VIETNAM TAX HANDBOOK FOR INVESTORS

Understand, comply, and optimize your tax position in Vietnam

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INTRODUCTION

Doing business in Vietnam brings great opportunities — but also a complex landscape of tax regulations and reporting requirements that every enterprise must comply with.
At Vina TPT, we understand that many foreign investors and business owners often find it challenging to navigate Vietnam's tax environment - especially during the first few years of operation.
To make things simpler, we've prepared this Vietnam Tax & Accounting Handbook - a practical summary of the key tax categories and reports that companies in Vietnam commonly deal with.
Inside this handbook, you'll find concise explanations and useful reminders for:

- VAT – Value Added Tax: understanding input/output tax and filing obligations
- PIT – Personal Income Tax: managing employee income tax and monthly declarations
- CIT – Corporate Income Tax: key considerations for quarterly and annual reporting
- FCT – Foreign Contractor Tax: obligations when working with overseas service providers
- FS – Financial Statements: compliance timeline and audit requirements
- HR – Labor & Human Resources: managing labor compliance, payroll, social insurance, and mandatory labor reporting
- Other Reports: additional filings and notifications often required by tax authorities

Our goal is to help your company stay compliant, minimize tax risks, and focus on what truly matters — growing your business in Vietnam.

If you need personalized advice or ongoing support, our professional team is ready to assist with accounting, tax, and corporate compliance in English, Japanes, Vietnamese.

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VAT

Value Added Tax

Declaration and Submit Monthly or Quarterly

Quarterly:

- The Company was established in first year;
- The revenue in the previous calendar year < 50 Billion/ year → Declaring VAT by quarterly

Monthly:

- The Company was established in first year and registered for declaring VAT by monthly;
- The revenue in the previous calendar year >= 50 Billion/ year → **MUST** Declare VAT by Monthly

Deadline for Submit Monthly or Quarterly

Quarterly:

- The last day of the First month of the following Quarter.
- Ex: Q1/2026 VAT Return --> Due date: 30 Apr 2026

Monthly:

- The 20th day of the following Month.
- Ex: JAN 2026 VAT Return --> Due date: 20 Feb 2026

Calculation for VAT amount Monthly or Quarterly

VAT Payable = **Output VAT** − **Input VAT**

VAT payable is the VAT amount that the Company need to remit/ pay for the Tax Authority in the declaration period.

Output VAT is the VAT amount from the Company's revenue. That mean, the Company sales goods/ services and issuing the E-invoices (includes Selling Price and VAT) for Clients.

Input VAT is the VAT amount on the purchased invoices.

1. VAT Rate will be different applying for each goods and services.
2. VAT Rate for export revenue is 0%, applied upon full the documents according to current regulations.
3. The input VAT amount not fully deducted in the period will be transferred to the next period for continued deduction.
4. Purchased goods/services that do not serve for the Company's business operations are not eligible for input VAT deduction.

VAT
Value Added Tax

VAT refund

VAT refund regulations in Vietnam apply to:

1. New investment projects
2. Companies with export business activities

Conditions for VAT Refund

1. The company submit VAT Returns by deduction method,
2. Has been granted ERC (Enterprise Registration Certificate) or IRC (Investment Registration Certificate) or establishment decision by a competent authority;
3. Prepare and keep accounting books and accounting documents according to the provisions of the law on accounting;
4. There is the input VAT amount that has not been fully deducted from 300 Million on futher;
5. Prepare VAT refund dossers, participate in tax audits according to current regulations
6. Has a bank account under tax code of company.

PIT

Personal Incom Tax

Under The Company's tax code

Declaration and Submit Under The Company's tax code Monthly or Quarterly

Quarterly:

- If the Company declare PIT Returns by Quarterly

Deadline for Submit: Monthly or Quarterly

Quarterly:

- The last day of the First month of the following Quarter.
- Ex: Q1/2026 PIT Return → Due date: 30 Apr 2026

P/s: This deadline applies to both filing Tax Returns and paying Tax amount.

