

Date: 10 August 2009

To: International NGOs in Vietnam

Ref: Personal income tax exemption for INGO expatriates.

Dear friends and colleagues,


With this letter, we are pleased to inform that upon recommendations of the Vietnam Union of Friendship Organisations, Ministry of Finance, Ministry of Foreign Affairs and Committee for Foreign NGO Affairs, the Prime Minister of the Socialist Republic of Vietnam has decided to grant the exemption of personal income tax (PIT) to foreigners employed and working at Representative and Project offices of INGOs in Vietnam.

This exemption shall be considered on the following conditions:

- As from 1st of January 2009, all income (salaries, allowances, subsidies and other benefits) paid to foreign employees of INGOs must be proven as stemming from sources outside Vietnam and not from project/programme budget.
- INGO foreign employees deemed eligible to PIT exemption include expatriates and Vietnamese individuals with a foreign passport.
- Terms of exemption shall be defined in an agreement which is duration-based, and agreed mutually by the individual INGOs and the Government of Vietnam or the Committee for Foreign NGO Affairs upon the Government's authorisation.

The Ministry of Finance of Vietnam shall provide necessary instructions accordingly and INGOs will be notified in due course.

For the time being, if you have any question, do not hesitate to contact the People's Aid Coordinating Committee (telephone: 04-38436936 (ext.: 206), fax: 04-38452007) or email: [info@paccom.org.vn](mailto:info@paccom.org.vn).

The Committee for Foreign NGO Affairs avails itself of this opportunity to renew to INGOs in Vietnam the assurances of its highest consideration. 

Sincerely yours,



Vu Xuan Hong  
Executive member  
Committee for Foreign NGO Affairs.