



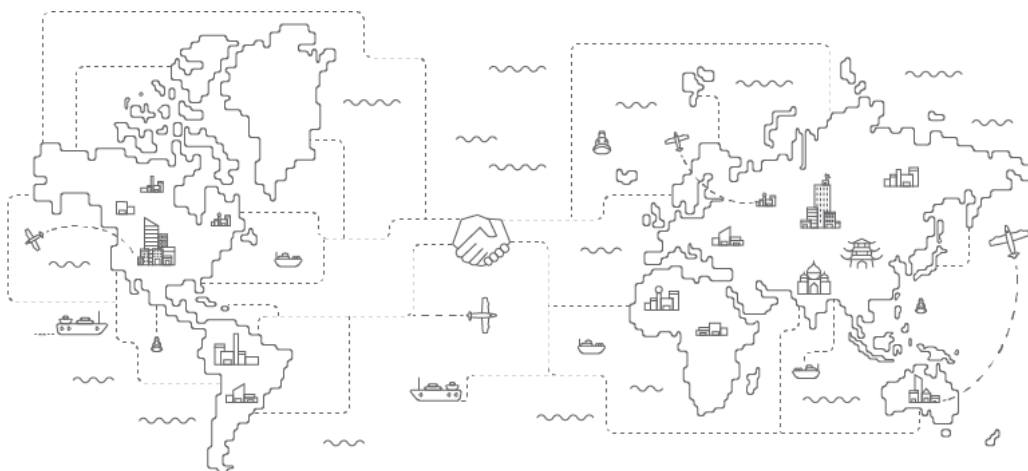
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APPROVAL ON 2% VAT RATE CUT IN 2024

On 29 November 2023, the National Assembly approved the Resolutions of the 6th Meeting of National Assembly XV. They include a **VAT rate reduction**, which will take effect **from 1 January 2024 to 30 June 2024**.

Some notable points:

- Article 3.1 of Resolution 43/2022 specifies the scope of the 2% VAT reduction. Specifically, it will apply to goods and services which are currently subject to 10% VAT, except for those pertaining to certain sectors, including telecommunications, information technology, finance, banking, securities, insurance, real estate, metals, prefabricated metal products, mining products (excluding coal mining), coke, refined petroleum, chemical products, and special sales taxes. Every stage of the manufacturing, processing, and trading process will be consistent with this policy
- In 2024, the Resolution directs the Government to ensure that the VAT reduction is carried out in a timely manner and that there is no adverse impact on State budget collections and overpayments





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