



June 2025 Newsletter

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1 Personal income tax (PIT) withholding certificates

OL No. 1992/CT-CS dated 24 June 2025 issued by the Tax Department regarding the usage of PIT withholding certificates:

- In cases where individuals authorize the income-paying organization to finalize PIT on their behalf, the organization is not obligated to issue PIT withholding certificates to the employees.
- In case where individuals directly finalize PIT with the tax authority, the PIT finalization dossier must include a PIT withholding certificate to verify the amount of tax withheld during the year.
- According to regulations, the deadline for individuals to finalize PIT on wages and salaries is after the one for income-paying organizations. In certain cases, after the end of the calendar year, individuals may finalize their PIT before the income-paying organization. At that point, the tax system may not yet have complete data on the individual's income and the amount of PIT withheld. Therefore, the PIT withholding certificate serves as the basis for the individual to finalize PIT and for the tax authority to verify and reconcile the declared information in the tax return.

1 Personal income tax (PIT) withholding certificates

- Where the income-paying organizations have completed PIT finalization and fully declared individuals' income and tax withheld to the tax authority's system, if they issue PIT withholding certificates to individuals who finalize tax directly, the certificates allow employees to cross-reference income and tax withheld between employees and organization and helps preventing errors in enterprises' declarations of income and tax withheld.
- In cases where income-paying organizations do not issue PIT withholding certificates due to cessation of operations, the tax authority will rely on the sector database to process the individual's PIT finalization dossier without requiring the PIT withholding certificate.
- From 1 June 2025, the use of electronic PIT withholding certificate data shall comply with the provisions of Government Decree No. 70/2025/NĐ-CP dated 20 March 2025 and Circular No. 32/2025/TT-BTC dated 31 May 2025 issued by the Ministry of Finance.

2 Corporate income tax (CIT) incentives for expansion investment projects

OL No. 2941/CCTKV15-QLDN3-DON dated 3 June 2025 issued by the Regional XV Sub-Taxation Department regarding CIT incentives for expansion investment projects:

- In case a currently operating Company implements an expansion investment project for its existing project — as scaling up production, increasing capacity or upgrading production technology at the same location of the ongoing project and meets one of the criteria for expansion investment projects as guided in Point a, Clause 6, Article 18 of Circular No. 78/2014/TT-BTC (as amended and supplemented by Clause 4, Article 10 of Circular No. 96/2015/TT-BTC), the Company shall be eligible for CIT exemption and reduction for the additional income generated from the expansion. The duration of exemption and reduction shall be equal to that applicable to new investment projects located in An Phuoc Industrial Park (excluding preferential tax rate entitlements) under Clause 3, Article 20 of Circular No. 78/2014/TT-BTC (as amended and supplemented by Article 6 of Circular No. 151/2014/TT-BTC).
- In case the Company opts to apply CIT incentives for the expansion investment project based on the remaining incentive period of the ongoing project, the expansion project must fall within the incentive sectors or geographical areas prescribed in Decree No. 218/2013/ND-CP dated 26 December 2013 as well as the ongoing project.

3 CIT policies related to new and expansion investment projects

OL No. 1482/CT-CS dated 30 May 2025 issued by the Tax Department provides guidance on CIT policy relating to new and expansion investment projects:

- From 1 January 2015 onwards, in case the location of an investment project is reclassified into a tax-incentive area, the enterprise is entitled to CIT incentives for the remaining incentive period, starting from the tax period in which the reclassification takes effect.
- In the case of the Company's project qualifies the conditions as an expansion investment project as prescribed in Clause 4, Article 10 of Circular No. 96/2015/TT-BTC, the Company may opt either to: continue enjoying the remaining applicable tax incentives of the currently operating project, or apply tax exemption or reduction on the additional income generated from the expansion investment with the same duration equally applicable to new investment projects in the same area or within the same business line eligible for CIT incentives.

CIT incentive policies and the recognition of foreign exchange gains/losses from exchange rate differences at the time of CIT finalization

OL No. 962/CCTKV.XVI-QLDN4-TNI dated 11 June 2025 issued by the Regional XVI Sub-Department of Taxation regarding the policies on CIT Incentives and the Recognition of Gains/Losses from Foreign Exchange Rate Differences upon CIT Finalization:

- Export processing enterprises that engage in the activity of transferring real estate are subject to CIT and VAT following the current Laws. The applicable tax rate shall be determined based on the actual nature of the transaction.
- In cases where an enterprise is eligible for multiple tax incentive rates applicable to the same income during the same period, the enterprise may choose to apply the most favorable incentive based on the actual business circumstances.
- Enterprises shall, based on the actual transactions, recognize foreign exchange differences as either income or expenses related to production and business activities. The recognition of foreign exchange differences shall be determined at the point of preparing the financial statements under the relevant legal regulations.

