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Client Alert

July 2026

Vietnam: Regulations Implementing Law on Tax Administration

Vietnam issues regulations implementing the Law on Tax Administration effective from 1 July 2026.

In brief

Vietnam has issued two key implementing instruments for the new Law on Tax Administration No. 108/2025/QH15 ("**2025 LTA**"): Decree No. 252/2026/ND-CP issued by the Government ("**Decree 252**") and Circular No. 89/2026/TT-BTC issued by the Ministry of Finance ("**Circular 89**"), both dated 30 June 2026 and effective from 1 July 2026.

The new regulations under Decree 252 and Circular 89 are relevant to a broad range of taxpayers and market participants, including Vietnamese enterprises, foreign suppliers, e-commerce and digital platform operators, business households and individuals, tax agents, accounting service providers and other parties involved in tax filing, withholding, payment and information-provision processes. Businesses should review their current tax administration compliance processes, tax registration and filing arrangements, withholding mechanisms, e-tax procedures and contractual/payment flow to assess whether any updates are required from 1 July 2026.

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Key takeaways

The 2025 LTA is now supported by a new implementing framework under Decree 252 and Circular 89. Businesses should review their tax administration processes from 1 July 2026, particularly in relation to:

- tax registration, filing, payment and e-tax procedures;
- withholding and reporting obligations for e-commerce/digital platform transactions;
- direct tax compliance obligations of foreign suppliers;
- information-provision obligations of tax-related service providers and other specified parties; and
- profit remittance, provisional quarterly corporate income tax (CIT) payment deadlines and foreign contractor tax (FCT) filing methods.

In more detail

Decree No. 252/2026/ND-CP providing details for the implementation of the Law on Tax Administration

1. **Clarified scope of e-commerce/digital platforms with online ordering and/or payment functions subject to the withholding regime**

   Decree 252 revises the definition of e-commerce or digital platforms ("**e-commerce platforms**") with payment functions provided under Decree 117 and introduces a more comprehensive definition of e-commerce platforms with both online ordering and payment functions, helping clarify the scope of platforms subject to the tax withholding rules. Specifically, the new definitions are as follows:

   a. An e-commerce platform with payment functions is a platform that:

i. Directly or indirectly participates in the payment process between buyers and sellers and has the ability to control, reconcile, or confirm payment transactions, including: performing the collection of money from buyers and transferring it to sellers; coordinating with other organizations and individuals to carry out the collection and transfer of payment funds and having the ability to control, reconcile, or confirm payment transactions; organizing a payment mechanism whereby the completion of the purchase and sale transaction is associated with the confirmation of payment on the platform; and

ii. The determination of a platform as having payment functions is based on the actual role of the platform in organizing, controlling, or participating in the payment process, and does not depend on the specific technical form or payment method.

b. An e-commerce platform with online ordering and payment functions is a digital platform that:

i. Is an e-commerce platform with payment functions as described above; and

ii. Allows buyers to select goods and services and establish purchase and sale transactions with sellers through the electronic environment provided by the platform.

2. **New rules on the tax withholding mechanism applicable to foreign suppliers' e-commerce/digital businesses**

a. E-commerce platform operators/owners now required to withhold, declare and pay value-added tax (VAT) and CIT on behalf of foreign corporate suppliers

i. Platform withholding regime now extended to foreign corporate suppliers in respect of transactions generating Vietnam-sourced revenue conducted through in-scope platforms.

ii. Accordingly, foreign suppliers are not required to separately declare and pay VAT and CIT in respect of transactions for which e-commerce platform operators/owners have already withheld, declared and paid such taxes on their behalf.

b. Withholding obligations of VAT credit-method Vietnamese purchasers of goods/services from foreign suppliers or non-resident individuals

i. Local organizations applying the VAT credit method when purchasing goods/services from foreign suppliers or non-resident individuals on e-commerce platforms ("**Vietnamese purchasing organizations**") are responsible for:

- withholding and paying VAT (for service provision transactions only) and CIT on behalf of foreign suppliers; and
- withholding and paying VAT (for service provision transactions only) and Personal Income Tax (PIT) on behalf of non-resident individuals.

ii. To prevent double withholding, where a Vietnamese purchasing organization has already withheld and paid the relevant taxes on behalf of foreign suppliers/non-resident individuals for a transaction conducted on an in-scope e-commerce platform, it must notify the platform operator electronically so that the platform does not withhold taxes in respect of the same transaction.

