

Vietnam | 29 June 2020



## Alert on the application of the new threshold of family circumstance deduction for Personal Income Tax calculation

Guidance on the application of family circumstance deduction pursuant to Resolution No. 954/2020/UBTVQH14

Dear Valued Client,

On 23 June 2020, the General Department of Taxation issued Official Letter No. 2546/TCT-DNNCN ("OL 2546") providing guidance on the application of family circumstance deduction for Personal Income Tax ("PIT") calculation pursuant to Resolution No. 954/2020/UBTVQH14 issued by the Standing Committee of National Assembly on 02 June 2020 ("Resolution 954"). Specifically:

1. The new threshold of family circumstance deduction will be applied onward as follows:
  - For monthly provisional tax filing, it will be from July 2020 PIT declaration (deadline: 20 August 2020); or
  - For quarterly provisional tax filing, it will be from Quarter III/ 2020 PIT declaration (deadline: 30 October 2020).

### Contact

**Thomas McClelland**  
National Tax Leader  
+84 28 7101 4333  
[tmcclelland@deloitte.com](mailto:tmcclelland@deloitte.com)

**Bui Ngoc Tuan**  
Tax Partner  
+84 24 7105 0021  
[tbui@deloitte.com](mailto:tbui@deloitte.com)

**Bui Tuan Minh**  
Tax Partner  
+84 24 7105 0022  
[mbui@deloitte.com](mailto:mbui@deloitte.com)

**Phan Vu Hoang**  
Tax Partner  
+84 28 7101 4345  
[hoangphan@deloitte.com](mailto:hoangphan@deloitte.com)

**Dinh Mai Hanh**  
Tax Partner

2. For the past months/quarters in the tax period 2020, the PIT liabilities will be revised using the application of the new threshold of family circumstance deduction at the finalization stage of the tax year 2020.

You can also access our [website](#) to view other Deloitte Vietnam's Tax Alert and Newsletter.

Should you have any questions or need any assistance, please contact our Tax specialists.

**With warm regards,**

**Deloitte Vietnam**

+84 24 7105 0050  
[handinh@deloitte.com](mailto:handinh@deloitte.com)

**Suresh G Kumar**  
Tax Partner  
+84 28 7101 4400  
[ksuresh@deloitte.com](mailto:ksuresh@deloitte.com)

**Vo Hiep Van An**  
Tax Partner  
+84 28 7101 4444  
[avo@deloitte.com](mailto:avo@deloitte.com)

**Vu Thu Nga**  
Tax Partner  
+84 24 7105 0023  
[ngavu@deloitte.com](mailto:ngavu@deloitte.com)

#### **Hanoi Office**

15th Floor, Vinaconex Tower,  
34 Lang Ha Street, Dong Da District,  
Hanoi, Vietnam  
Tel: +84 24 7105 0000  
Fax: +84 24 6288 5678  
[www.deloitte.com/vn](http://www.deloitte.com/vn)

#### **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](http://www.deloitte.com/about) to learn more.

#### **About Deloitte Asia Pacific**

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 are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, 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 Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms or their related entities (collectively, the "Deloitte organization") 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. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2020 Deloitte Vietnam Tax Advisory Company Limited