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On September 14, 2015, the Government issued Decree No. 78/2015/ND-CP regulating the business registration. This Decree regulates the details of profile, sequence, procedure for the business registration; the business household registration; the business registration agency and the state administration of the business registration. Accordingly, compared with the old regulation, this Decree has some new noticeable points as follows:



- Removing the content of business activities from the Business Certificate. The business registration agency only records this information in the national database of business registration (Clause 1 Article 7).
- The subsidiary unit codes are only issued for branches, representative offices (RO); however, the business locations are issued with the private codes (the business location code) (Clause 5, 6 Article 8). *Previously, branches, ROs, business locations are all issued with the same codes as "the subsidiary unit code".*
- Foreign names and abbreviated names of the enterprises are banned from duplicating names of other companies nationwide (Clause 3 Article 17).
- Enterprises operating under the investment license or the investment certificate (the business certificate) that have the duplicate names, the confusing names with the enterprise names registered in the national database of business registration are not compulsory to register for the new names (Clause 4 Article 17).
- The names of branches, ROs, business locations are also allowed to register the foreign names and the abbreviated names (Clause 2 Article 20).
- Enterprises are allowed to choose to use "business registration account" replacing the public digital signature when applying for business registration online (Article 35). Business registration account is the one created by the national information system of business registration, granted to organizations, individuals to perform the business registration online (Clause 9 Article 3).



In addition, compared with the old regulation, the duration for settling the business registration documents is decreased from 05 working days to 03 working days since the receipt date of the acceptable dossiers.

Organizations and individuals can choose the method of online business registration; the business registration dossiers are acceptable when satisfying all requirements prescribed at Article 36 of this Decree.

Enterprises have the right to decide the appearance, content and number of the seals of the enterprises, branches and representative offices; enterprises are entitled to have numerous seals with the same appearance and content.

The Decree takes into effect from November 01, 2015 and replaces Decree No. 43/2010/ND-CP dated April 15, 2010 and Decree No. 05/2013/ND-CP dated January 09, 2013.

2 Minimum regional wages for the year 2016 onwards



On September 03, 2015, the National Wage Council agreed on submitting the plan of increasing the minimum regional wage applicable for the year 2016 onwards to the Government as follows:

- Region I: 3,500,000 VND (the applying rate of 2015: 3,100,000 VND)
- Region II: 3,100,000 VND (the applying rate of 2015: 2,750,000 VND)
- Region III: 2,700,000 VND (the applying rate of 2015: 2,400,000 VND)
- Region IV: 2,400,000 VND (the applying rate of 2015: 2,150,000 VND)

Hence, compared with the current rate of wage, the minimum regional wage as proposed applying since 2016 is averagely increased by 12,4%.

With the anticipation for the coming time, the Government will base on this proposal to promulgate new Decree on minimum regional wage applying for the year 2016 onwards.

3 Guidance on making electronic tax transactions

From September 10, 2015, entities who are taxpayers as prescribed under the regulations at Article 2 of the Law on Tax Management 2006 shall implement the administrative procedures on tax by electronic methods instructed by Circular 110/2015/TT-BTC.

Accordingly, the taxpayers must satisfy conditions as follows:

- Having the digital identification cards within the period of validity, granted by the organization providing services of notarizing public digital signature or granted or recognized by the competent authorities.
- Being able to access and use the internet; having email addresses, cell phone numbers (for individuals who have not been granted the digital identification cards) which are in use to make transactions with the tax authorities.



The taxpayers are allowed to make electronic tax transactions in 24 hours a day and 7 days a week, including weekends, public holidays and Tet holiday.

Besides, Circular 110/2015/TT-BTC also provides guidance on the method of making electronic transactions for tax registration, tax declaration, tax payment, tax refund, etc.

4 Registration procedure for submission of social insurance documents online



On April 14, 2015, Vietnam Social Insurance issued the Decision No. 528/QĐ-BHXH on regulations of electronic transactions for preparing documents of social insurance (SI), health insurance (HI), unemployment insurance (UI); of issuing social insurance books, health insurance cards.

Accordingly, in case the enterprises who are newly established or have joined SI, HI, UI would like to make electronic transactions with the social insurance agencies, they may access the digital portal of Vietnam Social Insurance for declaration and submission the application by the form No. 01/DK-GD issued with the Decision No. 08/2015/QĐ-TTg.

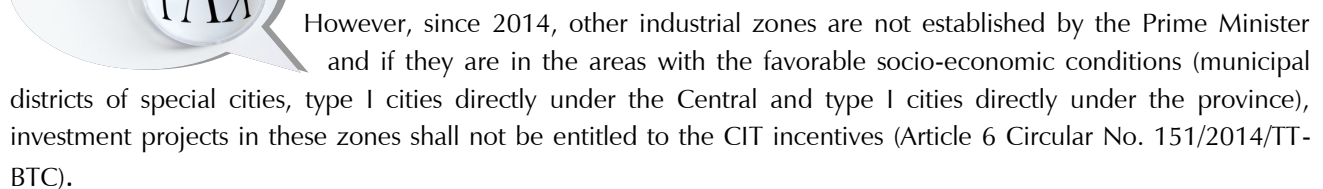
The electronic transactions with the social insurance agencies are only piloted in accordance with Clause 1 Article 2 Decision No. 08/2015/QĐ-TTg, but not yet to compel by law. The enterprises are allowed to have the choice on participating or not.

The Decision takes into effect from May 01, 2015.

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Accordingly, at Point 55 Appendix II accompanied with Decree No. 108/2006/ND-CP, "the industrial zones established under the decision of the Prime Minister" belongs to the list of areas with the difficult socio-economic conditions. However, these industrial zones are not regulated, at the same time, to be located on the area of difficult socio-economic conditions (according to the list of areas of difficult conditions from ordinal No. 1 to No. 54 of the Appendix II Decree No. 108/2006/ND-CP).

Besides, "the projects of production and investment in the industrial zones established under the decision of the Prime Minister" are also in the field entitled to tax incentives. Accordingly, in case that the Company performs the production project in the industrial zone established by the Prime Minister, this project will be determined as being in the field of preferential investment and in the areas of difficult conditions so that it is also entitled to the CIT incentives.





This is the content of Official letter No. 8745/TCHQ-TXNK dated September 24, 2015 by the General Department of Customs stating the grace period on payment of tax on goods of production and export:

According to the regulations at Clause 11 Article 1 of the Law on Tax Management No. 21/2012/QH13, one of the conditions for 275-day grace on the imported materials for production and export is that the enterprise shall have import export activities at least 02 consecutive years as up to the date of making the declaration of importing materials.

Accordingly, the enterprise is obliged to meet the above condition in order that their imported materials for production and export could be entitled to the grace on tax payment.

According to Clause 11 Article 1 of the Law on Tax Management **No. 21/2012/QH13**, the conditions for the grace on tax payment of imported materials for production and export includes 5 compulsory conditions as follows:

1. Must have the factory producing the export products within Vietnam territory.
2. Must have import export activities within 02 consecutive years as up to the date of preparing the declaration of importing raw materials and within these period, there are no penalties on smuggling and tax evasion.
3. Do not have overdue tax liabilities, tax late payment, tax penalty on export, import goods at the time of making the declaration.
4. Do not have penalties on the violations in accounting field in 02 consecutive years counted from the date of registering customs declaration backwards.
5. Must have payments through the banks for the imported goods for production and export.



Notice

"The purpose of this news is to provide the clients with further information. Although we have focused much on the ensure of accuracy, the information that is given on this news is not absolutely thorough and the clients would better consult professional opinions before application".