



Lao People's Democratic Republic  
Peace Independence Democracy Unity Prosperity

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Ministry of Finance

No. 1499/MOF  
Vientiane Capital, dated June 3, 2013

## **Ministerial Guidance**

To: - Customs Department  
- Tax Department  
- State Property Management Department  
- Financial Inspection Department  
- Vientiane Capital and Provincial Finance Divisions

Subject: The management of the collection of income from wood, mining and forestry products.

- Pursuant to the Prime Minister's Decree No. 80/PM, dated February 28, 2007 on the organization and performance of the Ministry of Finance.
- Pursuant to the National Assembly's Resolution No. 47/NA, dated July 26, 1989 on Customs and Tax Regime.
- Pursuant to the Prime Minister's Decree No. 90/PM, dated June 9, 2008 on the exportation of mining products.
- Pursuant to the Prime Minister's Order No. 17/PM, dated September 22, 2008 on enhancing the management, forestry preservation and coordination of forestry management and wood business.

In order to ensure and strictly manage the revenue collection from wood, mining and forestry products to be consistent with laws of the Lao PDR, closely coordinate and cooperate within related agencies especially the financial sector and strengthen the collection of revenue and in an effective manner:

### **The Finance Minister issues this guidance:**

1. Revenue collection from the harvesting, buying-selling and exporting of timber, mining and other forestry products by the relevant agencies of the Ministry of Finance, namely State Asset, Tax and Customs authorities according to the implementation of an administrative order of the Prime Minister No. 17/PM, dated September 22, 2008 on the strengthening of management, protection of forests and coordination in managing the forest and timber business, and the implementation of the Prime Minister's Decree No. 90/PM, dated on June 9, 2008 on the exportation of mineral products.
2. **State Asset agency** has the responsibility to manage and collect the natural resource fees for the sale of timber, mineral and other forestry products when the sale contract of wood or mineral exploration contract has been made by ensuring compliance with the Financial Minister's Guidance No. 092/MOF, dated on January

13, 2009 on the revenue collection from the sale of timber and forestry products and Additional Guidance of the Finance Minister No. 566/MOF, dated March 7, 2011.

3. **The Tax agency** has the responsibility to manage and collect the value-added tax and profit tax during the exploration, buying-selling of timber, mining and forestry products [takes place] as stipulated in the Finance Minister's Guidance No. 0509/MOF, dated March 13, 2009.
4. **The Customs agency** has the responsibility to inspect and collect the royalties for the exportation of timber, mining and other agricultural products when exported at the border upon the approval of the government and other concerned agencies.

The collection of revenue by Customs for exportation will comprise two types: the export duty shall be based on Presidential Decree No. 02/President, dated April 27, 2012 while other exportation of goods not covered in the Presidential Decree shall be based on the Resolution of the Ministerial Council No. 47, dated June 26, 1980 on the Customs and Tax Regime and the Resolution of the Ministerial Council No. 23, dated April 18, 1990 on the amendment of article 16 of the Resolution of the Ministerial Council No. 47

5. The exportation of agricultural products, finished wooden products shall be exempted from royalties as stipulated in Prime Minister No. 187/PM, dated October 21, 1994.
6. All parties concerned shall recognize, coordinate and supervise officers in order to implement this guidance strictly.

**Minister of Finance**

(Signature and Stamp)

**Phouphet Khamphounvong**

**CC:**

- Central Party Office
- Minister to the Prime Minister's Office
- All Provincial Governors
- Ministry of Industry and Commerce
- Ministry of Agriculture and Forestry
- Ministry of Energy and Mining
- Ministry of National Resources and Environment