



Tax Newsletter

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Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC



From **01st July 2025**, the Value-Added Tax Law No. 48/2024/QH15, together with Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC, officially takes effect, bringing significant changes to VAT policy.

Key Highlights

2024 Law on VAT (After 1/7/2025)

2018 Law on VAT (Before 1/7/2025)

Revisions to the list of non-taxable entities under VAT

Article 5 of the 2024 Law on VAT revises the provisions on non-VAT taxable objects previously stipulated in Article 5 of the 2008 Law on VAT.

(This is specifically guided by Article 4 of Decree No. 181/2025/ND-CP)

Certain VAT non-taxable entities removed under the 2008 Law:

- Fertilizers; specialized machinery and equipment used in agricultural production; offshore fishing vessels.
- Securities depository services; market organization services provided by stock exchanges or securities trading centers; other securities trading activities, etc.
- Exported products made from natural resources or minerals that have been processed into other products are no longer VAT-exempt and must comply with the list prescribed by the Government.
- Imported goods donated or sponsored for disaster relief, disease prevention, or war-related humanitarian aid, as specified by the Government, are added to the list of VAT-exempt entities.

According to the 2008 VAT Law, exported products that are processed from natural resources or minerals, where the total value of natural resources and minerals plus energy costs accounts for **51% or more of the product's cost**, are classified as **non-VAT taxable objects**.

Additional provision on promotional goods

Article 7 of the 2024 Law on VAT introduces a new provision:

For goods and services used for promotional purposes in accordance with commercial laws, the **taxable value is determined as zero (0)**.

This provision was **not included** in the 2008 Law on Value-Added Tax.

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Key Highlights

Amendment to the taxable value for Imported Goods

2024 Law on VAT (After 1/7/2025)

Pursuant to Article 7 of the 2024 Law on VAT, the VAT taxable value for imported goods^(*) shall be determined as follows:

- + Import taxable value
- + Import duty (if any)
- + Any additional duty import duties (if any)
- + Special Consumption Tax (if any)
- + Environmental Protection Tax (if any).

(*)This provision is guided by Section 1, Chapter II of Decree No. 181/2025/NĐ-CP as Clause 2, Article 5:

- a) In cases where imported goods are **exempt from import duty**, the VAT taxable value is the **import taxable value**.
- b) In cases where imported goods are **entitled to import duty reduction**, the VAT taxable value shall be the **import taxable value plus the reduced amount of import duty payable**.
- c) In cases where imported goods are **subject to VAT** and were previously **exempt from import duty**, but later **change in intended use** leads to **incurred import duty**, then **supplementary VAT must be paid** on the amount of import duty incurred.

2018 Law on VAT (Before 1/7/2025)

Under Article 7 of the 2008 Law on VAT, the taxable value for imported goods was defined as:

- + Import price at the border gate^(*)
- + Import duty (if any)

- + Special Consumption Tax (if any)
- + Environmental Protection Tax (if any).

(*)The import price at the border gate is determined in accordance with regulations on customs valuation for imported goods.

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Key Highlights

2024 Law on VAT (After 1/7/2025)

2018 Law on VAT (Before 1/7/2025)

Adjustment of VAT rates for certain goods and services

Pursuant to **Clause 2, Article 9** of the **2024 Law on VAT**.

- Certain goods that were previously **not subject to VAT** are now subject to the **5% VAT rate**, including:
 - Fertilizers;
 - Fishing vessels operating in maritime zones.
- Certain goods and services previously subject to **5% VAT** are now subject to the **10% VAT rate**, including:
 - Unprocessed forest products;
 - Sugar and by-products from sugar production, including molasses, bagasse, and filter mud;
 - Teaching and learning equipment, including models, drawings, boards, chalk, rulers, compasses;
 - Cultural, exhibition, physical training and sports activities; performing arts; film production; film importation, distribution, and screening.

Under **Clause 2, Article 8** of the 2008 Law on VAT, these items were previously subject to the **5% VAT rate**.

Changes in conditions to apply 0% VAT for goods and services provided to non-tariff zones

Expanded: now includes goods and services provided to organizations in non-tariff zones, consumed within the non-tariff zones, and **directly** serving export production activities, without the requirement for export customs documentation.

