

(Unofficial translation)
LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

Ministry of Finance
No. 3448/MOF
Vientiane Capital, date 26 October 2018

Notification

To: State organizations, international organizations, business entities, individuals, and legal entities across the country.

Subject: The implementation of the tax rate reduction in the framework of the ASEAN-China Free Trade version 2017 (AHTN 2017)

- Pursuade to the Prime Minister's Decree on the Organization and Activities of the Ministry of Finance No.144/PM, dated 08 May 2018;
- According to the Prime Minister's Decree on the Promulgation of the AHTN 2017, No. 122/PM, dated 03 April 2018;
- According to the report of the Department of Customs No. 06141/DC, dated 17 October 2018.

In expanding the content of the decree on the promulgation of ASEAN Harmonized Tariff Nomenclature~AHTN2017 to ensure the implementation of Lao PDR's obligations under the ASEAN-China Free Trade Agreement~ACFTA. This implementation aims to facilitate trade, uniform in the coding of goods, and equipment, and the collection of tax rates and other obligations throughout the country and by international principles.

The Minister of Finance issued the following notification:

1. The Tariff Reduction Schedule~TRS under ACFTA must apply the AHTN 2017 which is replaced the AHTN 2012;
2. Tariff reduction account under the ACFTA according to AHTN2017 includes 10,813 codes (08 digits) including 0% tax rate with 10,037 codes, 5% with 242 codes, 10%-20% with 66 codes, 30%-40% with 455 codes, and "import prohibition" has 13 codes are using normal tariff rates and 13 codes of prohibited goods;

3. The Department of Customs must organize the instruction in detail about tax rate reduction accounts under the LVBTA according to AHTN 2017 and training for authority officers, operators, and relevant stakeholders for their accurate implementations.

4. The tax rate reduction account under the ACFTA framework according to AHTN 2017 is effective from 01 November 2018 onwards.

Please be informed and strictly implement.

(On behalf of the Minister)

Vice Minister

Bunchom Oubonpaserth