

Tax & Legal Alert

Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15

July 2025



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15

On 01 July 2025, Decree No. 181/2025/ND-CP was enacted by the Government, providing details and guidance on the implementation of certain provisions of the Law on Value-Added Tax ("VAT") No. 48/2024/QH15. On the same date, the Ministry of Finance enacted Circular No. 69/2025/TT-BTC, which provides further details on specific provisions of the Law on VAT and guidance on the implementation of Decree No. 181/2025/ND-CP. These regulations aim to clarify and concretize the provisions of the Law on VAT No. 48/2024/QH15, thereby improving the legal framework and providing guidelines for enterprises to fulfill their tax obligations.

Please refer to our update on the Law on VAT No. 48/2024/QH15 at the following link: [HERE](#)

Effective date: **01 July 2025**



Notable provisions

In this Alert, Deloitte Vietnam is pleased to share with our valued clients/prospects the key highlights of Decree No. 181/2025/ND-CP and Circular 69. The regulations on export services provided directly to non-tariff zones, non-cash payment requirements, and VAT refund provisions, amongst others, are topics that have attracting significant attention from the business community.

Key highlights of this Alert include:

- ✓ Not-subject-to VAT objects;
- ✓ VAT taxable value;
- ✓ Time of VAT liability determination;
- ✓ Scope for application of 0% VAT rate for exported goods and services;
- ✓ Requirements on non-cash payment transactions;
- ✓ Detailed provisions on VAT refund and input VAT creditability;
- ✓ VAT applicable to foreign organizations and individuals.



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



Not-subject-to-VAT objects



Detailed provisions on objects that are not subject to VAT

- ✓ **Identification of objects that are not subject to VAT** is made in alignment with various sector-specific regulations, such as those on housing, credit institutions, credit activities, foreign affairs, etc.;
- ✓ **Specific guidance** are provided for certain groups of goods and services that are not subject to VAT, such as: products from cultivated crops, planted forests, livestock, aquaculture, or wild-caught seafood that have not been processed into other products or have only undergone simple preliminary processing; maintenance, repair, and construction activities funded by community contributions or humanitarian aid; publishing, importation, and distribution of newspapers, magazines, and books; educational and vocational training activities, etc.;
- ✓ **A list of export products** derived from unprocessed or processed natural resources and minerals that are in line with the Government's policy to discourage or restrict export activity. Export products falling under this list shall be not subject to VAT and shall not be eligible for 0% VAT rate upon export.

(Article 4, Decree No. 181/2025/ND-CP)



Provisions on dossiers and procedures for determining goods and services that are not subject to VAT

- Taxpayers shall determine goods and services not subject to VAT based on the provisions of the Law on VAT and Decree No. 181/2025/ND-CP .
- In specific cases, taxpayers are required to provide dossiers and documentation to determine whether goods or services belong to not-subject-to VAT cases upon the request of competent authorities:
 - ✓ Breeding stock product;
 - ✓ Imported newspaper, magazines, books, posters, and other printed products;
 - ✓ Goods and services sold to organizations and individuals for humanitarian aid and grant aid for Vietnam;
 - ✓ Transfer of industrial property rights over inventions, industrial designs, layout designs, and trademarks shall be considered transfer of intellectual property rights;
 - ✓ Transfer of rights to plant varieties being considered as transfer of intellectual property rights;
 - ✓ Imported goods donated or sponsored for the purposes of disaster, epidemic, and war prevention, response, and recovery.

(Article 3, Circular No. 69/2025/TT-BTC)



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



VAT taxable value



Principle for determination of VAT taxable value

- ✓ The **VAT taxable value** includes all surcharges and additional fees collected in addition to the selling price of goods or services that the business establishment is entitled to retain. It does **not** include amounts unrelated to the supply of goods or services, such as monetary compensation, bonuses, recoveries from third parties in insurance operations, collections on behalf of other parties, remunerations from state agencies for collecting or disbursing funds on their behalf, and financial income;
- ✓ In cases where the business establishment applies commercial discounts for customers (if any), the **VAT taxable value** shall be the **commercially discounted selling price, exclusive of VAT**;
- ✓ If the **VAT taxable value** is adjusted according to the conclusion of a competent state authority, the taxable value shall be the one determined based on such conclusion.

