

GENERAL DEPARTMENT OF VIETNAM  
CUSTOMS  
CUSTOMS DEPARTMENT OF HO CHI  
MINH CITY

**A. THE LIST OF NEWLY ISSUED LEGAL DOCUMENTS:**

**I. New regulations on export and import taxes:**

1. Decree No. 167/2016/ND-CP dated December 27, 2016 on duty-free business.

2. Circular No. 65/2017/TT-BTC dated June 27, 2017 of the Ministry of Finance promulgating the List of Vietnam's imports and exports;

**II. Other new policies:**

1. Decision 15/2017/QD-TTg dated May 12, 2017 of the Prime Minister adopting the list of imported goods subject to customs procedures at entry checkpoints.

2. Decision No. 43/2017/QD-TTg dated September 26, 2017 of the Prime Minister stipulating responsibilities for carrying out customs procedures for exit, entry and transit aircraft through the national single window (NSW) portal.

3. Decision No. 38/2017/QD-TTg dated August 18, 2017 of the Prime Minister on the transfer of border-gate for imported goods whose customs procedures carried out at My Dinh ICD, Hanoi .

4. Circular No. 84/2017/TT-BTC dated August 15, 2017 detailing some articles of Decree No. 68/2016/ND-CP dated July 01, 2016 of the Government.

5. Circular No. 52/2017/TT-BTC dated May 19, 2017 revising Circular No. 120/2015/TT-BTC dated August 14, 2015 on forms, printing, issuance, management and use of general customs declarations for people on exit or entry.

6. Circular No. 274/2016/TT-BTC dated November 14, 2016 of the Ministry of Finance regulates customs fees, fees on transit goods and vehicles and collection, remittance, management and use thereof.

7. Decision No. 1593/QD-BTC dated August 15, 2017 of the Minister of Finance on the pilot declaration of B/L number on customs declarations for automated management and supervision of goods.

8. Decision No. 2061/QD-BTC dated October 13, 2017 of the Minister of Finance on the pilot application of automated management and supervision of imported, exported and transited goods at Noi Bai international airport.

**B. NEW CUSTOMS POLICIES:**

**I. New regulations on export and import taxes:**

## **1. Decree No. 167/2016/ND-CP dated December 27, 2016 on duty-free business**

This Decree takes effect as of February 15, 2017 and nullifies the following documents: Decision No. 24/2009/QĐ-TTg dated February 17, 2009; Decision No. 44/2013 / QĐ-TTg dated July 19, 2013; Decision No. 39/2015/QĐ-TTg dated September 11, 2015 of the Prime Minister; Circular No. 148/2013/TT-BTC dated October 25, 2013; Circular No. 207/2015 / TT-BTC dated December 25, 2015 of the Ministry of Finance. Accordingly, Decree No. 167/2016/ND-CP contains the following new regulations:

a) The administrative procedures from the time of bringing goods into duty-free shops, supervising the circulation of goods between duty-free shops, duty-free warehouses, aircrafts, sales and reporting are all conducted on the e-customs data processing system for simplification and transparency. Supervision and inspection shall be carried out on the risk-based principle and in compliance with the Customs Law.

b) Previously, goods sold in duty-free shops used to be processed according to individual declaration form. This Decree only requires enterprises to report on finalization for the entire financial year. This is a significant step in reforming, helping to minimize paperwork and customs procedures for enterprises while ensuring customs supervision thanks to the e-customs data processing system.

c) It is the case now that one business owning many duty-free shops in different provinces and cities shall be subject to the management of many local customs departments, causing multiple and duplicated layers of paperwork, and hence increased costs and reduced competitiveness. Therefore, the Decree has added specific provisions on customs procedures in this regard towards further simplification and facilitation while ensuring state management requirements on duty-free business.

d) Regarding specialized management of imported goods sold at duty-free shops: “Goods temporarily imported for sale at duty-free shops are not subject to quality, food hygiene and safety inspection during procedures for temporary import. The quality, food hygiene and safety standards must comply with the laws”.

## **2. Circular No. 65/2017/TT-BTC dated June 27, 2017 of the Ministry of Finance promulgating the List of exported or imported goods;**

On June 27, 2007, the Minister of Finance issued Circular No. 65/2017 / TT-BTC enclosed with the List of exported or imported goods of Vietnam. This Circular takes effect as of January 1, 2015, and replaces Circular No. 103/2015 / TT-BTC dated July 1, 2015 of the Minister of Finance promulgating the List of exported or imported goods of Vietnam.

The Circular has 2 appendices attached to it, namely:

- Appendix I - Vietnam's List of exported or imported goods.
- Appendix II - Six (6) general rules justifying the classification of goods according to Vietnam's List of exported or imported goods based on the Harmonized Commodity Description and Coding System of the World Customs Organization.

## **II. Other new policies:**

### **1. Decision 15/2017/QĐ-TTg dated May 12, 2017 of the Prime Minister adopting the list of imported goods subject to customs procedures at entry checkpoints.**

On May 12, 2017, the Prime Minister issued Decision No. 15/2017 / QĐ-TTg promulgating the list of imported goods subject to customs procedures at entry checkpoints. This Decision shall take effect as of January 07, 2017.

