June 2026

Newsletter

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KMC
ACCOUNTING TAX ADVISORY

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1 Reduction and simplification of personal income tax (PIT) administrative procedures

Resolution No. 66.16/2026/NQ-CP dated 07 April 2026 of the Government and Decision No. 1109/QD-BTC dated 08 May 2026 of the Ministry of Finance on the reduction and simplification of administrative procedures provide as follows:

Under the new regulations, enterprises and income-paying organisations that incur PIT withholding obligations in April, May, and June 2026 shall file PIT declarations on a quarterly basis instead of a monthly basis as previously required.

- PIT declarations arising in April 2026, May 2026, and June 2026 shall be consolidated and declared in the PIT declaration for Quarter II/2026;
- Taxpayers are not required to prepare and submit monthly PIT declarations for the periods of May 2026 and June 2026;
- The electronic tax filing system shall no longer accept monthly PIT declaration dossiers from the tax period of April 2026 onwards

1 Reduction and simplification of personal income tax (PIT) administrative procedures

Handling of Cases where the PIT for April 2026 has already been submitted

At present, the tax authority has not issued detailed guidance on the handling method for April 2026 tax declaration dossiers accepted by the electronic tax system before the transition to quarterly filing.

Therefore, enterprises should proactively monitor guidance documents, notices, and instructions issued by the tax authority to timely make adjustments or supplementary filings (if any), ensuring compliance with the regulations of tax administration law.

2 Receiving feedback on the draft decree implementing the Personal Income Tax Law.

OL No. 7257/BTC-CST dated 29 May 2026 issued by the Ministry of Finance promulgates the Explanatory Report on the comments received for the draft Decree detailing the implementation of certain provisions of the Law on PIT

The Ministry of Finance provides explanations on several notable issues, including the following:

- Proposal to increase the tax-exempt limit for meal allowances

Regarding the proposal to increase the tax-exempt threshold for mid-shift and lunch meal allowances from VND 1.2 million to VND 1.8 million per employee per month, or to introduce an adjustment mechanism based on the Consumer Price Index (CPI), the Ministry of Finance explains that the current threshold of VND 1.2 million per month was determined based on changes in income levels, social expenditure patterns, and the CPI.

In addition, where an employer provides mid-shift or lunch meals by directly preparing meals, purchasing meal portions, or issuing meal vouchers, such benefits shall continue to be excluded from employees' taxable income in accordance with the current regulations.

2 Receiving feedback on the draft decree implementing the Personal Income Tax Law.

- Proposal to provide guidance on PIT applicable to transfers of gold bullion

Regarding the proposal to issue guidance on PIT applicable to gold bullion transfer transactions, the Ministry of Finance notes that the Law on PIT 2025 provides for a 0.1% tax rate on the transfer value of each transaction and authorises the Government to prescribe the taxable threshold for gold bullion transactions, the effective date of application, and any adjustment to the applicable tax rate.

However, the competent authorities are currently developing the regulatory framework for the gold market and a gold trading exchange. As the necessary legal basis and regulatory conditions have not yet been fully established, the draft Decree does not provide detailed regulations on the taxation of gold bullion transfers. The implementation of such tax provisions will be further studied and finalised once the regulatory framework for the gold market is sufficiently developed.

Overall, OL No. 7257/BTC-CST focuses on explaining the rationale underlying the draft Decree guiding the implementation of the Law on PIT, while incorporating stakeholders' comments to further refine the draft before submission to the competent authorities for promulgation.

3 Reduction and simplification of personal income tax (PIT) administrative procedures

Decision No. 1109/QD-BTC dated 08 May 2026 issued by the Ministry of Finance regarding the announcement of amended, supplemented, and abolished administrative procedures in the fields of tax and customs administration provides as follows:

Previously, under Decision No. 1474/QD-BTC dated 2025, the administrative procedure for submitting Form No. 05/KK-TNCN – Monthly/Quarterly Personal Income Tax Declaration by organisations and individuals making income payments and withholding tax on salaries and wages was implemented under Administrative Procedure Code [2.002235].

However, on 08 May 2026, the Ministry of Finance issued Decision No. 1109/QD-BTC dated 2026 announcing amended, supplemented, and abolished administrative procedures in the fields of tax and customs administration.

Specifically, Item 6, Part II of the Appendix issued together with Decision No. 1109/QD-BTC dated 2026 stipulates:

"6. Quarterly PIT declaration by organisations and individuals making income payments and withholding tax on salaries and wages (Administrative Procedure Code 2.002235).

3 Reduction and simplification of personal income tax (PIT) administrative procedures

- Procedures:

o Step 1:

Organisations and individuals paying income that generate tax withholding obligations shall prepare tax declaration dossiers and submit them to the Tax Authority. The deadline for submitting quarterly tax declaration dossiers is the last day of the first month of the following quarter in which the tax obligation arises. If the last day falls on a public holiday, the deadline shall be extended to the next working day.

...."

Accordingly, the monthly PIT declaration for Form No. 05/KK-TNCN has been changed to a quarterly declaration basis. Therefore, from Quarter 2 of 2026 onwards (April, May, and June 2026 onwards), enterprises are no longer required to file monthly PIT declarations but shall instead file quarterly PIT declarations and submit the tax declaration dossier no later than the last day of the first month of the following quarter in accordance with regulations.