Decree 252 provides that such notice must contain information identifying the transaction for which taxes have been withheld and paid on behalf, such as tax code of the withholding organization, transaction/order ID, transaction value, amount of tax withheld and paid; and seller/service provider information.

Both Vietnamese purchasing organizations and e-commerce platform operators are responsible for retaining the relevant information and supporting documents and providing them to the tax authorities upon request.

iii. Timing of withholding

- For Vietnamese purchasing organizations: when payment is made to foreign suppliers or non-resident individuals;
- For e-commerce platform operators/owners: when a transaction is successfully confirmed and payment is accepted under the platforms' rules.

3. **Mandatory tax registration for foreign suppliers**

Foreign suppliers are generally required to register for tax in Vietnam unless taxes on all Vietnam-sourced revenue have already been withheld and paid by Vietnamese purchasing organizations or e-commerce platform operators on their behalf. When conducting the initial tax registration, foreign suppliers must fully declare information on accounts receiving payments related to transactions generating revenue in Vietnam.

4. **Changes to tax declaration and payment obligations of foreign suppliers**

   Decree 252 introduces a revised tax filing and payment regime for foreign suppliers, replacing the previous quarterly filing cycle. Specifically:

   a. Foreign suppliers conducting regular business activities declare and pay taxes on a monthly basis, with the filing deadline being the 20th day of the following month; and

   b. Foreign suppliers conducting non-regular business activities declare and pay taxes on a per-occurrence basis in respect of Vietnam-sourced revenue, with the filing deadline being the 10th day following the date on which the tax liability arises.

5. **Additional compliance obligations for foreign suppliers**

   a. Where there is any change to previously declared account receiving payments, foreign suppliers must review and confirm the accuracy and completeness of such information through the Tax Administration Information System at the same time as the tax declaration period for December. No confirmation is required if there is no change.

   b. Foreign suppliers ceasing business activities in Vietnam must notify the tax authority of their cessation, and fully settle any outstanding taxes, late payment interest and administrative penalties (if any).

6. **Expanded information reporting obligations for certain organizations**

   a. The following organizations and individuals must provide complete, accurate and timely information to the tax authorities within 10 working days from the date of receipt of the tax authority's written request:

      i. operators/owners of e-commerce platforms;

      ii. digital asset service providers;

      iii. logistics service providers;

      iv. international card organizations;

      v. foreign payment service providers;

      vi. intermediary payment service providers;

      vii. electronic transaction processing service providers; and

      viii. telecommunications service providers.

      The requested information includes:

      - Taxpayer identification information, including: tax code, personal identification number, passport number and telephone number of sellers/store owners;

      - Information for determining revenue and income, including: sales revenue, income paid, payment account information, payment transaction data, number of sales, number of deliveries and fees charged to sellers;

      - Other information relating to goods and services supplied through e-commerce platforms.

      Exemption: E-commerce platform operators that have already withheld, declared and paid taxes on behalf of business households, business individuals or foreign suppliers are not required to separately provide the above mentioned information relating to those taxpayers.

   b. International payment service providers are also specifically required to provide, upon request, information relating to taxpayers' payment transactions.

7. **Clarified information-provision obligations for certain tax-related service providers and relevant parties**

   Decree 252 expressly requires specified parties, including tax procedure service providers, accounting service providers and independent audit firms, to provide, upon the tax authority's written request, information on their arrangements with taxpayers and supporting documents used to determine tax obligations.

8. **Clarified conditions for foreign investors to remit profits abroad**

   Decree 252 clarifies that foreign investors may remit profits abroad from direct investment activities in Vietnam only if:

   a. for annual remittance, the fiscal year has ended, the Vietnamese investee enterprise has submitted its audited Financial Statements (FS) and annual CIT finalization return for the relevant fiscal year, fully settled all due state budget liabilities, late payment interest and penalties, and has no outstanding tax debts at the time of remittance;

b. for remittance upon termination of investment activities, the Vietnamese investee enterprise has submitted its audited FS and CIT finalization return and fulfilled all tax administration obligations, including tax payments not yet due; and

c. no remittance may be made for a profitable year if the audited FS of the Vietnamese investee enterprise still records accumulated losses after loss carry-forward under CIT laws.

9. **Revised provisional quarterly CIT payment deadline**

Decree 252 provides that the deadline for provisional quarterly CIT payment is the last day of the first month of the quarter following the quarter in which tax obligation arises. This is a change from the previous tax administration rules, under which provisional quarterly CIT was required to be paid by the 30th day after the end of each quarter.

