



**MINISTER FOR REVENUE AND
ASSISTANT TREASURER
Senator the Hon Helen Coonan**

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Excellency

I have the honour to acknowledge receipt of your Letter of 1 November 2000 which reads as follows:

"I have the honour to refer to consultations concerning Article 23 of the Agreement between the Government of Australia and the Government of the Socialist Republic of Vietnam for the Avoidance of Double. Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, done at Hanoi on 13 April 1992, as amended by an Exchange of Notes done at Canberra on 22 November 1996 (hereinafter referred to as "the Agreement, as amended").

I have the honour to inform you that Articles 26, 27, 28 and 32 of the Law on Foreign Investment in Vietnam of 1987 referred to in subparagraph 5(a)(i) of Article 23 of the Agreement, as amended, are replaced by Articles 38, 39, 42 and 48 (to the extent that Article 48 relates to Articles 38 and 39) of the Law on Foreign Investment in Vietnam of 1996. The replacing articles have substantially the same character as the original articles referred to in the Agreement, as amended.

I have the further honour to inform you that Articles 66, 67, 68, 69 and 72 of the Government Decree No. 18-CP dated 16 April 1993 on the implementation of the Law on Foreign Investment in Vietnam referred to 'M' subparagraph 5(a)(ii) of Article 23 of the Agreement, as amended, are replaced by Articles 53, 54, 55, 56 and 59 of the Government Decree No. 12/CP dated 18 February 1997 on the implementation of the Law on Foreign Investment in Vietnam and by Articles 45, 46, 47, 48 and 51 of the Government Decree No.24/2000/ND-CP dated 31 July 2000 on the implementation of the Law of Foreign Investment in Vietnam (Decree No.24/2000/ND-CP has superseded Decree No.12/CP since 1 August 2000). The replacing articles have substantially the same character as the original articles referred to in the Agreement, as amended.

I have the further honour to inform you that the words "trade and provision of other services" referred to in Article 55 of the Government Decree No.12/CP (which has been replaced by Article 47 of the. Government Decree No.24/2000/ND-CP) are taken to include the meaning of the words "accounting, auditing and commercial services of any kind" as referred to in subparagraph 7(a) of Article 23 of the Agreement, as amended, and to propose that both Parties agree that subparagraph 7(a) should be so interpreted.

If the foregoing is acceptable to the Government of Australia, this Letter together with your Letter in reply to that effect shall constitute an agreement between the two Governments for the purposes of subparagraph 5(b) of Article 23 of the Agreement as amended, which shall enter into force when the two Governments have notified each other by a further exchange of notes that they have completed their domestic requirements for its entry into force."

I have the honour to inform you that the foregoing proposals are acceptable to the Government of Australia and that your Letter of 1 November 2000 and this Letter shall constitute an agreement between the two Governments for the purposes of subparagraph 5(b) of Article 23 of the Agreement, as amended, which shall enter into force when the two Governments have notified each other by a further exchange of notes that they have completed their domestic requirements for its entry into force.

Accept, Excellency, the assurances of my highest consideration.

Dated at Canberra, this fifth day of August, 2002, in the English and Vietnamese languages, both texts being equally authentic.

HELEN COONAN

Excellency.

I have the honour to refer to consultations concerning Article 23 of the Agreement between the Government of Australia and the Government of the Socialist Republic of Vietnam for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, done at Hanoi on 13 April 1992, as amended by an Exchange of Notes done at Canberra on 22 November 1996 (hereinafter referred to as "the Agreement, as amended").

I have the honour to inform you that Articles 26, 27, 28 and 32 of the Law on Foreign Investment in Vietnam of 1987 referred to in subparagraph 5(a)(i) of Article 23 of the Agreement as amended, are replaced by Articles 38, 39, 42 and 48 (to the extent that Article 48 relates to Articles 38 and 39) of the Law on Foreign Investment in Vietnam of 1996. The replacing articles have substantially the same character as the original articles referred to in the Agreement, as amended.

I have the further honour to inform you that Articles 66, 67, 68, 69 and 72 of the government Decree No.18-CP dated 16 April 1993 on the implementation of the Law on Foreign Investment in Vietnam referred to in subparagraph 5(a)(ii) of Article 23 of the Agreement, as amended, are replaced by Articles 53, 54, 55, 56 and 59 of the Government Decree No. 12/CP dated 18 February 1997 on the implementation of the Law on Foreign Investment in Vietnam and by Articles 45, 46, 47, 48 and 51 of the Government Decree No.24/2000/ND-CP) dated 31 July 2000 on the implementation of the Law on Foreign Investment in Vietnam (Decree No.24/2000/ND-CP has superseded Decree No.12/CP since 1 August 2000). The replacing articles have substantially the same character as the original articles referred to in the Agreement, as amended.

I have the further honour to inform you that the words "trade and provision of other services" referred to in Article 55 of the Government Decree No.12/CP (which has been replaced by Article 47 of the Government Decree No.24/2000/ND-CP) are taken to include the meaning of the words "accounting, auditing and commercial services of any kind" as referred to in subparagraph 7(a) of Article 23 of the Agreement, as amended, and to propose that both Parties agree that subparagraph 7(a) should be so interpreted.

If the foregoing is acceptable to the Government of Australia, this Letter together with your Letter in reply to that effect shall constitute an agreement between the two Governments for the purposes of subparagraph 5(b) of Article 23 of the Agreement, as amended, which shall enter into force when the two Governments have notified each other by a further exchange of notes that they have completed their domestic requirements for its entry into force.

Accept, Excellency, the assurances of my highest consideration.

Done at Hanoi, this first day of November 2000.

Nguyen Sinh Hun
Minister of Finance of Vietnam

Minister of Treasury of Australia
cc: Embassy of Australia in Vietnam