4 Reduction and simplification of personal income tax (PIT) administrative procedures

OL No. 4021/CV-NVT dated 16 June 2026 issued by the Tax Department guiding on the filing of PIT declarations on employment income in accordance with Resolution No. 66.16/2026/NQ-CP:

In line with the Party's and the Government's policy on reducing and simplifying administrative procedures and improving the investment and business environment, the Government issued Resolution No. 66.16/2026/NQ-CP dated 07 April 2026 on the reduction and simplification of administrative procedures and regulations relating to production and business activities.

Pursuant to Section D – Taxation, Appendix 1.9 attached to Resolution No. 66.16/2026/NQ-CP, effective from 15 April 2026 (the effective date of the Resolution), taxpayers shall switch from monthly filing to quarterly filing for PIT declarations on income from salaries and wages (Forms No. 02/KK-TNCN and 05/KK-TNCN issued together with Circular No. 80/2021/TT-BTC).

On 19 May 2026, the Tax Department upgraded the electronic tax filing system to reject monthly Forms No. 02/KK-TNCN and 05/KK-TNCN for tax periods from April 2026 onward

4 Reduction and simplification of personal income tax (PIT) administrative procedures

To implement the provisions of Resolution No. 66.16/2026/NQ-CP regarding the filing period for PIT declarations on salary and wage income, while also simplifying administrative procedures and facilitating taxpayer compliance, the Tax Department provides the following guidance:

(1) Quarterly Filing from the 2nd Quarter 2026

Tax authorities shall guide taxpayers under their administration to file PIT declarations (Forms No. 02/KK-TNCN and 05/KK-TNCN issued together with Circular No. 80/2021/TT-BTC) quarterly starting from the second quarter of 2026, in accordance with Resolution No. 66.16/2026/NQ-CP.

(2) Cases Where the April 2026 Monthly Declaration Has Already Been Accepted

4 Reduction and simplification of personal income tax (PIT) administrative procedures

For taxpayers whose April 2026 monthly PIT declaration has already been accepted by the tax authority, the following guidance applies:

When filing the Q2/2026 PIT declaration, taxpayers shall only aggregate data relating to tax liabilities arising in May and June 2026, and shall not include obligations already declared in the April 2026 monthly declaration, thereby avoiding duplicate tax declarations. If errors are identified in the April 2026 monthly declaration, taxpayers shall submit an amended declaration for April 2026 in accordance with the regulations.

Any PIT liability arising from the monthly declaration of April 2026 (if any) may be paid by the deadline applicable to the Q2/2026 declaration, namely 31 July 2026.

5 Corporate Income Tax incentives

OL No. 4128/TPHCM-QLDN3 dated 21 April 2026 issued by the Ho Chi Minh City Tax Authority regarding CIT incentives provides as follows:

Where an enterprise satisfies the criteria for a small and medium-sized enterprise (SME) but has foreign-invested capital, the Company is not eligible for the three-year CIT exemption applicable to newly established enterprises.

In other words, qualifying as an SME is only one of the conditions for enjoying the incentive. Where an enterprise has capital contributed by foreign investors and is classified as a foreign-invested enterprise (FDI) under the investment laws, the enterprise is not entitled to the CIT exemption provided under:

- Article 10 of Resolution No. 198/2025/QH15; and
- Clause 3, Article 7 of Decree No. 20/2026/ND-CP.

6 Corporate Income Tax incentives

OL No. 5335/TNI-QLDN1 dated 02 June 2026 issued by the Tay Ninh Provincial Tax Department regarding CIT incentives guiding as follows:

Where the Company implements a new investment project that does not fall within the cases excluded from CIT incentives applicable to new investment projects under Clause 3, Article 10 of Circular No. 96/2015/TT-BTC dated 22 June 2015 of the Ministry of Finance, income derived from the new investment project located in an industrial park in Ben Luc District (excluding the income specified at Points (a), (b), and (c), Clause 1, Article 10 of Circular No. 96/2015/TT-BTC) shall be entitled to CIT incentives based on the project location (industrial park), as follows:

- A two-year CIT exemption;
- A 50% reduction of the CIT payable for the subsequent four years.

The Company shall apply the prevailing standard CIT rate in accordance with the current regulations (when the Company is not entitled to a preferential CIT rate).

6 Corporate Income Tax incentives

The tax exemption and reduction period shall be calculated consecutively from the first year in which the Company generates taxable income from the eligible new investment project. Where the Company does not generate taxable income during the first three years from the year in which the project first generates revenue, the tax exemption and reduction period shall commence from the fourth year in which the new investment project generates revenue, in accordance with Clause 2, Article 12 of Circular No. 96/2015/TT-BTC.

Where the Company expands an existing investment project by increasing capital or production capacity, and such expansion satisfies the conditions for an expansion investment project under Clause 4, Article 10 of Circular No. 96/2015/TT-BTC, the Company may elect to apply the CIT incentives prescribed under Clause 4, Article 10 of Circular No. 96/2015/TT-BTC.

The Company must separately account for the additional income generated by the expansion investment to claim the applicable CIT incentives. Where separate accounting is not feasible, the income attributable to the expansion investment shall be determined by the ratio of the original cost of newly put-into-operation fixed assets for production and business activities to the total original cost of the Company's fixed assets

6 Corporate Income Tax incentives

Where the Company derives income from an investment project in the trading or service sectors, the applicable CIT incentives shall be determined in accordance with Clause 17, Article 1 of Decree No. 12/2015/ND-CP and Clause 2, Article 10 of Circular No. 96/2015/TT-BTC.

