



SEOU ACCOUNTING AND CONSULTING COMPANY LIMITED

NEWSLETTER

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Table of Contents

UPDATE ON CORPORATE INCOME TAX (“CIT”)	3
The Corporate Income Tax Law No. 67/2025/QH15 will take effect from October 1, 2025, and apply from the 2025 tax period	3
UPDATE ON VALUE ADDED TAX (“VAT”)	7
Law No. 90/2025/QH15, dated June 25, 2025, issued by the National Assembly, effective July 1, 2025, amends the Law on Value Added Tax No. 48/2024/QH15	7
Decree No. 174/2025/ND-CP, dated June 30, 2025, on VAT Reduction	8
Decree No. 181/2025/ND-CP, dated July 1, 2025, detailing some articles of the Law on Value Added Tax, providing detailed guidance on non-cash payment documents (Clause 1, Article 26)	8
INVOICES	10
Circular 32/2025/TT-BTC dated May 31, 2025, Ministry of Finance provides guidance on some contents regarding invoices and receipts	10
SOCIAL INSURANCE	10
Social Insurance Law No. 41/2024/QH15 dated 29 June 2024	10
Decree No. 158/2025/NĐ-CP dated June 25, 2025, on compulsory social insurance	13
OTHERS	13
Overview of VNeID for foreign nationals.....	13
Law No. 90/2025/QH15 dated June 25, 2025, effective from July 1, 2025, amending several provisions of the Law on Customs	14
Resolution No. 198/2025/QH15 dated May 17, 2025, of the National Assembly on Special Mechanisms and Policies to Promote the Development of the Private Sector, effective from May 17, 2025	15
OFFICIAL LETTER	19

Official Letter No. 1686/CT-CS dated June 10, 2025 of the Tax Department regarding land rental and land use fees19

Official Letter No. 10500/CCTKV.XVI-QLDN1 dated June 11, 2025 of Sub-Department XVI under the Tax Department regarding guidance on issuing invoices with attached detailed statements
19

Official Letter No. 244/CCTKV17-QLDN1 dated April 4, 2025 of the Tax Sub-Department of Region XVII regarding customer support expenses.....20

Official Letter No. 1992/CT-CS dated June 24, 2025 of the General Department of Taxation regarding the use of personal income tax deduction certificates20

Official Letter No. 4370/BTC-DNTN dated May 5, 2025 of the Ministry of Finance regarding Guidance on Business Registration in Case of Administrative Boundary Changes20

UPDATE ON CORPORATE INCOME TAX (“CIT”)

The Corporate Income Tax Law No. 67/2025/QH15 will take effect from October 1, 2025, and apply from the 2025 tax period

Some new key points of the new CIT Law as follows:

1. Expansion of CIT taxpayers [Article 2]

The CIT Law expands the scope of taxpayers to include **E-commerce platforms and digital platforms through which foreign enterprises provide goods and services in Vietnam.**

(Note)

With the inclusion of e-commerce and digital platform operators without a permanent establishment in Vietnam—such as Amazon or Netflix—as corporate income taxpayers, it is important to closely monitor upcoming implementing regulations to see how this may affect the current indirect taxation mechanisms, such as the Foreign Contractor Tax.

2. Amendment to the timing of CIT payment on income from overseas investments

Current CIT Law (Clause 1, Article 1 of Law No. 71/2014/QH13 and Article 1 of Circular No. 96/2015/TT-BTC)	CIT Law No. 67/2025/QH15 (Clause 4, Article 3)
Vietnamese enterprises are only required to pay CIT when profits from overseas investments are remitted back to Vietnam.	Enterprises must pay CIT in the tax period in which income is generated abroad, without waiting for the profit to be transferred to Vietnam.

(Note)

The definition of "profit or income" under the above regulation is unclear; however, since it presumes remittance to the parent company in the form of dividends, the term "profit or income" can be interpreted as the current period's net profit that constitutes retained earnings. Since the equity method is not applied under Vietnamese accounting standards for recognizing the profits of investees by the investor, this may lead to differences between accounting profit and taxable income.

