

Unofficial translation



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

The Prime Minister

No. 52/PM

DECREE

on

Document Registration

- Pursuant to the Constitution of the Lao People's Democratic Republic;
- Pursuant to the Law on Property No. 01/90/SPA, dated 27/6/90;
- Pursuant to the Law on Contract No. 02/90/SPA and the Law on Inheritance and the Basis of Inheritance No. 03/90/SPA, dated 27/6/90;
- Pursuant to the Resolution of the Minister Council No. 47/PMC, dated 26/6/89 on the State Customs and Tax Regime;
- Pursuant to the Proposal of the Ministry of Finance;

The Prime Minister hereby issues a Decree:

CHAPTER 1 – Definitions and Principles for Registration

Article 1 Registration of documents refers to the registration of the brief contents of documents into a registry book with the following purposes:

- To collect statistics on socio-economic operations;
- To cause the documents to be legally effective;
- To ensure the availability of documents for convenience in case proceedings;
- To generate revenue for the state budget with the aim of national protection and development.

Article 2 To be legally effective and enforceable, all documents regarding ownership transfer, property use, assignment of rights to an individual or legal entity, articles of association, contracts, and decisions of civil courts must be registered. The registered documents shall be legally effective and enforceable until there is valid evidence opposing such registration.

Article 3 Documents to be registered must be duly in accordance with laws and regulations and must have been certified by relevant competent authorities.

- Article 4** Documents to be registered are classified into two types:
- Documents to be registered within a specific timeframe;
 - Documents to be registered on a voluntary basis.
- Official fees for registration are divided into two types:
- Fixed fees;
 - Fees based on value.
- Article 5** Types of documents with a fixed registration fee are documents that do not contain the following elements:
- Ownership transfer;
 - Transfer of ownership over movable and fixed assets;
 - Court decision enforcing payment of a fee;
 - Capitalization of assets;
 - Combination of personal properties to be marital properties in case of marriage;
 - Wholesale of goods;
 - Construction contracts and others stipulated in laws.
- Article 6** Type of documents with a registration fee based on the value stipulated in documents:
- Transfer instrument of ownership over movable and fixed assets as well as documents regarding debt transfers to others;
 - Civil court decisions enforcing payment of fees or the return of properties by a losing party;
 - Documents regarding the combination of properties as the capital of companies or the combination of personal properties to be marital properties in cases of marriage;
 - Loan or asset lease agreements with or without interest;
 - Documents regarding the wholesale of goods, construction contracts, and other services;
 - Documents regarding property leases;
 - Insurance contracts and other documents.
- Article 7** If the same document indicates the transfer of several types of items, a registration fee shall be based on each type of item as stipulated in this Decree.
- Article 8** In case of transfer of movable and fixed assets being processed in the same transfer instrument with the same total fee, the total fee shall be the basis for the calculation of the registration fee by using the fixed assets amount.
- Article 9** The amount for calculation of the registration fee shall be the value of goods or rights to be transferred when notarizing the document.

CHAPTER II

Registration Fees

Article 10 The documents subject to a fixed fee include:

Documents subject to a LAK 1,500 registration fee:

- Power of attorney granting authorization to others to act on one's behalf;
- Marital property distribution agreement;
- Child adoption certificate;
- Ownership assignment certificate;
- Marriage engagement certificate;
- Commercial, production, and administrative contracts;
- Other documents for which registration is unnecessary but has been requested by a relevant person.

Documents subject to a LAK 1,600 registration fee:

- Minutes of the capital distribution of a dissolved company to its shareholders if such capital is valued at LAK 500,000 or less;
- Minutes of asset distribution among joint owners if such assets are valued at LAK 500,000 or less;
- Cancellation certificate of assets-based loan security if such loans are valued at LAK 500,000 or less;

Documents subject to a LAK 2,000 registration fee:

- Minutes of the capital distribution of a dissolved company to its shareholders if such capital is valued at over LAK 500,000;
- Minutes of asset distribution among joint owners if such assets are valued at over LAK 500,000;
- Cancellation certificate of assets-based loan security or guarantors if such loans are valued at over LAK 500,000.

