

## PROFESSIONAL NEWSLETTER AUGUST 2025

### I. NEW LEGAL DOCUMENTS

#### 1. Decision No. 61/QĐ-TLĐ dated July 29, 2025 of the Vietnam General Confederation of Labor on reducing the trade union fee rate applicable from July 1, 2025:

Group	Basis for calculation	New rate	Previous rate	Notes
(1) Public service units not receiving 100% of salaries from the state budget	Compulsory social insurance contribution salary	0.5%	1%	
(2) State-owned enterprises, joint stock companies with controlling state capital	Net salary (after deduction of SI, HI, UI, and PIT)	0.5%, maximum equal to 10% of the base salary	1%	A higher rate may be collected if approved by the Executive Committee of the trade union through a Resolution, documented in writing, and specifically stipulated in the internal expenditure regulations of the grassroots trade union.
(3) Non-state enterprises, non-public units, foreign organizations, representative offices, Vietnamese employees working abroad	Compulsory social insurance contribution salary	0.5%, maximum equal to 10% of the base salary	1%	
(4) Enterprises unable to determine the compulsory social insurance contribution salary	As assessed	Minimum 0.5% of the base salary	Minimum 1%	Applicable to trade unions, individuals not subject to compulsory social insurance contribution

#### Cases exempt from paying trade union fees:

- Trade union members receiving social insurance allowance for 01 month or more → During the period of allowance, no trade union fee is payable.
- Trade union members unemployed, without income, or taking unpaid leave for 01 month or more → During that period, no trade union fee is payable.

**2. Decree No. 228/2025/NĐ-CP dated August 18, 2025 of the Government on administrative penalties in the field of independent auditing:**

**2.1 Scope and structure:**

- The Decree consists of 4 Chapters and 44 Articles.
- Provides regulations on: administrative violations, statute of limitations for penalties, forms and levels of penalties, remedial measures, competence to make records and competence to impose penalties.

**2.2 Subjects of application**

- Domestic and foreign individuals and organizations committing administrative violations in the field of independent auditing.
- Organizations subject to penalties include:
  - + Audit firms; branches of foreign audit firms in Vietnam.
  - + Enterprises established and operating under Vietnamese law; branches and representative offices of domestic and foreign enterprises in Vietnam.
  - + Foreign audit firms.
  - + Professional audit organizations, audit training institutions.
  - + Persons authorized to make records, impose administrative penalties, and relevant agencies, organizations, and individuals.

**2.3 Statute of limitations**

- 05 years (previously 01 year under Decree 41/2018/NĐ-CP).
- Starting point of the statute of limitations:
  - + If the violation is ongoing → counted from the date it is detected by the competent authority.
  - + If the violation has ended → counted from the date the violation ceases.

**2.4 Forms of penalties**

- Main forms: Warning or monetary fine.
- Maximum fines:
  - + Individuals: VND 1 billion (previously VND 50 million).
  - + Organizations: VND 2 billion (previously VND 100 million).
- Additional forms (depending on the nature and seriousness of the violation):
  - + Revocation of the Certificate of Audit Practice Registration: 1–24 months.
  - + Revocation of the Certificate of Eligibility for Audit Service Business or suspension of business: 1–24 months.
  - + Confiscation of violating exhibits and means.

**2.5 Effective date:** The Decree takes effect from August 18, 2025.

**3. Decree No. 230/2025/NĐ-CP dated August 19, 2025 of the Government on other cases entitled to exemption or reduction of land use levy and land rent under Clause 2, Article 157 of the 2024 Land Law**

The Decree takes effect from August 19, 2025. Some notable points regarding land rent reduction in 2025:

**3.1 Reduction rate**

- A 30% reduction of the 2025 land rent payable for land users who are leased land by the State with annual rental payment.
- Applicable to:
  - + Land users with or without legal land documents who are still required to pay land rent in 2025 as prescribed.

- + Persons currently using land but whose land records have not yet been completed in accordance with law.
- The reduction is calculated on the 2025 land rent amount as stated in the payment notice (not applicable to outstanding land rent debts of previous years).