3. Provides clearer guidance on the offsetting of taxable income among different business activities [Clause 3, Article 7]

Enterprises can choose to offset losses against taxable income among profit-generating business activities (**excluding income from real estate transfers, investment project transfers, the transfer of the right to participate in investment projects, which can not be offset against income from business activities that are enjoying tax incentives**). The remaining income after offsetting will be subject to the corporate income tax rate of business activities that still have income.

(Note)

Under the previous Corporate Income Tax (CIT) Law, losses from real estate transfers, investment project transfers, and transfers of the right to participate in investment projects could be offset against profits from general business activities. However, the reverse was not specified, meaning that profits from such transfers could not be offset against losses from general business activities. In the recent amendment, it is now explicitly allowed to offset profits from real estate transfers, investment project transfers, and transfers of the right to participate in investment projects against losses from general business activities, provided that those general business activities are not subject to CIT incentives.

4. Amending Regulations on Deductible and Non-Deductible Expenses (Clause 1, Article 9)

- For deductible expenses: **non-cash payment documentation is mandatory**, except for special cases prescribed by the Government. The Ministry of Finance will provide detailed guidance on the required documentation and procedures for such specific cases.

(Note)

Under Decree No. 181/2025/ND-CP on Value-Added Tax, effective from July 1, 2025, input VAT deduction is only allowed for the purchase of goods and services (including imported goods) with a value of VND 5 million or more (VAT included), provided that non-cash payment documentation is available. This represents a significant reduction from the previous threshold of VND 20 million (for further details, see item 3 of Update on VAT). It is expected that special cases—where cash payments may still be deductible under the Corporate Income Tax Law—will be aligned with this VAT regulation, and detailed guidance on the required

documentation and procedures will be provided by the Ministry of Finance in the forthcoming implementing regulations.

- Addition and amendment of certain non-deductible expenses, including:

- Loan interest for the implementation of oil and gas prospection, exploration and exploitation contracts;
- The interest payment on production and business loans of non-credit institutions in excess of the provisions of the Civil Code (currently 20%/year);
- Expenditures that do not meet the expenditure conditions and expenditure contents as prescribed by specialized laws;
- Input VAT that has already been deducted (except for cases where input VAT directly related to production and business activities has not been fully deducted but is not eligible for tax refund, this portion can be treated as a deductible expense).

5. Amendment to the regulations on corporate income tax rates (Article 10)

Addition of CIT rates for micro- and small-sized enterprises with 15% CIT rate for enterprises with total annual revenue under VND 3 billion, or 17% for those with revenue from VND 3 billion to VND 50 billion; (Clause 2, Article 10)

However, the tax rates of 15% and 17% do not apply to enterprises that are subsidiaries or companies with associated relations that are not enterprises meet the conditions for application of tax rates specified in Clauses 2 and 3, Article 10 of this Law.

Type of Enterprise	Tax rate
Annual revenue ≤ VND 3 billion	15%
VND 3 billion < Annual revenue ≤ VND 50 billion	17%
Standard enterprises	20%
Oil and gas prospection, exploration and exploitation	25%–50%
Exploration and extraction of rare and precious natural resources + Standard rate + If ≥ 70% of the mine area is in difficult regions	50% 40%

6. Addition of entities eligible for CIT incentives (Article 12)

The list of business sectors eligible for corporate income tax incentives has been expanded, including various fields that promote innovation and sustainable development:

No.	Investment Sector	Legal Basis	Preferential Sector	CIT incentives	Notes
1	High-tech enterprises; High-tech agricultural enterprises; Science and technology enterprises	Clause 2.e Article 12	10% for 15 years	Exemption: 4 years 50% CIT Reduction: 9 years	Must be certified as a high-tech enterprise; Must be certified as a high-tech agricultural enterprise; Must have a certificate from a competent authority.
2	Automobile manufacturing and assembly; Manufacturing of other digital technology products	Clause 2.n Article 12	17% for 10 years	Exemption: 2 years 50% CIT Reduction: 4 years	Incentives apply under conditions of productivity and localization.
3	Investment in facilities supporting SMEs (technical support, incubation, coworking)	Clause 2.o Article 12	17% for 10 years	Exemption: 2 years 50% CIT Reduction: 4 years	Must meet startup support criteria.
4	Press activities (including advertising in newspapers)	Clause 2.u Article 12	10% (no time limit)	Not applicable	Applies to licensed press agencies.