The list contains 17 types of imported goods subject to customs procedures at entry checkpoints, including: Cigarettes, cigars and other derivatives of tobacco for smoking, inhaling, sniffing, sucking; Wines made from fresh grapes, including high-alcohol wines, Vermouth and other wines made from fresh grapes flavored with herbs or aromatic substances; beer; passenger cars of less than 16 seats; two-wheeled or three-wheeled motorcycles with a cylinder capacity of over 125cm<sup>3</sup>; aircraft, yachts; gasoline of all kinds; air conditioners of 90,000 BTU or less; material gold, gold leaf; goods subject to defensive duties, anti-dumping duties and anti-subsidy duties according to regulations of the Ministry of Industry and Trade.

In particular, imported goods being equipment and materials imported for construction of factories or works may go through customs procedures at customs offices where factories, works or warehouses thereof are located; goods imported into duty-free shops may go through customs procedures at customs offices managing duty-free shops; imported goods packed in the same container brought to the Container Freight Station (CFS) warehouses may go through customs procedures at customs offices managing such CFSs.

### **2. Decision No. 43/2017 / QĐ-TTg dated September 26, 2017 of the Prime Minister stipulating responsibilities for carrying out customs procedures for exit, entry and transit aircraft through the national single window (NSW) portal.**

On September 26, 2017, the Prime Minister signed the Decision No. 43/2017 / QĐ-TTg regulating customs handling responsibilities for exit, entry and transit aircrafts via the NSW portal. This Decision shall take effect as of November 15, 2017.

The above decision allows 03 procedures for exit, entry and transit aircrafts to be conducted via the electronic NSW Portal.

- Declare and receive feedback on dossier processing for the

administrative procedures conducted on the NSW Portal;

- Receive and forward information from the NSW Portal to specialized agencies' systems;

- Receive results from specialized agencies' systems to the NSW Portal;

- Facilitate information and feedback sharing between specialized agencies' systems via the NSW Portal;

**3. Circular No. 84/2017 / TT-BTC dated August 15, 2017 detailing some articles of Decree No. 68/2016 / ND-CP dated July 01, 2016 of the Government.**

The Ministry of Finance has just issued Circular No. 84/2017 / TT-BTC effective from September 30, 2017.

Circular 84 regulates working conditions for customs offices; goods inspection locations; locations for installing inspection and supervision facilities; warehouses for evidences of violations in the bonded warehouses, CFS warehouses and off-airport cargo terminal, centralized inspection station at border-gates, express courier post offices in accordance with Decree 68/2016 / ND-CP dated July 01, 2016 of the Government regulating conditions for duty-free business, warehouses, sites for customs clearance, customs inspection and supervision.

The subjects of application of this Circular are Organizations and/or individuals having rights and obligations concerning expansion, contraction, transfer of ownership, relocation, suspension and shutdown of duty-free business, warehouses, sites for customs procedures, customs supervision; customs authorities and officials; and other state administration agencies for customs.

**4. Circular No. 52/2017 / TT-BTC dated May 19, 2017 revising Circular No. 120/2015 / TT-BTC dated August 14, 2015 on forms, printing, issuance, management and use of general customs declarations for people on exit or entry.**

On August 14, 2015, MOF issued Circular No. 120/2015 / TT-BTC on forms, printing, issuance, management and use of general customs declarations for people on exit or entry. Accordingly, people on exit or entry must declare and pay tax on goods not eligible for tax exemption under the Prime Minister's Decision No. 31/2015/QD-TTg dated August 4, 2015. As the Decision No. 31/2015/QD-TTg has expired (provisions related to tax policies), at present, tax exemption thresholds are stipulated in Article 6 of Decree No. 134/2016 / ND-CP dated September 01, 2016 of the Government.

Therefore, on May 19, 2017, the Ministry of Finance issued Circular No. 52/2017/TT-BTC to revise provisions related to tax exemption thresholds

stipulated in Decree No. 134/2016/ND- CP. This Circular takes effect as of July 10, 2017.

According to Circular No. 52/2017/TT-BTC, people on exit and entry must make customs declaration if carrying tax-levied goods, including: Liquors at 20°C or more exceeding 1.5 liters or liquors at less than 20 °C exceeding 2 liters or alcoholic beverages and beer exceeding 3 liters; rolled cigarettes exceeding 200 cigarettes or cigars exceeding 20 cigarettes or loose tobacco exceeding 250 grams; other stuff worth over VND 10 million.

**5. Circular No. 274/2016/TT-BTC dated November 14, 2016 of the Ministry of Finance regulates customs fees, fees on transit goods and vehicles and collection, remittance, management and use thereof.**

- Exemption of customs fees and charges on transit goods and vehicles in the following cases:

+ Humanitarian aid, grant aid; gifts to governmental agencies, political organizations, political - social organizations, social organizations, social - occupational organizations, people's armed forces and individuals (exempted from taxes to the regulated extent); humanitarian or philanthropic gifts; effects of foreign organizations or individuals pursuant to diplomatic immunity regulations; hand luggage; postal goods and parcels exempted from import tax or export tax pursuant to current legal regulations.