Calculation for PIT Under The Company's tax code

Bracket	Income Per Month	PIT Rate
1	UP to 10 Mil VND	5%
2	Over 10 Mil to 30 Mil VND	10%
3	Over 30 Mil to 60 Mil VND	20%
4	Over 60 Mil to 100 Mil VND	30%
5	Over 100 Mil VND	35%

Gross Salary:

The company agrees on Gross salary with employees, which means that salary includes PIT and SHUI (Social - Health - Unemployment Insurance)

Ex: Gross Salary = 100 USD; PIT = 5 USD; SHUI = 5 USD

- PIT = 5 USD and SHUI = 5 USD, This amount will be deducted before paying salary to employees;
- Net Salary paid for employee = 100 – 5 – 5 = 90 USD.

Net Salary:

The company agrees on NET salary with employees, which means that salary excludes PIT and SHUI. The expenses of PIT and SHUI will be borne by the company.

Ex: NET Salary = 100 USD; PIT = 5 USD; SHUI = 5 USD

Net Salary paid for employee = 100 USD.

- PIT = 5 USD and SHUI = 5 USD, This amount will be borne by the Company;
- Net Salary paid for employee = 100 USD.

PIT

Personal Income Tax

Calculation for PIT Under The Company's tax code

- Summary of the income of employees in the calendar year.
- Prepare and submit PIT Finalization declaration according to regulations

Deadline: 31 March of the following year.

Other tasks: Issuing PIT With holding Certification for employees (if requested)

EXPATRIATE

Resident

- Being present in Vietnam for **183 days** or more in the calendar year or the 12 consecutive months from the first day of presence in Vietnam; or
- Have permanent residence in Vietnam: have a temporary residence card, or have a long-term rental contract;
- An individual present in Vietnam for less than 183 days in the tax year, this individual cannot prove that he/she is a resident of any country, is considered as residing in Vietnam.

- Declaring and paying PIT amount for his/ her worldwide income. Income from other countries (outside Vietnam): Declaring and paying PIT separately by Quarterly.
- Prepare and submit Annual PIT Finalization for his/ her world wide income --> Deadline: 30 April of the Following year.

- Progressive PIT rate: **From 5% to 35%**

Non-Resident

Not meeting the conditions of a resident, will be considered a non-resident individual.

Declaring and paying PIT amount for his/ her income corresponding to the time staying in Vietnam.

PIT Rate = **20%**

CIT

Corporation Income Tax

Regulations in:

1. Some expenses will be deducted when calculating CIT. That mean, the expenses in Financial Statements were different with the expenses for CIT.
2. Quarterly: Estimated CIT payable and remit/ pay for the Tax Authority.
3. At the End of Fiscal Year: Prepare CIT Finalization Returns and submit for Tax Authorities → Deadline: 90 days of the following fiscal year;
4. The Companies have transactions with the Related Parties (Parent companies or companies in group) must prepare a Transfer Pricing Report and the Appendix attached to CIT Finalization Declaration.

CIT Rate = 20%

- *15% applies if revenue not exceeding VND 3 billion*
- *17% applies if revenue betwen VND 3-50 billion*

Tax incentives for some industries:
For software production:

- Incentive for applying 10% of CIT rate for 15 years; and
- Tax exemption for 04 Years, and 50% reduction of tax payable for the next nine years.

NOTEs: The Company MUST prove that its business is software production.

FCT
Foreign Contractor Tax

Foreign Contractor Tax (FCT), also known as Foreign Contractor Withholding Tax (FCWT), applied to non-resident entities earning income from goods, services, or other activities sourced in Vietnam. Combining VAT and CIT (or PIT), FCT ensures compliance for foreign contractors, suppliers, and digital service providers without a permanent establishment.

TAX FILING DEADLINES

- Monthly/Quarterly Taxes
- Monthly: 20th of the following month.
- Quarterly: Last day of the first month of the following quarter.

ANNUAL TAXES

- **Annual Settlement:** Last day of the 3rd month after the calendar/fiscal year.
- **Annual Filing:** Last day of the first month of the calendar/fiscal year.
- **Individual Income Tax Settlement:** Last day of the 4th month after the calendar year.
- **Fixed-Amount Tax** (Household/Individual Businesses): December 15th of the previous year; new businesses have 10 days from start.
- **Per-Occurrence Taxes:** 10th day from the tax obligation.

CONTRACTOR TAX

- Per-occurrence contractor tax deadline: 10th day from the tax obligation.