### **3.2 Responsibilities of investors**

- Investors of industrial parks, industrial clusters, and export processing zones must allocate the reduced land rent amount to sub-lessees within 30 days from the date of the reduction decision.
- For land areas not yet subleased, the reduced amount is not subject to allocation.

### **3.3 Dossiers and procedures**

- Dossier for land rent reduction: Application for land rent reduction (using the form issued together with Decree No. 230/2025/NĐ-CP).
- Deadline for submission: no later than November 30, 2025.

## **4. Decree No. 219/2025/NĐ-CP dated August 7, 2025 of the Government on foreign workers working in Vietnam**

Decree 219 takes effect from August 7, 2025, with several important new points regarding the procedures for granting work permits to foreign workers:

### **4.1 Amendment of the application dossier for work permit issuance**

- The dossier now integrates the procedure for reporting and explaining the demand for foreign workers into the procedure for submitting the work permit application.
- Accordingly, enterprises/units no longer have to submit twice but only once in a consolidated dossier.

### **4.2 Processing time for dossiers**

- Within 10 working days from the date of receipt of a complete dossier, the competent authority must:
  - + Review, approve the demand for foreign workers, and issue the work permit; or
  - + In case of disapproval/refusal to issue the permit → provide a written reply clearly stating the reasons, within 03 working days from the date of receipt of the complete dossier.

### **4.3 Additional cases not subject to work permit requirement**

- Foreign workers confirmed by a Ministry, ministerial-level agency, or provincial People's Committee to come to Vietnam to work in the following fields are not required to obtain a work permit:
  - + Finance.
  - + Science and technology.
  - + Innovation.
  - + National digital transformation.
  - + Other fields prioritized for socio-economic development.

## **II. OFFICIAL GUIDANCE FROM THE TAX AUTHORITIES**

### **1. Official Letter No. 2821/CT-CS dated July 30, 2025 of the Ministry of Finance – Tax Department regarding registration of dependents for family circumstance-based deductions**

#### **1.1 Issuance of tax identification number (TIN) for dependents**

- When a taxpayer registers dependents for family circumstance-based deductions, the tax authority will issue a TIN for the dependent (if not yet available).

- On the tax management system, the relationship between the taxpayer and the dependent will be established to calculate the family circumstance-based deduction at the income-paying organization where the individual has declared.

### **1.2 Registration and supporting documents**

- The taxpayer only needs to register and submit supporting documents once for each dependent during the entire period the deduction is applicable.

### **1.3 Change of workplace**

- Since income-paying organizations have not yet connected or shared information with each other, when a taxpayer changes to a new workplace, the new unit will not have data to continue applying family circumstance-based deductions for the dependent.
- Therefore, the taxpayer must re-register the dependent at the new workplace in order to receive the deduction in the tax declaration period of that year.

## **2. Official Letter No. 2915/CT-CS dated August 4, 2025 of the Tax Department regarding tax policies related to exit suspension**

### **2.1 Cases subject to exit suspension**

- Applicable to:
  - + Vietnamese citizens emigrating for permanent residence abroad.
  - + Persons who have already settled abroad.
  - + Foreigners before leaving Vietnam.
- If these individuals still have overdue tax debts and have not fulfilled their tax obligations, they will be subject to exit suspension.
- The regulation does not set a specific threshold for the amount or duration of the debt, to ensure thorough recovery since, after departure, the taxpayer may not return to Vietnam.

### **2.2 Measures to enforce tax debt collection**

- The tax authority regularly implements:
  - + Phone calls.
  - + Sending SMS, emails.
  - + Sending tax debt notices to the registered contact address.
- If there are errors regarding the debt amount, the taxpayer must respond so that the tax authority can review, reconcile, and adjust the data.

### **2.3 Review before imposing exit suspension**

- For cases subject to exit suspension, the tax authority has reviewed, reconciled, and accurately determined the taxpayer's obligations before sending the exit suspension notice to the immigration management authority.