7. Amendment to regulations on areas of CIT incentives (Article 12)

Accordingly, the 2025 CIT Law has removed and reduced certain tax incentives as follows:

- **Industrial Parks are no longer entitled to location-based tax incentives.** Accordingly, new investment projects or expansion projects implemented in the Industrial Parks shall no longer be entitled to the CIT incentives of a 2-year tax exemption and a 4-year 50% tax reduction.
- The preferential CIT rate applicable to economic zones that are not located in areas with difficult or especially difficult socio-economic conditions shall be reduced.

- New investment projects with a total investment capital of at least VND 6 trillion shall no longer fall within the scope of projects eligible for CIT incentives.

8. Increase in the cap for appropriation to the Science and Technology Development Fund [Article 17]

Enterprises, organizations, and public service units established and operating under Vietnamese law may appropriate up to **20%** (previously 10%) of their annual taxable income to establish their own Science and Technology Development Fund.

UPDATE ON VALUE ADDED TAX (“VAT”)

Law No. 90/2025/QH15, dated June 25, 2025, issued by the National Assembly, effective July 1, 2025, amends the Law on Value Added Tax No. 48/2024/QH15

Amendment to Regulations on Exported Goods and Services Subject to 0% VAT

Exported goods include:

- Goods sold from Vietnam to organizations or individuals abroad and consumed outside of Vietnam;
- Goods sold from domestic Vietnam to organizations located in non-tariff zones and consumed within such zones for the purpose of directly serving export production activities;
- Goods sold in isolation areas to individuals (foreigners or Vietnamese nationals) who have completed exit procedures;
- Goods sold at duty-free shops;
- **On-the-spot exports.**

(Note)

The **on-the-spot exports** mechanism refers to transactions in which a Vietnamese enterprise, after entering into a manufacturing or processing contract with a foreign company, delivers goods resulting from such manufacturing or processing activities not to the foreign company directly, but to another domestic enterprise in Vietnam as instructed by the foreign company.

This arrangement is common in cases where further processing is required before final export.

Previously, customs authorities considered such domestic deliveries as domestic sales rather than export transactions and proposed abolishing the on-the-spot exports regime through amendments to the customs regulations. This caused significant practical confusion for affected enterprises.

However, under the recently amended Customs Law, the **on-the-spot exports** system has been formalized. It now requires enterprises to submit export and import declarations for such domestic deliveries, thereby placing them under the same customs supervision as cross-border movements of goods. In parallel, the amended VAT Law includes on-the-spot export transactions as eligible for the 0% VAT rate, ensuring consistency across legal frameworks.

Decree No. 174/2025/ND-CP, dated June 30, 2025, on VAT Reduction

This decree expands the list of goods and services eligible for a 2% VAT reduction compared to the previous policy.

In addition to the previously applicable categories, the following goods and services are newly eligible for VAT reduction: Petroleum products, chemical products, transportation and logistics services, goods and services related to information technology.

Specifically: VAT reduction applies to goods and services currently subject to the 10% VAT rate, except for the following:

- Telecommunications, financial services, banking, securities, insurance, real estate business, metal products, and mineral products (excluding coal). Detailed in Appendix I attached to the Decree.
- Goods and services subject to Special Consumption Tax (excluding petroleum). Detailed in Appendix II attached to the Decree.

VAT reduction period: From July 1, 2025 to December 31, 2026.

Decree No. 181/2025/ND-CP, dated July 1, 2025, detailing some articles of the Law on Value Added Tax, providing detailed guidance on non-cash payment documents (Clause 1, Article 26)

- Accordingly, business establishments **must retain non-cash payment documents** for purchases of goods and services (including imported goods) with a **value of VND 5 million or more, inclusive of value-added tax (VAT)**.

Specifically: Non-cash payment documents refer to documents evidencing non-cash payment in accordance with Decree No. 52/2024/NĐ-CP dated May 15, 2024, of the Government on non-cash payments, **excluding documents showing the buyer depositing cash into the seller's bank account**.

