

## **Customs declaration is not required for liquidation of fully depreciated goods?**

**This regulation has been considered at the revised draft Circular No. 38/2015/TT-BTC to facilitate enterprises when declaring the change of using purpose and transferring the domestic consumption for import goods which are not subject to tax or tax exemption.**



Commenting on the revised draft Circular No. 38/2015/TT-BTC of the Ministry of Finance, some enterprises request to add more regulations that Customs declaration shall not be required for the liquidation of fully depreciated goods or tools whose total value was fully allocated to the production expenses because the recoverable value is very small.

Besides, when selling these goods, enterprises have to pay VAT and Corporate Income Tax as regulated, so Customs authorities should not monitor these goods anymore.

About Customs authorities, some Customs units also proposed that enterprises do not have to implement the Customs procedures, but enterprises must notify the Customs authorities of their liquidation for management because these goods are subject to tax exemption. Also, the determination of that the goods are damaged or are no longer valid as those at the original export time must be implemented by the competent authorities.

Acquiring opinions of the enterprises and Customs, the Drafting Committee intends to include provisions into the Circular: if the import goods are not subject to tax or tax exemption or tax rate in accordance with the tariff quotas, when liquidating goods because they are damaged and no longer valid, or goods which are tools whose value was fully allocated to production expense; new Customs declarations shall not be required, but the importers must declare and pay VAT and Corporate Income Tax to the domestic tax authority.

Before liquidating these goods, the Customs declarants must notify via the e-Customs data processing system to the Customs Branch where the Customs declarants submit the settlement reports on the use of duty-free goods.

In which clarifying that the request for assessment of the traders who conduct the assessment service to determine that goods are damaged and no longer valid as those at the original import time has been implemented and the results of the assessment in enterprises in the deadline as described in point đ of clause 2, Article 18 of the Customs Law must be saved.

The system to receive and feedback information to Customs declarants immediately after receiving the notification.

Source: [customsnews.vn](http://customsnews.vn)