CIT incentives shall apply only to enterprises that maintain proper accounting records, invoices, and supporting documents, and declare CIT under the declaration method. The enterprise shall be responsible for determining its eligibility for CIT incentives, the applicable incentive level, and for self-declaring and finalising CIT with the tax authority in accordance with Articles 18 and 22 of Circular No. 78/2014/TT-BTC dated 18 June 2014 of the Ministry of Finance.

Where the Company has an investment project satisfying the conditions for CIT incentives under the applicable laws, the Company may elect to apply the CIT incentives for the remaining incentive period in accordance with the transitional provisions set out in Clause 1, Article 20 of the Law on CIT No. 67/2025/QH15 dated 14 June 2025.

7 Corporate Income Tax incentives

OL No. 3896/CT-CS dated 11 June 2026 issued by the Tax Department guiding on the three-year CIT exemption for newly established small and medium-sized FDI enterprises as follows.

Where a foreign-invested enterprise is established and operates in accordance with the laws of Vietnam, has been granted its initial Enterprise Registration Certificate, satisfies the criteria for classification as a small or medium-sized enterprise under the Law on Support for Small and Medium-sized Enterprises and Decree No. 80/2021/ND-CP, and does not fall within the cases excluded from tax incentives as prescribed in Point (b), Clause 3, Article 7 of Decree No. 20/2026/ND-CP, it shall be entitled to a CIT exemption for a period of three years from the date of issuance of its initial Enterprise Registration Certificate.

The CIT exemption shall not apply to income items specified in Clause 3, Article 18 of the Law on CIT No. 67/2025/QH15.

Accordingly, under OL No. 3896/CT-CS of 2026, the Tax Department confirms that FDI enterprises meeting the criteria for classification as small and medium-sized enterprises are entitled to a three-year CIT exemption commencing from the date of issuance of their initial Enterprise Registration Certificate.

8 Corporate Income Tax incentives

OL No. 1527/AGI-NVDTP dated 19 June 2026 issued by the An Giang Provincial Tax Authority guides that enterprises using unlawful invoices are not entitled to CIT incentives, as follows:

According to the OL., the An Giang Provincial Tax Authority agrees with the proposal of Local Tax Office No. 10 as follows:

- Where an enterprise uses unlawful invoices to record production and business expenses during a tax period, it shall not be entitled to CIT incentives for the corresponding tax year.

In addition to being ineligible for CIT incentives, the enterprise shall also be subject to administrative penalties for violations of tax and invoice regulations in accordance with Article 17 of Decree No. 125/2020/ND-CP.

9 Corporate Income Tax Policy

OL No. 3512/CT-CS dated 29 May 2026 issued by the Tax Department regarding CIT policy guiding on incorrect tax declarations and tax payment obligations as follows:

The Tax Department has issued guidance on tax under-declarations and the corresponding tax payment obligations:

- Where an incorrect tax declaration results in an underpayment of tax:
  - The taxpayer must pay the outstanding tax amount together with late payment interest in accordance with the applicable regulations.
  - Depending on the nature and severity of the violation, the taxpayer may also be subject to administrative penalties.
  - No administrative penalties or late payment interest shall apply where:
  - The taxpayer has acted in accordance with the guidance or decision issued by a competent state authority.

9 Corporate Income Tax Policy

- Instalment payment of outstanding tax liabilities:
  - Taxpayers may be considered for payment by instalments for a period of up to 12 months.
  - Such arrangement is subject to a guarantee issued by a credit institution.
  - Instalment payments must be made on a monthly basis, and late payment interest will continue to accrue on the outstanding tax balance.

Enterprises are advised to proactively review their tax declarations and consult with their directly managing tax authority for detailed guidance where necessary

10 Corporate Income Tax Policy

OL No. 5332/TNI-QLDN1 dated 02 June 2026 issued by the Tay Ninh Provincial Tax Department guides on CIT applicable to capital transfer transactions as follows:

Pursuant to Point (i), Clause 3, Article 12 of Decree No. 320/2025/ND-CP and Point (m), Clause 2, Article 7 of Circular No. 20/2026/TT-BTC:

Where a foreign enterprise transfers capital through a ownership restructuring transaction of intra-group (including demergers, divisions, mergers, consolidations, share swaps, capital contributions by shares, and similar transactions), the restructuring does not result in any change to the Ultimate Parent Entity (UPE) of the parties that directly or indirectly own the enterprise in Vietnam, and no income is derived from the transaction, the capital transfer shall not be subject to CIT in Vietnam.

11 Value Added Tax Policy

OL No. 3470/CT-CS dated 28 May 2026 issued by the Tax Department regarding Value Added Tax (VAT) provides as follows:

1. VAT Refund for Goods and Services Subject to the 5% VAT Rate

Where a business establishment exclusively manufactures goods or provides services subject to the 5% VAT rate, has undeducted input VAT arising from 01 July 2025 onward of VND 300 million or more, but has not yet accumulated for 12 consecutive months or 4 consecutive quarters, the Company shall not be eligible for a VAT refund.

The Tax Department is studying and proposing that the Ministry of Finance issue guidance on VAT refund dossiers for goods purchased and services used to produce goods and provide services subject to the 5% VAT rate in the draft Circular stipulating certain provisions of the Law on Tax Administration and the Government's Decree specifying regulations and implementation measures for that Law.