Article 11 Instruments subject to a registration fee based on asset value include:

- Transfer instruments for land, houses which are the property before marriage of spouses, and transfer instruments for land or houses between parents and children shall be subject to 0.5% of the total land/house value;
- Transfer instruments for land/houses between brothers and sisters shall be subject to 1% of the total land/house value;
- Transfer instruments for land/houses between uncles/aunts and nephews/nieces (third-degree relatives) shall be subject to 2% of the total land/house value;
- Transfer instruments for land/houses to others shall be subject to 3% of the total land/house value;
- Transfer instruments for empty land to others shall be subject to 4% of the total land value.

Article 12 Registration fees for the transfer of rights to receive benefit from land or houses between:

- Spouses, parents, and children shall be subject to 0.2% of the total value;
- Siblings (second-degree relatives) shall be subject to 0.3% of the total value;
- Uncles and aunts (third-degree relatives) shall be subject to 0.4% of the total value;
- Others shall be subject to 0.5% of the total value;

Article 13 Registration fees for a transfer instrument of land/house use right:

- Transfer instruments for the residence right to land/houses shall be subject to 0.5% of the total value;
- Transfer instruments for licensing land/house use to others shall be subject to 1% of the total value.

Article 14 Registration fees for all kinds of land-house agreements on a long-term basis ranging from 20 years or over:

- Between private sectors shall be subject to 1.5% of the total rental fee;
- Between state-owned enterprises and collective organizations or private sectors shall be subject to 1% of the total rental fees;
- Between state and private sectors shall be subject to 0.5% of the total rental fee.

Article 15 Registration fees for all kinds of land/house agreements with a term less than 20 years:

- Between private sectors shall be subject to 0.5% of the total rental fee;
- Between state-owned enterprises and collective organizations or private sectors shall be subject to 0.3% of the total rental fee;
- Between state and private sectors shall be subject to 0.2% of the total rental fee.

Article 16 Registration fees for ownership assignment contracts for movable assets (vehicles, machinery) are as follows:

- Purchase agreements for all kinds of new motorbikes, automobiles, and other vehicles shall be subject to 0.2% of the total purchase value;
- Purchase agreements for all kinds of used motorbikes and automobiles, and boats and ships with registered number plates shall be subject to 1% of the total purchase value;
- Purchase agreements for new machinery shall be subject to 0.2% of the total purchase value;
- Purchase agreements for used machinery shall be subject to 0.5% of the total purchase value.

Article 17 Registration fees for contracts to convert cash or kind into the registered capital of a company are as follows:

- House or land shall be subject to 1% of the total value;
- Cash or kind which are not land or houses shall be subject to 0.5% of the total value;
- When the company is dissolved and there is an asset distribution to its shareholders, those shareholders shall also be subject to 2% of the total asset value;
- For profit distribution instruments of the company, if it is land or a house, the registration fee for ownership transfer shall be 3% of the total asset value;
- If the profit proportion is in cash or kind, the registration fee shall be 0.5% of the total value.

Article 18 Registration fees for other contracts are as follows:

- Loan or asset lease agreements shall be subject to 0.1% of the total value;
- Construction, transportation, service, and other agreements shall be subject to 0.1% of the total value;
- Security agreements by assets or guarantor shall be subject to 0.1% of the total loan amount;
- Debt transfer instruments shall be subject to 0.5% of the total debt amount;
- Articles of association shall be subject to 0.1% of the total registered capital of an enterprise;
- Commercial, production, and service businesses and share transfer instruments shall be subject to 0.2% of the total business or share value;
- Insurance contracts shall be subject to 0.2% of the total insurance cost.