Only applicable to goods and services exported overseas, subject to customs documentation.

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Key Highlights

Expansion of entities eligible for the 0% VAT rate

2024 Law on VAT (After 1/7/2025)

Pursuant to **Clause 1, Article 9** of the **2024 Law on VAT**, additional entities are newly eligible for the 0% VAT rate, including:

- International transportation;
- Construction and installation projects carried out overseas or within non-tariff zones;
- Goods sold in isolated areas (departure lounges) to individuals (either foreigners or Vietnamese citizens) who have completed exit procedures; goods sold at duty-free shops;
- Exported services, including:
 - Leasing of means of transport used outside the territory of Vietnam;
 - Aviation and maritime services provided directly to international transportation or through authorized agents.

2018 Law on VAT (Before 1/7/2025)

Under **Clause 1, Article 8** of the 2008 Law on VAT, these entities were **not previously eligible for the 0% VAT rate**.

Additional case for VAT refund

Article 15 of the 2024 Law on VAT introduces a new VAT refund provision effective from July 1, 2025:

Enterprises that exclusively produce and supply goods or services subject to the **5% VAT rate** shall be eligible for a **VAT refund** if, after **12 months** (or **4 consecutive quarters**), their uncredited input VAT reaches **VND 300 million or more**.

This provision was **not included** in the 2008 Law on Value-Added Tax.

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Key Highlights

Changes in conditions for input VAT deduction

2024 Law on VAT (After 1/7/2025)

Regulations on **Conditions for VAT Deduction** under Decree No. 181/2025/NĐ-CP guiding the Law on Value-Added Tax, effective from July 1, 2025:

1. Conditions regarding invoices and tax payment documents:

- For **domestic purchases** of goods and services: a **VAT invoice** is required
- For **imports**: documents evidencing **VAT payment at the importation stage** are required.
- For **VAT paid on behalf of foreign parties**: documents evidencing **VAT payment on behalf of the foreign entity** are required.

2. Conditions regarding payment methods

a. For invoices under VND 5 million:

According to **Point h, Clause 2, Article 26 of Decree 181/2025/ND-CP**, for invoices with a **total payment amount under VND 5 million**, payment may be made either in **cash or via bank transfer**, and the input VAT stated on such invoices **is still deductible**.

Special note (Clause 3, Article 26) If goods are purchased **from the same supplier multiple times** on the same day, and the **total payment amount across all those invoices is VND 5 million or more**, then **non-cash payment is mandatory** in order to qualify for **input VAT deduction**.

2018 Law on VAT (Before 1/7/2025)

According to Clause 2, Article 12 of the 2008 Law on Value-Added Tax, goods and services **purchased on a one-time basis with a value of under VND 20 million are not required to have non-cash payment documents** for input VAT deduction.

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Key Highlights

Changes in conditions for input VAT deduction

2024 Law on VAT (After 1/7/2025)

Regulations on **input VAT deductible conditions** under Decree No. 181/2025/ND-CP guiding the Law on Value-Added Tax, effective from 01st July 2025:

2. Payment Conditions:

b. For invoices with a total value **equal or more than VND 5 millions** (including VAT): **non-cash payment is required.**

- Accepted non-cash payment methods are specified in Decree No. 181/2025/ND-CP and Decree No. 52/2024/ND-CP.
- Payment documents showing that the buyer deposits cash into the seller's bank account are not accepted as valid non-cash payment evidence.

c. **Exceptions** to non-cash payment requirement for VAT deduction (under Clause 2, Article 26 of Decree No. 181/2025/ND-CP), applicable if **specific conditions are met:**

- Offset by goods/services Offsetting of monetary debts (e.g. loans)
- Authorized payment via a third party Payment via stocks or bonds
- Partial cash payment \geq VND 5 million.
- Payment to a third party's account at the State Treasury (in enforcement cases)

2018 Law on VAT (Before 1/7/2025)

According to Clause 2, Article 12 of the 2008 Law on Value-Added Tax, goods and services **purchased on a one-time basis with a value of under VND 20 million** are **not required to have non-cash payment documents** for input VAT deduction.

