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NEW REGULATIONS ON TAX ADMINISTRATION EFFECTIVE 1 JULY 2026

On 10 December 2025, the National Assembly enacted the Law on Tax Administration No. 108/2025/QH15 (“TAL 2025”), marking a significant milestone in Vietnam’s ongoing tax administration reform. The law takes effect from 1 July 2026, except for certain provisions applicable to business households and individual businesses that became effective from 1 January 2026.

To facilitate the implementation of TAL 2025, the Government subsequently issued Decree No. 252/2026/ND-CP (“Decree 252”) on 30 June 2026, providing detailed implementation guidance, followed by Circular No. 90/2026/TT-BTC (“Circular 90”), which replaces Circular No. 86/2024/TT-BTC and provides updated guidance on tax registration procedures.

Taken together, TAL 2025, Decree 252 and Circular 90 introduced a more digitalised, integrated and risk-based tax administration framework in Vietnam. The reforms strengthen electronic tax administration, inter-agency data sharing and risk-based compliance monitoring, while introducing significant changes to e-commerce and digital tax administration, tax registration, filing, payment, refunds and enforcement.

Circular 90 also updates tax registration forms and procedures and supports the transition to using the Personal Identification Number (“PIN”) as the taxpayer identification number for individuals.

This Tax Alert summarises the key developments under the new framework and highlights their practical implications for taxpayers operating in Vietnam.

1. Taxpayers

1.1. Expansion of Taxpayers – Focus on Digital Economy

One of the most notable developments under TAL 2025 is the expansion of the taxpayer base to explicitly include foreign organisations and individuals deriving income from Vietnam, including those conducting business activities through e-commerce and digital platforms. This reflects Vietnam's continued efforts to align its tax framework with global developments in the taxation of the digital economy, where taxing rights are increasingly linked to market participation rather than physical presence.

In addition to expanding the scope of taxpayers, TAL 2025 introduces broader reporting and information-sharing obligations for various intermediaries, including platform operators, payment service providers, logistics providers and financial institutions. These changes signal a clear shift towards a more data-driven tax administration model, under which tax authorities increasingly rely on third-party information to monitor and verify taxpayer compliance.

1.2. Risk-based Taxpayer Classification and Compliance Management

TAL 2025 introduces a formal risk-based taxpayer classification framework, under which taxpayers may be assessed based on factors such as their industry, business model, size, ownership structure and compliance history. This represents a significant shift in the way tax authorities allocate compliance resources and carry out tax administration activities.

Decree 252 further clarifies the implementation of this framework by introducing a preferential mechanism for taxpayers demonstrating a high level of tax compliance. One of the key eligibility conditions is that the taxpayer must have maintained a good compliance rating and low-risk classification for at least two consecutive years immediately preceding the year of application.

Eligible taxpayers may benefit from a range of administrative simplifications, including but not limited to:

- Simplified and automated procedures for tax exemptions, tax reduction, tax refunds and extensions of filing and payment deadlines;
- Priority consideration for Advance Pricing Agreements ("APAs");
- Greater access to automatic tax refund and refund-before-audit mechanisms, where applicable; and
- Increased reliance on remote monitoring, with on-site inspections generally limited to circumstances where indicators of non-compliance are identified.

These developments further reinforce the importance of maintaining robust tax governance and a good compliance history under the new regime.

2. Tax Administration Principles and Expanded Authority

A notable feature of TAL 2025 is its emphasis on a more **taxpayer-centric** approach, promoting transparency, digitalisation and improved taxpayer services. At the same time, the law strengthens the powers of the tax authorities by expanding their access to information, enhancing compliance monitoring and broadening enforcement powers.

Decree 252 further clarifies these powers, particularly in relation to information disclosure and compliance enforcement. The tax authorities may publicly disclose taxpayer information in cases of significant tax non-compliance and other circumstances prescribed by law.

The Decree also provides clearer rules on the scope, content and methods of disclosure, including publication on tax authority websites and, where applicable, through other communication channels. While these measures are intended to promote transparency and voluntary compliance, they may also increase the reputational risks associated with tax disputes and non-compliance.

3. International Tax Cooperation

TAL 2025 establishes a legal framework for international tax cooperation by providing for the exchange of information, implementation of double taxation agreements (“DTAs”), mutual administrative assistance and alignment with international tax standards, including the OECD's global minimum tax initiative.

Decree 252 further supports this framework by introducing more detailed rules on tax information collection and exchange, while enhancing information sharing between tax authorities for cross-border tax administration.

