

**(Unofficial translation)**

**LAO PEOPLE'S DEMOCRATIC REPUBLIC  
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY**

Department of Tax

No.1128/DT

Vientiane Capital, date 24 April 2020

**Extended Notification**

**On the calculation of income tax**

**To:** Individuals, Entrepreneurs, Legal Entities, Domestic and Foreign Investors in the Nationwide

**Subject:** Implementation of tax obligations under the Agreement on Policies and Measures to Reduce the Impact of the COVID-19 Outbreak.

- Pursuant to the Law on Tax Administration (Amended), No. 66/NA, dated 17 June 2019;
- Pursuant to the Prime Minister's Decision No. 06/PM, dated 29 March 2020 on the measures to reduce the impact of the COVID-19 outbreak on the Lao economy;
- Pursuant to the Prime Minister's Decision No. 31/PM, dated 02 April 2020 on the policies and measures to reduce the impact of the COVID-19 outbreak on the Lao economy;
- Pursuant to the Notification of the Minister of Finance No. 1027/MOF, dated 10 April 2020;
- Pursuant to the Decision of the Minister of Finance No.2834/MOF, dated 22 August 2017 on the organization and operation of the Department of Tax.

**The Department of Tax would like to inform you that:** in accordance with the decision of the Prime Minister, No.31/PM, dated 02 April 2020 in implementing the exemption of income tax for all public and private workers who earns less than LAK 5 million for 3 months (April, May and June), as details below:

**In case of income less than LAK 5 million which is divided into 2 calculation.**

- Below LAK 1,300,000 is 0% income tax (exemption to the law)
- Between LAK 1,300,000 to 5,000,000 at the rate of 5% (except according to the decision No.31/PM)

- Employees who earn more than LAK 5 million that will be deducted by LAK 5 million first then calculate the multiplier starting from the rate of 10% or more according to the income tax calculation schedule specified in Article 39 of the Income Tax Law No. 67/NA, dated 18 June 2019 as details below:

(LAK)

	Level	Monthly salary base	Basic calculation	%	Tax each level	Total tax
Exemption	1	Less than 1,300,000	1,300,000	0%	0	0
	2	btw 1,300,000 to 5,000,000	3.700.00	5%	185.000	185.000
	3	More than 5.000.000 to 15.000.000	10.000.000	10%	1.000.000	1.185.000
Not exemption	4	More than 15.000.000 to 25.000.000	10.000.000	15%	1.500.000	2.685.000
	5	More than 25.000.000 to 65.000.000	40.000.000	20%	8.000.000	10.685.000
	6	More than 65.000.000	.....	25%	.....	.....

The notification schedule of tax payment as details following:

- Income tax of April 2020 should be notified and paid no later than 20 May 2020;
- Income tax of May 2020 should be notified and paid no later than 20 June 2020;
- Income tax of June 2020 should be notified and paid no later than 20 July 2020.

Therefore, we would like to inform for your reference and strictly follow this notice.

**Director General**

**Phouthanouphet Saysomboun**