(Note)

Decree No. 52/2024/NĐ-CP

Article 3. Interpretation of terms

10. **Cashless payment instruments** (hereinafter referred to as “payment instruments”) refer to instruments issued by **payment service providers, financial companies licensed to issue credit cards, and e-wallet payment intermediary service providers** and used by clients to implement transactions concerning cheques, payment orders, payment authorizations, collection orders, collection authorizations, bank cards (including debit cards, credit cards, and prepaid cards), e-wallets, and other payment instruments according to the regulations of SBV.

- Common special cases involving non-cash payments through third-party authorization (Clause 2, Article 26):

- In cases where goods or services are purchased and paid for via a non-cash authorized third party (including cases where the seller requests the buyer to make non-cash payment to a third party designated by the seller), the authorized payment or payment to the seller's designated third party must be clearly stipulated in a written contract, and the third party must be an entity or individual operating in accordance with the law.
- If goods or services used for business activities subject to VAT are paid non-cash by an individual employee of the business establishment under its financial regulations or internal rules, and the business establishment subsequently reimburses the employee through a non-cash payment method, then input VAT is deductible.

- In cases where goods or services are purchased from a taxpayer in multiple transactions on the same day with a total value of VND 5 million or more, VAT deduction is only allowed if there is a non-cash payment document.

INVOICES

Circular 32/2025/TT-BTC dated May 31, 2025, Ministry of Finance provides guidance on some contents regarding invoices and receipts

Supplementing the symbol for e-commerce invoices (Clause 1, Article 5)

The regulation on invoice form symbols has been supplemented with form number 7 to reflect e-commerce invoices. In parallel, the invoice type symbol "X" has been added for e-commerce invoices.

For example, invoice symbol 7K25XAB is an unencoded e-commerce invoice issued in 2025 by an enterprise registered with the tax authority.

Mandatory transition to electronic personal income tax withholding receipts (Clause 2, Article 12)

From June 1, 2025, organizations withholding personal income tax must **stop using previously issued electronic personal income tax withholding receipts and switch to the electronic personal income tax withholding receipt format** in accordance with Decree 70/2025/ND-CP.

SOCIAL INSURANCE

Social Insurance Law No. 41/2024/QH15 dated 29 June 2024

The Law of Social Insurance 2024 was issued on September 26, 2024 and takes effect on July 01, 2025. Some key new points of the 2024 Law on Social Insurance are as follows:

Expansion of Compulsory Social Insurance Coverage (Clause 1, Article 2)

The Law adds some new categories of employee subject to compulsory social insurance, including:

- People working under indefinite-term employment contracts, employment contracts with terms of at least 01 month, even if they are referred to by other names by the employers and employees, as long as they specify the job, salary, remuneration, and the management of one party;
- Enterprise managers, controllers, representatives of state capital, representatives of enterprises' capital as prescribed by law; members of Boards of Directors, General Directors, Directors, members of Boards of Controllers or Controllers, and other elected

managerial positions of cooperatives and cooperative unions prescribed by the Law on Cooperatives who do not receive salaries;

- Part-time staff in communes and neighborhoods;
- Owners of household businesses that participate in social insurance as prescribed by regulations of the Government;
- Public employees in military forces;
- Standing militia personnel;
- Spouses who accompany members of Vietnamese diplomatic missions overseas during their tenure, do not receive salaries from state budget, and are entitled to subsistence allowances.

Female employees undergoing infertility treatment are entitled to maternity benefits; extended maternity leave flexibility for male employees (Clause 5, Article 50 and Clause 3, Article 53)

Regarding eligibility for maternity benefits, female employees who give birth are entitled to the maternity regime if they have contributed to **compulsory social insurance for at least 6 months within the 24 months immediately prior** to childbirth, in cases where leave is required for infertility treatment.

For male employees whose wives give birth, paternity leave (ranging from 5 to over 14 days) may be taken in multiple installments **within the first 60 days following the birth**. Paternity leave duration is as follows:

- 05 working days in normal cases;
- 07 working days, if the wife has to undergo caesarean delivery or the child is born before 32 weeks;
- 10 working days if the wife gives birth to twins, and 03 more working days for each subsequent child;
- In case of caesarean delivery of twins, paternity period shall be 14 working days, and 03 more working days for each subsequent child.

Supplementing regulations on late payment, evasion of payment and handling of late payment and evasion of social insurance payment

(Article 38, Article 39, Article 40, Article 41)

Actions against late payment, **evasion of payment** of compulsory social insurance and unemployment insurance.