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Key Highlights

2024 Law on VAT (After 1/7/2025)

2018 Law on VAT (Before 1/7/2025)

Changes in conditions for input VAT deduction

3. Input VAT Deductible Conditions for certain special types of Goods and Services:

- According to Article 28 of Decree No. 181/2025/ND-CP, input VAT is deductible if there is **sufficient documentation** proving that the goods/services have **actually been exported or consumed outside of Vietnam**, in the following cases:

- Exported via overseas e-commerce platforms;
- Exported through bonded warehouses abroad;
- Exported at international trade fairs and exhibitions;
- Goods sold in isolated areas or duty-free shops;
- Export of digital content products (digital services) provided to foreign countries;
- Subcontracted goods for further export;
- Construction and installation activities performed abroad or in non-tariff zones;
- Export of goods/materials for use in overseas construction projects.

■ Important notes:

- Non-cash payment evidence is mandatory in most cases
- Each type of export requires specific documentation – businesses must maintain full records to meet deduction conditions.
- Additionally, under Clause 2, Article 14 of the 2024 Law on Value-Added Tax, documents such as **packing lists, bills of lading, and insurance documents (if any)** are now recognized as part of the **basis for input VAT deduction** on exported goods.

According to Clause 2, Article 12 of the 2008 Law on Value-Added Tax, goods and services **purchased on a one-time basis with a value of under VND 20 million** are **not required to have non-cash payment documents** for input VAT deduction.

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Non-cash payment methods



From 01st July 2025, Decree No. 181/2025/ND-CP and Decree No. 52/2024/ND-CP officially take effect, clearly stipulating the acceptable **non-cash payment methods** for determining tax obligations and deductible expenses.

Payment method	Conditions Document have attached	Non cash payment document
1. Bank transfer	Bank payment documents are understood as evidence showing the transfer of funds from the buyer's account to the seller's account , both maintained at payment service providers, using payment methods compliant with current laws such as: cheque, payment order or remittance order, collection order, authorized collection, bank cards, credit cards, mobile SIM (e-wallet), and other legally recognized payment methods.	<ul style="list-style-type: none"> Bank transfer documents
2. Offsetting payments	<ul style="list-style-type: none"> Offset Goods/service: Must be clearly stated in the contract, with a reconciliation and confirmation record between the two parties. If a third party is involved, a three-party offset agreement is required. Offset via loans or payment on behalf: <ul style="list-style-type: none"> A written loan/borrowing contract established in advance is required. There must be proof of fund transfer from the lender's to the borrower's account. This applies even when offsetting purchases with financial support or payments made on behalf of the buyer. 	<ul style="list-style-type: none"> Minutes of reconciliation and confirmation about offset payments between the two parties. <p><i>(Third-party debt offset agreement, (if the offset is made through a third party))</i></p>
3. Debt settlement such as loans or borrowings and debt offsetting through a third party.	<ul style="list-style-type: none"> A contract is required: this payment method must be clearly stipulated in the contract. There must be a written loan or borrowing agreement established in advance, along with supporting documents proving the transfer of funds from the lender's account to the borrower's account, in the case of monetary loans or borrowings. This also applies to cases where the value of purchased goods/services is offset against the amount of money provided by the seller to support or make payments on behalf of the buyer. 	<ul style="list-style-type: none"> Loans/Borrowings contract Proof of money transfer from lender to borrower

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Non-cash payment methods



From 01st July 2025, Decree No. 181/2025/ND-CP and Decree No. 52/2024/ND-CP officially take effect, clearly stipulating the acceptable **non-cash payment methods** for determining tax obligations and deductible expenses.