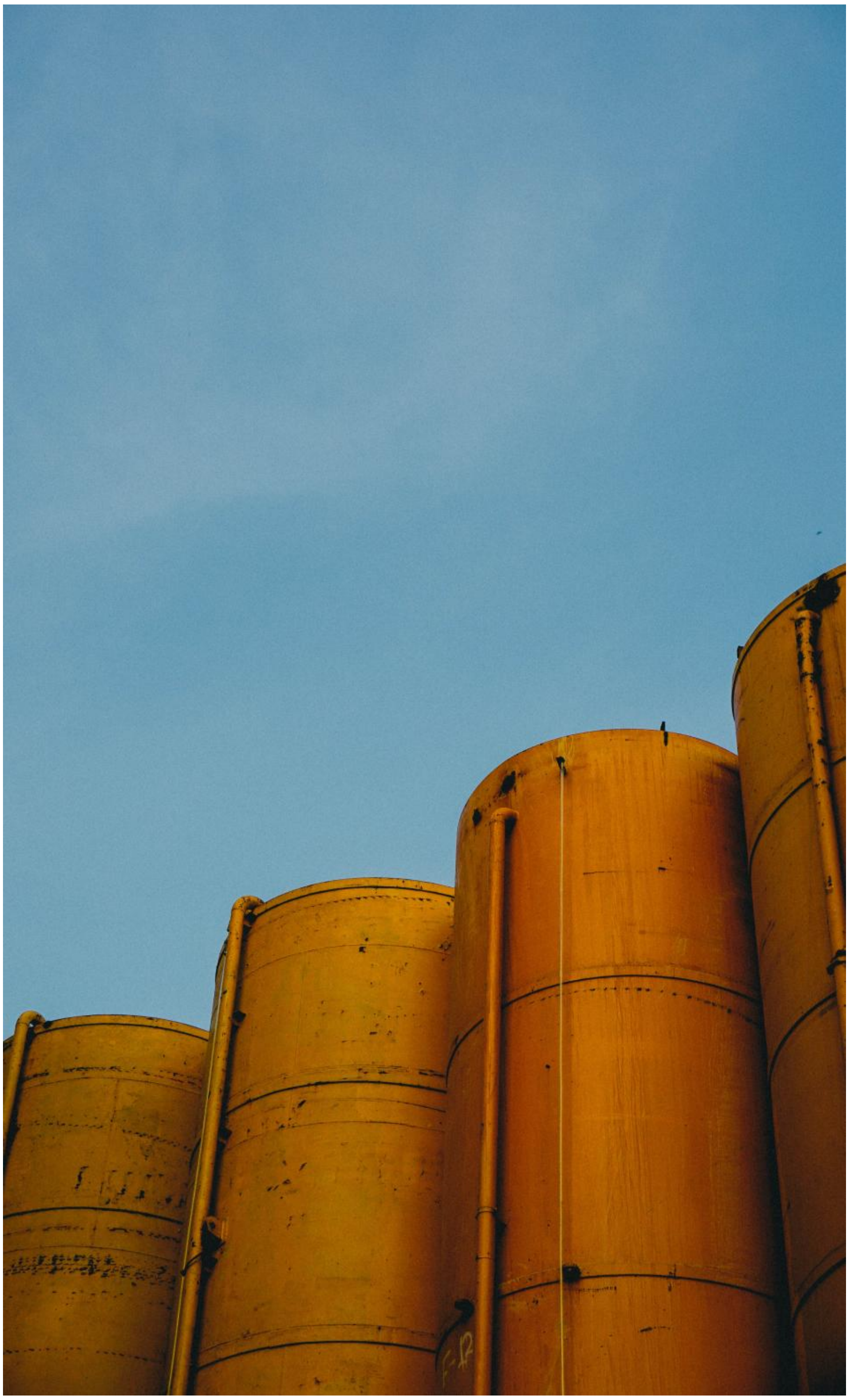
These developments reflect Vietnam’s continued alignment with global tax administration trends and are expected to increase transparency and strengthen cooperation between tax authorities, resulting in closer scrutiny of cross-border transactions and tax arrangements involving multinational enterprises.

4. Taxpayer identification number (TIN)

A key operational change under the new tax administration framework is the replacement of the 12-digit Personal Identification Number ("PIN") for the taxpayer identification number ("TIN") for individuals. This change aims to enhance data integration across government databases and support the digitalisation of tax administration.

Circular 90 further provides guidance on the transition process and taxpayer registration procedures. Individuals whose tax registration information has not yet been successfully matched with the National Population Database may be required to update their registration information to ensure consistency between the two systems.

In addition, Decree 252 reinforces the importance of maintaining accurate taxpayer registration information. Notably, taxpayers classified by the tax authorities as not operating at their registered address may only use their tax code for transactions relating to the restoration or termination of tax registration status until such status has been rectified.



5. Tax Filing Requirements

5.1. Digital platforms – shifting compliance responsibility

TAL 2025 introduces explicit tax registration, declaration and payment obligations for foreign organisations and individuals conducting business through e-commerce and digital platforms in Vietnam, either directly or through authorised representatives. This reflects Vietnam's continued efforts to strengthen tax administration over the digital economy and cross-border transactions.