CHAPTER III

Basis for Calculation of Registration Fees

Article 19 The basis for the calculation of registration fees is as follows:

- For transfer of ownership and use right over assets, the actual value of the asset when registered shall be the amount for calculation of the registration fee;
- For exchange of the same asset type, if the exchanged assets have different values, the one with the higher value shall be the basis for calculation of the registration fee. If they are different assets types, an applicant is subject to a registration fee for each asset type;
- For inheritance, the proportion received by a successor after deduction of the original owner's debts shall be the basis for calculation of the registration fee;
- For the contribution of assets as capital or the combining of assets as the marital property of spouses, the amount of capital or the value of the combined assets shall be the basis for calculation;
- For construction and services, the value of the construction and services excluding business turnover tax shall be the basis for calculation.

Article 20 If it is found that the declared value of assets to be registered is less than the actual value, a registry officer has a right to require an instrument owner to adjust the value to match its actual value. If an owner refuses to adjust the value, the registry officer shall propose a committee consisting of a registry officer, a commerce representative, a finance representative, and a representative of the administrative authority that certifies the instrument to stipulate the correct value.

Article 21 The minimum registration fee shall not be less than LAK 500.

Article 22 All instruments and documents executed prior to the promulgation date of this Decree which are not registered shall be registered when their use is required.

CHAPTER IV Exemption from Registration Fee

Article 23 The following documents shall be exempted from registration fees:

- Transfer instruments of ownership over all kinds of assets in the Lao PDR to the government or embassies and international organizations situated in the Lao PDR where an agreement exists on registration fee exemption between countries or other exemptions;
- Grant aid agreements and loan agreements between the Lao government and foreign countries or other organizations;
- Documents regarding the whole purchasing of lands and houses of the private sector or citizens to be under state ownership;
- Documents or instruments where the government is liable for the registration fee.

CHAPTER V Required Timeframe for Filing Documents for Registration

Article 24 The required timeframe for filing documents for registration is as follows:

- Within one month: transfer agreements of ownership over registered assets and agreements that indicate receipt of money or assets;
- Within two months: articles of association, construction contracts;
- Within three months: declaration of receipt of a domestic inheritance;
- Within six months: declaration of receipt of inheritance in a foreign country.

The timeframe for registration shall start from the date an officer certifies the documents; if the last day of the timeframe falls on a public holiday, it shall be postponed to the next working day.

Except for those mentioned above, there is no required timeframe to register other documents.

CHAPTER VI

Registration Places and Persons Liable for the Registration Fees

Article 25 Documents regarding registered land and houses, and commercial capital and assets must be registered at the registration management office where the assets or the enterprise are located:

- Documents regarding unregistered assets and movable assets must be registered at the registration management office where the document owner is living;
- Minutes of inheritance which are not related to land or houses must be registered at the registration management office where the original owner's permanent residence is located.

Article 26 Persons liable for the registration fee are the applicants for registration.

CHAPTER VIII

Measures against Violators

Article 27 Any person who violates this Decree shall be subject to the following measures:

- Fine to the amount of 5% of the monthly payable amount in case of late payment but not exceeding 100% of the total registration fee. Those who fail to register documents and instruments in accordance with the required timeframe specified in Article 24 of this Decree shall be subject to a fine of 0.5% of the total registration fee. Those who declare incorrect and untrue information regarding relatives with the intention of reducing a registration fee shall be subject to a fine equal to the registration fee.

Article 28 Persons who are jointly liable for the registration fees and fines as stipulated in this Decree are as follows:

- Inheritors;
- Joint purchasers of assets;
- Persons who exchange assets;
- Persons who jointly rent assets;
- Contractual parties.

CHAPTER IX

Implementation

Article 29 Administrative and competent authorities that have duties to issue or certify documents to be registered shall advise the relevant persons to register such documents.

Article 30. State authorities at all levels are prohibited from accepting instruments or contracts required to be registered but not yet registered to be considered as evidence.

Article 31 The Ministry of Finance is assigned to liaise with ministries, ministry-equivalent bodies, provincial and capital administrative committees, and other relevant authorities to implement their duties.

Article 32 This Decree is effective from the date of signature.

Vientiane, 13 March 1993

On behalf of the Prime Minister

The Deputy Prime Minister

Khamphoui KEOBOUALAPHA