

NEWSBRIEF

- **Summary of New Points in the 2024 Amended Tax Administration Law**
- **Decree No. 20/2025/NĐ-CP amending and supplementing Decree No. 132/2020/NĐ-CP on Transfer Pricing Transactions dated February 10, 2025**



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Summary of New Points in the 2024 Amended Tax Administration Law (1/4)



On November 29, 2024, the National Assembly enacted the Law amending the Securities Law, the Accounting Law, the Independent Audit Law, the State Budget Law, the Law on Management and Use of Public Assets, the Tax Administration Law, the Personal Income Tax Law, the National Reserve Law, and the Law on Handling of Administrative Violations 2024 (hereinafter referred to as [Law No. 56/2024/QH15](#)). Accordingly, Law No. 56/2024/QH15 amends and supplements [the 2019 Tax Administration Law](#) with the following key points:

(1) Amendment to One of the Principles of Tax Administration

According to Clause 1, Article 6 of Law No. 56/2024/QH15, a new tax administration principle has been added to Clause 2, Article 5 of the 2019 Law on Tax Administration (previously not stipulated):

- Tax authorities and other State agencies tasked with revenue administration shall implement tax administration as prescribed in this Law and other relevant provisions, ensuring publicity, transparency, equality and ensuring legitimate rights and benefits of taxpayers.
- Tax officials shall assume responsibility to process tax dossiers on the basis of documents, instruments and information provided by taxpayers, databases of tax authorities, taxpayer-related information provided by competent authorities, and outcomes of the implementation of risk management measures in tax administration within the ambit of their responsibilities and duties, ensuring strict compliance with regulations of law on tax administration and other relevant tax-related laws

(2) Additional Obligation for Taxpayers to Provide Information

According to Clause 4, Article 6 of Law No. 56/2024/QH15, amending and supplementing Clause 2, Article 17 of the 2019 Law on Tax Administration:

- Provide accurate, truthful and adequate tax declarations and submit tax dossiers by prescribed deadlines; assume legal responsibility for the accuracy, truthfulness and adequacy of tax dossiers and other documents submitted to tax authorities to serve their processing of tax dossiers in accordance with regulations of law on taxation

(3) Tax Registration, Declaration, and Payment Obligations for Foreign Suppliers

According to Point a, Clause 5, Article 6 of Law No. 56/2024/QH15, supplementing Clause 4, Article 42 of the 2019 Law on Tax Administration:

- Regarding e-commerce, digital platform-based business and other services rendered by overseas providers, the overseas providers shall directly or authorize others to apply for taxpayer registration, declare and pay tax in Vietnam in accordance with regulations of the Minister of Finance.

Summary of New Points in the 2024 Amended Tax Administration Law (2/4)



On November 29, 2024, the National Assembly enacted the Law amending the Securities Law, the Accounting Law, the Independent Audit Law, the State Budget Law, the Law on Management and Use of Public Assets, the Tax Administration Law, the Personal Income Tax Law, the National Reserve Law, and the Law on Handling of Administrative Violations 2024 (hereinafter referred to as [Law No. 56/2024/QH15](#)). Accordingly, Law No. 56/2024/QH15 amends and supplements [the 2019 Tax Administration Law](#) with the following key points:

(4) E-commerce Platforms Must Declare and Pay Taxes on Behalf of Sellers

According to point b, clause 5, Article 6 of Law No. 56/2024/QH15, which supplements clause 4a, Article 42 of the 2019 Tax Administration Law:

- Regarding household businesses and individual businesses that do business on e-commerce platforms or digital platforms, organizations in charge of managing e-commerce exchanges or digital platforms with payment features (including domestic and foreign organizations) and other organizations performing digital economic activities as prescribed by the Government shall deduct, pay and declare deducted tax on behalf of these household businesses and individual businesses. Any household businesses and individual businesses that do business on e-commerce platforms or digital platforms but are ineligible to have their tax deducted and paid by others shall directly apply for taxpayer registration, declare and pay tax.
- The Government shall provide detailed regulations on responsibility and methods for organizations in charge of managing e-commerce exchanges or digital platforms and other organizations performing digital economic activities to deduct, pay and declare deducted tax on transactions conducted on these e-commerce or digital platforms on behalf of household businesses and individual businesses; required documents and procedures for tax declaration, payment and refund for household businesses and individual businesses that do business on e-commerce or digital platforms.