- Enforced payment of the arrears;

- Enforced payment of an interest of 0,03%/day on the arrears to the social insurance and unemployment insurance funds;
- Administrative penalties as prescribed by law;
- Disqualification from commendation and awards.
- As for the act of tax evasion, there is also the measure of criminal prosecution as prescribed by law.

In addition, to protect employees' rights, the 2024 Social Insurance Law has added a provision requiring employers to compensate employees if they fail to participate in or make full and timely contributions to the compulsory social insurance scheme, thereby causing damage to the employees' lawful rights and interests (Clause 8, Article 13 of the 2024 Social Insurance Law on Employers' Responsibilities).

Changes in regulations on social insurance sickness benefits for short-term leave (Article 45)

The sickness benefit level for employees is calculated as follows:

- **Half-day sick leave: Calculated as 1/2 of the sickness benefit level for 1 day;**
- 1-day sick leave: Calculated as the monthly sickness benefit level divided by 24 days.

Specific regulations on reference level replacing the basic salary

The 2024 Social Insurance Law has officially introduced the reference level to replace the basic salary for calculating contributions and entitlements under certain social insurance schemes, effective from July 1, 2025, as follows:

- The convalescent leave benefit for one day shall be 30% of the reference level, as stipulated in Clause 3, Article 46 of the 2024 Social Insurance Law.
- The lump-sum allowance per child mentioned in Clauses 1, 2 and 3 of this Article shall be 02 times the reference level of the month in which the child is born, relinquished or adopted.
- The postpartum convalescent leave benefit for one day shall be 30% of the reference level, as provided in Clause 3, Article 60.
- The funeral allowance shall be equal to 10 times the reference level of the month applicable in the month when the individual passes away, referred to in Clause 1, Article 85.
- The monthly survivorship allowance for each family member shall be 50% of the reference level; 70% of the reference level if the family member is self-reliant, as specified in Article 87.

- The funeral allowance is also equal to ten times the reference level in the month the person referred to in Clause 1, Article 108 passes away.
- The funeral allowance shall be 10 times the reference level of the month in which the person mentioned in Clause 1 Article 108. Beneficiaries of survivorship allowance

Reference level is an amount decided by the Government to calculate the premiums and benefits of certain types of social insurance specified in this Law. The reference level shall be adjusted according to the increase in consumer price index, economic growth, in consideration of the capacity of state budget and social insurance. (Article 7, Law of Social insurance 2024).

Clause 13, Article 141 of the 2024 Social Insurance Law provides as follows:

“Before the annulment of the statutory pay rate, the reference level prescribed in this Law shall be the statutory pay rate. Upon annulment of the statutory pay rate, the reference level shall not fall below the statutory pay rate.”

Currently, under Article 3 of Decree No. 73/2024/NĐ-CP, ***the statutory pay rate being applied is VND 2,340,000 per month.*** Accordingly, the reference level prescribed in the 2024 Social Insurance Law is ***also VND 2,340,000.***

Decree No. 158/2025/NĐ-CP dated June 25, 2025, on compulsory social insurance

On June 25, 2025, the Government issued Decree No. 158/2025/NĐ-CP ("Decree 158") detailing and guiding the implementation of the Law on Social Insurance regarding compulsory social insurance.

Individuals specified at Point a, Clause 1, Article 2 of the Law on Social Insurance who work part-time and have monthly wages calculated in accordance with Clause 2, Article 7 of this Decree that are lower than the minimum wage used as the basis for compulsory social insurance contributions; and employees working under probation contracts in accordance with labor laws are not subject to compulsory social insurance participation (Clause 5, Article 3).

Accordingly, employees working under probation contracts as prescribed by labor laws are not subject to compulsory social insurance (SI).

OTHERS

Overview of VNeID for foreign nationals

1. Starting from July this year, foreigners residing and working in Vietnam are required to complete the Level-2 electronic identification (VNeID Level-2) registration process for the use of public administrative services and integrated electronic information systems.

2. In particular, foreign legal representatives of companies are required to complete the Level-2 VNeID process in order to verify organizational identity and file taxes via their electronic identification account.