(Article 14, Decree No. 181/2025/ND-CP)



VAT taxable value determination in specific cases

- ✓ Goods and services sold domestically and imported goods;
- ✓ Goods and services used for exchange, internal consumption, gifting, and promotional purposes;
- ✓ Activities involving asset leasing, goods processing, and construction or installation services;
- ✓ Real estate business activities;
- ✓ Agency and brokerage activities for goods trading, commission-based services, and goods/services for which payment invoices indicate the payment price;
- ✓ Casino business services, prize-winning electronic games, and betting business services;
- ✓ Other production and business activities (e.g., electricity generation, transportation and loading/unloading services, travel/tourism services, pawn services, printing activities, inspection agency services);
- ✓ International telecommunication services;
- ✓ Services provided by foreign organizations or individuals located outside of Vietnam.

(Article 6, Decree No. 181/2025/ND-CP)



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



Time of VAT liability determination

The provisions on time of VAT liability determination are in alignment with regulations on invoicing, Customs Law, and other relevant specialized regulations. For example:

- ✓ **For exported goods:** The time of VAT liability determination for exported goods is determined by the seller, but no later than the next working day from the date the customs clearance is completed, in accordance with Customs Law;
- ✓ **For imported goods:** The time of VAT liability determination is the same as the time of Import Duty determination, as prescribed by regulations on Export and Import Duties;
- ✓ In certain cases, the time of VAT liability determination is **the time when data reconciliation between business entities is completed** — such as in telecommunications services, electricity sales by power generation companies, clean water supply, etc.

(Article 15, Article 16, Decree No. 181/2025/ND-CP)



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



Goods and services eligible for 0% VAT rate



Objects that are eligible for 0% VAT rate

- Provisions on the services that are directly supplied to entities located in non-tariff zones, including:
 - ✓ A group of services **consumed within the non-tariff zone that directly serve export production activities**; and
 - ✓ **Certain specific services**, including: transportation services; container handling services; and loading/unloading services.
- The stipulation of *"Goods and services sold or supplied to entities in non-tariff zones and consumed within such zones to directly serve export production activities"* is defined as follows:
 - ✓ must be consumed **within the non-tariff zone** and **serve the export production activities** of the entity located in the zone and must **not be used for purposes other than export production**;
 - ✓ not belong to the list of goods and services that are not entitle for VAT 0%.
- The Ministry of Finance shall provide detailed guidance on this provision when necessary for the performance of state management functions.



Objects that are not eligible to 0% VAT

Amendments to certain groups of goods and services **not eligible for the 0% VAT rate** have been made compared to the VAT regulations valid before 01 July 2025, specifically:

- ✓ The term **"foreign"** has been removed from the groups *"credit services"*, *"capital transfer"*, *"telecommunication services"*;
- ✓ The group *"derivative financial services"* has been revised to **"derivative products"**.

(Article 17, Decree No. 181/2025/ND-CP)



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



Goods and services eligible for 0% VAT rate (cont.)



Provisions on dossiers and procedures for determining objects eligible for 0% VAT rate

- ✓ Taxpayers shall determine goods and services eligible for the 0% VAT rate based on the provisions of Clause 1, Article 9 of the Law on VAT and Article 17 of Decree No. 181/2025/ND-CP ; and
- ✓ Taxpayers must provide relevant dossiers and documentation for determining eligibility for the 0% VAT rate following provisions of Article 18 of Decree No. 181/2025/ND-CP upon request by competent authorities for certain specific goods and services;
- ✓ In cases of exporting goods via overseas e-commerce platforms and some other specific cases, taxpayers are required to provide dossiers and supporting documents that comply with the input VAT credit conditions specified in Articles 27 and 28 of Decree No. 181/2025/ND-CP , when requested by competent authorities.

(Article 4, Circular No. 69/2025/TT-BTC)



Non-cash payment transactions



Business must retain **non-cash payment vouchers** for the purchase of goods and services (including imported goods) with a value from VND 5 million (VAT-inclusive);



The types of documents and instruments for non-cash payments shall be determined in accordance with the provisions of Decree No. 52/2024/ND-CP on non-cash payments, excluding documents evidencing that the buyer deposits cash into the seller's bank account



Certain cases require the use of non-cash payment documents, including but not limited to:

- ✓ Offsetting the value between purchases and sales of goods or services, or loans/borrowings;
- ✓ Purchases made under deferred payment or installment plans with a value from VND 5 million;
- ✓ Offsetting payables through a third party that is involved in lending or borrowing activities;
- ✓ Import value or invoice value below VND 5 million, or in the case of gifts, promotional items, or samples;
- ✓ Payments made via authorized or designated third parties;
- ✓ Payments made on behalf of the company by employees or individuals who are not employees;
- ✓ Payments made using stocks or bonds;
- ✓ Multiple purchases from the same seller on the same date with a total value from VND 5 million.
- ✓ Payments made to a third party's account at the State Treasury as part of enforcement measures;