5 The reduction of VAT

Resolution No. 204/2025/QH15 issued by the National Assembly of Vietnam regarding the reduction of VAT:

The main points of the Resolution are as follows:

- A 2% reduction in the VAT rate (to 8%) is applied to groups of goods and services specified in Clause 3, Article 9 of the Law on VAT No. 48/2024/QH15.
- Cases not eligible for the tax reduction include: telecommunications; financial, banking, and securities services; insurance; real estate; metal products; mineral products (excluding coal); and goods and services subject to special consumption tax (excluding gasoline).
- The Resolution is effective from 1 July 2025 till the end of 31 December 2026.

6 Issuance of VAT invoices and revenue recognition for exported sample goods

OL No. 1219/CCTKV17-QLDN1 dated 29 May 2025 issued by the Regional XVII Sub-Department of Taxation regarding the issuance of VAT invoices and revenue recognition for exported sample good:

- In cases where the Company exports sample goods for customers to try free of charge and is conducted under the proper promotional procedures as prescribed by the Laws on Commerce, the Company is required to issue an invoice upon delivery of the goods following Clause 1, Article 4 of Decree No. 123/2020/NĐ-CP dated 19 October 2020 of the Government. The invoice must specify the name and quantity of the goods, clearly indicate that they are sample goods and state the taxable value as zero (0). In case where the goods or services provided for promotional purposes are not in compliance with the Commercial Laws, the Company must declare and pay tax as goods or services for internal consumption, gifts, or donations according to Clause 5, Article 7 of Circular No. 219/2013/TT-BTC dated 31 December 2013 of the Ministry of Finance.
- In cases where the Company exports sample goods overseas and the goods meet the conditions for export as stipulated in Article 9 of Circular No. 219/2013/TT-BTC dated 31 December 2013 of the Ministry of Finance, a VAT rate of 0% may be applied.

7 VAT rates for the sale of used trucks

OL No. 1674/CCTKV17-QLDN1 dated 11 June 2025 issued by the Regional XVII Sub-Department of Taxation regarding VAT rates for the sale of used trucks:

In cases a Company sells used trucks but the trucks are not listed in Appendix II – List of goods and services ineligible for VAT reduction (including special consumption tax subjects), they shall be eligible for VAT reduction under the provisions of Decree No. 180/2024/NĐ-CP. The Company shall rely on the vehicle registration certificate and vehicle inspection certificate and collate with the above regulations to implement them accordingly.

8 Enterprises exporting goods and providing services to foreign countries

OL No. 9213/CCTKV.XVI-QLDN2 dated 29 May 2025 issued by the Regional XVI Sub-Department of Taxation (Binh Duong) for enterprises exporting goods or providing services abroad from 1 June 2025 should note:

- If the enterprise meets the conditions for electronically transmitting e-commercial invoice data to the tax authority: The enterprise is allowed to use e-commercial invoices for declaring VAT on export activities.
- If the enterprise does NOT meet the conditions for electronic data transmission: The enterprise may choose to issue electronic VAT invoices or sales invoices to serve the VAT declaration for export activities.

9 New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

OL No. 1591/CT-CS dated 5 June 2025 issued by the Ministry of Finance introduces the new provisions of Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC:

I. Circular No. 31/2025/TT-BTC:

Circular No. 31/2025/TT-BTC amends and supplements certain provisions of Circular No. 23/2021/TT-BTC which provides guidance on the printing, issuance, management and use of electronic stamps for alcohol and tobacco products. New notable provisions include:

- **Submission of applications and use of electronic stamps:** The information system resolving tax administration procedures will automatically issue Notifications for Forms No. 04/TEM and 07/TEM.
- **Cases where electronic stamps are no longer valid:** Additional provisions are introduced for lost, burnt, or damaged electronic stamps, requiring organizations and individuals to report incidents via the tax administrative procedure system. The tax authority is no longer required to issue a separate notice declaring the stamp invalid.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

- **Purchase of electronic stamps:** The requirement for organizations and individuals to submit various documents when visiting tax authorities to purchase or receive stamps has been eliminated.
- **Information embedded in the QR code of electronic stamps:** Supplementing regulations state that when issuing stamps to the production department, organisations, and individuals, the Company must scan the QR code and input relevant data such as the product name, production time, unit of measurement (litres/cigarettes), and selling unit price. The process ensures that electronic stamp data is integrated with the Electronic Stamp Management System. Users and relevant authorities may look up stamp information via the Tax Sector's electronic information portal, including the type of stamp, sample code symbol, stamp code; name and tax identification number of the manufacturing entity; name of the tax authority selling the stamp, date of sale; product name; production time; unit of measurement; and selling unit price.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

- **Handling of electronic stamps in cases of production cessation, dissolution, bankruptcy, division, separation, merger, or change of tax authority:** Enterprises are required to conduct a final settlement and destroy any remaining electronic stamps within 5 working days from the notification date of production cessation or the decision date of the dissolution, bankruptcy, or merger. In cases of division, separation, merger, or change of the directly managing tax authority, when there is a need to continue using the remaining stamps, enterprises must register for adjustments via the Tax Administration Procedures Information System.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