(5) Amendment to the Calculation of Late Tax Payment Interest

According to clause 7, Article 6 of Law No. 56/2024/QH15, which amends and supplements the method of calculating the period for late tax payment interest under point b, clause 2, Article 59 of the 2019 Tax Administration Law:

- The late payment interest shall be charged continuously for the period starting from the day following the deadline or extended deadline for tax payment or the deadline written in the notice or tax liability imposition decision or handling decision issued by the tax authority to the day before the day on which the tax debt, tax refund recovered by tax authority, increase in tax payable, tax amount imposed or overdue tax is fully paid to state budget.

Summary of New Points in the 2024 Amended Tax Administration Law (3/4)



On November 29, 2024, the National Assembly enacted the Law amending the Securities Law, the Accounting Law, the Independent Audit Law, the State Budget Law, the Law on Management and Use of Public Assets, the Tax Administration Law, the Personal Income Tax Law, the National Reserve Law, and the Law on Handling of Administrative Violations 2024 (hereinafter referred to as [Law No. 56/2024/QH15](#)). Accordingly, Law No. 56/2024/QH15 amends and supplements [the 2019 Tax Administration Law](#) with the following key points:

(6) Amendments to Cases Eligible for Supplementary Tax Declaration

According to Clause 6, Article 6 of Law No. 56/2024/QH15, additional cases eligible for supplementary tax declaration within 10 years from the tax declaration deadline, as stipulated in Article 47 of the 2019 Law on Tax Administration, include:

- The supplementary documents are submitted before the tax authority or competent authority announces a decision on tax inspection or tax audit;
- The tax declaration dossier is not subject to the scope and period of tax inspection or tax audit specified in the tax inspection or tax audit decision.
- Regarding contents subject to the scope of tax inspection or tax audit, the taxpayer may submit supplementary documents and explanations in accordance with regulations of law on taxation, law on inspection and cases where conclusions or regulations of competent specialized agencies on contents concerning determination of taxpayers' liability shall apply.
- At the same time, the regulation also abolishes the provision allowing supplementary tax declarations after the tax authorities or competent agencies have announced an inspection or audit decision at the taxpayer's office and after the issuance of tax conclusions or post-inspection/audit tax decisions, as stated in Clauses 2 and 3 of Article 47 of the 2019 Law on Tax Administration.

(7) Abolishment of the Right to Request Interest Refunds from Tax Authorities

According to Clause 8, Article 6 of Law No. 56/2024/QH15, the provision allowing taxpayers to request interest payments from tax authorities at a rate of 0.03% per day on excess payments of tax, late payment interest, and penalties has been abolished.

- If the paid tax amount, late payment interest or fine is greater than that determined by the complaint settlement decision issued by a competent authority or the court decision or judgment, the overpaid amount will be refunded to the taxpayer

Summary of New Points in the 2024 Amended Tax Administration Law (4/4)



On November 29, 2024, the National Assembly enacted the Law amending the Securities Law, the Accounting Law, the Independent Audit Law, the State Budget Law, the Law on Management and Use of Public Assets, the Tax Administration Law, the Personal Income Tax Law, the National Reserve Law, and the Law on Handling of Administrative Violations 2024 (hereinafter referred to as [Law No. 56/2024/QH15](#)). Accordingly, Law No. 56/2024/QH15 amends and supplements [the 2019 Tax Administration Law](#) with the following key points:

(8) Addition of Regulations on Receiving and Responding to Tax Refund Applications by Tax Authorities