(Article 27, Decree No. 181/2025/ND-CP)



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



VAT refund



For exported goods and exported services

- **Determination of objects that are eligible for VAT refund in certain cases:**
 - ✓ **In case of entrusted export:** The eligible entity for VAT refund is the business establishment that entrusts the export of goods;
 - ✓ **In case of onward processing:** The eligible entity is the business establishment that signs the export processing contract with a foreign party;
 - ✓ **In case of goods exported for the performance of overseas construction projects:** The eligible entity is the business establishment that exports goods for the implementation of construction works overseas.
- The case where “*goods are imported and then exported to another country*” as goods imported from overseas into Vietnam and then directly exported or entrusted for export does not include imported raw materials used for the production or processing of goods for export;

(Article 29, Decree No. 181/2025/ND-CP)

- A formula for determining refundable VAT on exported goods and services in cases involving both exports and domestic sales is provided.

(Appendix II, Circular No. 69/2025/TT-BTC)



For investment projects

- In case an investment project is still in the investment phase and has not yet commenced production or business operations, but must be terminated, and no output VAT from the main production or business activities has arisen, the business establishment shall be required to **repay the refunded VAT** in accordance with the provisions of tax administration legislation.

(Article 30, Decree No. 181/2025/ND-CP)



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



VAT refund (cont.)



For the production of goods and provision of services eligible for 5% VAT rate

- ✓ The allocation of input VAT ratio simultaneously used for the production of goods and provision of services eligible for 5% VAT rate and for other goods and services subject to different VAT rates is determined as the proportion of revenue between the production of goods and provision of services that are eligible for 5% VAT rate and the total taxable revenue of the tax refund period;
- ✓ The tax refund period is determined based on the VAT determination period in which input VAT under the 5% VAT rate has not yet been fully credited and has been carried forward continuously, up to the VAT period in which the tax refund is requested;
- ✓ Input VAT used for the production of goods and provision of services subject to the 5% VAT rate shall be refundable if, after being offset against output VAT payable from other taxable goods and services, the remaining refundable amount is from VND 300 million;
(Article 31, Decree No. 181/2025/ND-CP)
- ✓ A formula for determining refundable VAT on exported goods and services in cases involving both exports and domestic sales is provided.
(Appendix III Circular No. 69/2025/TT-BTC)



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



VAT for foreign organizations and individuals

Circular No. 69/2025/TT-BTC partially replaces provisions on VAT applicable to foreign organizations and individuals under Circular No. 103/2014/TT-BTC (Foreign Contractor Withholding Tax).

(Clause 3, Article 10, Circular No. 69/2025/TT-BTC)

 Regulation on entities that are subject to and not subject to VAT regulations in the case of foreign organizations and individuals doing business in Vietnam

VAT regulations applicable	VAT regulations not applicable
<ul style="list-style-type: none"> Foreign business organizations having permanent establishments in Vietnam or not; foreign business individuals that are residents of Vietnam or not who do business in Vietnam; Any foreign entity that performs the whole or part of goods distribution or service provision in Vietnam; Any foreign entity that negotiates or concludes contracts via a Vietnamese entity; Any foreign entity that exercises its right to export, import, distribute goods in Vietnam, buy goods to export, or sell goods to Vietnamese traders. 	<ul style="list-style-type: none"> Organizations established in accordance with the laws of Vietnam; Foreign organizations and individuals supplying goods without accompanying services performed in Vietnam, where the delivery is made at a foreign or Vietnamese border gate; Foreign organizations and individuals providing certain services performed outside of Vietnam, including: <ul style="list-style-type: none"> ✓ Repair of means of transport; ✓ Advertising and marketing (except for online advertising and online marketing); ✓ Trade promotion and investment encouragement; ✓ Brokering goods sale and services provision overseas; ✓ Training (except for online training); ✓ Services such as: international telecommunication fee sharing; leasing of satellite transmission lines and bandwidth; international postal service fee sharing. Foreign organizations and individuals using a bonded warehouse or inland clearance depot ("ICD") as a warehouse serving international transport, transit of goods, or storage of goods to be processed by other companies; Foreign organizations and individuals supplying other goods and services performed overseas and not consumed in Vietnam.