- **Handling of damaged electronic stamps:** Regulations are provided regarding the destruction of damaged electronic stamps in storage or during the production process (e.g. torn, blurred characters, or fragmented stamps). In cases where stamps have already been affixed to products and reported as used but are subsequently damaged during distribution or when the product is destroyed, the enterprise must also destroy the electronic stamps. Organizations and individuals are required to submit a notification of the stamp destruction results via the Tax Administration Procedures Information System by using Form No. 04/TEM no later than 5 working days from the date of destruction.
- **Stamp printing costs:** The selling price of stamps shall be determined based on the principle of fully covering stamp printing costs and tax obligations.
- **Replacement and abolition of forms:** Form No. 02/TEM, 04/TEM and 07/TEM under Circular No. 23/2021/TT-BTC are replaced with corresponding new forms and Form No. 03/TEM and 05/TEM are abolished.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

II. Circular No. 32/2025/TT-BTC

Circular No. 32/2025/TT-BTC provides guidance on certain matters related to invoices and documents under the Law on Tax Administration, Decree No. 123/2020/NĐ-CP, and Decree No. 70/2025/NĐ-CP. The main contents include:

- **Incentives to encourage consumers to request invoices:** The Tax Department shall utilize the electronic invoice database to develop and implement a “lucky invoice” program for electronic invoices where the buyer is a consumer.
- **Authorization for electronic invoice issuance:** Supplementary regulations require that electronic invoices issued by authorized parties must be consistent with the tax calculation method of the authorizing party. The authorization agreement must include information about both the authorizing and authorized parties. In cases where household or individual business authorize e-commerce platform operators to issue invoices on their behalf, the platform operators must notify the tax authority.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

- **Invoice form codes, serials, and invoice copy number:** Supplementing electronic invoice form: code No. 7 for e-commerce invoices, code No. 8 for VAT e-invoices integrated with receipts for taxes, fees, and charges, and code No. 9 for sales e-invoices integrated with receipts for taxes, fees, and charges. The character "X" is added as a symbol for e-commerce invoices.
- **Application of electronic invoices to other specific cases:** Extending the application of e-invoice to the sale of derivative products, provision of industrial meal services, services of commodity exchanges, credit information services, and passenger transportation services by taxi (for customers that are enterprises or organizations). Additional guidance is provided for invoice issuance by financial leasing institutions.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

- **Five additional criteria for identifying high-risk taxpayers when registering for the use of electronic invoices:**
 1. The taxpayer has an owner or legal representative who a competent authority presumed to commit invoice fraud or engaged in the buying and selling of invoices.
 2. The taxpayer has an owner or legal representative listed in suspicious transaction reports under the Law on Anti-Money Laundering.
 3. The taxpayer registers a head office address that is either non-specific, located in a residential apartment not permitted for business use, or a business location outside the registered province/city.
 4. The taxpayer has a legal representative or owner who falls under the status of “Taxpayer has ceased operations but not completed tax code termination procedures” or “Taxpayer is not operating at the registered address”, or has committed violations related to taxes, invoices, or documents.
 5. The taxpayer shows other signs of tax risk as determined and notified by the tax authority.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

- **Use of documents:** The Sub-Department of Taxation shall generate electronic taxation receipts by Form CTT50 for the collection of agricultural and non-agricultural land use tax from households and individuals.
- **Criteria for organizations providing e-invoice solutions and related services:** The Tax Department will publish a list of qualified organizations that fully meet regulatory requirements on the Tax Department's electronic information portal, instead of the tax authority selecting e-invoice service providers for direct connection.
- **Effective date:** This Circular takes effect on 1 June 2025 and replaces Circular No. 78/2021/TT-BTC. From the effective date of Decree No. 70/2025/NĐ-CP, organizations responsible for PIT withholding must cease using previously applied electronic PIT withholding documents and switch to implementation in accordance with Decree No. 70/2025/NĐ-CP.

New provisions in Circular No. 31/2025/TT-BTC and Circular No. 32/2025/TT-BTC issued by the Ministry of Finance

- **Transitional provisions:** Household and individual businesses shall use electronic invoices generated from cash registers starting when the tax authority approves their registration for use. Enterprises that have registered for the use of electronic invoices but have not yet complied with the standard data format required by the tax authority must register to use e-invoices generated from cash registers. If an invoice was issued incorrectly under previous regulations, the seller and the buyer must prepare a written agreement and issue a new replacement electronic invoice, containing the phrase: "This invoice replaces Invoice Form No...., Serials..., Invoice No...., dated....".
- In cases where enterprises sell goods or provide services directly to consumers as specified under Clause 8, Article 1 of Decree No. 70/2025/NĐ-CP and have registered for electronic invoice use with the tax authority but not assure the invoices embodied the tax authority's code or electronic data, they must register to use of electronic invoices generated from cash register under regulations.

10 Tax administration for business activities conducted by households and individuals on e-commerce and digital platforms

Decree No. 117/2025/NĐ-CP dated 9 June 2025 issued by the Government guides on tax administration for business activities on e-commerce and digital platforms of households and individuals:

Accordingly, under Decree No. 117/2025/NĐ-CP, the Government has specifically stipulated the tax withholding and payment on behalf of households and individuals conducting business on e-commerce and digital platforms as follows:

- Organizations managing e-commerce platforms, whether domestic or foreign (including platform direct owners or authorized to operate), are responsible for withholding and paying VAT on behalf of households and individuals conducting business on the platform. This applies to each transaction involving the supply of goods or services that generates revenue within Vietnam as per the Law on VAT.

