

## Appendix 1:

### Brief documentations related to tobacco tax policies

#### 1. Law No 09/2003/QH11: Enterprise Income Tax Law

Clause 5, 6, 7: Tax base is income before tax.

Clause 10, item 1: income tax rate: 28%.

#### 2. Law No 57/2005/QH11 Modified and Supplemented some items of the Law of excise tax and value Added Tax

Clause 7. Tax rate:

Products	Tax rate (%)
a) Cigar	65
b) Cigarette	
- Year 2006-2007	55
- From Year 2008	65

#### Government decree No 149/2003/NĐ-CP: instruction to implement the Law of Excise Tax and the Modified and Supplemented Law of Value Added Tax

Clause 5. Tax base:

For Domestic Product: Tax base = Factory price (the price before excise tax and value added tax)

For import product: Tax base = Import price plus import tax

#### 3. Law No 07/2003/QH11 Modified and Supplemented some items of the Law of Value Added Tax (VAT)

Clause 7 item 8: Tax base

For Domestic Product: Tax base = Factory price + excise tax

For import product: Tax base = Import price plus import tax plus excise tax

Clause 8, item 3. VAT Tax rate is 10%

#### 4. Government decree No 149/2005/NĐ-CP: instruction to implement the Law of export – import tax No 45/2005/QH11

Clause 6. Tax base: Import Price

Clause 9. Tax rate for import products according to Decision No 78/2006/QĐ-BTCs

2402				Cigar, two tapered ends cigar, little cigar and stick cigarette made from tobacco leaves and tobacco substitutes.	
2402	10	00	00	- Cigar, two tapered ends cigar and little cigar made from tobacco leaves	150
2402	20			- - Bidies	150
2402	90	10	00	- Other	
				- - Cigarette made from tobacco leave substitutes	150
2402	90	20	00	- - Stick cigarette made from tobacco leave substitutes.	150