

TAX BULLETIN August 2025

1. Changes in Tax authority management for Foreign suppliers

(Announcement No. 08/TB-TMDT dated 16th May 2025 of the E-Commerce Tax Sub-Department)

From 19th May 2025, the Tax authority directly managing foreign suppliers engaged in e-commerce, digital platform-based business, and other income generating activities in Vietnam will be adjusted as follows:

		Before	Present
Supervisory authority	tax	Large Taxpayer Sub-Department	E-commerce Tax Sub-Department
Main division	responsible	Tax Declaration – Accounting and Database Division	Tax Administration Division No. 1

All procedures related to registration, declaration, tax payment, and information exchange by taxpayers will continue to be conducted via the Electronic Information Portal for Foreign Suppliers (website: <https://etaxvn.gdt.gov.vn/nccnn/>).

2. PIT treatment of Mid-shift meal Allowance

(Official letter No. 915/BNI-QLDN1 dated 22nd July 2025 of Bac Ninh Taxation Office)

If the Company incurs costs for mid-shift meals for employees working at the Company—and the eligibility conditions and amount of such allowances are clearly stipulated in the labor contract, collective labor agreement, or internal regulations—then the PIT treatment of these costs from 15th June 2025 onward is as follows:

- If the Company organizes cooking or purchases meals for employees, such costs shall not be included in the employees' personal taxable income.
- If the Company does not organize cooking or purchase meals but instead pays a cash allowance to employees, and the paid amount complies with the labor contract, collective agreement, or internal regulations, it shall not be included in personal taxable income. However, if the paid amount exceeds the prescribed level, the excess shall be included in personal taxable income.

3. Deductibility of Expenses for PIT Calculation and Declaration Services

(Official letter No. 1296/CCTKV04 -QLDN1 dated 21st May 2025 of IV Regional Tax Office)

If the Company incurs expenses for personal income tax (PIT) calculation and declaration services on behalf of foreign employees working at the Company, these expenses may be treated as deductible for corporate income tax (CIT) purposes, depending on the following cases:

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- Payments in the nature of salary, wages, or remuneration: These payments shall be recorded as deductible expenses for CIT purposes, provided that all conditions under Clause 1, Article 4 of Circular No. 96/2015/TT-BTC dated 22 June 2015 issued by the Ministry of Finance are fully met. These conditions include that the payments are clearly stipulated in the labor contract, collective labor agreement, or financial regulations of the Company, and that they do not fall within the scope of non-deductible expenses as defined in Clause 2, Article 4 of the same Circular.
 - Payments in the nature of employee welfare: These payments may also be recorded as deductible expenses for CIT purposes, provided that the total amount does not exceed the average monthly salary of one month, and that the payments are fully supported by appropriate documentation in accordance with Article 4 of Circular No. 96/2015/TT-BTC (as supplemented and amended by Article 8 of Circular No. 25/2018/TT-BTC dated 16 March 2018 issued by the Ministry of Finance).