Decree 252 further clarifies the tax administration framework applicable to e-commerce and digital platforms by specifying the responsibilities of platform operators with online ordering and payment functions. In certain circumstances, such platforms may be required to withhold, declare and pay taxes on behalf of Vietnamese and foreign sellers earning Vietnam-sourced income through the platform.

The Decree also expands information-sharing obligations for e-commerce platforms and related intermediaries, enabling tax authorities to enhance compliance monitoring.

5.2. Tax filing & payment deadlines

Decree 252 provides further clarification on various tax filing, payment and registration deadlines under TAL 2025.

For taxes declared on a transaction-by-transaction basis, the filing deadline generally remains 10 days from the date the tax liability arises. As a general rule, tax payment deadlines continue to follow the corresponding tax filing deadlines unless otherwise prescribed.

For Personal Income Tax ("PIT"), Decree 252 clarifies that individuals who become tax residents under the 12-month presence test must submit their first tax year PIT finalisation by the last day of the fourth month following the end of the relevant 12-month period.

For Corporate Income Tax ("CIT"), the deadline for provisional quarterly tax payment is aligned with the quarterly tax filing deadline, being the last day of the month following the relevant quarter. The Decree also retains the requirement that total provisional CIT payments made for the four quarters must be at least 80% of the annual CIT liability reported in the year-end CIT finalisation return. Otherwise, late payment interest may apply to the shortfall from the day following the fourth-quarter payment deadline.

In addition, Decree 252 provides more detailed guidance on tax registration obligations. Taxpayers are generally required to register for tax purposes within 10 working days from the date a tax obligation first arises and notify any changes to their registration information within 10 working days from the date of change. Taxpayers intending to temporarily suspend business operations must notify the tax authority no later than one working day before the suspension date.

5.3. Extension of tax filing deadlines

TAL 2025 formally introduces a mechanism allowing taxpayers to apply for extensions of tax filing deadlines in cases of force majeure. Under the law, filing deadlines may be extended by up to 30 days for regular tax filings (monthly, quarterly or annual) and up to 60 days for tax finalisation filings, calculated from the original statutory deadline.

Decree 252 further clarifies the circumstances that qualify as force majeure including natural disasters, catastrophes, epidemics, fires, unexpected accidents and other force majeure circumstances prescribed by the Government. This provides taxpayers with a clearer legal basis when seeking filing extensions.

5.4. Revision of submitted tax returns

A significant change under TAL 2025 is the reduction of the statutory period for amending previously submitted tax returns from 10 years to 5 years. This substantially shortens the period during which taxpayers may voluntarily correct errors and omissions.

Decree 252 further clarifies that, after the expiry of the five-year amendment period, staxpayers are generally no longer permitted to submit supplementary tax returns. Where the error results in an increase in tax liability, taxpayers may instead submit an explanatory dossier to the tax authorities. Based on that, the tax authorities may issue an appropriate notification or administrative decision in accordance with the tax administration regulations.

The Decree also specifies that taxpayers may not amend tax returns that fall within the scope or period of an ongoing criminal investigation at the request of the competent investigation authorities.

5.5 Tax Registration Procedures and Forms

Circular 90 introduces a number of new tax registration forms and replaces certain forms previously issued under Circular 86/2024/TT-BTC, reflecting the broader digitalisation initiatives introduced under TAL 2025 and Decree 252.

Circular 90 also revises various tax registration procedures for individuals and employers, including tax registration, dependant registration, amendments to tax registration information. It further supports the transition to using the PIN as the taxpayer identification number for individuals and promotes closer integration between tax administration records and the National Population Database.

Under the transition provisions, individuals whose tax registration information has not yet been matched with the National Population Database (e.g. tax codes currently displayed under status 10 – “Tax code pending personal identification number update”) are required to update their registration information in accordance with the prescribed procedures.

Circular 90 also updates the procedures for employers to register employees for tax, update tax registration information and register dependants on their behalf, improving consistency between payroll reporting, tax registration records and the National Population Database.

6. Tax Payment

6.1. Payment mechanism

TAL 2025 introduces a more digitalised approach to tax payments by formally recognising both direct payment and electronic payment mechanisms. Taxpayers may make tax payments through the State Treasury, commercial banks, payment service providers and other electronic channels connected to the tax administration system.

Decree 252 further supports this digital transformation by enabling the electronic exchange and reconciliation of tax paymeent between tax authorities, banks, payment service providers and other relevant parties. It also imposes additional obligations on payment service providers and related parties to facilitate the collection, transfer and reporting of tax payment information.

These developments are expected to improve payment efficiency, facilitate real-time monitoring of tax obligations and reduce administrative procedures for taxpayers.