Payment method	Conditions Document have attached	Non cash payment document
4. Non-cash payment authorized through a third party	Authorized payments or payments to a third party as designated by the seller must be specifically stipulated in a written contract, and the third party must be an organization or individual operating in accordance with the law.	<ul style="list-style-type: none"> Contract (including the case where the seller requests the buyer to make a non-cash payment to a third party designated by the seller)
5. Payment by stock, Bond	<ul style="list-style-type: none"> A written sales contract must be prepared in advance. The contract must specifically stipulate this method of payment. 	<ul style="list-style-type: none"> Contract
6. Payment into a third party's account at the State Treasury for enforcement purposes	<ul style="list-style-type: none"> In cases where goods or services purchased are paid for via non-cash payment into a third party's account opened at the State Treasury to enforce a decision by a competent state authority through measures such as collecting money or assets held by another organization or individual, the corresponding input value-added tax (VAT) amount is deductible based on the amount transferred into the third party's account at the State Treasury. 	<ul style="list-style-type: none"> Payment voucher for the transfer of funds to a third party's account at the State Treasury in accordance with a decision issued by a state authority.
7. Deferred payment	<ul style="list-style-type: none"> For goods and services purchased on deferred payment or installment terms with a value of 5 million VND or more, the business establishment may deduct input value-added tax (VAT) based on the written purchase contract, VAT invoice, and non-cash payment documents related to the deferred or installment purchase of goods and services. 	<ul style="list-style-type: none"> Sale contract VAT invoice Non-cash payment document (if due); (If no non-cash payment document is available because the payment is not yet due, the VAT deduction is still allowed)

Law on VAT No. 48/2024/QH15

Decree No. 181 & Circular No. 69/2025/TT-BTC (cont.)

Non-cash payment methods



From 01st July 2025, Decree No. 181/2025/ND-CP and Decree No. 52/2024/ND-CP officially take effect, clearly stipulating the acceptable **non-cash payment methods** for determining tax obligations and deductible expenses.

Payment method	Conditions Document have attached	Non cash payment document
8. Purchasing goods/ services under 5 million VND	In cases where the value of imported goods or services per transaction is under VND 5 million, or where goods and services are purchased under invoices valued below VND 5 million (including VAT), or where a business imports goods as gifts, donations, or free samples from foreign organizations or individuals, non-cash payment documents are not required for such purchases.	<ul style="list-style-type: none"> Not require non-cash payment documents
9. Authorization for an individual employee to make non-cash payments	<ol style="list-style-type: none"> There must be documentation evidencing the authorization for an employee to make payment: <ul style="list-style-type: none"> The company's financial regulations or internal policies must clearly stipulate the authorization for an individual employee to make non-cash payments. A power of attorney (authorization letter) for the employee to make the payment. The invoice must state the company's name, address, and tax identification number. Non-cash payment document in the name of the employee, showing that the employee has made the payment for goods or services using a non-cash method. When the company reimburses the employee, the reimbursement must also be made via a non-cash payment method. 	<ul style="list-style-type: none"> Financial regulations or internal policies Authorization letter Invoices Non-cash payment document of the enterprise when reimbursing the employee

Notes:

In cases where, after applying the payment methods listed as **items 2, 3, 4, and 5** in the table above, **the remaining value** is paid in cash and **amounts to VND 5 million or more**, VAT deduction is only allowed if there is a **non-cash payment document** for that remaining amount.

Resolution No. 204/2025/QH15

Extension of 2% VAT rate reduction

At the 9th meeting of the National Assembly XV held on the morning of 17th June, the National Assembly voted to approve the Resolution on value-added tax (VAT) reduction. The VAT reduction resolution introduces several new provisions. Specially:



From 01/01/2025 to 30/06/2025

Legal basis	<ul style="list-style-type: none"> Resolution No. 174/2024/QH15 Decree No. 180/2024/ND-CP
Applicable tax rate	A 2% reduction: the VAT rate is reduced from 10% to 8% for goods and services currently subject to the 10% rate, excluding those listed in the Appendix.
Excluded categories	Telecommunications; Finance – Banking – Securities – Insurance; Real estate; Metals and metal products; Mining (excluding coal); Coke, refined petroleum, chemicals , and goods subject to special consumption tax.
Expanded scope	None
Tax calculation method	<ul style="list-style-type: none"> Deductible method declare VAT at the 8% rate 20% Discounted Revenue Percentage Method

From 01/07/2025 to 31/12/2026



Legal basis	<ul style="list-style-type: none"> Resolution 204/2025/QH15 Resolution 174/2025/QH15
Applicable tax rate	A continued 2% reduction in value-added tax (VAT) is applied to goods and services currently subject to the 10% rate, excluding those listed in the Appendix.
Excluded categories	<ul style="list-style-type: none"> Telecommunications; Finance – Banking – Securities – Insurance; Real estate; Metals; Mining (excluding coal); Coke; Refined petroleum; Chemicals; and goods and services subject to special consumption tax (excluding gasoline).
Expanded scope	Additional sectors include transportation, logistics, and information technology services — industries that play a vital role in the development of the digital economy.
Tax calculation method	<ul style="list-style-type: none"> Deductible method declare VAT at the 8% rate 20% Discounted Revenue Percentage Method

Decree 69/2024/ND-CP

Key updates on electronic identification of organizations



The anticipated impact on your business

Currently, many administrative procedures for organizations and businesses are conducted using login accounts created by the National Public Service Portal or ministerial/provincial portals. However, under **Decree 69/2024/ND-CP**, from 01st July 2025, these accounts will no longer be valid.

