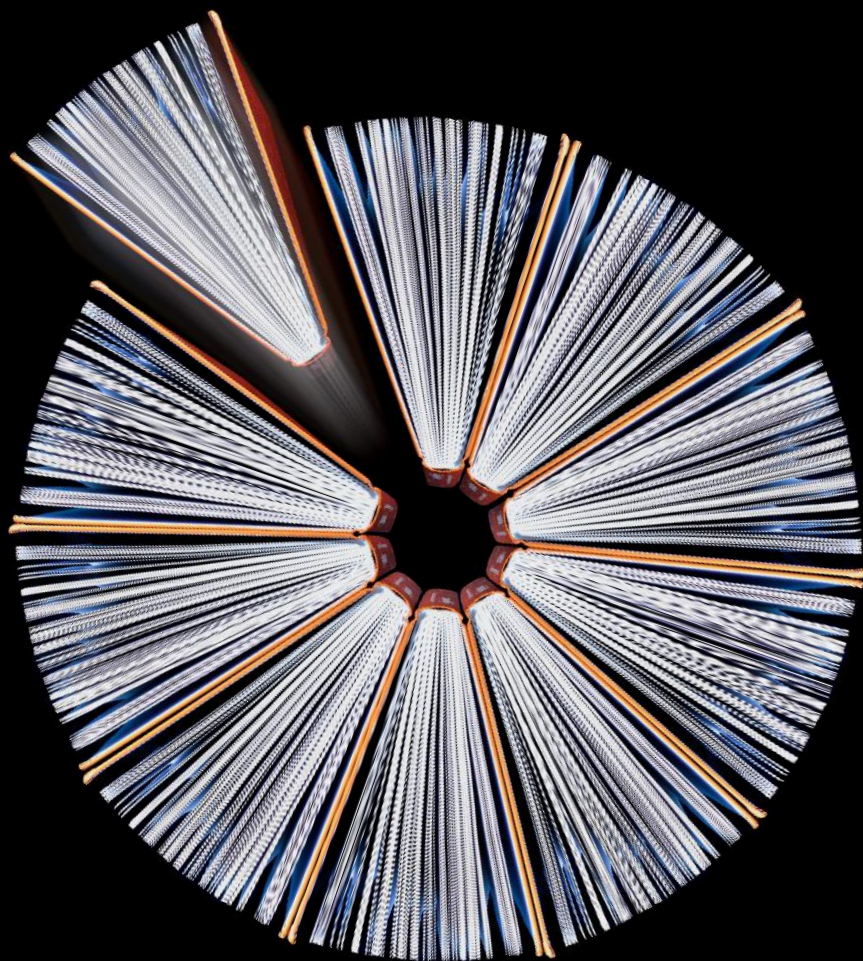


Deloitte.

TAX ALERT

Decree No. 72/2024/ND-CP providing guidelines for VAT reduction according to Resolution No. 142/2024/QH15

July 2024



MAKING AN
IMPACT THAT
MATTERS
since 1845

Decree No. 72/2024/ND-CP providing guidelines for VAT reduction according to Resolution No. 142/2024/QH15

On 30 June 2024, the Government issued Decree No. 72/2024/ND-CP ("Decree 72"), which provides guidelines for VAT reduction according to Resolution No. 142/2024/QH15. Here are the key points:

Who is affected:

- Goods and services currently taxed at 10% VAT.

Exclusions:

- Certain goods and services are not eligible for VAT reduction. These are listed in Appendix I of Decree 72 and include:
 - Telecommunications and information technology;
 - Financial services (banking, securities, insurance);
 - Real estate business;
 - Metal production, manufacture of prefabricated metal products, mining (excluding coal mining), production of coke, refined petroleum, and chemical products;
 - Goods and services subject to special sales tax.

VAT Reduction:

- Businesses declaring under the credit method: apply 8% VAT rate to eligible goods and services;
- Businesses declaring under the direct method (percentage on revenue): reduce the VAT rate by 20% for eligible goods and services.

How to Apply for VAT Reduction:

- Apply the reduction directly on VAT invoices (invoicing guidelines can be found in Decree 72);
- Declare VAT reduced goods and services in Form No. 01 of Appendix IV attached with Decree 72 and attach together with the VAT returns

Effective Period:

- From 01 July 2024, to 31 December 2024.

Contact

Website: deloitte.com/vn

Email: deloittevietnam@deloitte.com

For reference only, not for distribution or sale

Transfer Pricing
Firm of the Year

Tax Firm
of the Year



Bui Tuan Minh
National Tax Leader
+84 24 7105 0022
mbui@deloitte.com



Thomas McClelland
Tax Partner
+84 28 7101 4333
tmcclelland@deloitte.com



Bui Ngoc Tuan
Tax Partner
+84 24 7105 0021
tbui@deloitte.com



Phan Vu Hoang
Tax Partner
+84 28 7101 4345
hoangphan@deloitte.com



Dinh Mai Hanh
Tax Partner
+84 24 7105 0050
handinh@deloitte.com



Vo Hiep Van An
Tax Partner
+84 28 7101 4444
avo@deloitte.com



Vu Thu Nga
Tax Partner
+84 24 7105 0023
ngavu@deloitte.com



Tat Hong Quan
Tax Partner
+84 28 7101 4341
quantat@deloitte.com



Vu Thu Ha
Tax Partner
+84 24 710 50024
hatvu@deloitte.com



Dang Mai Kim Ngan
Tax Partner
+84 28 710 14351
ngandang@deloitte.com



Tran Quoc Thang
Tax Partner
+84 28 710 14323
qthang@deloitte.com

Hanoi Office

15th Floor, Vinaconex Building,
34 Lang Ha Street, Dong Da
District, Hanoi, Vietnam
Tel: +84 24 7105 0000
Fax: +84 24 6288 5678

Ho Chi Minh City Office

18th Floor, Times Square
Building, 57-69F Dong Khoi
Street, District 1,
Ho Chi Minh City, Vietnam
Tel: +84 28 7101 4555
Fax: +84 28 3910 0750

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which is a separate and independent legal entity, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

About Deloitte Vietnam

In Vietnam, services are provided by separate and independent legal entities, each of which may be referred to or known as Deloitte Vietnam.

This communication contains general information only, and none of DTTL, its global network of member firms or their related entities is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.