

VAT rate for unprocessed processed cultivation, husbandry or aquatic products

On June 26, 2014, the Ministry of Finance issued the Circular No. 83/2014/TT-BTC guiding the application of value-added tax according to Vietnam's list of imports; within that the most important content is the VAT rate applicable to unprocessed or preliminarily processed cultivation, husbandry or aquatic products, and fresh or raw foods at the stage of trading.



Within that, enterprises and cooperatives that pay VAT by the credit method and sell unprocessed or preliminarily processed cultivation, husbandry or aquatic products, and fresh or raw foods to other enterprises and cooperatives at the stage of trading are not required to declare, calculate and pay VAT. In value-added invoices, they shall write selling prices being VAT-exclusive prices and cross out the VAT rate and VAT amount lines.

Also in accordance with this Circular, business households and individuals, enterprises, cooperatives and other economic organizations that pay VAT by the direct method and sell unprocessed or preliminarily processed cultivation, husbandry and aquatic products, and fresh and raw foods shall declare, calculate and pay VAT at the stage of trading at the rate of 1% of turnover. Products which have not yet been preliminarily processed by ordinary methods as prescribed at Point a of this Clause shall be regarded as processed products and subject to the VAT rate of 10% at all stages of importation, production, processing and trading.

This Circular takes effect on August 10, 2014.

See more:

[Circular No. 83/2014/TT-BTC](#)