

# LEGAL UPDATES

## October 2018

**Offering gifts to employees is only accounted with the limit of one-month salary**

*Official letter No. 4003/TCT-CS*

**1**

**Offering gifts to employees is only accounted with the limit of one-month salary**

Official letter No. 4003/TCT-CS dated October 17, 2018 of the General Department of Taxation provides the tax policies on purchasing goods as gifts/presents offered to officials and employees without use of welfare fund.

**The enterprises must carry out the self-inspection of labor law observance every year**

*Circular No. 17/2018/TT-BLDTBXH*

**2**

**From November 01, 2018, the origin of goods is exempted from proving when using electronic invoices**

*Official letter No. 4049/TCT-CS*

**2**

**Regulations on participation in social insurance of foreign employees**

*Decree No. 143/2018/ND-CP*

**3**

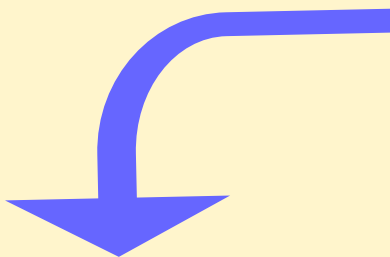
**Labor contracts with foreign employees must be signed before the date of expecting to work**

*Official letter No. 1073/CVL-QLLD*

**3**

According to the guidance in Official letter No. 4005/TCT-CS dated September 29, 2015, for the cases where the Company purchases goods as gifts to offer to its employees on occasions of public holidays and Tet holidays, if not using welfare fund and this expenditure does not exceed the average salary of a month, then such expense is entitled to recognition and deduction of value added tax.

It should be noted that the Company must issue invoices in accordance with the regulations upon offering gifts to employees.



## The enterprises must carry out the self-inspection of labor law observance every year

Circular No. 17/2018/TT-BLDTBXH dated October 17, 2018 of the Ministry of Labor, Invalids and Social Affairs stipulates the enterprise's self-inspection of implementation in compliance with the Law on Labor.

Accordingly, the enterprises themselves must organize inspection teams to assess the observance of labor law at least once a year in order to assess the level of compliance with the labor law and have proper solutions for improvement (Clause 1 Article 4).

The period of self-inspection starts from the first day of January of the calendar year of the prior year until the inspection time. The self-inspection time is specifically selected by the enterprises (Clause 2 and 3 Article 4).

The self-inspection is carried out including the recruitment and training of labor; engagement of labor contract; signing of collective labor agreements; working hours; pays; ensuring occupational safety and health; set-up of regulations; paying social insurance premiums and etc., disciplinary action, resolving disputes and complaints of the labors (Article 5).

The Circular takes effect from January 01, 2019 onwards and replaces the Decision No. 02/2006/QĐ-BLDTBXH dated February 16, 2006.

## From November 01, 2018, the origin of goods is exempted from proving when using electronic

Official letter No. 4049/TCT-CS dated October 18, 2018 of the General Department of Taxation provides regulations on electronic invoices.

As prescribed in Article 12 of Circular No. 32/2011/TT-BTC, the seller is allowed to convert electronic invoices into paper invoices to prove the origin of tangible goods in their circulation but for only once and paper invoices must contain the signatures of the representative at law and seal of the seller.

It should be noted that from November 01, 2018, new regulations at Decree No. 119/2018/ND-CP already removed the requirement on presenting paper invoices to prove the goods origin circulated on the market for those enterprises that use electronic invoices. Instead, the inspection authorities must self-look up information of electronic invoices on the website of the General Department of Taxation.



The Ministry of Labor will design the self-inspection contents in a Form suitable for each sector of business and post on the website addressed at <http://tukiemtraphaplualaodong.gov.vn> for the enterprise's selection.



