**SIP: Decision No.372/QD-TCT dated March 19, 2020 of the General Department of Taxation on sanctioning administrative violations of tax via examining the observance of tax laws**

On 24 Mar 2020, Saigon VRG Investment Corporation announced the Decision No.372/QD-TCT dated March 19, 2020 of the General Department of Taxation on sanctioning administrative violations of tax via examining the observance of tax laws as follows:

Article 1: Sanctioning administrative violations of tax to

1. Name of unit: Saigon VRG Investment Corporation

Head office address: LOT TT2-1, D4 Street, Dong Nam Industrial Park, Hoa Phu Commune, Cu Chi District, Ho Chi Minh City

Tax: 0305268812

Business registration certificate: 4103008227 dated October 24, 2007 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time, registered for the second change on January 22, 2018 by the Department of Planning and Investment of Ho Chi Minh City

Legal representative: Mr. Tran Manh Hung, Gender: Male

Position: General Director

2. Committing an act of administrative violation: Incorrect declaration leading to a lack of payable tax specified at Point a, clause 1, Article 10 and incorrect declaration not leading to a payable tax minority specified in Clause 5, Article 10, Decree No.129/2013/ND-CP dated October 16, 2013 of the Government stipulating penalties for tax offenses and enforcement of tax administrative decisions;

3. Sanctioning of administrative violations pertaining to tax defined in Clause 4, Article 6 and Clause 2, Clause 4, Article 10, Decree No.129/2013/ND-CP dated October 16, 2013 of the Government on sanctioning administrative violations of tax and enforcement of tax administrative decisions

4. Aggravating circumstances: None

5. Extenuating circumstances: None

6. Subject to the following sanctions and remedies:

a) Administrative sanction:

- Penalty for making false declarations leading to a lack of payable tax amount (at the rate of 20% of the tax arrears): VND 590,603,951

+ Fines for falsifying environmental protection charges: VND 28,213,595

+ Penalty for making false CIT declaration: VND 562,390,356

- A fine for making false declarations but not leading to a lack of payable tax: VND 2,100,000

b) Remedies:

- Collecting tax amount in 2018: VND 2,953,019,757 in which:

+ CIT tax: VND 2,811,951,779

+ Environmental protection fee: VND 141,067,978

- VAT deducted at the end of 2018 carried over to the next period reduced by VND 1,124,557,441

- Late payment of environmental protection fee: VND 14,685,176

For corporate income tax: By the time of inspection, the Company was still paying an excess of 2018 CIT. Therefore, the General Department of Taxation did not charge late payment interest for the tax arrears

\* The total amount of tax arrears, fines for administrative violations and late payment interest: VND 3,560,408,885

The aforesaid amount of late tax payment was calculated until the end of March 12, 2020. Saigon VRG Investment Corporation calculates and pays the late tax payment amount after March 12, 2020 until the time of actual payment of collected tax arrears and fines (above) to the State Budget as prescribed. Article 2: This Decision takes effect from the date of signing

Article 3: This decision is:

1. Assigned to Mr. Tran Manh Hung, a representative of Saigon VRG Investment Corporation to execute the sanctioning decision in Article 1 including: - Administrative penalties, tax arrears: VND 3,376,442,135 into account No.7111 at the State Treasury of Cu Chi District - Ho Chi Minh City (Beneficiary: Tax Department of Cu Chi District - Ho Chi Minh City)

- Fines for administrative violations, environmental protection charges, late payment interest: VND 183,966,750 into account No.7111 at the State Treasury of Tay Ninh province (beneficiary: Tay Ninh Tax Department)

The amount of handling of the above violation must be paid within 10 days from the date of receiving this Decision