According to Clause 10, Article 6 of Law No. 56/2024/QH15, which amends Point a, Clause 1, Article 72 of the 2019 Law on Tax Administration:

- Supervisory tax authorities of taxpayers shall receive tax refund claims in accordance with tax laws; implement risk management measures, issue internal processes and apply information technology to classification of tax refund claims into claims eligible for refund before inspection or claims subject to inspection before refund, and process received claims as prescribed. Tax authorities in charge of managing amounts receivable shall receive claims for refund of overpaid amounts. In case of refund of overpaid amounts under a corporate income tax or personal income tax finalization dossier, the tax authority that received such tax finalization dossier shall receive claim for tax refund;

(9) Authority to Decide on Tax Refunds

According to Clause 11, Article 6 of Law No. 56/2024/QH15, which amends Clause 1, Article 76 of the 2019 Law on Tax Administration regarding tax refund decision-making authority:

- The Director General of the General Department of Taxation, Directors of Provincial Departments of Taxation, Directors of Sub-Departments of Taxation, and Directors of Regional Sub-Departments of Taxation shall decide tax refund in case of eligible claims as prescribed by tax laws.

Effective Date:

- The amendments to the 2019 Law on Tax Administration will take effect from **January 1, 2025**. However, the amendment to Point b, Clause 5, Article 6 of the Law on amendments regarding tax declaration and payment for e-commerce platforms under the 2019 Law on Tax Administration will take effect from **April 1, 2025**.

Decree No. 20/2025/NĐ-CP amending and supplementing Decree No. 132/2020/NĐ-CP on Transfer Pricing Transactions dated February 10, 2025 (1/3)



On February 10, 2025, the government issued [Decree No. 20/2025/ND-CP](#) (hereinafter referred to as "Decree 20") amending and supplementing certain provisions of [Decree No. 132/2020/ND-CP](#) dated November 5, 2020 ("Decree 132") regarding tax management for enterprises with related-party transactions. Accordingly, Decree 20 amends and supplements the following key points of Decree 132:

✓ **Clause 1, Article 1 of Decree 20 amends and supplements Clause 2, Article 5 of Decree 132 as follows:**

❖ **Amendment and supplementation of Point d:**

d) An enterprise guarantees or lends capital to another enterprise in any form (including loans from third parties secured by financial sources of the related party and similar financial transactions) on the condition that the total outstanding loan balance of the borrowing enterprise with the lending or guaranteeing enterprise is at least 25% of the owner's contributed capital of the borrowing enterprise and accounts for more than 50% of the total outstanding medium- and long-term debt of the borrowing enterprise.

The provisions of this point d do not apply to the following cases:

- d.1) The guarantor or lender is an economic organization operating under the provisions of the Law on Credit Institutions, which does not directly or indirectly participate in management, control, capital contribution, or investment in the borrowing enterprise or the guaranteed enterprise as stipulated in Points a, c, đ, e, g, h, k, l, and m of this clause.
- d.2) The guarantor or lender is an economic organization operating under the provisions of the Law on Credit Institutions, and the borrowing or guaranteed enterprise is not directly or indirectly subject to the management, control, capital contribution, or investment of another entity as stipulated in Points b, e, and i of this clause.

❖ **Amendment and supplementation of Point k:**

- k) Other cases in which an enterprise (including independent accounting branches that declare and pay corporate income tax) effectively exercises management, control, and decision-making over the business operations of another enterprise.

❖ **Supplementation of Point m:**

- m) A credit institution with its subsidiary, or with its controlling company, or with an affiliate of the credit institution in accordance with the Law on Credit Institutions and any amendments, supplements, or replacements thereof (if applicable).