10 Tax administration for business activities conducted by households and individuals on e-commerce and digital platforms

- Organizations managing e-commerce platforms, whether domestic or foreign (including direct platform owners or authorized to operate), are responsible for withholding and paying PIT on behalf of resident households and individuals for each transaction involving the supply of goods or services that generates revenue both within and outside of Vietnam. They are also responsible for withholding and paying PIT on behalf of non-resident individuals for each transaction involving the supply of goods or services that generates domestic revenue under PIT regulations.

Tax administration for business activities conducted by households and individuals on e-commerce and digital platforms

- In addition, Clause 1, Article 5 of Decree No. 117/2025/NĐ-CP stipulates the timing of tax withholding for business activities conducted on e-commerce and digital platforms by households and individuals as follows:

E-commerce platform management organizations as defined in Article 4 of Decree No. 117/2025/NĐ-CP shall withhold VAT and PIT payable for each transaction involving the supply of goods or services that generates revenue on the platform under their management at the time the transaction is confirmed as successful and accepted payments for the sale of goods or services on the platform by households and individuals.

10 Tax administration for business activities conducted by households and individuals on e-commerce and digital platforms

Note:

- An organization that operates an e-commerce or digital platform with payment functionalities is considered a platform manager enabling buyers to make payments directly via payment methods as e-wallets, bank cards, bank transfers, integrated transfer systems, cash-on-delivery (COD), and other legally permitted payment methods.
- An organization with other digital economic activities is a Vietnam organization managing a platform on behalf of a foreign e-commerce or digital platform implementing an income payment to households and individuals generated from products, services, or digital content under the Law on Information Technology.
- Organizations operating e-commerce trading platforms, digital platforms with payment functionalities, and other digital economic activity organizations as specified in Clauses 1 and 2, Article 3 of Decree No. 117/2025/NĐ-CP are collectively referred to as e-commerce platform management organizations.

11 Personal identification numbers (citizen identification numbers) will replace current personal tax identification numbers

Circular No. 86/2024/TT-BTC issued by the Ministry of Finance, from 1 July 2025, the Personal Identification Number (PIN, i.e., Citizen Identification Number) will replace the current Personal Tax Identification Number:

Accordingly, taxpayers must comply with the regulation on using the Personal Identification Number in substitution for the Tax Identification Number from 1 July 2025 as follows:

First, the entities are subject to use the Personal Identification Number (PIN) in place of the Tax Identification Number (TIN) including:

- Individuals with income subject to PIT;
- Individuals registered as dependents under the Law on PIT;
- Representatives of households, representatives of household businesses, and individual businesses;
- Organizations, households, and other individuals have obligations to the State Budget.

11 Personal identification numbers (citizen identification numbers) will replace current personal tax identification numbers

Second, the conversion from the current TIN to the PIN as from 1 July 2025 shall be carried out as follows (based on Article 39 of Circular No. 86/2024/TT-BTC):

- In cases where taxpayers already have a TIN and the registered tax information matches the personal data recorded in the National Population Database: Where business households, households, and individuals eligible to use the PIN in lieu of the TIN under Clause 5 Article 5 of Circular No. 86/2024/TT-BTC have been issued a TIN prior to 1 July 2025 and the tax registration information of the household business representative, household representative or individual matches the personal data in the National Population Database, then:
 - + Business households, households, and individuals may use the PIN in place of the TIN from 1 July 2025, including any adjustment or supplementation of tax obligations arising under the previously granted TIN.
 - + At the same time, the tax authority will manage all data of the business households, households, and individuals including the dependent registration data for family circumstance deductions using the PIN.

11 Personal identification numbers (citizen identification numbers) will replace current personal tax identification numbers

- In cases where taxpayers already have a TIN but the registered tax information is inconsistent or incomplete concerning the personal data in the National Population Database: Where business households, households, or individuals were granted a TIN before 1 July 2025 but the tax registration information of the business household representative, household representative, or individual does not correspond to or is incomplete compared to the personal data in the National Population Database, then:
 - + The tax authority will update the status of the TIN to status code 10 – "Tax Identification Number pending to update Personal Identification Number information".
 - + The taxpayer must carry out procedures to update tax registration information with the tax authority by Clause 1 and Clause 4 Article 25 of Circular No. 86/2024/TT-BTC to ensure the information matches the National Population Database before using the PIN in place of the TIN as prescribed in Clause 2 Article 38 of Circular No. 86/2024/TT-BTC.

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Personal identification numbers (citizen identification numbers) will replace current personal tax identification numbers

- In cases where an individual has been granted multiple TINs: If an individual has been granted multiple TIN, the taxpayer must update the PIN for all previously granted TINs so that the tax authority can merge and centrally manage the taxpayer's tax data under a single PIN.

