

DECREE No. 147/2006/ND-CP OF DECEMBER 1, 2006, AMENDING AND SUPPLEMENTING A NUMBER OF ARTICLES OF THE GOVERNMENT'S DECREE No. 68/1998/ND-CP OF SEPTEMBER 3, 1998, WHICH DETAILS THE IMPLEMENTATION OF THE ORDINANCE ON NATURAL RESOURCE TAX (AMENDED)

THE GOVERNMENT

Pursuant to the December 25, 2001 Law on Organization of the Government;

Pursuant to April 10, 1998 Ordinance No. 05/1998/PL-UBTVQH10 on Natural Resource Tax (amended);

At the proposal of the Minister of Finance,

DECREES:

Article 1.- To amend and supplement a number of articles of the Government's Decree No. 68/1998/ND-CP of September 3, 1998, detailing the implementation of the Ordinance on Natural Resource Tax (amended),

as follows:

1. To amend Clause 7 of Article 2 as follows:

"7. Natural water, including surface water and ground water, except natural mineral water and thermal water defined in Clause 2 of this Article."

2. To amend and supplement Article 7 as follows:

"Article 7.-

1. Natural resource tax calculation price is the selling price of a natural resource product unit at the place of exploitation.

For natural resources exploited in a month which are of the same grade and quality, and then, part of their exploited volume is sold at the place of exploitation at the market price while the other part is transported away for consumption or use in production, processing, sorting or selection, etc., the tax calculation price of the whole exploited volume of natural resources shall be the selling price of one unit of that natural resource product at the place of exploitation.

If there is some volume of natural resources exploited in a month but none of which is sold at the place of their exploitation, the tax calculation price of a natural resource unit shall be determined based on the tax calculation price of a natural resource product unit of the immediate preceding month.

2. When the selling price of a natural resource product unit specified in Clause 1 of this Article cannot be identified yet, the tax calculation price of a natural resource unit shall be determined on one of the following bases:

a/ The selling price of a unit of the exploited natural resource of equivalent value;

b/ The selling price of a unit of the pure product and the content of this substance in the exploited natural resource or the price of the pure product and the content of each substance in the exploited natural resource;

c/ The selling price of a unit of the exploited natural

resource minus (-) the sorting and selection expense and expenses incurred from the place of exploitation to the place of sorting and selection of natural resources.

3. For natural water used for hydropower generation, the natural resource tax calculation price is the selling price of commercial electricity.

4. For timber, the natural resource tax calculation price is the selling price at the site of timber delivery.

5. For petroleum oil and gas, the tax calculation price shall be determined in accordance with Article 46 of the Government's Decree No. 48/2000/ND-CP of September 12, 2000, detailing the implementation of the Petroleum Law.

The Ministry of Finance shall guide the determination of the natural resource tax calculation price specified in this Article. Provincial/municipal People's Committees shall specify the tax calculation price of each type of natural resource under the Finance Ministry's guidance."

3. To amend and supplement Clause 3 of Article 12 as follows:

"3. Organizations and individuals engaged in offshore exploitation of aquatic resources with large-capacity means are entitled to natural resource tax exemption for 5 years after being granted exploitation permits and 50% tax reduction for 5 subsequent years.

When making monthly natural resource tax declarations, organizations and individuals engaged in offshore exploitation of aquatic resources shall assess by themselves their satisfaction of the conditions for tax exemption or reduction in order to temporarily determine the natural resource tax amounts to be exempted or reduced in the month.

At the end of the period for natural resource tax calculation, organizations and individuals engaged in offshore exploitation of aquatic resources shall determine by themselves the actually exempted or reduced natural resource tax amounts in order to make tax declarations and take responsibility for the declared tax amounts. If those organizations and individuals fail

to meet the tax exemption and reduction conditions and make incorrect determination or declaration of exempted or reduced natural resource tax amounts, the incorrectly exempted or reduced tax amounts shall be retrospectively collected and those organizations and individuals shall be sanctioned for their violations in accordance with current law.

If organizations and individuals engaged in offshore exploitation of aquatic resources still suffer from losses after the above tax exemption and reduction duration, they shall further be considered for the reduction of natural resource tax corresponding to their annual loss amounts for not more than 5 subsequent consecutive years."

4. To amend Section VII of the Natural Resource Tax Table promulgated together with the Government's Decree No. 68/1998/ND-CP of September 3, 1998, as follows:

"VII. Mineral water, natural water."

Article 2.- This Decree takes effect 15 days after its publication in "CONG BAO."

Article 3.- The Ministry of Finance shall guide the implementation of this Decree.

Article 4.- Ministers, heads of ministerial-level agencies, heads of government-attached agencies, presidents of provincial/municipal People's Committees, and concerned organizations and individuals shall implement this Decree.

On behalf of the Government
Prime Minister
NGUYEN TAN DUNG