Instead, all entities legally established and operating in Vietnam will be **required to use electronic identification accounts (“VNeID accounts”)** to access and perform digital administrative procedures such as tax filing, investment licensing, business registration, and procedures relating to labor, insurance, and customs.

Failure to timely register for an e-identification account may lead to serious disruptions in:

- E-invoice registration and adjustment;
- Business license applications;
- Work permits for foreign employees, and other conditional business procedures.

Note: After 01st July 2025, businesses may still apply for e-ID registration. However, certain procedures may be suspended until identity verification is fully completed.

Decree 69/2024/ND-CP

Key updates on electronic identification of organizations (cont.)



Entities eligible to register for an organizational electronic identification account

“ According to Article 12 of Decree No. 69/2024/ND-CP, individuals authorized to represent an organization or enterprise in carrying out the procedures for registering a digital identity account include:

The legal Representative are		Legally authorized person
Vietnamese citizen	Foreigners	
<ul style="list-style-type: none">▪ It is mandatory to own a chip-based Citizen Identity Card (CCCD)▪ A Level-2 verified personal electronic identification account on the VNeID application.	<ul style="list-style-type: none">▪ Must own a valid temporary residence card or permanent residence card in Vietnam;▪ Have a Level-2 verified VNeID electronic identification account.▪ The Immigration Management Authority will officially begin issuing Level-2 VNeID accounts to foreigners starting from 01st July 2025.	<ul style="list-style-type: none">▪ The legal representative may authorize another individual to register a digital identification account on behalf of the organization.▪ Notes: Both the authorizing person and the authorized individual are required to have a Level-2 verified electronic identification account.

Decree 69/2024/ND-CP

Key updates on electronic identification of organizations

Methods of registering an organizational electronic identification account



Organizations and enterprises may **choose one of the following two methods** to complete the registration:

Method 1: Online Registration (Priority)

Proceed via the VNeID application (latest version) or visit the website:
<https://vneid.gov.vn>

The registration process includes:

- 01 Log in using a Level-2 verified VNeID account.
- 02 Select “Organizational Identification” → “Register Organization.”
- 03 Enter the organization’s legal information: legal entity name, tax identification number, registered address, and representative’s information.
- 04 Verify using biometrics (fingerprint, facial recognition, or OTP code).
- 05 Submit the request to establish the organizational digital identity account

Method 2: Register directly at a government agency

Organizations/enterprises shall submit the Application Form for Issuance of a Digital Identification Account (Form TK02) to:

- The electronic identification management authority; or
- The provincial/municipal police office where the enterprise is headquartered

Processing time: No more than 03 working days from the date of receiving a complete and valid application.

Important note: Delays in registration may result in:

- ✓ Temporary suspension of digital administrative procedures,
- ✓ Rejection of electronic applications due to the lack of legal identity verification for the organization,
- ✓ Negative impact on legal, financial, and human resources operations.

Notification No. 220/TB-V01

Updates to the regulations on issuing electronic identification accounts to foreigners

According to Notification No. 220/TB-V01 dated 17th June 2025, issued by the Ministry of Public Security, the Immigration Department under the Ministry has officially begun accepting applications for Level-2 electronic identification accounts for foreigners. Specifically, the procedures are carried out as follows:



Step 1:

Go directly to the Immigration Department under the Ministry of Public Security or the provincial-level police office



Step 2:

Present the following documents:

- Application form for issuance of a digital identification account (Form TK01 issued together with Decree No. 69/2024/NĐ-CP)
- Passport or international travel document
- Temporary residence card
- Mobile phone number registered under the applicant's name
- Citizen's email address (if any)
- Other information requested to be integrated into the National Digital Identification Application



Step 3:

Collect facial images and fingerprints for verification with the National Immigration Database.