12 Tax inspection at the taxpayer's premises

OL No. 1973/CT-TTKT dated 23 June 2025 issued by the Tax Department regarding tax inspections at taxpayers' business premises:

Implementing Plan No. 47-KH/BCĐ dated 14 April 2025 issued by the Central Steering Committee on summarizing Resolution No. 18-NQ/TW concerning the reorganization and merger of administrative units at provincial and district levels and the establishment of a two-tier local government system; the Prime Minister's Decision No. 758/QĐ-TTg dated 14 April 2025 on promulgating the implementation plan for the reorganization of administrative units and the development of a two-tier local government model; and OL No. 489/BTC-TCCB dated 7 May 2025 issued by the Ministry of Finance on further consolidating the organizational structure of certain affiliated units pursuant to the Resolution of the Party Committee of the Ministry of Finance; to ensure that tax inspection activities are not disrupted and the handover of tax inspection is conducted promptly, efficiently, and effectively immediately after the organizational restructuring, the Department of Taxation requests the Directors of Regional Taxation Sub-Departments to urgently implement the following:

12 Tax inspection at the taxpayer's premises

- For inspection decisions that have already been issued and are being carried out at taxpayers' business premises: Inspection teams must promptly complete inspection activities, issue administrative handling decisions under legal regulations, and record the inspection results into the Tax Administration System applications before 1 July 2025.
- Suspension the issuance of new inspection decisions until the organizational restructuring is completed.

13 The maximum value limit of goods and services used for promotion, and the maximum discount rate applicable to promotional goods and services that traders are allowed to offer in promotional activities

Circular No. 39/2025/TT-BCT dated 22 June 2025 issued by the Ministry of Industry and Trade, effective from 1 July 2025, stipulating the maximum limits on the value of goods and services used for promotion, and the maximum discount rates applicable to goods and services in promotional activities:

Article 3: Maximum Value Limits for oods and Services Used in Promotion

1. The material value used for promotion of a single unit of goods or services shall not exceed 50% of the selling price right prior to the promotion period, except for promotional forms specified in Clauses 8 and 9, Article 92 of the Law on Commerce, Article 8, Clause 2 Article 9, Article 12, Article 13, and Article 14 of Decree No. 81/2018/ND-CP dated 22 May 2018 detailing the Law on Commerce on trade promotion activities.

13 The maximum value limit of goods and services used for promotion, and the maximum discount rate applicable to promotional goods and services that traders are allowed to offer in promotional activities

2. The total value of goods and services used in a promotional program shall not exceed 50% of the total value of the promoted goods and services, except for promotional forms specified in Clauses 8 and 9, Article 92 of the Law on Commerce, Article 8 and Clause 2 of Article 9 of Decree No. 81/2018/ND-CP.

3. The value of goods and services used for promotion shall be determined as follows:

- a) In cases where the trader conducting the promotion is not the direct producer, importer, or service provider of the promotional goods or services, the value shall be determined based on the actual payment price made by the trader for purchasing such goods or services, or the market price at the time of public announcement;
- b) In cases where the promotional goods or services are directly produced, imported, or provided by the trader, the value shall be determined based on production cost or import value.

13 The maximum value limit of goods and services used for promotion, and the maximum discount rate applicable to promotional goods and services that traders are allowed to offer in promotional activities

4. In cases of organizing concentrated promotional programs, the maximum value of goods and services used for promotion is 100%. The 100% maximum value of promotional goods and services also applies to promotional activities conducted within the framework of trade promotion programs or activities decided by a competent central authority.

5. Concentrated promotional programs under Clause 4 of this Article include:

- a) Decision for organizations implementing the concentrated promotional programs issued by State authorities (the central and provincial levels) aiming to carry out national or local economic development policies. The State has policies to encourage the implementation of the programs. All traders are entitled to participate;
- b) Promotional campaigns held on public holidays and festivals under the regulations of Labor Law including:
 - Lunar New Year : 30 days immediately preceding the first day of the lunar calendar year;
 - Other public holidays and festivals: The promotion duration must not exceed the corresponding public holiday period as prescribed by the Labor Law.

13 The maximum value limit of goods and services used for promotion, and the maximum discount rate applicable to promotional goods and services that traders are allowed to offer in promotional activities

Article 4. Maximum Discount Rates for Promotional Goods and Services

1. The maximum discount rate applicable to promotional goods and services shall not exceed 50% of the good or service price immediately prior to the promotion period.
2. In cases of conducting concentrated promotional programs as specified in Clause 5, Article 3, the maximum discount rate may be up to 100%. This 100% discount rate also applies to promotional activities within trade promotion programs or events decided by a competent central authority.
3. The maximum discount limit is not applicable in the following promotional cases:
 - a) Goods and services subject to State price stabilization policies;
 - b) Fresh food products;
 - c) Goods and services in cases of enterprise bankruptcy, dissolution, change of business location, or change in business lines.

Updating taxpayer address information following the new administrative division and the tax authority directly managing the taxpayer

Notice No. 4508/TB-CCTKV15-DON dated 30 June 2025 issued by the Regional XV Sub-Department of Taxation regarding the update of taxpayer address information according to the new administrative division and the tax authority directly managing the taxpayer:

- The tax authority will automatically update the taxpayer's address information in the tax database system following the new administrative boundary list (at the provincial and commune levels).
- Taxpayers are not required to amend the address on their Enterprise Registration Certificate (ERC). The notification serves as a basis for taxpayers to explain discrepancies to relevant authorities or clients when the address on invoices differs from the ERC.
- In case a taxpayer wishes to update their ERC, the taxpayer may carry out the procedures as prescribed by the business registration authority.