10. **Implementation and effective date of Decree 252**

Decree 252 takes effect from 1 July 2026 and replaces several existing tax administration decrees, including Decree No. 126/2020/ND-CP and Decree No. 117/2025/ND-CP.

Circular No. 89/2026/TT-BTC providing details for the implementation of the Law on Tax Administration and Decree 252

1. **Tax declaration and payment by foreign suppliers**

a. Foreign suppliers that directly declare tax in Vietnam continues to declare taxes by Form 02/NCCNN for Vietnam e-commerce business activities.

b. A new mandatory supporting schedule, Form 02-1/NCCNN must now be attached to Form 02/NCCNN. In addition to the payable CIT and value-added tax (VAT), this Detailed schedule requires details of Vietnamese customers having transactions with the foreign supplier, including their name, tax identification number/personal identification number/citizen ID card number/identification document number, contract information, and phone number/email address.

c. Overpaid tax of foreign suppliers may be offset against their outstanding tax payable and tax debts in accordance with applicable regulations.

2. **Organizations doing business in Vietnam applying the VAT credit method and purchasing goods/services from foreign suppliers and non-resident individuals through e-commerce platforms ("Vietnamese Business Organizations")**

a. A Vietnamese Business Organization as prescribed under Article 43.3 of Decree 252 must electronically file a tax declaration dossier for taxes withheld and paid on behalf of foreign suppliers and non-resident individuals to its directly administering tax authority.

b. The tax declaration dossier includes Form No. 01/NTNN, NCCNN; and a copy of the contract signed with the relevant foreign supplier.

3. **E-commerce platform operators withholding, declaring and paying taxes on behalf of certain sellers**

a. Platform operators must electronically submit tax declaration dossiers to the E-commerce Tax Sub-Department (ETSD) when withholding, declaring and paying tax on behalf of foreign suppliers, business households and individuals (including both resident and non-resident individuals) engaged in business activities on their platforms.

b. A tax declaration dossier includes Form 01/CNKD-NCCNN-TMĐT, Form 01/BK-CNKD-NCCNN-TMĐT, and Form 01/BKNT-TMĐT.

4. **Applications for tax treaty relief applicable to foreign contractors deriving income from Vietnam**

An application for tax treaty relief must now be submitted together with the first tax declaration dossier. The treaty relief application generally includes:

a. An application under Form 01/HTQT;

b. The original (or a notarized copy) of the Certificate of Residence issued by the tax authority of the country of residence, clearly stating the tax year in which the individual/entity is a resident, which has been consular legalized;

c. A copy of the contract signed with organizations or individuals in Vietnam, certified by the taxpayer. For foreign suppliers, the tax authority shall consider allowing the submission of template contracts signed with agents and/or Vietnamese individuals; provided that such template contracts must contain full information on the service provider, duration, method of performance, contract value, payment method, and the rights and obligations of each party, together with a list of service users; and

d. A certified copy of the power of attorney in cases where the taxpayer authorizes a legal representative to carry out procedures for applying the tax treaty.

5. **Continued application of all three FCT declaration and payment methods under Circular 103**

   Unlike the Ministry of Finance’s (MOF) guidance in Official Letter No. 720/CST-TN, which stated that the hybrid method no longer applied from 12 March 2026 (the effective date of Circular No. 20/2026/TT-BTC), Circular 89 continues to allow foreign contractors to apply the hybrid method, i.e., declaring VAT under the credit method while paying CIT at the deemed percentage on taxable revenue. Accordingly, all three FCT declaration and payment methods previously provided under Circular 103 continue to apply. However, as Circular 89 abolishes Circular 103 and does not prescribe the conditions for applying each method, there is currently no specific guidance on when each method may be used.

6. **Circular 89 clarifies filing requirements for CIT-exempt internal restructuring transactions**

   Form No. 05/TNDN under Circular 89 now includes a “no income generated” field for internal restructuring transactions eligible for CIT exemption. Accordingly, even where the exemption applies, taxpayers must still file a tax return using the same form applicable to taxable capital transfer transactions.

7. **Implementation and effective date of Circular 89**

   Circular 89 takes effect from 1 July 2026 and replaces several existing tax administration circulars, including Circular No. 80/2021/TT-BTC on general tax administration guidance, Circular No. 103/2014/TT-BTC on foreign contractor tax, and Circular No. 19/2021/TT-BTC on electronic tax transactions.

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