## **3. Official Letter No. 2994/CT-CS dated August 6, 2025 of the Tax Department regarding personal income tax (PIT) policies for taxpayers suffering from serious illnesses**

Taxpayers suffering from serious illnesses are entitled to certain PIT incentives as follows:

### **3.1 Medical treatment support not included in taxable income**

- Financial support from the employer to cover medical treatment expenses for the employee's own serious illness is not included in taxable PIT income.
- Deductible amount: equal to the actual hospital expenses paid as evidenced by receipts, but not exceeding the amount the employee personally pays after deducting insurance reimbursements (if any).

### **3.2 Reduction of PIT payable**

- Taxpayers suffering from serious illnesses are entitled to a reduction of PIT payable on all types of income subject to PIT.
- The tax reduction is applied on an annual basis, depending on the actual extent of the damage.
- The maximum annual reduction equals the total PIT payable for that year.
- This policy applies for all years in which medical treatment expenses for serious illness arise.

### **3.3 Family circumstance-based deductions**

- Taxpayers remain entitled to family circumstance-based deductions before PIT calculation, including:
  - + Deduction for the taxpayer: VND 132 million/year.
  - + Deduction for each dependent: VND 4.4 million/month/person.
- If there are multiple dependents, the total deduction will be higher.

## **4. Official Letter No. 3005/CT-CS dated August 7, 2025 of the Tax Department**

### **4.1 In case of audit**

- The State Audit Office of Vietnam (SAV) does not directly audit taxpayers but conducts audits at tax authorities.
- If the audit report contains recommendations related to a taxpayer's tax obligations, the SAV will send an extract of the recommendations to the taxpayer for implementation.
- The tax authority is responsible for organizing the implementation of the SAV's recommendations.

### **4.2 In case the taxpayer disagrees**

- - The taxpayer may send a written request to the tax authority and the SAV to review their tax obligations.
- - Based on this request, the SAV will take the lead and coordinate with the tax authority to accurately determine the taxpayer's obligations.
- - The SAV is responsible for the results in accordance with the law.

## **5. Telegram No. 124/CĐ-TTg dated July 30, 2025 of the Prime Minister on promoting cashless payment**

The Prime Minister requests the Ministry of Finance to take the lead and coordinate with relevant ministries and agencies to promote cashless payment.

### **5.1 Specific tasks**

- Strengthen inspection, examination, and supervision of:
  - + State budget payment activities.
  - + Tax collection and remittance.
  - + Compliance with laws on invoices and documents in the purchase and sale of goods and services.
- Legal basis: Law on Value-Added Tax and Decree No. 181/2025/NĐ-CP dated July 1, 2025.

### **5.2 Handling of violations**

- Handle violators promptly and strictly, whether organizations, units, or individuals.
- Pay special attention to cases of deliberately making cash payments to evade taxes or violate the law.

**6. Official Letter No. 3012/CT-CS dated August 7, 2025 of the Tax Department regarding invoice issuance on a case-by-case basis**

**6.1 Applicable cases**

- Taxpayers subject to enforcement measures suspending the use of invoices.
- Upon written request to the tax authority, taxpayers may be allowed to use invoices for:
  - + Payment of workers' wages.
  - + Expenses necessary to maintain business and production activities.

**6.2 Conditions for invoice issuance on a case-by-case basis**

- The taxpayer must immediately pay at least 18% of the revenue on the invoice used into the state budget.
- Prescribed in: Point đ, Clause 4, Article 34 of Decree No. 126/2020/NĐ-CP.
- This amount will be used to settle tax, late payment interest, and fines in the statutory order.

**6.3 On tax declaration for real estate transfer**

- To be implemented in accordance with:
  - + Clause 10, Article 1 of Decree No. 70/2025/NĐ-CP.
  - + Point b, Clause 1, Article 11 of Decree No. 126/2020/NĐ-CP.

**7. Official Dispatch No. 3034/CT-CS dated August 08, 2025 of the Tax Department regarding tax policy (supplementary tax return filing)**

**7.1 Before January 01, 2025**

- If, after the tax authority or a competent authority has issued a conclusion/decision on tax handling following an inspection or examination at the taxpayer's premises, the taxpayer discovers errors in the tax return:

⇒ If the supplementary declaration reduces the payable tax amount or increases deductible, exempted, reduced, or refundable tax, it shall be handled in accordance with regulations on tax complaints (the taxpayer is not allowed to file a supplementary declaration).