11 Value Added Tax Policy

2. VAT Refund Dossier for Expansion Investment Projects

Where a business establishment has an expansion investment project that qualifies for a VAT refund, the VAT refund dossier shall be prepared in accordance with Clause 1 and Point (a), Clause 2, Article 28 of Circular No. 80/2021/TT-BTC.

12 Value Added Tax Policy

OL No. 4195/CT-CS dated 23 June 2026 issued by the Tax Department regarding VAT policy provides as follows:

Where an investment project is still in the investment phase, has not yet generated output VAT from its principal production or business activities, but is subsequently terminated, the business entity is required to repay to the State Budget the amount of VAT previously refunded in respect of the investment project, in accordance with Clause 1, Article 30 of Decree No. 181/2025/ND-CP dated 01 July 2025.

Any late payment interest arising in connection with the repayment obligation shall be determined in accordance with Clause 1, Article 59 of the Law on Tax Administration No. 38/2019/QH14 dated 13 June 2019.

13 Tax policy for wood processing activities

OL No. 3546/CT-CS dated 29 May 2026 issued by the Tax Department regarding VAT policy applicable to plantation timber subject only to ordinary preliminary processing provides as follows:

Effective from 01 January 2026, enterprises, cooperatives, and cooperative unions applying the VAT deduct method that engage in the purchase and sale of plantation timber products subject only to ordinary preliminary processing shall not be required to declare, calculate, or pay VAT.

The above treatment shall also apply where such timber is purchased and subsequently undergoes additional processing stages, provided that the products sold are still classified as plantation timber to ordinary preliminary processing.

The determination of whether timber qualifies as ordinary preliminary processing subject shall be made in accordance with Decree No. 181/2025/ND-CP and Circular No. 84/2025/TT-BNNMT

14 Guidelines on Value Added Tax for travel and tourism

OL No. 3475/CT-CS dated 28 May 2026 issued by the Tax Department provides updated guidance on VAT applicable to international travel services as follows:

- For package outbound tour services:
  - The tour price includes airfare, overseas accommodation expenses, tour guide services, and other related costs.
  - Actual expenses incurred overseas, supported by valid documentation, may be deducted from the VAT taxable revenue.
  - Input VAT incurred in relation to the tour remains fully creditable and deductible.

14 Guidelines on Value Added Tax for travel and tourism

- With respect to the 0% VAT rate applicable to international transportation services:
  - Enterprises must satisfy all statutory conditions for the application of the 0% VAT rate.
  - The applicable regulations vary depending on the relevant period:
    - Before 01 July 2025: Circular No. 219/2013/TT-BTC applies.
    - From 01 July 2025: Decree No. 181/2025/ND-CP applies.

Local tax authorities should determine the applicable VAT treatment based on the actual supporting documentation and the regulations in force during the relevant period, within their respective authority.

15 Instructions on issuing invoices

OL No. 3514/CT-CS dated 29 May 2026 issued by the Tax Department regarding invoices and supporting documents provides as follows:

Where a company implements a year-end trade discount program based on the volume or turnover of goods sold to customers, the discount amount relating to goods already sold may be adjusted on the sales invoice of the final purchase transaction or the subsequent billing period, provided that the discount amount does not exceed the value of goods stated on the invoice of the final purchase transaction or the subsequent billing period.

Alternatively, the company may issue an adjustment invoice accompanied by a detailed list specifying the adjusted invoice numbers, adjustment amounts and tax amounts. The schedule must be retained by the enterprise and presented upon request by the tax authority or other competent state authorities.

Based on the adjustment invoice, both the seller and the buyer shall declare adjustments to purchase expenses and input VAT, sales revenue and output VAT in the tax period in which the adjustment invoices are issued.

16 Instructions on issuing invoices

OL No. 8879/HYE-QLDN2 of 2026 issued by the Hung Yen Provincial Tax Authority on 10 June 2026 provides guidance on invoicing for goods given as gifts as follows:

- Where goods or services are given as gifts in accordance with applicable laws, the enterprise may issue a single invoice reflecting the total value of the gifted goods or services together with an attached detailed list. The invoice must clearly state: “Attached with List No. … date …”. The list must contain the company’s name, tax identification number (TIN), and address; the name of goods or services; quantity; unit price; sales value of goods or services; date of preparation; and the name and signature of the preparer. Where the company applies the VAT credit method, the list must also include the items “VAT rate” and “VAT amount”. The total payment amount on the list must correspond to the amount stated on the VAT invoice. Goods and services listed in the schedule must be arranged in the order in which they are supplied during the day. The list must clearly state: “Attached with Invoice No. … date …”.

16 Instructions on issuing invoices

Where an invoice is issued separately for each gift recipient, the invoice must contain all mandatory information prescribed in Article 10 of Decree No. 123/2020/ND-CP, as amended by Point (b), Clause 7, Article 1 of Decree No. 70/2025/ND-CP.

