

MINISTRY OF FINANCE

SOCIALIST REPUBLIC OF VIETNAM

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Hanoi, August 21, 2015

CIRCULAR

**ISSUANCE OF ENTERPRISE ID NUMBERS TO NEW ENTERPRISES AND
APPOINTMENT OF THEIR SUPERVISORY TAX AUTHORITIES**

Pursuant to the Law on Tax administration No. 78/2006/QH11 and the Law No. 21/2012/QH13 on amendments to the Law on Tax administration;

Pursuant to the Law on State budget and its instructional documents;

Pursuant to the Law on Investment No. 67/2014/QH13;

Pursuant to the Law on Enterprises No. 68/2014/QH13;

Pursuant to the Government's Decree No. 215/2013/ND-CP dated December 23, 2013 defining the functions, tasks, entitlements and organizational structure of the Ministry of Finance;

Pursuant to the Government's Resolution No. 19/NQ-CP dated March 12, 2015 on objectives and solutions for improvement of business environment and national competitiveness during 2015 – 2016;

At the request of the Director of the General Department of Taxation.

The Minister of Finance provides guidance on issuance of enterprise ID numbers to new enterprises and appointment of their supervisory tax authorities

Article 1. Scope and regulated entities

1. Scope

a) This Circular provide guidance on automatic issuance of enterprise ID number on Tax Registration System of General Department of Taxation and exchange of tax registration information with National Enterprise Registration Information System according to applicable Law on Enterprises and the Law on Tax administration.

b) This Circular provides guidance on appointment of supervisory tax authorities of enterprises, branches, and affiliates of enterprises established under the Law on Enterprises, including new enterprises, restructured enterprises (from a full division, partial division, consolidation,

acquisition, or conversion); relocation of enterprises to other central-affiliated cities and provinces (hereinafter referred to as provinces).

Regulations on appointment of supervisory tax authorities of new enterprises prescribed in this Circular come into force from the effective date of this Circular. Supervisory tax authorities appointed before the effective date of this Circular shall be kept unchanged or follow decisions of the People's Committee of the provinces that have been approved by the People's Councils of provinces shall apply.

2. Regulated entities

This Circular applies to:

- a) Tax authorities: General Department of Taxation, Department of Taxation of provinces, and Sub-department of taxation of districts;
- b) Business registration authorities of provinces;
- c) Organizations and individuals registering enterprise establishment according to the Law on Enterprises;
- d) Relevant organizations and individuals.

Article 2. Procedures for automatic issuance of enterprise ID numbers

1. Rules:

Enterprise ID numbers shall be automatically issued by Tax Registration System of General Department of Taxation within the working day on which satisfactory documents are received from National Enterprise Registration Information System according to the Law on Enterprises and the Law on Tax administration.

2. Procedures:

According to electronic information about new enterprises sent by National Enterprise Registration Information System, Tax Registration System of General Department of Taxation shall check the adequacy, accuracy, and legitimacy of information on applications for enterprise registration according to the Law on Enterprises and the Law on Tax administration.

- a) If information is satisfactory, the system will:

Automatically generate an enterprise ID number and appoint a tax authority (Department of Taxation or Sub-department of taxation) to supervise the enterprise (hereinafter referred to as supervisory tax authority) in accordance with the Resolution on distribution of revenue of the People's Council of the province and the Law on Tax administration.

Automatically send information about enterprise ID number and supervisory tax authority to National Enterprise Registration Information System.

b) If information is not satisfactory, the system will:

Automatically create a notice of unsatisfactory information;

Automatically send information to National Enterprise Registration Information System for the business registration authority to request the enterprise to complete the application for enterprise registration as prescribed.

3. After receiving information about issuance of enterprise ID number and information about the supervisory tax authority of the enterprise send by the tax authority, business registration authority shall issue the certificate of enterprise registration, print a notice of supervisory tax authority, and return it together with the enterprise registration result to the enterprise for following tax procedures as prescribed.

Article 3. Appointment of supervisory tax authorities of enterprises

1. Rules:

a) Appointment of supervisory tax authority of an enterprise shall be carried out on electricity transmission system of General Department of Taxation at the same time as issuance of the enterprise ID number.

According to electronic information about the taxpayer on the application for enterprise registration sent by the business registration authority, the tax authority shall appoint a supervisory tax authority of the enterprise.

b) Appointment of supervisory tax authorities of enterprises must be appropriate for capacity of tax authorities, conformable with regulations on management and distribution of local revenues of the Law on State budget, and regulations of the Law on Tax administration.

c) Appointment of supervisory tax authorities of enterprises must be appropriate for the enterprises' business operation, characteristics of each area and region.

