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NEWSLETTER

Social Insurance

Important Notes for Enterprises and Employees Regarding Social Insurance

- Official Letter 1198/CTL&BHXH-BHXH (Sep 5, 2025): Base salary for compulsory social insurance
- Official Letter 1282/BHXH-TTHT (Jun 23, 2025): Penalties for late payment and evasion of SI, HI, and UI
- Official Letter 2435/BHXH-TTHT (Sep 29, 2025): Implementing aggressive communication measures to achieve 2025 targets and tasks

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Legal Ground

Law on Social Insurance No. 41/2024/QH15
(Article 31)

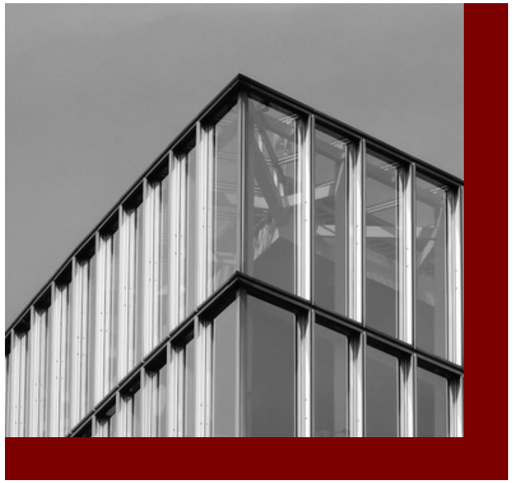
↳ Decree No. 158/2025/ND-CP
Detailing and guiding the implementation of the Law on Social Insurance regarding compulsory social insurance
(Article 7)

↳ Official Letter No. 1198/CTL&BHXH-BHXH
Practical Guidelines for Applying the Salary Structure Subject to Social Insurance Contributions
(Issued by the Department of Salary and Social Insurance on 05/09/2025)

A key issue that enterprises must pay special attention to is that not every payment made to employees is included in the salary used as the base for social insurance contributions







Calculation of Salary Subject to Social Insurance Contributions

For other regimes and fringe benefits recorded under a separate section in the employment contract pursuant to Clause 5, Article 3 of Circular No. 10/2020/TT-BLDTBXH dated November 12, 2020, issued by the Minister of Labor, Invalids and Social Affairs (now the Ministry of Home Affairs), such items do not constitute the salary base for compulsory social insurance contributions

[SALARY AMOUNT]

Base salary for a specific job/position calculated on a time basis (monthly), as specified in the employment contract

+

[ALLOWANCES]

Compensates for working conditions, job complexity, or living conditions that have not been fully included in the base salary

+

[FIXED SUPPLEMENTS]

Determined as a specific monetary amount, paid regularly and consistently in every pay period

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[SOCIAL INSURANCE CONTRIBUTION SALARY BASE]

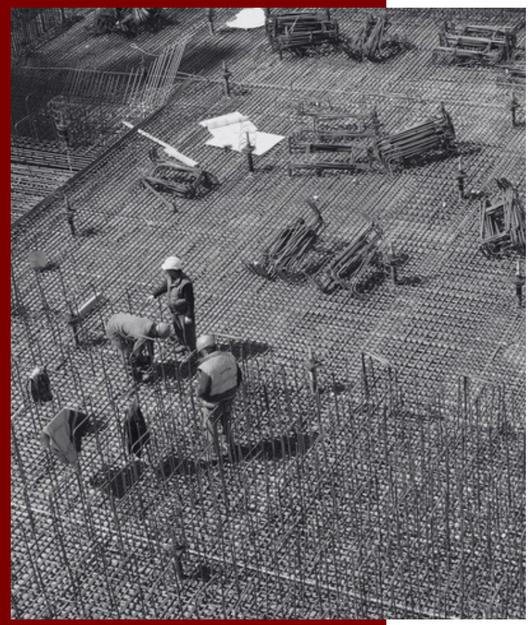
The salary base for compulsory social insurance for employees under the employer-determined wage system, pursuant to Point b, Clause 1, Article 31 of the Law on Social Insurance No. 41/2024/QH15 and Clause 1, Article 7 of Decree No. 158/2025/ND-CP

(Employers must establish pay scales, payroll grids, and labor norms as the basis for recruitment, labor utilization, agreeing on base salaries for specific jobs/titles in employment contracts, and paying employees — Clause 1, Article 31, Labor Code)

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Foreign Employees: When Are Mandatory Social Insurance Contributions Required?







