

**LAW ON AMENDMENTS AND SUPPLEMENTS TO A NUMBER OF ARTICLES OF
THE LAW ON LAND USE RIGHT TRANSFER TAX**

(No. 17/1999/QH10)

Pursuant to the 1992 Constitution of the Socialist Republic of Vietnam;

Pursuant to the Land Law passed by the National Assembly of the Socialist Republic of Vietnam on July 14, 1993; and the Law Amending and Supplementing a Number of Articles of the Land Law passed by the National Assembly of the Socialist Republic of Vietnam on December 2, 1998;

This Law amends and supplements a number of articles of the Law on Land Use Right Transfer Tax, which was passed by the National Assembly of the Socialist Republic of Vietnam on June 22, 1994.

Article 1.- To amend and supplement a number of articles of the Law on Land Use Right Transfer Tax:

1. Article 2 is amended and supplemented as follows:

"Article 2.- The following cases shall not be subject to land use right transfer tax:

1. The State allots land to organizations, family households and/or individuals for use under the provisions of law;
2. Organizations, family households and/or individuals return land to the State or the State recovers land under the provisions of law;
3. The land use right is transferred in case of divorce or inheritance under the provisions of law;
4. The land use right is transferred between: wife and husband; father or mother, foster-father or -mother and their offspring or adopted children; paternal or maternal grandparents and their grand children; and between siblings;
5. Economic organizations leased land by the State which transfer the leased land use right;
6. Organizations, family households and/or individuals donate their land use right to the State or organizations for the construction of cultural, educational, medical, physical training and sport establishments; or charity establishments, for non-business purposes under projects already approved by the competent State agencies."

2. Article 7 is amended as follows:

"Article 7.- The land use right transfer tax rates are stipulated as follows:

1. For land for agricultural production, forestry, aquaculture and salt making, the rate shall be 2% (two percent);
2. For residential land, land for project construction and land of other types, the tax rate shall be 4% (four percent)."
3. Article 11 is amended and supplemented as follows:

"Article 11.-

1. The land use right transfer tax shall be paid by the land use right transferor and in lump sum according to the tax agency's notice.
2. In cases where the land use right transferee voluntarily pays the land use right transfer tax for the land use right transferor, such transferee shall have to declare and pay tax according to the provisions of Article 10 of the Law on Land Use Right Transfer Tax.
3. The competent State agency shall issue the land use right certificate to the land use right transferee only when the land use right transfer tax has been fully paid."
4. Article 14 is amended and supplemented as follows:

"Article 14.-

The following cases shall be exempt from land use right transfer tax:

1. Family households or individuals transfer the land use right to move to new economic zones, mountainous regions or islands under decisions of the competent State agencies;
2. The land use right is transferred by people who are conferred the title "heroic Vietnamese mother" by the State;
3. The right to use land of various types in rural communes in mountainous and island areas as stipulated by the Government is transferred;
4. The land used for agricultural production, forestry, aquaculture or salt making is exchanged for each other in order to meet the farming conditions.
5. Economic organizations allotted land by the State with the land use levies being collected for investment in the construction of dwelling houses for sale or construction of infrastructure for assignment with the transfer of the right to use the land attached to such dwelling houses or infrastructure."

5. Article 15 is amended and supplemented as follows:

"Article 15.-

To reduce by 50% (fifty percent) of land use right transfer tax for the following subjects:

1. Disabled army men of 1/4 and 2/4 grades, and diseased army men of 1/3 and 2/3 grades;
2. Members of family of the fallen combatants, who are entitled to the State's subsidies;
3. Disabled people who have no more the working capacity, the minors and lonely aged people having no one to support."

6. Article 16 is amended as follows:

"Article 16.-

Each of the subjects entitled to the exemption or reduction of land use right transfer tax stipulated in the revised Articles 14 and 15 shall be considered for exemption or reduction only once, except for the subjects stipulated in Clause 5 of the revised Article 14".

Article 2.-

To annul Articles 8 and 9 of the Law on Land Use Right Transfer Tax.

Article 3.-

This Law takes effect as from January 1, 2000.

Cases of land use right transfer before January 1, 2000, where the land use right transfer tax has not been paid, shall be subject to the tax rates stipulated in this Law.

Article 4.-

The Government shall amend and/or supplement legal documents detailing the implementation of the Law on Land Use Right Transfer Tax to make them conform to this Law.

This Law was passed by the Xth National Assembly of the Socialist Republic of Vietnam on December 21, 1999 at its 6th session.

**THE NATIONAL
ASSEMBLY
CHAIRMAN
Nong Duc Manh**