17 Instructions for handling cases with multiple tax identification numbers

OL No. 3422/CT-NVT dated 27 May 2026 issued by the Tax Department guides on the handling of cases where an individual has been issued multiple Tax Identification Numbers (TINs) and the update of the Personal Identification Number (PIN) in accordance with Circular No. 86/2024/TT-BTC:

During the implementation of tax registration management, the Tax Department identified that certain tax authorities encountered difficulties in handling cases where an individual had been issued more than one Tax Identification Number (TIN) and in updating the Personal Identification Number (PIN) for TINs whose information does not match the National Population Database (NPD). To ensure consistent implementation, the Tax Department provides the following guidance:

1. Individuals issued with more than one TIN

Implementation principles

Tax authorities are requested to comply with, strengthen communication and guidance for taxpayers in accordance with Article 39 of Circular No. 86/2024/TT-BTC dated 23 December 2024 of the Ministry of Finance on tax registration. Key points include:

17 Instructions for handling cases with multiple tax identification numbers

- The Tax Administration Information System will automatically integrate TINs whose information matches the National Population Database into their Personal Identification Number (PIN), thereby consolidating tax data of the taxpayer under the PIN.
- For TINs whose information does not match the National Population Database (TINs with Status Code 10 – "TIN pending update of PIN"), taxpayers are required to carry out tax registration information amendment procedures to update the PIN so that all tax records can be fully integrated under the PIN.
- Tax authorities shall not require taxpayers to carry out procedures to terminate previously issued TINs after the PIN has been successfully updated and matched with the National Population Database. The TINs will subsequently be handled in accordance with Section 1.2 of OL No. 3422/CT-NVT (2026).
- After a TIN has been integrated into the PIN, invoices, supporting documents, tax dossiers and other legally valid documents previously issued using the individual's TIN shall continue to be valid for tax administrative procedures and for evidencing tax compliance. Taxpayers are not required to amend the TIN shown on those documents to the PIN.

17 Instructions for handling cases with multiple tax identification numbers

2. Consolidation and processing within the Tax Administration Information System

• The consolidation process must ensure that historical information is preserved and that the taxpayer's existing tax obligations recorded in the Tax Administration Information System remain unchanged.

• Following the consolidation, the PIN shall become the taxpayer's sole TIN for use in all documents, notices and transactions between the tax authority, the taxpayer, and other relevant organisations and individuals. The aggregation of tax information and the offsetting of tax liabilities shall also be performed based on the PIN.

Note for tax authorities

The Tax Administration Information System will continue to maintain a system-generated "Tax Identification Number" field for internal tax administration purposes (hereinafter referred to as the "Internal TIN"). Where an individual has been issued multiple TINs and all TINs have been successfully updated with a matching PIN, the previously issued TINs will remain in the system and be designated as Internal TINs.

17 Instructions for handling cases with multiple tax identification numbers

The processing of tax administration activities under these Internal TINs shall be carried out in accordance with the following principle:

- The system will automatically designate one Internal TIN to identify the tax authority having direct jurisdiction over the taxpayer and to record all tax obligations arising after the consolidation.

18 Cases of temporary travel suspension and instructions on how to check notifications

OL No. 286/TCS8-NVDTPC dated 27 May 2026 issued by the Lao Cai Tax Department regarding the lookup for notices on temporary suspension of departure due to tax debts as follows:

Taxpayers should proactively check their tax obligation status before proceeding with departure procedures to avoid difficulties at border crossings or airports.

04 Cases Subject to Temporary Exit Suspension Due to Tax Debts

Pursuant to Article 3 of Decree No. 49/2025/ND-CP, the cases subject to the measure of temporary suspension of departure due to tax debts include:

1. Business individuals and business household owners

Business individuals or business household owners shall be subject to temporary suspension of departure when the outstanding tax debt is VND 50 million or more and has remained overdue for more than 120 days.

18 Cases of temporary travel suspension and instructions on how to check notifications

2. Legal representatives of enterprises

The legal representative of an enterprise shall be subject to temporary suspension of departure when the enterprise has an outstanding tax debt of VND 500 million or more and has remained overdue for more than 120 days.

3. Taxpayers who have ceased operations or are no longer operating at their registered business address

For cases where enterprises, business households, or business individuals have ceased operations, temporarily suspended business activities, or no longer operate at their registered address but still have outstanding tax obligations, the tax authority may apply the measure of temporary suspension of departure regardless of the amount of tax debt.

18 Cases of temporary travel suspension and instructions on how to check notifications

4. Persons departing Vietnam for permanent residence abroad or foreigners leaving Vietnam

Vietnamese citizens departing for permanent residence abroad, as well as overseas Vietnamese or foreign nationals leaving Vietnam, who have outstanding tax debts and have not fulfilled their tax payment obligations, shall be subject to a temporary suspension of departure regardless of the amount or duration of the tax debt.

Guidance on Looking Up the Notices of Temporary Suspension of Departure due to Tax Debts

To proactively check their tax obligation status before departing Vietnam, taxpayers may conduct a lookup using one of the following two methods:

Method 1: Lookup via the eTax Mobile Application

- Step 1: Download and log in to the eTax Mobile application using an individual tax account.
- Step 2: Select "Notice Lookup" → "Notice of Temporary Suspension of Departure".

If the system does not display any relevant notice, then the taxpayer is not subject to the temporary suspension of departure according to the tax authority's records.

18 Cases of temporary travel suspension and instructions on how to check notifications

Method 2: Lookup via the Tax Authority's Public Service Portal

- Step 1: Access the Tax Authority's Public Service Portal at: dichvucong.gdt.gov.vn/tthc/login and log in as an individual.
- Step 2: Select "Public Services" → "Public Disclosure of Tax Debt Enforcement".
- Step 3: Select one of the following categories: Taxpayers with Departure Notices; or Taxpayers with Notices of Temporary Suspension of Departure.
- Step 4: Enter all required information, the verification code, and perform the lookup.

