SOME OUTSTANDING REGULATIONS ON FEES FOR APPRAISAL AND ASSESSMENT OF MINERAL RESERVES AND CHARGES FOR LICENSING MINERAL ACTIVITIES

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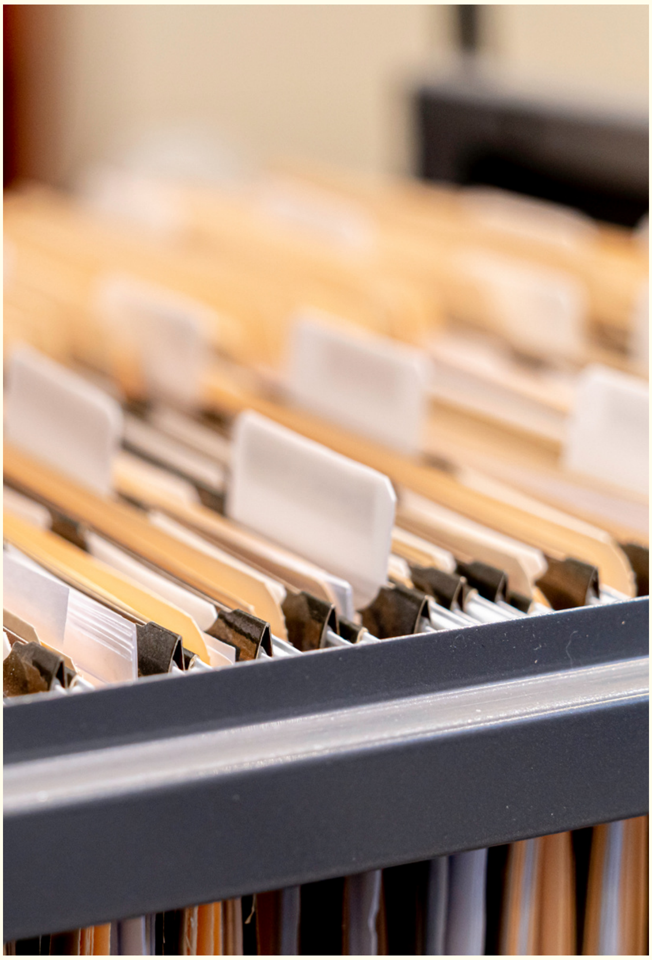
On February 5, 2024, the Ministry of Finance promulgated Circular 10/2024/TT-BTC stipulating the collection rate, regime of collection, payment, management and use of the fees for appraisal and assessment of mineral reserves and charges for licensing mineral activities (**Circular 10**), replacing Circular 191/2016/TT-BTC and Circular 91/2021/TT-BTC (amending and supplementing Circular 191/2016/TT-BTC). Basically, Circular 10 does not change significantly compared to the previous documents, and many regulations are adjusted toward referring to specialized laws. Circular 10 takes effect from March 21, 2024 with some notable contents as follows:

Firstly, inheriting the regulations of Circular 191/2016/TT-BTC on payers of appraisal and assessment fees for mineral reserves and charges for licensing mineral activities. Accordingly, Circular 10 stipulates that charge payers are organizations or individuals granted licenses for mineral activities by competent state agencies under mineral laws. Fee payers are organizations or individuals submitting proposals for approval of mineral reserves to the competent state management agency for appraisal and approval of mineral reserves in mineral exploration report in accordance with the provisions of mineral laws.

Secondly, supplementing guidelines for payment of fees and charges, and adjusting the name of fee and charge collectors. Accordingly, fee and charge payers must pay charges when the licenses for mineral activities are granted, and pay fees based on notifications by fee collectors in the form prescribed in Circular 74/2022/TT-BTC of the Ministry of Finance. Moreover, pursuant to Circular 10, the name of fee and charge collectors has been adjusted towards generalizing and referring to specialized laws (without listing the name of collectors as before) to ensure the coherence of legal regulations. Particularly, Circular 10 stipulates that the charge collector is the state agency authorized to license mineral activities in accordance with the provisions of mineral laws. The fee collector is the competent state agency for the appraisal and approval of mineral reserves in mineral exploration reports in accordance with the provisions of mineral laws.

Thirdly, adjusting the fees for appraisal and assessment of mineral reserves and charges for granting licenses for mineral activities. Accordingly, these fees and charges will be applied based on the Schedule of fees and charges enclosed with Circular 10. Compared to Circular 191/2016/TT-BTC, there are no changes in the fees for appraisal and assessment of mineral reserves and the charges for granting mineral exploration licenses in Circular 10. The only difference lies in the charge for granting licenses for mining activities. Specifically, the charge for granting licenses for exploiting minerals for cement raw materials under Circular 191/2016/TT-BTC varies between VND 30,000,000 and VND 40,000,000 per license. Meanwhile, Circular 10 fixes this charge at VND 40,000,000/license.



Comments and recommendations

The promulgation of Circular 10 aims at replacing several contents on the collection rate, the regime of collection, payment, management, and use of fees for appraisal and assessment of mineral reserves, and charges for licensing mineral activities specified in Circular 191/2016/TT-BTC and Circular 91/2021/TT-BTC in the context that some legal documents guiding the above Circulars have been amended, supplemented or replaced. It should be noted that other contents related to the collection, payment, management, use, receipts, and disclosure of the collection regime of the fees and charges not mentioned in Circular 10 shall comply with the provisions of such documents as the Law on Fees and Charges 2015; Decree 120/2016/ND-CP; Decree 82/2023/ND-CP; the Law on Tax Administration 2019; Decree 126/2020/ND-CP; Decree 91/2022/ND-CP; Decree 11/2020/ND-CP; Decree 123/2020/ND-CP; Circular 78/2021/TT-BTC. In the case that any of the legal documents mentioned in Circular 10 is amended, supplemented, or replaced, the new documents shall be applied accordingly.