15 Implementation of personal identification numbers (PINs) in place of personal tax identification numbers (TINs), and the use of electronic identification accounts of organizations in electronic tax transactions effective

OL No. 2065/CT-NVT dated 26 June 2025 issued by the Tax Department regarding the implementation of personal identification numbers (PINs) in lieu of personal tax identification numbers (TINs) and the use of electronic identification accounts by organizations in electronic tax transactions, effective from 1 July 2025:

From 1 July 2025, the PIN shall be used in place of the TIN for Vietnamese individuals, household business representatives, and individual business owners.

- For taxpayers **who have not been issued a TIN prior to 1 July 2025:**
 - + Household businesses shall register with the business registration authority under applicable regulations.
 - + Individuals and household representatives (excluding household businesses) shall register for tax under Article 22 of Circular No. 86/2024/TT-BTC.

15 Implementation of personal identification numbers (PINs) in place of personal tax identification numbers (TINs), and the use of electronic identification accounts of organizations in electronic tax transactions effective

+ In cases as of July 1, 2025, a taxpayer is undergoing the process of being issued an electronic identification account but has not yet been granted one by the Ministry of Public Security, or in cases involving foreign individuals or organizations whose legal representatives are foreigners that have not yet been issued an electronic identification account due to implementation progress under the Ministry of Public Security, the taxpayer shall continue fulfilling their obligations to the state budget via the electronic tax account if complying with the provisions of the Law on Tax Administration and the Law on Electronic Transactions till the electronic identification account is issued per the Ministry's roadmap.

+ Taxpayers not subject to the issuance of an electronic identification account under Decree No. 69/2024/ND-CP shall continue to carry out electronic tax transactions following the Law on Tax Administration, the Law on Electronic Transactions, Circular No. 19/2021/TT-BTC, and Circular No. 46/2024/TT-BTC of the Ministry of Finance.

15 Implementation of personal identification numbers (PINs) in place of personal tax identification numbers (TINs), and the use of electronic identification accounts of organizations in electronic tax transactions effective

- For taxpayers **who were issued a TIN prior to 1 July 2025:**
 - + The taxpayer's information matches the National Population Database: The existing TIN will be automatically converted to the PIN without requiring any administrative procedures. From 1 July 2025, taxpayers may use the PIN instead of the TIN, including for adjusting previously declared tax obligations. The tax authority will manage taxpayer records using the PIN.
 - + If the taxpayer's information does not match the National Population Database: The TIN will be marked as "Pending for updating PIN information" (status 10). The taxpayer must update their tax registration information to match the National Population Database. Once aligned, the PIN may be used instead of the TIN, including for adjusting declared tax obligations.

15 Implementation of personal identification numbers (PINs) in place of personal tax identification numbers (TINs), and the use of electronic identification accounts of organizations in electronic tax transactions effective

- + Household and individual businesses with business locations: From 1 July 2025, the tax authority will no longer issue separate TINs for business location. The entities must use the PIN of the legal representative as their TIN. The TINs previously issued for separate business locations will be converted to the PIN of the representative.
- + Individuals with multiple TINs: The taxpayer must update the PIN for all granted TINs to allow the tax authority to consolidate and unify the taxpayer data. Previously issued invoices, documents, and tax dossiers using old TINs remain legally valid and do not require amendment.
- + Household and individual businesses with business locations: From 1 July 2025, the tax authority will no longer issue separate TINs for business locations. Instead, households and individual businesses must use the PIN of the legal representative as the TIN. The TIN previously issued for business locations will be converted to the PIN of the representative.

16 Law on Tax Administration regarding invoices and documents

Circular No. 32/2025/TT-BTC dated 31 May 2025 issued by the implementation of the Law on Tax Administration concerning electronic invoices and documents stipulates:

1. Scope of Regulation:

Circular No. 32/2025/TT-BTC governs issues related to electronic invoices and documents. The Circular guides the implementation of certain provisions of the Law on Tax Administration, Decree No. 123/2020/ND-CP, and Decree No. 70/2025/ND-CP. Specifically, focusing on the issuance of electronic invoices for financial leasing activities and the transitional handling of matters related to electronic invoices and documents.

- Subjects of Application: The provisions of Circular No. 32/2025/TT-BTC apply to organizations and individuals as specified in Article 2 of Decree No. 123/2020/ND-CP and Clause 1, Article 1 of Decree No. 70/2025/ND-CP.

