

Unofficial translation



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

The Prime Minister's Office

No.: 354/PM
Vientiane Capital, dated: 05 October 2007

DECREE

on

Taxpayer Identification Number

- Pursuant to the Law on the Government of the Lao People's Democratic Republic No. 02/NA, dated 06 May 2003;
- Pursuant to the Law on Tax No.: 04/NA, dated 19 May 2005;
- Pursuant to the Law on Value-added Tax No.: 04/NA, dated 26 December 2006;
- Pursuant to the Request Letter of the Minister of Finance No.: 1435/MoF, dated 19 June 2007.

The Prime Minister hereby issues a Decree:

CHAPTER I
General Provisions

Article 1. Objectives

This Decree defines principles, regulations, methods, and measures regarding the use of a taxpayer identification number in order to enable the management of a taxpayer business operation database or work to be clear, modern, and effective, and to ensure the collection of full and accurate tax revenues in accordance with applicable laws and regulations.

Article 2. Taxpayer Identification Number

A taxpayer's identification number ("TIN") refers to a code applied specifically to a person who is liable for tax payments to the government for the management and monitoring various data of taxpayers.

Article 3. Scope of Application

This Decree applies to individuals, legal entities, and organizations including foreigners operating businesses or working permanently or temporarily in the Lao PDR, as well as residents or persons with places of operating business in the Lao PDR that operate their businesses in foreign countries with income.

CHAPTER II

Components of Taxpayer Identification Number

Article 4. Components of Taxpayer Identification Number

The TIN consists of 4 parts:

- The first part is an eight-digit ordering number to stipulate a number of taxpayer in sequence;
- The second part is a single-digit number for monitoring to enable a computer system to monitor such taxpayer number in order to prevent mistakes in inserting a taxpayer data into a computer;
- The third part is for a taxpayer registered in the Value-added Tax (VAT) system with number 9 after the monitoring number and number 0 for a taxpayer not registered in the VAT system;
- The fourth part is a two-digit identification number for a branch of an enterprise located in each locality. For an enterprise without branches, the number 00 will be applied. A 'branch' refers to a permanent office of an enterprise located in each locality or other provinces.

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Article 5. The Use of Taxpayer Identification Number

Individuals, legal entities that operate a manufacturing or service business, individuals with jobs that generate income, an administrative-technical government organization and social organizations are all targeted to use TINs.

A taxpayer shall include the identification number on a tax registration certificate, a tax declaration, a receipt, a tax payment document, a customs declaration, financial statements, transportation documents for goods, items, or products, and other official documents.

A taxpayer refers to an organization, a person, or a legal entity entitled to have the rights to use only one identification number throughout the period of business operation or existence of a taxpayer without change. In case of permanent dissolution, merger, or separation of business, death of taxpayer, or bankruptcy, such identification number will not be reused.

CHAPTER III

Taxpayer Identification Number Issuance Procedures

Article 6. Registration of Taxpayers

Tax authorities at each level shall register taxpayers under their jurisdiction, and thereafter send supporting documents regarding the registration to the Tax Department for issuing a TIN on a centralized basis.

Article 7. Issuance of the Taxpayer Identification Number

The Tax Department is the only authority assigned to issue a TIN. Individuals, legal entities, or organizations are prohibited from registering, issuing a TIN by itself, and transferring for others to use.

Article 8. Method for Issuance of Taxpayer Identification Number

The Tax Department is assigned to establish a unit for issuing TINs and create an electronic application form for the issuance of TINs for convenience of use, management, and issuance of TINs by a computerized system.

Article 9. Issuance of Taxpayer Identification Number Certificate

Heads of tax authorities at each level are in charge of issuing taxpayer identification number certificates to individuals, legal entities, and organizations under their jurisdiction based on the identification number specified by the Tax Department.

Article 10. Insertion of Information into the Taxpayer Identification Number Certificate

A taxpayer identification number certificate shall include the following main information:

- TIN;
- Name and address or contact address of taxpayer;
- Date of issuance of TIN;
- Form whether a legal entity or an individual;
- Business activities (main activities if operating several businesses);
- Reference number of an enterprise registration certificate and a tax registration certificate;
- Type of taxes payable;
- Name and detailed address of a representative (if any).

In case of a change of registered information, a taxpayer shall notify such change based on a certificate stipulated in Article 9 of this Decree, and the tax authority that supervises a taxpayer shall amend the information to reflect such change in a timely manner.

**CHAPTER IV
Measures against Violators**

Article 11. Measures against Users of TINs

A taxpayer who has a TIN, but does not insert or write their TIN in required documents, fails to notify a change taxpayer registered information within the given timeframe, uses a fake TIN or abuses a TIN of other taxpayers will be educated and warned for the first offense, and will be fined or prosecuted based on the severity of the offense in accordance with laws and regulations for the second and subsequent offenses.

Article 12. Measures against Tax Officers

A tax officer who abuses their position, and authority to withhold documents regarding TINs, taxpayer registration, and issuance of a TIN will be disciplined in accordance with laws and regulations depending on case by case basis.

**CHAPTER V
Final Provisions**

Article 13. Implementation

The Ministry of Finance is in charge of implementation of this Decree. Ministries, ministry-equivalent bodies, provincial, and capital divisions have duties to supervise and direct strict and successful implementation of this Decree.

Tax authorities have duties to replace an enterprise code previously issued to business units with a TIN specified under this Decree.

Article 14. Effectiveness

This Decree is effective from the date of signature. Any requirements, provisions which conflict with this Decree shall be canceled.

The Prime Minister of the Lao PDR

[Signature and seal]

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