Under the Law on Social Insurance 2024, employees who are foreign nationals working in Vietnam under fixed-term employment contracts of 12 months or longer are subject to compulsory social insurance, except for cases exempted by law

Strengthening compliance enforcement

Official Letter No. 1282/BHXH-TTHT (June 23, 2025): Intensive campaign on penalties for late payment and evasion of SI, HI, and UI

Official Letter No. 2435/BHXH-TTHT (September 29, 2025): Action plan for communication efforts to achieve 2025 targets





01.

Proactively preventing late payment and evasion of SI, HI, and UI at an early stage

02.

Organizing direct dialogues with non-compliant enterprises





03.

Mobilizing the involvement of Party committees, local authorities, and trade unions to monitor, detect, and handle violations

Stricter regulations on sanctions

	2014 Law on Social Insurance	Law on Social Insurance 2014
Clarifying Violations	Not Specifically Defined	Clearly defines the distinction between “late payment” and “evasion of payment” (Articles 38, 39, 40, and 41).
Employer Responsibilities	Register and pay social insurance contributions fully and on time; coordinate in processing and paying social insurance benefits to employees	Add additional provisions: “Compensate employees in accordance with the law if the employer fails to fulfill, or fails to fully fulfill, its obligation to make compulsory social insurance contributions as prescribed by this Law, thereby causing damage to the employees’ lawful rights and interests”
Sanctions	Collect in full all outstanding underpayments	Fully recover the underpaid amount and pay an additional late-payment interest of 0.03% of the violation amount for each day of violation with respect to the social insurance fund. The employer may be subject to criminal liability in accordance with the law.
Transitional Provisions	Not Specifically Defined	Apply the new enforcement measures even to outstanding amounts of late or evaded payment that remain unresolved before the new law takes effect (pursuant to Clause 12, Article 141 of the 2024 Law on Social Insurance).

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Checklist for Avoiding Retroactive Collection: Actions Required for Enterprises

01

Has the salary scale and payroll table been updated for 2026?

- Develop and adjust them in accordance with the new salary levels.
- Establish clear and specific regulations.
- Apply them consistently throughout the enterprise.



03

Have all employees who are required to contribute to social insurance (BHXH) been fully registered and paid for?

- Probationary employees with labor contracts
- Salaried managers
- Collaborators subject to social insurance contributions



02

Is the salary used as the basis for social insurance contributions correct?

- Not lower than the 2026 regional minimum wage.
- Cross-check the payroll, social insurance records, and employment contracts.
- Review allowances and additional payments.





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[Salary Subject to Social Insurance Contributions]

- Salary stated in the employment contract
- Actual salary paid
- Allowances + additional payments

[HR & Enterprise Checklist]

- Review all employment contracts
- Standardize salaries subject to social insurance contributions
- Review allowances and additional payments
- Reconcile tax and social insurance data

[Allowances & Additional Payments]

- Position and responsibility allowances
- Fixed monthly allowances
- Additional payments with a determinable amount

Regular payments are subject to social insurance contributions.

[5 TYPES OF RECORDS GUARANTEED TO BE INSPECTED BY AUTHORITIES]

2026 Social Insurance Inspection Documents

[Employment Contracts]

- Is the employment contract signed on time?
- Does the contract type match the actual nature of the job?
- Are there employees working without an employment contract?

[Employee Changes]

- Employees who leave but are not removed from the social insurance records
- Probation periods exceeding the statutory limit
- Using collaborators as regular employees

THANK YOU

For Watching Us

Connect with our team of experts for advice, updates on the latest requirements, and tailored compliance solutions.

Đặt lịch tư vấn tại