If the system returns the result "No matching results found", the taxpayer has no notice of temporary suspension of departure or has not yet been subject to this enforcement measure.

19 Additional submission of Financial Statements

Is it no longer possible to submit the Supplementary Financial Statements for Fiscal Years 2020 and prior since 01 July 2026:

Pursuant to Clause 3, Article 43 of the Law on Tax Administration 2019, annual financial statements form part of the annual tax finalisation dossier.

In addition, Subsection 7.2, Section 7, Appendix I of Decree No. 373/2025/ND-CP provides that annual financial statements are included in the Corporate Income Tax (CIT) finalisation dossier, specifically:

- The CIT finalisation dossier under the revenue-expense method includes:
  - Appendix on allocation of CIT payable to localities entitled to revenue from computerized lottery business activities (Form No. 03-8C/TNDN);
  - Appendix listing CIT payments temporarily paid in respect of real estate transfers where proceeds are collected based on construction progress before handover during the year (Form No. 03-9/TNDN);

19 Additional submission of Financial Statements

- Annual financial statements prepared in accordance with accounting and independent auditing regulations (except where financial statements are not required by law);
- In the case of overseas investment projects, additional documents and supporting materials as required by the Ministry of Finance for CIT purposes.

- The CIT finalisation dossier under the rate on revenue method includes:

- CIT finalisation declaration (applicable to the rate on revenue method);
- Annual financial statements prepared in accordance with accounting and independent auditing regulations (except where financial statements are not required by law).

Accordingly, based on the above provisions, annual financial statements constitute a component of the tax filing dossier.

The Law on Tax Administration 2025 takes effect from 01 July 2026, except for Article 13, and the provisions on the use of e-invoices by business households and individuals under Article 26 take effect from 01 January 2026.

19 Additional submission of Financial Statements

Under Clause 5, Article 12 of the Law on Tax Administration 2025, where a taxpayer discovers errors in a tax dossier already submitted to the tax authority, the taxpayer may submit a supplementary tax filing within five years from the statutory deadline for submission of the relevant tax dossier. Accordingly, the time limit for amending a CIT finalisation dossier is five years from the filing deadline.

Although the Law on Tax Administration 2025 does not expressly classify annual financial statements as a tax filing dossier, Decree No. 373/2025/ND-CP continues to provide that annual financial statements form part of the CIT finalisation dossier.

Therefore, under the Law on Tax Administration 2025, taxpayers may still submit supplementary financial statements for fiscal years 2020 and earlier from 01 July 2026. However, such filings may no longer satisfy the statutory time limit for supplementary tax filings under the new regulations.

This is different from Article 47 of the Law on Tax Administration 2019, which permitted taxpayers to submit supplementary tax filings within ten years from the statutory deadline of the tax period in which the error occurred.

20 Obligation to report international earnings

OL No. 3870/CT-CS dated 10 June 2026 issued by the Tax Department regarding obligations relating to the Country-by-Country Report (CbCR) provides as follows:

In the course of implementing the BEPS Action 13 Minimum Standard on Country-by-Country Reporting (CbCR), Vietnam became a signatory to the Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports (CbC MCAA) on 03 January 2025 and completed the notification procedures required under the Agreement to establish CbCR exchange relationships with partner jurisdictions.

To date, Vietnam has established effective Country-by-Country Report exchange relationships with the countries and territories listed in the Appendix attached to this Official Letter.

In addition, Point (d), Clause 5, Article 18 of the draft Decree amending and supplementing Decree No. 132/2020/ND-CP provides:

“Article 18. Rights and obligations of taxpayers in declaring and determining related-party transactions

...

20 Obligation to report international earnings

5. Taxpayers shall have obligations relating to the Country-by-Country Report:

...

d) Where the taxpayer's Ultimate Parent Entity is located overseas and is required to submit a Country-by-Country Report under the laws of its jurisdiction of residence, the tax authority shall obtain such information through the automatic exchange of information mechanism in accordance with Vietnam's international tax agreements.

..."

To ensure the consistent implementation of the Country-by-Country Report exchange mechanism in accordance with Vietnam's international commitments, the Tax Department provides the following guidance:

- To notify taxpayers and tax authorities of the effectiveness of the Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports (CbC MCAA) with respect to Vietnam, as well as the list of countries and territories that have established effective CbCR exchange relationships with Vietnam, as set out in the Appendix attached to this Official Letter.

20 Obligation to report international earnings

- For taxpayers in Vietnam whose Ultimate Parent Entity (UPE) is located overseas and is required to submit a Country-by-Country Report under the laws of its jurisdiction of residence, and falls within the scope of information exchange under the CbC MCAA with the countries and territories specified in this Official Letter, the tax authority shall obtain the Country-by-Country Report through the automatic exchange of information mechanism pursuant to the international tax agreements to which Vietnam is a party. Accordingly, the tax authority shall not accept Country-by-Country Reports submitted directly by taxpayers in paper form or through any other submission methods.

The Tax Department hereby notifies Provincial and Municipal Tax Authorities and Sub-Departments of Taxation for their information and the consistent implementation of regulations relating to Country-by-Country Reporting.