Decree No. 20/2025/NĐ-CP amending and supplementing Decree No. 132/2020/NĐ-CP on Transfer Pricing Transactions dated February 10, 2025 (2/3)



On February 10, 2025, the government issued [Decree No. 20/2025/ND-CP](#) (hereinafter referred to as "Decree 20") amending and supplementing certain provisions of [Decree No. 132/2020/ND-CP](#) dated November 5, 2020 ("Decree 132") regarding tax management for enterprises with related-party transactions. Accordingly, Decree 20 amends and supplements the following key points of Decree 132:

- ✓ **Clause 1, Article 2, Decree 20 amending and supplementing Clause 2, Article 21 of Decree 132:**
 - ❖ **The State Bank, within the scope of its tasks and powers, is responsible for:**
 - Coordinating to provide information and data on the foreign loans and debt repayments of specific enterprises involved in related party transactions, based on the list requested by the Tax Authority. This includes data on loan amounts, interest rates, interest repayment periods, principal repayment schedules, actual capital withdrawals, debt repayments (principal, interest), and any other relevant information (if applicable).
 - Coordinating to provide information required by law regarding related parties of members of the Board of Directors, members of the Member Council, members of the Supervisory Board, General Directors (Directors), Deputy General Directors (Deputy Directors), and equivalent titles as defined in the charter of the credit institution; related parties of shareholders holding at least 1% of the charter capital of the credit institution; and affiliated companies of the credit institution, according to the data management system of the State Bank when requested by the tax authority.
- ✓ **Article 2, Decree 20:**
 - ❖ **Replace Appendix I – Information on related party relationships and related party transactions issued with Decree 132 with Appendix I – Information on related party relationships and related party transactions issued with this Decree.**

Decree No. 20/2025/NĐ-CP amending and supplementing Decree No. 132/2020/NĐ-CP on Transfer Pricing Transactions dated February 10, 2025 (3/3)



On February 10, 2025, the government issued [Decree No. 20/2025/ND-CP](#) (hereinafter referred to as "Decree 20") amending and supplementing certain provisions of [Decree No. 132/2020/ND-CP](#) dated November 5, 2020 ("Decree 132") regarding tax management for enterprises with related-party transactions. Accordingly, Decree 20 amends and supplements the following key points of Decree 132:

✓ **Article 3, Decree 20:**

- ❖ **Regulations on the transition for interest expenses that are non-deductible and have not been carried forward in the corporate income tax calculation periods from 2020 to 2023.**

In cases where, in the corporate income tax calculation periods for 2020, 2021, 2022, and 2023, the enterprise has borrowed and only has a related-party relationship with an economic organization operating under the provisions of the Law on Credit Institutions as stipulated in point d, clause 2, Article 5 of Decree No. 132/2020/ND-CP, and the borrowing enterprise has transactions with the lender or guarantor falling under the cases specified in points d.1 and d.2, clause 2, Article 5 of Decree No. 132/2020/ND-CP, as amended by Article 1 of this Decree, and has related-party transactions within the scope of regulation under clause 2, Article 1 of Decree No. 132/2020/ND-CP and has non-deductible interest expenses according to point a, clause 3, Article 16 of Decree No. 132/2020/ND-CP, then from the 2024 tax period, the following will apply:

- If the enterprise **does not have a related-party relationship and does not incur related-party transactions** according to Decree No. 132/2020/ND-CP and this Decree, the non-deductible interest expenses that have not been carried forward to the subsequent tax periods until the end of the 2023 tax period will be equally allocated and carried forward to the subsequent tax periods for the remaining time as stipulated in the provisions on the carryforward period of interest expenses in point b, clause 3, Article 16 of Decree No. 132/2020/ND-CP.
- If the enterprise **has a related-party relationship and related-party transactions** according to Decree No. 132/2020/ND-CP and this Decree, the non-deductible interest expenses that have not been carried forward to the subsequent tax periods will be carried forward according to the provisions in point b, clause 3, Article 16 of Decree No. 132/2020/ND-CP.

✓ **Article 4, Decree 20:**

- ❖ **Effective date**

- Decree 20 will take effect from **March 27, 2025**, and will **apply from the 2024 corporate income tax calculation period**.

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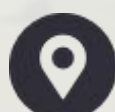
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