16 Law on Tax Administration regarding invoices and documents

2. Authorization to Issue Electronic Invoices:

Under the provisions of this Circular, business entities engaged in the sale of goods or provision of services may authorize a third party eligible to issue e-invoices and not subject to suspension from using invoices. The authorization must be made in writing in the form of a contract or agreement between the legitimating party and the legitimated party. Additionally, the authorization information must be reported to the tax authority during the e-invoice registration process. E-invoices issued by the authorized party must display complete and accurate information of both the legitimating party and the legitimated party. Both parties bear the responsibility of disclosing the authorization publicly. The legitimated party should issue e-invoices for the actual arising transactions and comply with the applicable principles and regulations. The authorization contract/agreement must include details such as the identities of the legitimating and legitimated parties, specifics of the invoices subject to authorization, the purpose, duration of the authorization, and the invoicing/payment methods related to the authorized invoices. Both parties are responsible for retaining these documents. Any change in the authorization information shall be regarded as an adjustment to the e-invoice registration details and must be duly notified to the tax authority following current regulations.

16 Law on Tax Administration regarding invoices and documents

3. Principles for Applying Electronic Invoices in Specific Cases:

a) Cases of invoice issuance based on reconciliation:

Certain transactions involving the sale of goods or provision of services in large volumes, frequently, and require time for reconciliation (e.g., derivative products, industrial catering services, commodity exchange services, credit information services, taxi services for enterprises/organizations), the Company may issue invoices under Point a, Clause 4, Article 9 of Decree No. 123/2020/ND-CP (as amended and supplemented by Clause 6, Article 1 of Decree No. 70/2025/ND-CP).

b) Invoices for VAT-liable financial leasing:

Financial leasing institutions should issue invoices when leasing assets subject to VAT and have corresponding input VAT invoices. The output VAT must match the input VAT and the tax rate shall be indicated as "CTTC" (Financial Leasing). If the leased assets are not subject to VAT or there is no input VAT invoice or proof of VAT payment upon importation, the electronic invoice must not include VAT.

16 Law on Tax Administration regarding invoices and documents

4. Subjects Required to Transition to E-Invoice Usage:

- Taxpayers currently using e-invoices without tax authority codes but wish to switch to invoices with codes should update their e-invoice usage information in accordance with the regulations.
- Taxpayers are eligible to use e-invoices without codes under Clause 2, Article 91 of the Law on Tax Administration but classified as high-risk under Circular No. 31/2021/TT-BTC dated 17 May 2021 (on tax risk management) and have been notified by the tax authority, must convert to e-invoices with tax authority codes. The taxpayers must complete the conversion within ten (10) working days from the date of notification.

16 Law on Tax Administration regarding invoices and documents

- In cases where an enterprise engages in multiple business activities, the enterprise shall register to use e-invoices generated from cash registers for business activities involving direct sales of goods and provision of services to last consumers (as shopping centers, supermarkets, retail businesses (excluding automobiles, motorcycles, motorbikes, and other motor vehicles) food and beverage services, restaurants, hotels, passenger transportation services, direct road transport support services, arts, entertainment, recreational activities, cinemas, and other personal services in accordance with the Vietnamese Standard Industrial Classification). For other business activities, the enterprise shall register to use e-invoices with or without tax authority codesation.

16 Law on Tax Administration regarding invoices and documents

5. Criteria for Identifying High Tax Risk Taxpayers:

a) Criteria for High Tax Risk:

- Criterion 1: The owner or legal representative has engaged in invoice fraud or trading as deduced by a competent authority.
- Criterion 2: The owner or legal representative is listed under suspicious transactions pursuant to the Law on Anti-Money Laundering.
- Criterion 3: The business address is unclear or located in a residential apartment not permitted for commercial use; or the business location is outside the province/city of the head office/branch...
- Criterion 4: The owner or legal representative of the taxpayer ceased operation without completely terminating tax code, or not operating at the registered address, or has committed violations related to tax, invoices, and documents as guided by the Ministry of Finance.
- Criterion 5: Other risk indicators as determined and announced by the tax authority.

b) Criteria for Very High Tax Risk: The Department of Taxation shall stipulate specific indicators for the assessment and classification of taxpayers periodically identified as very high tax risk to align the requirements of tax administration over time.

16 Law on Tax Administration regarding invoices and documents

6. Effective Date:

Circular No. 32/2025/TT-BTC takes effect on 1 June 2025 supersedes Circular No. 78/2021/TT-BTC dated 17 September 2021 and guides several provisions of the Law on Tax Administration dated 13 June 2019 and Decree No. 123/2020/ND-CP dated 19 October 2020 on invoices and documents.

- Households and individual businesses subject to the presumptive tax method, who registered and used POS-generated e-invoices prior to 1 June 2025, may continue using the POS-generated e-invoices already registered with the tax authority.
- • Especially, enterprises engaged in direct-to-consumer sales of goods or services (as shopping malls, supermarkets, retail (excluding automobiles, motorcycles, and other motor vehicles), food and beverage services, restaurants, hotels, passenger transport, road transport support services, arts, entertainment, cinemas, and personal services per the Vietnam Standard Industrial Classification) that registered for e-invoices with or without codes of tax authority for the mentioned activities before 1 June 2025, may choose either to convert to POS-generated e-invoices in accordance with Decree No. 70/2025/ND-CP or continue using the previously registered e-invoices.