For item 1 above, the foreign individual must personally visit the Immigration Office with jurisdiction over their place of residence, bringing the following: **passport, temporary residence card, residence confirmation letter issued by the police, and a personal mobile phone number (corporate numbers are not accepted)**. At the office, the individual will undergo photo capturing, fingerprinting, and submit a completed application form. After processing, an ID and password will be sent to the email address provided on the application, which can then be used to log in to the VNeID mobile app. While not immediately mandatory, it is highly recommended for foreigners holding a valid residence card to complete this process.

However, foreign legal representatives **must complete both step 1 and step 2**, because as of July 1, the tax declaration procedure has changed: **taxpayer identification is now verified through the legal representative's VNeID account** (although, for now, the previous filing method is still temporarily accepted). Step 2 is a simple process performed within the VNeID app after completing step 1—by selecting the “Organizational Identification” menu, entering company information, and registering oneself as the legal representative.

Currently, corporate internet banking typically uses biometric data or OTPs linked to the legal representative. However, in the near future, it is highly likely that **identity verification through the legal representative's VNeID will become mandatory** for corporate transactions as well, so this should be kept in mind.

Law No. 90/2025/QH15 dated June 25, 2025, effective from July 1, 2025, amending several provisions of the Law on Customs

This law adds Article 47a to the Law on Customs, defining on-the-spot export and import goods as follows:

1. On-the-spot exported and imported goods are goods delivered and received within Vietnam under the instruction of a foreign trader, based on contracts for sale, processing, leasing, or borrowing between Vietnamese enterprises and foreign traders.

2. Such goods must undergo customs procedures and are subject to customs inspection and supervision.

Resolution No. 198/2025/QH15 dated May 17, 2025, of the National Assembly on Special Mechanisms and Policies to Promote the Development of the Private Sector, effective from May 17, 2025

The Decree stipulates tax, fee, and charge support policies as resolved by the National Assembly, including a corporate income tax (CIT) exemption for **small and medium-sized enterprises (SMEs)** for a period of three (03) years from the date of issuance of their first Enterprise Registration Certificate.

(Note)

Summary of SME Classification Criteria under Article 5, Decree No. 80/2021/NĐ-CP:

Enterprises are classified into **micro**, **small**, and **medium** based on their **sector**, **number of employees participating in social insurance**, **annual revenue**, and **total capital**.

1. Micro Enterprises:

- **Agriculture, Forestry, Fisheries, Industry, Construction:** ≤ 10 employees, and either ≤ VND 3 billion in revenue or capital.
- **Commerce & Services:** ≤ 10 employees, and either ≤ VND 10 billion in revenue or ≤ VND 3 billion in capital.

2. Small Enterprises:

- **Agriculture, Forestry, Fisheries, Industry, Construction:** ≤ 100 employees, and either ≤ VND 50 billion in revenue or ≤ VND 20 billion in capital. Not classified as micro enterprises.
- **Commerce & Services:** ≤ 50 employees, and either ≤ VND 100 billion in revenue or ≤ VND 50 billion in capital. Not classified as micro enterprises.

3. Medium Enterprises:

- **Agriculture, Forestry, Fisheries, Industry, Construction:** ≤ 200 employees, and either ≤ VND 200 billion in revenue or ≤ VND 100 billion in capital. Not classified as micro or small enterprises.
- **Commerce & Services:** ≤ 100 employees, and either ≤ VND 300 billion in revenue or ≤ VND 100 billion in capital. Not classified as micro or small enterprises.

In addition, the Decree introduces specific tax, fee, and charge support policies applicable to enterprises, household businesses, individual businesses, and other relevant organizations and individuals as follows:

- Corporate income tax (CIT) exemption for a period of 2 years and a 50% reduction of payable CIT for the following 4 years on income derived from innovative start-up activities by **innovative start-up enterprises**, start-up investment fund management companies, and intermediary organizations supporting innovative start-ups. The determination of the tax exemption and reduction period shall be in accordance with the Law on Corporate Income Tax.

[Note]

Pursuant to **Clause 1, Article 2 of Circular No 01/2018/TT-BKHCHN dated 12/04/2018**, an innovative startup enterprise is an enterprise with the ability to grow rapidly based on the exploitation of intellectual property, technology, new business models and has an operating period of no more than 05 years from the date of being granted the first Certificate of Business Registration.

