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NEWSLETTER

TAX POLICY UPDATE | August 2026

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Overview of *New Regulations*

01 **Decree No. 252/2026/ND-CP**

Implementation Guidance for the Law on Tax Administration

02 **Decree No. 253/2026/ND-CP**

Implementation Guidance for the Law on Personal Income Tax

03 **Decree No. 254/2026/ND-CP**

Guidance on Electronic Invoices and Electronic Documents

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5 Key Updates *Decree No. 252/2026/ND-CP*

ADDITIONAL CASES OF EXIT SUSPENSION DUE TO OUTSTANDING TAX DEBTS

- Business individuals and household business owners with outstanding tax debts of VND 50 million or more overdue for more than 120 days
- Beneficial owners and legal representatives with tax debts of VND 500 million+ overdue for more than 120 days
- Enterprises failing to operate at their registered addresses 120 days after receiving tax authority notification
- Foreign individuals with overdue tax debts
- Vietnamese citizens preparing to settle abroad with overdue tax debts

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NEW REGULATIONS ON TAX REGISTRATION DEADLINES

Initial tax registration:
within 10 working days from the occurrence of the prescribed events

Tax ID registration for withholding:
within 10 working days

Tax registration via tax returns:
along with the first tax return filing deadline

Income payers:
register tax on behalf of individuals by the first PIT return filing deadline

CHANGE OF TAX REGISTRATION INFORMATION

Notify changes within 10 working days from the date of occurrence

For changes to full name, identification document number, date of birth, and passport information:
20 working days;
30 days for remote, mountainous, border, and island areas

Tax authorities will auto-update upon population data connection

SUBMISSION OF TAX IDENTIFICATION NUMBER TERMINATION APPLICATION

Within 10 working days from the date of the termination notice

Business termination date

Contract termination date as prescribed

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5 Key Updates *Decree No. 252/2026/ND-CP*

REPLACING DECREES

Decree No. 126/2020/ND-CP
Decree No. 91/2022/ND-CP
Decree No. 49/2025/ND-CP
Decree No. 117/2025/ND-CP
Decree No. 373/2025/ND-CP

NOTICE OF BUSINESS SUSPENSION

- At the request of competent authorities: notify within 3 working days
- Voluntary suspension: notify at least 1 working day before the expected date
- Suspension period: maximum 12 months per period
- Resumption of business: notify at least 1 working day before recommencement

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5 Key Updates *Decree No. 253/2026/ND-CP*

ALLOWANCES, SUBSIDIES AND INCOME EXCLUDED FROM TAXABLE INCOME

- Mid-shift meal allowance exempt from tax up to VND 1.2 million/month
- Employer-paid housing allowance: less than 15% of total taxable income
- Employer-paid critical illness insurance contributions as prescribed
- Hardship allowances, severance and redundancy payments as prescribed
- Certain healthcare and living support allowances for sports team members as prescribed

RESIDENTS AND SCOPE OF DETERMINATION OF TAXABLE PERSONAL INCOME

INCOME TAX %

Resident individuals:
Individuals meeting one of the following conditions:

- Present in Vietnam for 183 days or more in a calendar year or within any 12 consecutive months
- Having a permanent place of residence in Vietnam

Taxable income:
All income arising inside and outside Vietnam

Non-resident individuals:
Taxable only on income arising in Vietnam

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EXPANDING THE LIST OF TAXABLE PERSONAL INCOME CATEGORIES

- Transfer of national domain names ".vn"
- Transfer of greenhouse gas emission reduction results and carbon credits
- Transfer of auctioned vehicle license plates
- Transfer of digital assets

REGULATIONS ON DEDUCTIONS AND REDUCTIONS OF TAXABLE INCOME

Voluntary insurance: deductible up to VND 3 million/month

Medical expense: deductible up to VND 23 million/year

Education expense: deductible up to VND 24 million/year

Other regulations include:

- Deductions for charitable, humanitarian and educational contributions
- Contributions to voluntary pension funds
- ESOP contributions and other prescribed amounts
- Income from renewable and clean energy sources meeting incentive conditions

