

# Government's supporting measures for enterprises and employees to deal with current situation of Covid-19

We would like to further update some new official dispatches regarding supporting measures for enterprises to deal with current situation of Covid-19 as follows:

## 1/ Supporting measures for enterprises and employees pursuant to Resolution No. 42/NQ-CP

The Vietnamese Government has just passed the Resolution No. 42/NQ-CP dated 09 April 2020 regarding supporting measures for people facing difficulties due to Covid-19 pandemic ("**Resolution 42**"). Generally, Resolution 42 shall be applied to people whose income is decreased significantly or no longer earn a salary, find no work to do, cannot maintain their minimum living standard due to Covid-19. In particular:

No .	Supporting measure	Applicable person/entity	Note
1.	Allowance of VND 1,800,000/person/month	An <b>employee</b> who must agree to suspend the performance of labour contract, take unpaid leave <b>for at least 01 month</b> because his/her employer has been facing difficulties due to Covid-19.	Supporting period: actual duration of suspension of performance of labour contract/unpaid leave (calculating from 01 April 2020 but not exceed 3 months).

2.	Entitled to loan with 0% interest rate and without collateral from Vietnam Bank for Social Policies to pay salary of 50% of minimum regional wage	An <b>employer/entity</b> that (i) having financial trouble and (ii) has paid at least 50% of suspension allowance for its employees under Article 98.3 of the Labour Code from April to June 2020	Loan shall be disbursed directly to employees subject to work suspension
3.	Suspension of contribution of the Fund of pension and death benefit up to 12 months	<ul style="list-style-type: none"> <li>• An employer (due to Covid-19) that must reduce at least 50% of its employees participating in social insurance scheme during the duration of Covid-19 epidemic, including work suspension, suspension of performance of labour contract, unpaid leave</li> <li>• Applicable to both <b>employer and employees.</b></li> </ul>	Period for suspension: not exceeding 12 months

**Note:** Person/entity may be entitled to 02 supporting measures shall only be subject to 01 measure with the highest regime.

**2/ Extension for payment of taxes and land rental pursuant to Decree 41/2020/ND-CP**

The Vietnamese Government has just passed the Decree 41/2020/ND-CP dated 08 April 2020 regarding extension for payment of taxes and land rental ("Decree 441"). Generally, Decree 41 shall be applied to enterprise, organizations, household and individuals having business lines as stipulated in Article 2 of Decree 41. Supporting measure under Decree 41 are stipulated as follows:

No.	Supporting measure	Applicable person/entity	Note
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1.	<i>Extension for payment of VAT</i>	<i>Applicable to (i) monthly VAT arising from March until the end of June 2020, or (ii) quarterly VAT arising from the 1st and 2nd quarters of 2020, as the case maybe.</i>	<i>Not applicable to VAT from import activity; The maximum term of extension: 5 months</i>	<i>The tax payer must submit the Request form on extension of tax payment (in standard form) concurrently with tax declaration dossiers, or no later than 30 July 2020.</i>
2.	<i>Extension for payment of CIT</i>	<i>Applicable to (i) CIT payable of year 2019 and (ii) provisional CIT of the 1st and 2nd quarters of 2020</i>	<i>The maximum term of extension: 5 months</i>	
3.	<i>Extension for payment of land rental</i>	<i>Applicable to land rents payable of the beginning period of 2020 (for method of land rental paid annually)</i>	<i>The maximum term of extension shall be 5 months since 31 May 2020</i>	