Accordingly, **Clause 1, Article 3 of Resolution 98/2023/QH15 (24/06/2023)** stipulates that an innovative startup enterprise is an enterprise established in accordance with regulations to implement ideas based on the exploitation of intellectual property, technology, new business models and has the ability to grow rapidly.

- Exemption from personal income tax (PIT) and corporate income tax on income derived from the transfer of shares, capital contributions, rights to contribute capital, rights to purchase shares, and rights to purchase capital contributions in innovative start-up enterprises.
- Exemption from PIT for 2 years and a 50% reduction of payable PIT for the following 4 years on income from salaries and wages received by experts and scientists working for innovative start-up enterprises, research and development centers, innovation centers, and intermediary organizations supporting innovative start-ups.
- CIT exemption for small and medium-sized enterprises (SMEs) for three (3) years from the date of issuance of their first Enterprise Registration Certificate.
- Training and retraining expenses incurred by large enterprises for SMEs participating in supply chains shall be considered deductible expenses for determining taxable income when calculating corporate income tax.

- **From January 1, 2026, household businesses and individual businesses will no longer apply the presumptive tax method. They shall instead pay taxes in accordance with the Law on Tax Administration.**

(Notes)

1. Legal Basis

a. Law on Tax Administration No. 38/2019/QH14

Article 51: Individuals engaged in business may apply the declaration method if eligible or required by the tax authority.

Articles 3 & 4: Define taxpayers and tax declaration principles.

b. Decree 123/2020/ND-CP and Decree 70/2025/ND-CP (amended)

Requires individual businesses with annual revenue exceeding VND 1 billion to use e-invoices from cash registers, connected to the tax database.

“Article 11. E-invoices generated by POS cash registers

1. Any household business or individual business that is prescribed in clause 1 Article 51 and has annual revenue of at least VND 01 billion, those prescribed in clause 2 Article 90, clause 3 Article 91 of the Law on Tax Administration No. 38/2019/QH14 and enterprises selling goods and providing services, including sale of goods or provision of services directly to consumers (shopping malls; supermarkets; retailers (except automobiles, motorcycles, motorbikes and other motor vehicles); foods and drinks; restaurants; hotels; passenger transport services, road transport support services, arts, entertainment, cinema and other personal services as prescribed in Vietnam Standard Industrial Classification) shall use e-invoices generated from POS cash registers.”

c. Amended VAT Law 2024 (Law No. 48/2024/QH15)

Article 5(25): Individuals with annual revenue \leq VND 200 million are exempt from VAT.

“25. Goods and services manufactured or sold by business households and individuals that earn annual revenue of at least 200 million VND; assets sold by organizations and individuals that do not do business and are not VAT payers; goods in national reserves sold by national reserves agencies; fees and charges prescribed by regulations of law on fees and charges.”

Effective from January 1, 2026.

d. Resolution 198/2025/QH15

Abolishes the presumptive tax method entirely from January 1, 2026.

All individual businesses must declare and pay taxes under the Law on Tax Administration.

e. Circular No 40/2021/TT-BTC

Article 6.2 Method for calculating tax individual businesses under separate declarations

“2. Individual businesses paying tax under separate declarations include:

a) Travelling traders;

b) Individuals that are private construction contractors;

c) Individuals transferring Vietnam’s top-level domains “.vn”;

d) Individuals earning incomes from digital information products and/or services that do not choose to pay tax under periodic declarations.”

2. Tax Calculation Methods Summary (Effective from 2026)

Business Scale	Tax Method	Requirements
Revenue ≤ VND 200 million/year	Tax-exempt	No declaration, no VAT invoices
Revenue > VND 200 million/year	Declaration Method	E-invoices, periodic tax declaration
All business individuals	No presumptive tax	Lump-sum method abolished from Jan 2026
Individual businesses for specific cases	Occasional declaration method	Specific cases: irregular property rentals, one-time business activities

- Abolition of business license fees effective from January 1, 2026.
- Exemption from fees and charges for organizations, individuals, and enterprises when reissuing or replacing documents due to restructuring or reorganization of state administrative agencies in accordance with legal regulations.

- Exemption from fees and charges for organizations, individuals, and businesses when reissuing or changing documents due to restructuring or reorganization of state administrative agencies in accordance with the law.