6.2 Exit restrictions for outstanding tax liabilities

TAL 2025 introduces a framework for suspending departure from Vietnam for individuals with significant outstanding tax liabilities. Decree 252 further clarifies the circumstances under which tax authorities may request the immigration authorities to impose exit restrictions.

The measure may apply to:

- Business individuals and business household owners with outstanding tax debts of VND50 million or more that remain overdue for at least 120 days and are subject to tax enforcement measures;

- Legal representatives and individuals responsible for managing organisations that are subject to tax enforcement measures with tax debts of VND500 million or more overdue for at least 120 days, or organisations classified by the tax authorities as not operating at their registered address that fail to complete the required tax code restoration or tax code termination within 120 days from the issuance of the tax authority's notification; and

- Expatriates, Vietnamese citizens emigrating overseas, and overseas Vietnamese departing Vietnam with outstanding unpaid tax liabilities at the time of departure.

Decree 252 also increases the automation of the exit restriction process. The Tax Management Information System is designed to automatically issue taxpayer notifications, transmit exit restriction requests to the immigration authorities, publicly disclose relevant information and lift the restriction once the outstanding tax liabilities have been settled.

6.3 Tax enforcement

Decree 252 provides more detailed guidance on the tax enforcement framework under TAL 2025 and strengthens the tax authorities' ability to recover outstanding tax liabilities.

Where taxpayers fail to meet their tax obligations, the tax authorities may apply various enforcement measures, including:

- Deduction of funds directly from bank or payment accounts;
- Withholding part of salary or other income;
- Suspension of customs clearance procedures for imports and exports;
- Suspension of invoice and e-invoice use;
- Seizure and disposal of assets; and
- Revocation of business registration certificates or other operating licences where earlier enforcement measures have been ineffective.

The Decree also clarifies the procedures for implementing these enforcement measures, including responsibilities of banks, payment service providers, customs authorities and other relevant parties in supporting the enforcement process.

6.4 Tax refunds

Decree 252 provides additional guidance on the tax refund framework and adopts a more compliance-based approach to processing of refund applications.

Refund applications are classified into refund-first, audit-later and audit-first, refund-later ("Pre-refund audits") categories. Pre-refund audits may apply to first-time refund claims, taxpayers sanctioned for tax evasion within the previous two years, or taxpayers with higher compliance risk.

The Decree also clarifies several situations where overpaid tax will not be refunded, including:

- Cases where the taxpayer declines the refund;
- Cases where more than 10 years have elapsed since the overpayment was made to the State budget; and
- Cases where an individual's or business household's overpaid PIT balance after annual tax finalisation is VND50,000 or less. In these situations, the overpaid balance will generally be carried forward and offset against future tax liabilities.

Recurring refund claims may be subject to greater scrutiny based on the taxpayer's compliance profile and supporting documentation.

7. Business households and individual businesses

TAL 2025 introduces enhanced compliance requirements for business households and individual business operators, with a greater focus on electronic tax administration. A key development is the expansion of mandatory **electronic invoicing** requirements, with Decree 252 providing further guidance on tax registration, filing obligations and electronic interactions with the tax authorities.

In line with the broader digitalisation agenda, Decree 252 promotes greater integration between tax administration systems, business registration systems and national databases. Business households and individual businesses are expected to rely increasingly on electronic tax registration, filing and payment processes, while tax authorities will have greater access to data from multiple sources to support compliance monitoring.

The Decree also introduces more detailed rules regarding tax registration, temporary suspension of business activities, termination of tax codes and the responsibilities of taxpayers when updating registration information.

In addition, Decree 252 reinforces the exit restriction provisions under TAL 2025 by requiring business individuals and business household owners with significant overdue tax debts that are subject to enforcement measures to settle their outstanding tax liabilities before departing Vietnam.

8. Practical Considerations

Taken together, TAL 2025, Decree 252 and Circular 90 establish a significantly more digitalised, integrated and risk-based tax administration framework in Vietnam, with greater reliance on electronic tax administration, data sharing and automated compliance monitoring.

As a result, taxpayers should expect increased scrutiny of tax registration information, compliance history, reporting accuracy, particularly where they operate through digital channels, engage in cross-border transactions or maintain complex organisational structures.

The transition to using the PIN as the taxpayer identification number for individuals, together with the enhanced integration between tax administration systems and the National Population Database, further highlights the importance of maintaining accurate and up-to-date tax registration information. Any inconsistencies between tax records and personal identification records may result in administrative complications in tax registration, filing, withholding and tax finalisation.

Businesses should therefore review their existing tax governance framework, compliance procedures and internal controls to ensure they remain appropriate under the new administration regime. BDO Vietnam will continue to monitor the implementation of these changes and assist businesses in assessing the impact of these developments on their tax compliance obligations.

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