**7.2 After January 01, 2025**

- The taxpayer is permitted to file a supplementary tax return upon discovering errors, provided that:
  - + Within 10 years from the deadline for filing the tax return of the erroneous tax period.
  - + Only applicable if:
    - Before the tax authority or a competent authority announces an inspection/examination decision.
    - Or the erroneous tax return is not within the scope or tax period of inspection/examination stated in the inspection/examination decision.

**8. Official Dispatch No. 3138/CT-CS dated August 13, 2025 of the Tax Department regarding Tax Policy**

**8.1 On assessed import tax**

- If the tax authority directly determines and assesses import tax, then such import tax payable:

→ Shall be included in deductible expenses when determining corporate income tax (CIT) taxable income.

## **8.2 On input value-added tax (VAT)**

- In case imported goods are subject to input VAT, if all conditions for deduction are met (invoice, tax payment documents, non-cash payment, etc.), then:  
→ Input VAT on such imported goods shall be deductible.

## **9. Official Dispatch No. 3145/CT-CS dated August 13, 2025 of the Tax Department regarding Tax Policy**

### **9.1 Applicable cases:**

- Both the branch and the business location are dependent accounting units of the same parent company.
- The branch terminates its operation and is converted into a business location.
- The business location receives goods and materials from the branch.

### **9.2 Regulations:**

- Such transfer of goods and materials is not considered a purchase or liquidation activity.
- Therefore:
  - + The branch only needs to issue a goods/materials transfer order together with a set of documents proving the origin of the assets.
  - + No invoice issuance is required.

## **10. Official Dispatch No. 3037/CT-CS dated August 08, 2025 of the Tax Department regarding Invoices**

### **10.1 Principles of invoice issuance in transportation services**

- The invoice must indicate:
  - + The license plate number of the transport vehicle.
  - + The itinerary (departure point – destination point).

### **10.2 International transportation**

- Vietnam has participated in various international treaties/agreements on transportation (road, sea, air, multimodal transport).
- Objective: harmonize laws, facilitate trade, and protect the rights of relevant parties.
- For international transport routes:
  - + If treaties/agreements stipulate provisions on bills of lading and related information (goods, consignor, consignee, carrier, etc.) that differ from domestic laws → the international treaties/agreements to which Vietnam is a party shall prevail.

## **11. Official Dispatch No. 3170/CT-CS dated August 14, 2025 of the Tax Department on Resource Tax**

### **11.1 Taxable resource output**

- If extracted resources are not sold directly but must undergo production/processing before being sold → taxable output = extracted output converted from products sold during the period, based on the resource consumption norm per unit of product.
- If the products sold are industrial products → apply the resource consumption norm per unit of industrial product for calculation.
- Determination of whether the processed product is considered an industrial product → decided by the line ministry in charge.

### **11.2 Resource tax calculation price**

- The tax calculation price is the selling price per unit of resource product of the exploiting organization/individual, exclusive of VAT.

- However, this price must not be lower than the tax calculation price issued by the provincial People's Committee.
- ⇒ If the actual selling price is lower than the price set by the provincial People's Committee → tax must be calculated based on the provincial People's Committee's price.

**12. Official Dispatch No. 584/DAN-QLDN3 dated August 15, 2025 of the Da Nang Tax Department on VAT rates**

- Services such as: auditing, tax consulting, M&A consulting, management consulting...
  - + If directly provided to an organization in a non-tariff zone, and:
    - + The services are consumed in the non-tariff zone;
    - + The services serve the export production activities of the organization in the non-tariff zone;
    - + Not used for other activities (non-export activities);
  - Then they are eligible for the 0% VAT rate.
- If the services fall under the exceptions stipulated in Clause 4, Article 17 of Decree No. 181/2025/ND-CP (services not eligible for the 0% rate) → they are not entitled to the 0% VAT rate.

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