+ Imports and exports shipped via express couriers, valued at VND 1,000,000 or less or incurring the sum of (regulated) taxes payable of less than VND 100,000.

+ Imports or exports whose customs value is less than VND 500,000 or which incur the total sum of (regulated) taxes payable of less than VND 50,000 at each time of import or export.

+ Goods sold, purchased or exchanged by residents in border areas within the regulated limit.

+ Transport vehicles frequenting the border and managed via a logbook but not by declaration.

- Goods and vehicles in transit which are eligible for exemption according to international treaties to which Vietnam is a signatory or as per the commitments of the Government of Vietnam.

- Declaration and payment

+ A payer shall pay the fees or charges ensuing before proceeding to the customs clearance, release of goods or vehicles in transit or upon requesting a customs authority to examine, supervise or cease customs procedures over an import or export that shows sign(s) of intellectual property violation.

+ If submitting various declarations in a month, the payer shall register with the collector for paying the fees on monthly basis.

+ The fees and charges on a temporary import and re-export or temporary export re-import shall be paid only once upon the procedure of import or export, respectively. In addition, the goods in bonded warehouse shall give rise to the fees of customs procedures only once upon their placement into the warehouse but not upon their release. Goods or transport vehicles in transit shall give rise the declaration charge only once upon the procedure of entry at the entry checkpoint but not upon the procedure of departure.

**- SCHEDULE OF CUSTOMS FEES AND CHARGES ON GOODS AND VEHICLES IN TRANSIT:**

+ Customs fee on registration of a declaration: VND 20,000 / declaration;

+ Customs fee on examination, supervision or cessation of customs procedures over an import or export against which a request for intellectual property protection is filed: VND 200,000 / application;

+ Charge on the transit of goods: VND 200,000 / declaration;

+ Charge of the transit of a vehicle by land (including automobile, tractor unit, tractor): VND 200,000 / vehicle;

+ Charge on the transit of a vehicle by waterways (including: boat, canoe, tractor, barge): VND 500,000 / vehicle.

**6. Decision No. 1593/QĐ-BTC dated August 15, 2017 of the Minister of Finance on the pilot declaration of B/L number on customs declarations for automated management and supervision of goods.**

This Decision shall take effect as of the signing date. Decision No. 1593/QĐ-BTC regulates the pilot declaration of B/L number on customs declarations for automated management and supervision of goods. Specifically:

Importers and exporters shall make electronic import declarations against indicators specified in Appendix II to Circular No. 38/2015/TT-BTC dated March 25, 2015, in which indicator 1.26 “Bill of lading number”: shall be written in the format of “B/L date + number” to ensure the set order (“B/L date” before “B/L number”) and no spaces or special characters such as: “\*,#,@,/,...”.

Where “B/L date” is the date of issue of the B/L written in the format “DDMMYY” (DD-day, MM-month, YY-year); “B/L number” is the number inscribed on the B/L used to make the customs declaration. The B/L used to make the customs declaration is the B/L whose the name of the consignee is the importer on the customs declaration.

For example: A B/L numbered LSHCM15 dated August 15, 2017 shall be filled in item 1.26 as follows: - “B/L number” on import declaration is 150817LSHCM15.

Importers and exporters shall make electronic export declarations against indicators specified in Appendix II to Circular No. 38/2015/TT-BTC dated March 25, 2015, in which indicator 2.24 “Bill of lading number”:

**7. Decision No. 2061/QD-BTC dated October 13, 2017 of the Minister of Finance on the pilot application of automated management and supervision of imported, exported and transited goods at Noi Bai international airport.**

According to Decision No. 2061/QD-BTC on exports, imports and goods in transit whose exit checkpoint (loading place specified in the export declaration) or entry checkpoint (unloading place specified in the import declaration) is Noi Bai international airport under the management of Department of Customs of Ha Noi city, the customs declarants must declare the goods' UCR number in accordance with Article 2 of the Regulation issued under Decision No. 2061 / QD-BTC.

Accordingly, the operators shall only permit the exported, imported or transited goods to enter the airport warehouses upon submission of cargo status information and confirmation of goods being qualified for entry into and exit from the customs controlled area from the customs authorities.

Goods are only admitted into the airport warehouses upon completion of customs procedures and confirmation of goods being qualified for entry into and exit from the customs controlled area from the customs authorities; imported goods that have not gone through customs procedures, are unloaded from inbound vehicles and sent to air freight terminals pending customs procedures.

Exported goods that are being stored in air freight terminals and imported goods that are being stored in air freight terminals and eligible for being released from customs controlled areas as confirmed by the customs authority may be removed from the customs controlled area to the trader of air freight terminals

Transit goods shall be handled similar to imported and exported goods.

Unconformable goods are also prescribed in this document including: the goods that are not included in the manifest, goods that are unidentified because of lost labels, goods whose packages are damaged, etc.

This means the entire process from the time before the goods land at the airport, in the course of putting goods into the warehouse, or any deviations to the goods during and beyond the storage duration is managed by the customs authorities.