Step 4:

The immigration management authority shall send a request for the issuance of a digital identification account to the electronic identification and authentication authority.



Step 5:

The electronic identification and authentication authority shall notify the registration result via the National Digital Identification Application, the registered mobile phone number, or the applicant's email address.



Estimated implementation time:

- Trial time: before 25/06/2025
- Peak time: 50 days from 01/7/2025 to 19/8/2025

Decree no. 117/2025/ND-CP

E-commerce platform operators to withhold and pay taxes on behalf of individual entities

1. Scope and Subjects of Application

- Organizations operating e-commerce platforms and digital platforms, both domestic and foreign (including platforms with or without payment functions), that make income payments to individual entities.
- Individuals and household businesses, whether residents (regardless of whether transactions are domestic or abroad) or non-residents (if the transaction arises in Vietnam), who conduct business activities on these platforms.

2. E-commerce platforms with payment functions

Operators of such e-commerce platforms are responsible for:

- Withholding and remitting Value-Added Tax (VAT) and Personal Income Tax (PIT) on behalf of individuals for each revenue-generating transaction conducted on the platform, immediately upon confirmation and successful payment of the transaction.
- Applicable tax rates:

Items	VAT	PIT	
		Resident	Non resident
Goods	1%	0,5%	1%
Services	5%	2%	5%
Transportations, services with goods	3%	1,5%	2%

⚠ In cases where the type of transaction **cannot be determined**, the organization shall **apply the highest applicable tax rate** for each category.

3. E-commerce Platforms Without Payment Functions:

- Individuals who sell goods/services on platforms without integrated payment systems (e.g., Facebook, Zalo) are still required to self-declare and pay taxes in accordance with current regulations.
- Resident individuals:** must declare taxes monthly or per transaction, depending on the case.
- Non-resident individuals:** must declare each transaction separately and submit electronic tax documents to the E-commerce Tax Sub-Department

4. Obligation to Provide Information

- Sellers are required to provide their Tax Identification Number (TIN) and ID card/passport information to the e-commerce platform.
- Sellers shall be held responsible for any inaccurate or false information provided.

5. Policy Objectives

- Enhance transparency in the management of e-commerce taxation
- Ensure fairness between traditional and online business models.

Law on Social Insurance No. 41/2024/QH15

Some Key Updates in the 2024 Social Insurance Law



From 01st July 2025, the Law on Social Insurance No. 41/2024/QH15 (referred to as the 2024 Social Insurance Law) officially takes effect, replacing the 2014 Social Insurance Law. Below are some key updates in the 2024 Social Insurance Law that businesses should take note of:

CHANGES FOR EMPLOYERS

1. **Expansion of compulsory social insurance coverage:**
 - **Individuals** working under labor contracts of **at least one month**, including part-time contracts if the salary is equal to or higher than the reference level.
 - **Enterprise managers**, even if they do not receive a salary (such as members of the BODs, Directors, etc.).
 - **Foreign workers** employed in Vietnam for 12 months or more (excluding special cases).
2. **Basis for Social Insurance Calculation:**
 - Replace "**base salary**" with the "**reference level**" as prescribed by the Government.
 - **Minimum contribution:** Equal to the reference level.
 - **Maximum contribution:** **20 times** the reference level.
3. **More flexible social insurance deadline:**
 - **Monthly contributions:** **No later than the last day of the following month** (previously, it was by the end of the current month).
 - **Quarterly/biannual contributions:** **No later than the end of the month following the contribution period.**
4. **Strict measures against social insurance evasion:**
 - Considered evasion if an employer fails to register or make contributions within 60 days.
 - **Penalties include:**
 - ✓ A fine of **0.03% per day** on the delayed contribution amount.
 - ✓ Public disclosure of violations and potential criminal prosecution if necessary.
 - ✓ Employers must compensate employees for any resulting damages.
5. **New right for employers:**
Allowed to temporarily suspend contributions to the retirement fund for up to 12 months in case of financial hardship.

