

THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

No.: 139/2016/ND-CP

Hanoi, October 04, 2016

DECREE

REGULATION ON LICENSING FEES

Pursuant to the Law on organization of Government dated 19/6/2015;

Pursuant to the Law on fees and charges dated 25/11/2015;

At the request of the Minister of Finance;

The Government issues this Decree providing for the licensing fees

Article 1. Scope of regulation

This Decree provides for the licensing fee payers; exemption from licensing fees; rate, declaration and payment of licensing fees.

Article 2. Licensing fee payers

The licensing fee payers are the organizations and individuals that operating their trade/production of goods and services except the cases specified in Article 3 of this Decree, including:

1. The enterprises which are established under the regulations of law.
2. The organizations which are established under the Law on Cooperatives.
3. The public service providers which are established under the regulations of law.
4. The business organizations of the political organizations, the social – political organizations, the occupational – social organizations and people's armed units.
5. Other organizations which have their trade/production activities.
6. The branches, the representative offices of organizations specified in Paragraphs 1, 2, 3, 4 and 5 of this Article (if any).
7. The individuals, groups of individuals and households that have their trade/production activities.

Article 3. Exemption from licensing fees

The cases of exemption from licensing fees are:

1. The individuals, groups of individual and households that have their trade/production activities with annual revenues of less than 100 million dong.
2. The individuals, groups of individual and households that have their irregular trade/production activities without fixed location as guided by the Ministry of Finance.
3. The individuals, groups of individual and households that produce salt.
4. The organizations, individuals, groups of individual and households that do the aquaculture, fisheries and fishing logistic services.
5. The commune cultural post offices and press agencies (printed, radio, television and online newspapers).
6. The branches, representative offices and business locations of the cooperatives that have direct technical service activities in service of agriculture.
7. The communal people's credit fund; cooperatives specialized in service business for agricultural production; branches, representative offices and business locations of cooperatives and private enterprises carrying on their business in the mountainous areas which are determined by the regulations of the Committee for Ethnic Minorities.

Article 4. Rate of licensing fees

1. The rate of licensing fees for the organizations having the production and business of goods and services is as follows:

a) The organizations with charter capital and investment capital over 10 billion dong: 3,000,000 dong/year;

b) The organizations with charter capital and investment capital of less than 10 billion dong: 2,000,000 dong/year;

c) The branches, representative offices, business location, public service providers and other business organizations: 1,000,000 dong/year;

The rate of licensing fees for the organizations specified under Point a and b of this Paragraph is based on the charter capital written in the certificate of business registration or on the investment capital written in the certificate of investment registration in case of no charter capital.

2. The rate of licensing fees for the individuals and households having the production and business of goods and services is as follows:

a) The individuals, groups of individuals and households with revenues over 500 million dong/year: 1,000,000 dong/year;

b) The individuals, groups of individuals and households with revenues between 300 and 500 million dong/year: 500,000 dong/year;

c) The individuals, groups of individuals and households with revenues between 100 and 300 million dong/year: 300,000 dong/year;

3. The organizations, individuals, groups of individuals and households that have the trade/production activities or are newly-established, issued with tax registration certificate, tax code and business code within the first 06 months of the year shall pay the licensing fees of the entire year or 50% of the rate of licensing fees of the entire year if being established, issued with tax registration certificate, tax code and business code within the last 06 months of the year.

The organizations, individuals, groups of individuals and households that have the trade/production activities but do not declare their licensing fees shall pay the licensing fees of the entire year regardless of the time of detection of the first or the last 06 months of the year.

4. If the organizations specified under the Points a and b, Paragraph 1 of this Article change their charter capital or investment capital, the ground for determining the rate of licensing fees is their charter capital or investment capital of the year preceding the year of calculation of licensing fees.

Where the charter capital or investment capital written in the certificate of business registration or certificate of investment registration is in foreign currency, it shall be converted into Vietnamese dong as a basis for determining the rate of licensing fees in accord with the buying rate of commercial banks or credit institutions where the licensing fee payers open their accounts at the time they make payment to the state budget.

5. If the individuals, groups of individuals and households specified in Paragraph 2 of this Article change their revenues, the ground to determine the rate of licensing fees is the revenues of the year preceding the year of calculation of licensing fees.

Article 5. Declaration and payment of licensing fees

1. The declaration of licensing fees is done as follows:

a) The declaration of licensing fees is done once when the fee payers newly start their business activities no later than the last day of the month of commencement of business operation;

b) Where the fee payers newly establish their business facilities but not yet come into operation, they have to make declaration of licensing fees within 30 days from the date of issue of certificate of business registration or certificate of investment registration and certificate of tax registration.

2. The licensing fee declaration is the Declaration of licensing fees under the form issued with this Decree.

3. The licensing fee payers shall submit the licensing fee declaration to the tax authority in charge.

a) Where the fee payers have their subordinate units (branch, representative office, business location) that carry on their business in the same provincial-level locality, the licensing fee payers shall submit the licensing fee declaration of such subordinate units to the tax authority in charge of the licensing fee payers;

b) Where the fee payers have their subordinate units (branch, representative office, business location) that carry on their business in different provincial-level locality where the head office of licensing fee payers is located, the subordinate units shall submit the licensing fee declaration to the tax authority in charge of the subordinate units.

4. The time limit for payment of licensing fees is no later than the 30th date of January of each year. Where the licensing fee payers newly establish their business facilities, the time limit for payment of licensing fees is no later than the last day of the time limit for payment of licensing fees.

5. 100% of the licensing fees collected must be transferred to the state budget according to regulations of law.

Article 6. Effect

1. This Decree takes effect from 01/01/2017.

2. Where the licensing fee payers who are carrying on their business operation and have made declaration and paid their license tax before 01/01/2017, they shall not have to submit the licensing fee declaration for the subsequent years if there is no change of factors as the grounds for determining the rate of licensing fees to be paid.

Based on the capital or revenues and rate of licensing fees, the tax authority shall review, establish and inform the licensing fees to be paid to the organizations, individuals, group of individuals and households and manage the payment of licensing fees in accord with the provisions of this Decree.

3. From the effective date of this Decree, the Decree No. 75/2002/ND-CP dated 30/8/2002 of the Government on adjustment of rate of licensing fees and the Article 18 of the Decree No. 83/2013/ND-CP dated 22/7/2013 of the Government detailing the implementation of some articles of the Law on tax management and the Law amending and adding some articles of the invalidated Law on tax management.

Article 7. Responsibility for implementation

1. The Ministry of Finance guides the implementation of the Articles 2, 3, 4 and 5 of this Decree.

2. The Ministers, Heads of ministerial bodies, Heads of governmental bodies, Chairman of People's Committee of provinces and centrally-run cities and subjects of application of this Decree are liable to execute this Decree./.

**FOR THE GOVERNMENT
PRIME MINISTER**

Nguyen Xuan Phuc