TAX EXEMPTION AND REDUCTION POLICIES

- Tax exemption for additional night shift and overtime pay
- Tax reduction for individuals affected by natural disasters, fires, accidents, or critical illnesses
- Tax exemption for income from qualified high-quality digital technology industries and high-tech talent
- Tax exemption for transfers of fund certificates as prescribed
- Tax incentives in accordance with applicable laws
- Tax exemption for qualified innovation and startup activities

REPLACING DECREES

- Decree No. 65/2013/ND-CP
- Certain provisions of Decree No. 91/2014/ND-CP
- Certain provisions of Decree No. 12/2015/ND-CP

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5 Key Updates
Decree No. 254/2026/ND-CP

ENTITIES REQUIRED TO USE E-INVOICES

E-invoices with tax authority authentication:
- Applicable to businesses, organizations, household businesses, and individual businesses selling goods or providing services
- Mandatory for high tax-risk cases

E-invoices without tax authority authentication:
- Applicable to businesses and organizations in specific sectors (electricity, petroleum, postal services, telecommunications, banking, ...)
- Requirements: electronic transactions with tax authorities, adequate IT infrastructure, and compliant e-invoice software

E-invoices generated from cash registers:
- Applicable to: Retail, restaurants, hotels, supermarkets, passenger transport, entertainment, personal services, ...
- Not mandatory if: Already using e-invoices with or without tax authority authentication

Household and individual businesses:
- Revenue over VND 1 billion or asset sales: Mandatory use of e-invoices or cash register e-invoices
- Revenue below VND 1 billion: Voluntary registration

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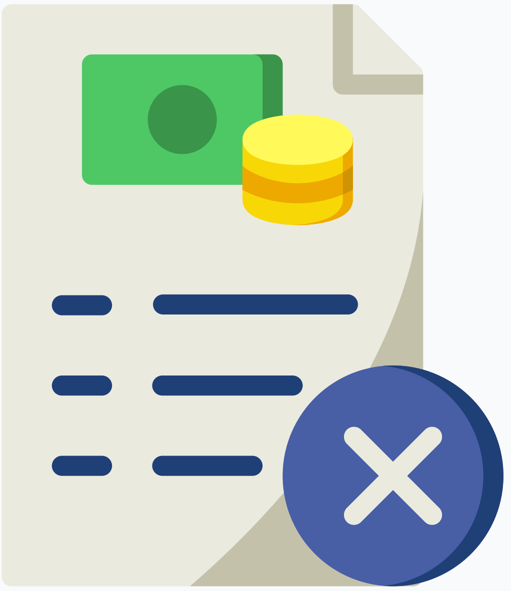
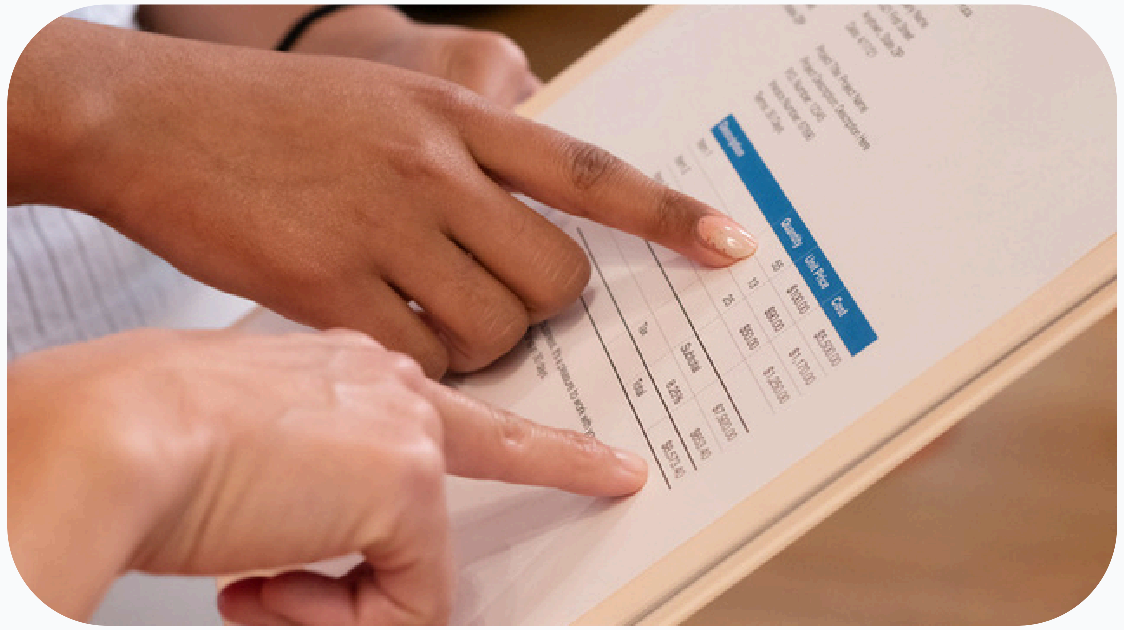
8 CASES NOT REQUIRED TO USE E-INVOICES