17 Trade discount policy for distributors in cases of invoices are issued to final consumers

OL No. 3593/CCTKV.XII-QLDN4-QNA dated 4 June 2025 issued by the Regional XII Sub-Department of Taxation guidelines on the trade discount policy applicable to agents where invoices are issued to the last consumers:

1. In case the Company sells goods to final consumers through agents at fixed prices and the agents receive commissions, the Company may choose one of the following two methods for using invoices and supporting documents:
 - Use VAT e-invoices as a basis for payment and VAT declaration at each entity and stage independently;
 - Use "Ex-warehouse delivery notes for consigned goods to agents" by regulations applicable to goods consigned to agent facilities.

The agent, upon selling the goods, must issue invoices to the final consumers according to the prevailing regulations and prepare a sales statement to submit to the consignor (hereinafter referred to as the "dispatching entity"). The dispatching entity shall then issue VAT invoices to the agent for the goods actually sold to final consumers.

17 Trade discount policy for distributors in cases of invoices are issued to final consumers

2. In case the Company provides trade discounts or sales support to agents under an applicable sales policy, the Company may issue an adjustment invoice only if all the following conditions are satisfied:

- The discount arises after the issuance of the original invoice.
- There is a clear and explicit agreement on the discount between the Company and the agent.
- The discount amount does not exceed the value of the goods or services already sold.

18 Guidance on issuing electronic invoices for interest income generated from condominium maintenance fund deposits

OL No. 10301/CCTKV.XVI-QLDN1 dated 10 June 2025 issued by the Regional XVI Sub-Taxation Department guides on the issuance of electronic invoices for interest income arising from the condominium maintenance fund deposits:

Pursuant to Clause 1, Article 5 of Circular No. 219/2013/TT-BTC dated 31 December 2013 issued by the Ministry of Finance, in case deposit interest additionally paid to the apartment from the condominium maintenance fund, the interest income of the Company is recognized as other financial income and is not subject to VAT declaration and payment. Accordingly, the Company should not issue a VAT invoice for the financial income but rather prepare a receipt under prevailing regulations.

19 Guidance on issuing invoices with attached detailed appendices (itemized lists)

OL No. 10500/CCTKV.XVI-QLDN1 dated 11 June 2025 issued by the Regional XVII Sub-Department of Taxation regarding the issuance of invoices with an attached list of goods and/or services:

In cases where a Company engaged in business operations issues invoices for multiple transportation and meet the conditions specified in Point a.3 Clause 7, Article 1 of Decree No. 70/2025/NĐ-CP, specifically:

- Quantity of goods and services: The seller must specify the quantity using Arabic numerals based on the applicable unit of measurement. In cases of providing specific types of goods and services as electricity, water, telecommunications, information technology services, television services, postal and delivery services, banking, securities, insurance issuance on defined compromised periods, medical examination and treatment services, and other cases as guided by the Minister of Finance, invoices may be issued after data reconciliation. In such cases, the seller is permitted to attach a detailed list (appendix) of goods/services to the invoice. The list must be retained together with the invoice for review and reconciliation by the competent authority.

19 Guidance on issuing invoices with attached detailed appendices (itemized lists)

- The invoice should clearly state: “Attached List No. ..., dated .../.../....”. The accompanying list must comprise the following details: seller’s name, tax code, address, description of goods/services sold, quantity, unit price, total amount, date of issuance, name and signature of the individual preparing the list. In cases where the seller declares VAT using the deductible method, the list must also indicate the applicable VAT rate along with the corresponding VAT amount. The total payment amount must imperatively consistent with the figure presented on the VAT invoice. Goods and services sold should be listed in the order of their sale during the day. The list must additionally clearly state: “Attached to Invoice No. ..., dated .../.../....”.

If the above conditions are satisfied, the Company may issue invoices accompanied by a detailed list of following the prevailing regulations.

20 Issuance of electronic invoices

OL No. 10498/CCTKV.XVI-QLDN2 dated 11 June 2025 issued by the Regional XVI Sub-Department of Taxation regarding the issuance of electronic invoices:

In case where a Company applies the deductible method for VAT declaration and engages in the export of goods or provision of services to foreign markets, but the issuance of electronic commercial invoices fails to meet the requirements for transmitting invoice data electronically to the tax authority, then the Company is allowed to issue electronic VAT invoices for such export of goods and services under applicable regulations.

Abbreviations

VAT	Value Added Tax	MOF	Ministry of Finance
PIT	Personal Income Tax	GDT	General Department of Taxation
CIT	Corporate Income Tax	MOIT	Ministry of Industry and Trade
FCT	Foreign Contractor Tax	MOLISA	Ministry of Labor, War Invalids and Social Affair
SCT	Special Consumption Tax	DPI	Department of Planning and Investment
IET	Import and Export Tax	SBV	The State Bank of Vietnam
OTH	Other	EPE	Export processing enterprises
OL	Official Letter	EPZ	Export Processing Zone
INV	Invoice	IZ	Industrial Zone
LAB	Labor		



June 2025 Newsletter

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KMC's Newsletter aims to update and summarize the general provisions related to Taxation, Accounting, Investment and Labor in Vietnam. You should seek professional advice before making a decision.





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