21 Guidelines on administrative procedures related to foreign workers

Decision No. 1052/QD-SNV dated June 9, 2026, issued by the Hanoi Department of Home Affairs, outlines the execution of specific administrative procedures and management responsibilities related to foreign employees working in Hanoi:

Accordingly, from 20 June 2026 to 31 December 2028, the authority to receive and process administrative procedures relating to foreign employees working for employers whose head offices, branches, representative offices, or business locations are situated outside industrial parks and high-tech parks within Hanoi shall be allocated as follows:

1. Procedures handled by the Commune/Ward People's Committees

The Commune/Ward People's Committees shall be responsible for:

- Reissuing and renewing Work Permits (WPs) and Certificates of Work Permit Exemption (WPE Certificates);
- Revoking WPs and WPE Certificates that were previously issued, reissued, or renewed by the respective Commune/Ward People's Committees.

21 Guidelines on administrative procedures related to foreign workers

2. Procedures handled by the Hanoi Department of Home Affairs

The Hanoi Department of Home Affairs shall directly receive and process the following procedures:

- Issuance of new WPs and WPE Certificates;
- Revocation of WPs and WPE Certificates in all other cases not falling within the revocation authority of the Commune/Ward People's Committees;
- Receipt of notifications from employers pursuant to Clauses 4 and 5, Article 9 and Clause 5, Article 22 of Decree No. 219/2025/ND-CP, including:
  - Foreign employees who are exempt from the requirement to obtain a WPE Certificate but are still required to notify the competent authority before commencing work in Vietnam; and
  - Foreign employees have already been granted a WP or WPE Certificate but work for the same employer in multiple provinces or centrally governed cities.

22 Guidance on Extensions of Tax Payment Deadlines

Decree No. 245/2026/ND-CP dated 27 June 2026 issued by the Government on the extension of payment deadlines for VAT, CIT, PIT, and land rental in 2026 provides as follows:

1. Eligible taxpayers

- Enterprises, organisations, households, individuals, household businesses, and individual businesses: MUST engage in production and business activities in the economic sectors and industries specified in Appendix I attached to the Decree.

- Small-sized and micro-sized enterprises: DETERMINED in accordance with the Law on Support for Small and Medium-sized Enterprises 2017 and its implementing regulations.

2. Extension period

VAT (including VAT payable under the allocation mechanism and VAT payable on a transaction-by-transaction basis):

- Extension of up to five (5) months.

- May 2026 tax period: payment deadline extended to 20 November 2026.

22 Guidance on Extensions of Tax Payment Deadlines

- June, July, August, and September 2026 tax periods: payment deadline extended to 21 December 2026.
- Quarter II/2026: payment deadline extended to 02 November 2026.
- Quarter III/2026: payment deadline extended to 30 December 2026.

Note: This extension does not apply to import VAT.

PIT of household and individual businesses:

- Extension of up to five (5) months.
- The extension applies to the same tax periods as those applicable to VAT (i.e. May, June, July, August and September 2026, and Quarter II and Quarter III of 2026).

Provisional Corporate Income Tax (CIT):

- Quarter II/2026: three (3)-month extension, with the payment deadline extended to 02 November 2026.

22 Guidance on Extensions of Tax Payment Deadlines

- Quarter III/2026: two (2)-month extension, with the payment deadline extended to 30 December 2026.

Land rental:

- An extension is granted for 50% of the land rental payable in 2026.
- The extension period is five (5) months.
- Specifically, 50% of the first land rental instalment payable in 2026 may be deferred until 02 November 2026.
- This provision also applies where the taxpayer has multiple land lease decisions or land lease agreements and conducts multiple production and business activities.

3. Procedures for obtaining the extension

Step 1: File tax declarations

Taxpayers shall prepare and submit tax declarations in accordance with the applicable regulations but are not required to pay the tax liabilities arising in the tax periods eligible for the extension.

22 Guidance on Extensions of Tax Payment Deadlines

Step 2: Submit the request for extension

- Taxpayers shall submit a Request for Extension of Tax and Land Rental Payment (using the form set out in Appendix II to the Decree) to their directly managing tax authority.
- The request only needs to be submitted once for all taxes and land rental amounts eligible for the extension.
- Submission methods include:
  - Electronic submission;
  - Direct submission in paper form to the tax authority; or
  - Submission via postal services.

The request should be submitted together with the relevant monthly or quarterly tax declaration or, at the latest, by 02 November 2026.

23 Period of Application of Preferential Import Duty, Environmental Protection Tax, and VAT

Resolution No. 34/2026/NQ-CP dated 30 June 2026 issued by the Government extends the application period of preferential import duty, environmental protection tax, and VAT applicable to petroleum products, raw materials for petroleum production, and aviation fuel.:

Accordingly, Resolution No. 34/2026/NQ-CP extends the application period of tax reductions for petroleum products as follows:

1. Extension of preferential import duty

The application period of the preferential import duty rates on petroleum products and raw materials for petroleum production prescribed under Resolution No. 25/2026/NQ-CP dated 30 April 2026 and Decree No. 72/2026/ND-CP dated 09 March 2026 is extended until 30 September 2026.

23 Period of Application of Preferential Import Duty, Environmental Protection Tax, and VAT

2. Extension of Environmental Protection Tax and VAT reductions

The application period of the Environmental Protection Tax (EPT) and VAT reductions applicable to petroleum products, raw materials for petroleum production, and aviation fuel as prescribed under Resolution No. 19/2026/QH16 dated 12 April 2026 of the National Assembly is extended until 30 September 2026 with respect to the EPT and VAT provisions set out in Articles 1 and 2 of Resolution No. 19/2026/QH16.