NEW BENEFITS FOR EMPLOYEES

1. **Sick leave benefits:**
 - Employees are entitled to **receive half-day sick leave allowance** (equal to 50% of the one-day allowance).
 - **Expanded maternity benefits:**
 - Female employees **undergoing infertility treatment** are eligible if they have paid social insurance for at least 6 out of the previous 24 months.
 - Male employees are entitled to **up to 5 prenatal care leaves**, (2 days per time).
 - Paternity leave when the wife gives birth: **Maximum is 60 days**, which can be taken in multiple installments.



The 2024 Social Insurance Law aims to provide more **comprehensive protection** for employees' rights while strengthening oversight of employers. Businesses and employees should review labor contracts, social insurance contribution conditions, and prepare to adjust their HR and payroll systems to **comply with** the new law starting **from 01st July 2025**

Corporate Income Tax Law No.67/2025/QH15

Additional tax rate incentives, revises eligibility conditions and tax calculation for foreign investors



On 14th June 2025, the CIT Law No. 67/2025/QH15 was enacted with the aim of **simplifying tax policies, promoting investment and innovation, and ensuring transparency, fairness, and alignment with international practices** — particularly the **global minimum tax**. Compared to previous regulations, the new law introduces significant changes in **tax rates, incentives, exemptions, and the calculation of taxable income**.

Content	CIT Law No. 67/2025/QH15	Current Law
Effective date	Effective from 01/10/2025 ; Applicable from the fiscal year 2025	Law no. 14/2008/QH12 (effective from 01/01/2009) và các sửa đổi đến 2023
Taxpayers	Article 2 covers foreign entities without a permanent establishment but earning income in Vietnam. Aligns with international practices.	Regulated at Article 2 – Rather General
Tax-exempt income	14 types of tax-exempt income under Article 4, with additions including: <ul style="list-style-type: none"> Income from agricultural services; Firms with ≥30% vulnerable employees (disabilities, HIV, rehab, etc.); Income from R&D activities and innovation. 	11 types of tax-exempt income under Article 4
CIT incentives	Comprehensively codified in Articles 12–14: <ul style="list-style-type: none"> Incentives by sector: (e.g., high technology, R&D, clean energy, etc.) Incentives by location (e.g., disadvantaged areas) Incentives by firm size (very small, small) New preferential tax rates: <ul style="list-style-type: none"> Very small enterprises: 15% – annual revenue not exceeding VND 3 billion. Small enterprises: 17% – for annual revenue between VND 3–50 billion Standard: 20% – for most businesses. Notes: No incentives for subsidiaries/affiliates if the related party is ineligible.	Distributed various secondary legal documents, such as Decree No. 218/2013/ND-CP.

Corporate Income Tax Law No.67/2025/QH15

Additional tax rate incentives, revises eligibility conditions and tax calculation for foreign investors (cont.)



On 14th June 2025, the CIT Law No. 67/2025/QH15 was enacted with the aim of **simplifying tax policies, promoting investment and innovation, and ensuring transparency, fairness, and alignment with international practices** — particularly **the global minimum tax**. Compared to previous regulations, the new law introduces significant changes in **tax rates, incentives, exemptions, and the calculation of taxable income**.

Content	CIT Law no 67/2025/QH15	Current Law
Loss transfer	Article 16 clarifies loss calculation rules to prevent misuse, with the 5-year limit unchanged .	Losses can be carried forward for up to 5 years .
Global Minimum Tax (Top-up tax / GloBE)	Article 18 introduces a 15% top-up tax for MNEs under OECD BEPS 2.0 Pillar Two. ⇒ Vietnam officially applies the Top-up Tax to MNEs with consolidated revenue ≥ EUR 750 million.	Not yet regulated
Separate capital transfer tax	Clause 3, Article 3: For foreign transferors, tax may be applied on a gross revenue basis (gross-based taxation).	Calculated based on profit (income minus expenses)
Deductible expenses	Additional deductible expenses include: <ul style="list-style-type: none"> ▪ Expenses calculated as a percentage of actual R&D costs incurred during the tax period. ▪ Certain business-related expenses not directly linked to revenue generated in the same period, as specified by the Government. ▪ Contributions to the construction of public infrastructure that also serve the enterprise's business operations. ▪ Expenses related to greenhouse gas emission reduction efforts aimed at carbon neutrality and net-zero targets, provided they are connected to business activities 	Not yet regulated

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