


## **Land use right transfers before July 01, 1994 are excluded from personal income tax**

This is the important contents prescribed at the Circular No. 151/2014/TT-BTC dated October 10, 2014 of the Ministry of Finance Guiding the implementation of the Government's Decree No. 91/2014/ND-CP of October 1, 2014, amending and supplementing a number of articles of decrees on taxes.

Beside supplementing the regulations on persons who were transferred real estates from July 1, 1994, to before January 1, 2009, and submit valid dossiers of application for land use right or house and other land-attached asset ownership certificates on January 1, 2009, or after and obtain approval of a competent state agency, shall pay personal income tax only once. Persons who were transferred real estates before July 1, 1994, are not required to pay personal income tax.

 For goods or services valued at VND 20 million or higher purchased on deferred or installment payment, business establishments shall declare and credit input VAT based on goods or service purchase contracts, value-added invoices and via-bank payment documents of these goods or services. If via-bank payment documents are not available yet as the payment under contracts is not yet due, business establishments may still declare and credit input VAT. Upon payment, if via-bank payment documents are unavailable, business establishments shall declare and reduce input VAT amounts already credited for the value of goods or services without via-bank payment documents in the tax period in which cash payments arise.

If a taxpayer suspends business and incurs no tax, he/she is not required to submit a tax declaration dossier for the business suspension period. If a taxpayer suspends business for less than the whole calendar year or fiscal year, he/she shall still submit an annual tax finalization dossier.

This Circular takes effect on November 15, 2014.

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