FS

Financial Statement

Regulations in:

1. Participant Audit, and submit Audit Report for the Tax Authority → Deadline: 90 days of the following fiscal year

2. Prepare the Financial Statement by bar code according to the current regulations, the submitting for the Tax Authority → Deadline: 90 days of the following year

3. At the End of Fiscal Year: Prepare CIT Finalization Returns and submit for Tax Authorities → Deadline: 90 days of the following fiscal year;

- Audit Report MUST submit for Financial Department;
- Audit Report MUST submit for Statistic Department

HR

Labor and human resource management

Recruitment and Labor Management

The Representative Office is permitted to recruit both Vietnamese and foreign employees to support its operations. However, all recruitment and personnel management activities must comply with Vietnamese labor laws.

For foreign employees, the Representative Office is required to obtain a work permit or a confirmation of work permit exemption, in accordance with applicable regulations, prior to the commencement of employment in Vietnam.

Labor Contracts

The Representative Office is responsible for entering into labor contracts directly with its employees. The contracts must clearly specify the job position, salary, term of employment, and the relevant rights and obligations.

Although the Representative Office does not have a commercial function, employment relationships remain fully governed by the Labor Code. Accordingly, the enterprise must ensure that labor contracts are compliant with applicable legal requirements and aligned with actual working conditions.

Salary Regulations

The Representative Office is responsible for establishing salary policies in compliance with applicable laws, including ensuring that salaries are not lower than the regional minimum wage prescribed by the Government.

Region	Minimum Wage
Region I	5.310.000 VND/month
Region II	4.730.000 VND/month
Region III	4.140.000 VND/month
Region IV	3.700.000 VND/month

Salaries must be paid in full, on time, and supported by proper documentation. Cash is not allowed for the payment of 5 million VND to above.

HR

Labor and human resource management

Social, Health, and Unemployment Insurance

The Representative Office is obligated to register for and contribute to social insurance, health insurance, and unemployment insurance for its employees in accordance with applicable regulations.

For Vietnamese employees, participation in these insurance schemes is mandatory. For foreign employees, social insurance obligations apply depending on the prevailing conditions and regulations.

Mandatory Insurance Contribution Rates:

Type of Insurance	Representative Office	Vietnamese Employee	Maximum Cap
Social Insurance	17.5%	8%	VND 50,600,000
Health Insurance	3%	1.5%	VND 50,600,000
Unemployment Insurance	1%	1%	VND 106,200,000
TOTAL	21.5%	10.5%	-

Note:

- Insurance caps are the maximum salary levels for calculating contributions; income above these caps is excluded. They are based on the base salary (for Social & Health Insurance) and regional minimum wage (for Unemployment Insurance). From 1 July 2026, the reference level is VND 2,530,000/month, subject to future Government adjustment (not lower than current level).
- The Unemployment Insurance cap varies by region; this document applies Zone 1.
- Employee insurance contributions are PIT-deductible, while employer contributions are not taxable benefits.
- Foreign employees are exempt from Unemployment Insurance.

HR

Labor and human resource management

Compulsory Labor Report

Compulsory labor reporting is one of the key compliance obligations for businesses operating in Vietnam. Understanding reporting requirements, deadlines, and responsible authorities is essential for maintaining regulatory compliance.

This checklist should be reviewed periodically by the person in charge of operations or the compliance function to ensure that all obligations are fulfilled in a timely manner.

Obligation	Frequency	Deadline	Status
Unemployment insurance participation report	Annually	Before 15 January	☐
Workplace accident report	Semi-Annual/ Annual	In accordance with regulations	☐
Occupational safety & health report	Annually	Before 10 January	☐
Labor situation report	Semi-Annual/ Annual	In accordance with regulations	☐
Occupational health report	Semi-Annual/ Annual	In accordance with regulations	☐

OTHER REPORT

Statistic Reports:

- Request to submit Monthly/ Quarterly Report for Statistic Department according to Business Line;
- All Companies **MUST** submit Annual Report for Statistic Department.

Investment Reports:

- **Supervision and Assessment of Investment Reports:** Request to submit Quarterly/ Semi-annual/ Annual for the Ministry of Finance
- **Investment Activity Reports :** Request to submit Quarterly/ Annual for the Department of Finance

All FDI companies **MUST** submit the above reports to the relevant authorities.

Other Report:

- **MUST** submit Reports for Other Department basing on the actual corporation of the Company,such as: Trading Reports,…

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