OFFICIAL LETTER

Official Letter No. 1686/CT-CS dated June 10, 2025 of the Tax Department regarding land rental and land use fees

According to the Official Letter, Clause 1, Article 157 of the 2024 Land Law and Article 39 of Decree No. 103/2024/ND-CP stipulate the cases eligible for exemption from land rental payments.

Pursuant to Clause 3, Article 157 of the 2024 Land Law, in cases where land use fees or land rental fees are exempted, the procedures for land valuation and fee calculation for the exempted portion are not required. Land users eligible for exemption from land use fees or land rental fees are not required to submit applications for such exemptions. Therefore, Decree No. 103/2024/ND-CP does not provide regulations on the determination or authority to decide on the exemption of land use fees or land rental fees. Instead, it assigns the responsibility to the land management authorities and the land registration offices to annually compile and summarize cases eligible for exemption from land use and land rental fees, and notify relevant agencies to carry out inspections, audits, and oversight in accordance with their assigned functions and duties (as stipulated at Point b, Clause 2, Article 44).

Official Letter No. 10500/CCTKV.XVI-QLDN1 dated June 11, 2025 of Sub-Department XVI under the Tax Department regarding guidance on issuing invoices with attached detailed statements

According to the Official Letter, in the case where a company engaged in business activities issues invoices for **multiple transportation trips**, if the conditions specified at Point a.3, Clause 7, Article 1 of Decree No. 70/2025/ND-CP are satisfied, the company is permitted to use a detailed statement attached to the invoice in accordance with applicable legal regulations.

(Note)

Point a.3, Clause 7, Article 1 of Decree No. 70/2025/ND-CP

(...) The invoice must bear the text “kèm theo bảng kê số..., ngày...tháng...năm” (“This invoice is accompanied by the list No.....date....”). This list shall bear the seller’s name, TIN and address,

name, quantity and unit of goods/services, total amount payable, date of issue, name and signature of the person preparing the list. If the seller pays VAT adopting the credit-invoice method, the list must have the items “thuế suất thuế giá trị gia tăng” (VAT rate) and “tiền thuế giá trị gia tăng” (VAT amount). Total amount payable must be same as that specified on the VAT invoice. Goods/services sold shall be enumerated in chronological order. The list must bear the text “kèm theo hóa đơn số....ngày... tháng... năm” (“This list is accompanied with the invoice No.....date....”).

Official Letter No. 244/CCTKV17-QLDN1 dated April 4, 2025 of the Tax Sub-Department of Region XVII regarding customer support expenses

In cases where the Company makes payments for sales achievement support, promotions, trade discounts, payment discounts, or provides monetary or non-monetary support to business households or individual businesspersons subject to the presumptive tax method, the Company is responsible for declaring and paying taxes on behalf of such business households or individuals, in accordance with Clause 5, Article 7 of Decree No. 126/2020/ND-CP, and at the tax rates specified in Appendix I of Circular No. 40/2021/TT-BTC. These customer support expenses shall be deductible for the purposes of determining taxable corporate income, provided that they are supported by legitimate invoices and documents in accordance with legal regulations and satisfy all conditions specified in Article 4 of Circular No. 96/2015/TT-BTC.

Official Letter No. 1992/CT-CS dated June 24, 2025 of the General Department of Taxation regarding the use of personal income tax deduction certificates

According to the Official Letter, in cases where the income-paying organization does not issue a personal income tax (PIT) withholding certificate to the individual due to the organization having ceased operations, the tax authority shall, based on the tax sector's database, review and process the individual's PIT finalization dossier without requiring the PIT withholding certificate.

Official Letter No. 4370/BTC-DNTN dated May 5, 2025 of the Ministry of Finance regarding Guidance on Business Registration in Case of Administrative Boundary Changes

According to the Official Letter, Enterprises, household businesses, cooperatives, unions of cooperatives, and cooperative groups may continue to use existing Registration Certificate.

Business registration authorities must not require the above-mentioned entities to update their registered address information solely due to administrative boundary changes.

Address updates related to such changes shall only be made upon the entity's request or simultaneously when registering or notifying changes to other business registration information.

*The above information is for reference only, not specific consulting advice.
For more detailed guidance, please do not hesitate to contact our Office.*

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