Implementation provisions

- Resolution No. 34/2026/NQ-CP takes effect from 01 July 2026 and remains effective until 30 September 2026.
- The Special Consumption Tax (SCT) applicable to gasoline shall continue to be implemented in accordance with the Law on Special Consumption Tax 2025 and its implementing regulations.

23 Period of Application of Preferential Import Duty, Environmental Protection Tax, and VAT

- Where it is necessary to shorten or extend the effective period of this Resolution to meet socio-economic development objectives, ensure energy security, or stabilise the petroleum market, the Ministry of Industry and Trade shall submit its proposal to the Ministry of Finance for consideration and decision by the Government.

24 Preliminary Review of the Operation of the Political System and the Three-Tier Government Model

Notification No. 499/TB-BTC dated 20 June 2026 issued by the Ministry of Finance regarding the Minister's directions on continuing the implementation of tasks related to the one-year review of the operation of the overall political system model and the three-tier local government model:

Specifically, pursuant to the Minister's direction set out in Submission No. 162/PT dated 18 June 2026 of the Department of Local and Territorial Economy concerning the implementation of the conclusions of Mister To Lam, General Secretary of the Central Committee of the Communist Party of Vietnam and President of the Socialist Republic of Vietnam, at the working session with the Central Steering Committee for the one-year review the operation of overall political system model and the three-tier local government model, the Ministry of Finance requests relevant units to urgently implement assigned tasks, including the following organisational matters.

24 Preliminary Review of the Operation of the Political System and the Three-Tier Government Model

Organisational Structure

- The Department of Organisation and Personnel is assigned to take the lead, cooperate with relevant units to propose further instructuring internal organisational; to review the functions, duties, and organises structures of vertically organized agencies (taxation, customs, treasury, statistics, and social insurance); and report to the Politburo for consideration of further restructuring to ensure a streamlined organisational model, avoid overlapping functions, and reduce intermediary layers.
- The Department of State-Owned Enterprises is assigned to lead, review the transfer of supervisory state authority of the corporations, headquarters and state-owned enterprises with strategic and leading roles in socio-economic development, national defence, and security, and have significant influence across the nation. Enterprises currently under the Government Party Committee will be considered for transfer to the respective line ministries.

24 Preliminary Review of the Operation of the Political System and the Three-Tier Government Model

State Finance and Budget

The State Budget Department is assigned to review the allocation of resources and recurrent expenditures to ensure the stable and uninterrupted operation of government agencies at all levels, while also ensuring sufficient development investment expenditure to promote socio-economic growth. The Department shall prepare guidance documents for local authorities regarding development investment expenditure and recurrent expenditure management.

Current Organisational Structure of the Tax Department

1. Tax Department at the Central Level

The Tax Department consists of 12 units at the central level:

- Office;
- Department of Tax Policy and International Taxation;
- Legal Affairs Department;

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- Tax Operations Department;
- Tax Budget and Statistics Department;
- Taxpayer Compliance and Support Department;
- Technology, Digital Transformation and Automation Department;
- Inspection Department;
- Organisation and Personnel Department;
- Finance and Administration Department;
- Large Enterprise Tax Sub-Department;
- E-Commerce Tax Sub-Department.

The above units are administrative organisations assisting the General Director of the Tax Department in performing state management functions.

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The Office and the Technology, Digital Transformation and Automation Department possess legal entity status, have their own seals, and are permitted to open accounts with the State Treasury in accordance with the law.

The Large Enterprise Tax Sub-Department and the E-Commerce Tax Sub-Department possess legal entity status, have their own seals, are assigned tax administration codes, and are permitted to open accounts with the State Treasury in accordance with the law.

The Large Enterprise Tax Sub-Department comprises 05 divisions, and the E-Commerce Tax Sub-Department also comprises 05 divisions.

2. Provincial and Municipal Tax Authorities

Provincial and municipal tax authorities are organised by provincial administrative units. Their headquarters are located in the political and administrative centres of the respective provinces or centrally governed cities.

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Provincial and municipal tax authorities possess legal entity status, have their own seals, are assigned tax administration codes, and may open accounts with the State Treasury in accordance with the law.

Each provincial or municipal tax authority is organised with an average of not more than 10 divisions.

3. Local Tax Offices

Local Tax Offices operate under provincial and municipal tax authorities and are responsible for managing tax administration within several communes, wards, or special administrative zones.

Local Tax Offices possess legal entity status, have their own seals, are assigned tax administration codes, and may open accounts with the State Treasury in accordance with the law.

The total number of Local Tax Offices nationwide shall not exceed 350 units.

(Pursuant to Decision No. 381/QD-BTC of 2025, as amended by Decision No. 2229/QD-BTC of 2025.)

Abbreviations

VAT	Value Added Tax	**MOF**	Ministry of Finance
PIT	Personal Income Tax	**GDT**	General Department of Taxation
CIT	Corporate Income Tax		
FCT	Foreign Contractor Tax		
SCT	Special Consumption Tax		
IET	Import and Export Tax		
OTH	Other		
OL	Official Letter		
EPT	Environmental Protection Tax		
SCT	Special Consumption Tax		

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June 2026 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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