- Preparation of purchase lists for goods and services
- Finance, banking, foreign currency, debt sales, reinsurance, ...
- Lottery, insurance agents, and multi-level marketing agents (tax already withheld by businesses)
- Internal asset transfers (parent-subsidiary, subsidiaries, restructuring, mergers,...)
- Real estate leasing and digital content services to foreign entities
- Loan of machinery, equipment, tools for processing – free of charge, no ownership transfer
- Capital contribution by assets to economic organizations
- Internal goods/services, receipts, compensation, bonuses, collections/ payments on behalf, and other non-goods/services related income

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REGULATIONS ON E-INVOICE ISSUANCE TIMING

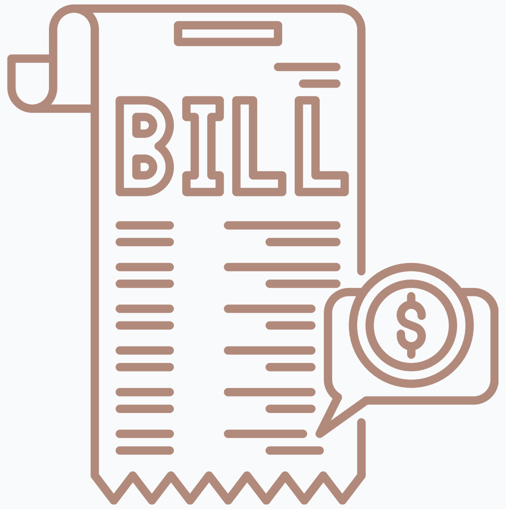
- No invoice required for deposits (under the Civil Code)
- Certain services may issue invoices within 07 days: maritime pilotage, digital advertising, insurance, security services
- Allows consolidated invoices at the end of the day or month for certain services provided to individuals
- Night-time transactions: Invoice issuance deadline is the next working day

REWARD MECHANISM FOR CONSUMERS REPORTING NON-ISSUANCE OF INVOICES

Reward amount:

Up to **10%** of the administrative fine, capped at VND **10 million** per case.

ADDITIONAL REGULATIONS ON INVOICE CONTENT



- Business code and location: Must be stated on invoices. Petroleum businesses must specify the location approved by authorities
- Household and individual businesses: Sellers are encouraged to show business sector information corresponding to goods and services

Authorized, consolidated, and commercial invoices are exempt from certain mandatory contents as prescribed

AUTHORIZED AND AUCTION INVOICES: Must include full names, addresses, tax codes of parties, and the asset auctioning organization

Vehicle sales (cars, motorcycles): Must specify chassis number, engine number, certificate number, and inspection certificate serial number

REPLACING DECREES

- Decree No. 123/2020/ND-CP
- Decree No. 70/2025/ND-CP

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Thank *You*

We are committed to delivering professional management advisory services and building strong, long-term partnerships with our clients.

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