2. According to the rules for appointment of supervisory tax authorities of enterprises in Clause 1 of this Article and regulations on distribution of revenues in the Resolution of the People's Council of the province, Department of Taxation shall cooperate with Departments of Finance of the province and relevant agencies in establishing criteria for appointment of supervisory tax authorities of new enterprises in the province regulated by this Circular and submit a report to the People's Committee of the province, which is then submitted to the People's Council of the province:

In order to ensure automatic appointment of tax authorities by Tax Registration System of General Department of Taxation, the criteria must be based on information about taxpayers on

applications for enterprise registration sent by the business registration authority.

When establishing criteria for appointment of their supervisory tax authorities, the following issues must be taken into consideration:

a) Department of Taxation of the province shall supervise:

a.1) State-owned enterprises.

With regard to enterprises having capital contribution of the State, depending on the local conditions, Department of Taxation shall propose supervisory tax authorities in accordance with Clause 1 and Clause 2 of this Article;

a.2) Foreign-invested companies; BOT, BTO, BT enterprises established to design, build, operate, manage projects and execute other projects according to regulations of law on investment;

a.3) Central enterprises doing bookkeeping for the whole sector, Enterprises operating in multiple provinces (hydropower, postal and telecommunications services, infrastructural development, etc.); large-scale enterprises; enterprises whose revenues are distributed to multiple provinces or districts;

a.4) Enterprises engaged in special, complicated business lines such as finance, banking, insurance, securities, real estate trading, accounting, audit, legal services, mineral extraction. Depending on the local conditions, Department of Taxation shall propose supervisory tax authorities in accordance with Clause 1 of this Article;

b) Sub-departments of taxation shall supervise other enterprises in their districts.

Article 4. Exchange of warnings about tax offences

1. Warnings about tax offences on National Enterprise Registration Information System include:

a) Enterprise managers who are suspected of criminal offenses and under investigation as prescribed by regulations of law on criminal proceedings and regulations of law on taxation.

b) Any enterprise whose manager, member of the Board of members, member of the Board of Directors, or general partner was previously the owner of another private enterprise, or the Chairperson of the Board of members or the Chairperson of the Executive Board or Director or General Director of another limited liability company or joint-stock company, or a general partner of another partnership, or a legal representative of another enterprise that is no longer operating at the registered address according to the tax authority's notification.

c) Any enterprise established against the Law on Enterprises such as an owner of a private enterprise or business household not allowed to establish another private enterprise, a general partner not allowed to establish a private enterprise or hold the position of general partner of another partnership.

2. General Department of Taxation has the responsibility to provide information about founders of enterprises and managers of enterprises for Business Registration Department - The Ministry of Planning and Investment to update the warnings on National Enterprise Registration Information System.

3. When receiving applications for enterprise registration, business registration authority must check for the cases mentioned in Clause 1 of this Article and cooperate with tax authorities in requesting enterprises' founders and managers to complete tax procedures and fulfill tax obligations according to regulations of law on taxation.

Article 5. Implementation

1. Supervisory tax authorities of organizations and enterprises appointed before the effective date of this Circular shall remain unchanged.

Appointment of supervisory tax authorities of new enterprises prescribed in this Circular shall be carried out until December 31, 2016.

From January 01 2015, pursuant to the Law on State budget No. 83/2015/QH13, the Ministry of Finance shall provide specific guidance on appointment of supervisory tax authorities of enterprises.

2. With regard to enterprises and organizations that are issued with enterprise ID numbers and under supervision of Sub-departments of taxation of districts as prescribed in this Circular, then eligible for refund of VAT because of regular exports, Departments of Taxation shall be appointed to supervise tax refund issues according to regulations on the power to issue decisions on tax refund of the Law on Tax administration.

3. Every Department of Taxation has the responsibility to send information about appointment of supervisory tax authorities of enterprises in the province as decided by the People's Council of the province as prescribed in Clause 2 Article 3 of this Circular to the Ministry of Finance (General Department of Taxation).

Article 6. Effect

1. This Circular comes into force from October 10, 2015.

2. Instructional documents on appointment of supervisory tax authorities of new enterprises that contravene this Circular are annulled.

Article 7. Responsibility for implementation

1. General Department of Taxation has the responsibility to cooperate with Business Registration Department – the Ministry of Planning and Investment in organizing automatic issuance of enterprise ID numbers in accordance with this Circular to for the convenience of enterprises.

2. General Department of Taxation has the responsibility to provide guidance on and carry out inspections of appointment of supervisory tax authorities of enterprises in accordance with this Circular.

3. Departments of Taxation, Sub-departments of taxation, and relevant organizations have the responsibility to implement this Circular.

Difficulties that arise during the implementation of this Circular should be reported to the Ministry of Finance for consideration./.

**PP MINISTER
DEPUTY MINISTER**

Do Hoang Anh Tuan