you by visiting us at www.pwc.com/vn.