Notable provisions of Decree No. 181/2025/ND-CP and Circular No. 69/2025/TT-BTC guiding the implementation of the Law on Value-Added Tax No. 48/2024/QH15 (cont.)



VAT for foreign organizations and individuals (cont.)



Method for determining VAT payable

- ✓ The percentage (%) used to calculate VAT on revenue under the direct method is specified in detail in Appendix I attached to Circular 69;
- ✓ For contractor or sub-contractor contracts involving multiple business activities, the % used to calculate VAT on revenue shall be based on the VAT-taxable revenue for each business activity. In cases where it is not possible to separately determine the value of each business activity, the highest applicable percentage for the relevant business lines shall apply to the total contract value.



Definitions of “contractor contract” and “sub-contractor contract”

- ✓ A “contractor contract” is a contract, agreement, or commitment between a foreign contractor and a Vietnamese party;
- ✓ “Sub-contractor contract” is a contract, agreement, or commitment between a sub-contractor and a foreign contractor, in which the sub-contractor may be either a foreign sub-contractor or a Vietnamese sub-contractor.

(Article 9, Circular No. 69/2025/TT-BTC)



Deloitte Vietnam's insights and recommendations for businesses



Deloitte Vietnam's insights

The legal framework on VAT is being refined towards greater clarity and practicality

The simultaneous issuance of the Decree and the Circular guiding the Law on VAT No. 48/2024/QH15 demonstrates the competent authorities' efforts to harmonize the VAT regulatory framework. Several issues that previously caused uncertainty in practice, such as conditions for applying the 0% VAT rate, VAT refunds, and concepts related to non-tariff zones, have been resolved by detailed and practical provisions of regulations, enabling businesses to apply the regulations more effectively.

With an increasingly transparent legal environment, in addition to *"accurate declaration"*, enterprises are recommended to adopt a mindset of *"proactive compliance management"*

Compliance now goes beyond the preparation of proper documents. The new regulations require enterprises to establish robust internal control systems and coordinated processes among departments (tax, accounting, import-export, legal, etc.) to ensure eligibility for the application of VAT rates and input tax credits, to optimize business operations and compliance with the regulations.

Export services for export processing enterprises ("EPEs") should be thoroughly assessed to for application of appropriate VAT rate

The Law and guiding documents on VAT introduce stricter criteria for defining *"exported services"*, especially with regards to the place of consumption, actual beneficiaries, and supporting documentation. In this context, many services provided to EPEs may no longer qualify for the 0% VAT rate, potentially increasing input costs for such businesses. Therefore, the assessment of the true nature of exported services provided to EPEs is essential to ensure the appropriate VAT rate is applied.



Deloitte Vietnam's insights and recommendations for businesses (cont.)



Our recommendations for business community

In the context of comprehensive changes to the tax regulatory landscape in general and VAT regulations in particular, businesses are advised to consider the following:

- ✓ **Review the full list of goods and services** to ensure accurate determination of the applicable VAT rates;
- ✓ **Assess the conditions for VAT 0% application for exported goods and services to overseas and non-tariff zones:** The conditions for applying the 0% VAT rate to exported goods and services have been clarified in more detail compared to the regulations ruled before 01 July 2025. However, there are still areas where interpretation may differ between Tax authorities and businesses. Enterprises should carefully review their documentation procedures, contracts, and export records to ensure compliance with the new requirements, especially for services provided to foreign organizations but used in Vietnam, or for services supplied to non-tariff zones;
- ✓ **Review the compatibility of accounting systems and internal management software:** Changes relating to VAT crediting and refunds may impact how businesses handle invoices, input tax accounting, and revenue recognition. Enterprises should coordinate with their accounting department and software providers to update respective systems, ensuring automated and accurate compliance with the new regulations;
- ✓ **Update internal policies and enhance tax, accounting, and other departments' staff training:** It is critical to revise internal policies and procedures for alignment with the latest regulatory changes. Additionally, businesses should conduct training sessions for accounting, tax, and relevant operational departments to minimize errors in practical implementation.
- ✓ **Engage proactively with professional advisors for timely support:** Given the ongoing changes in tax policy and the varied application across industries and business models, enterprises are strongly recommended to consult with trusted advisors with in-depth expertise and practical experience in taxation for timely advice and support, to ensure both tax compliance and optimization.





**Vietnam Tax Firm
of the Year
(2021 – 2024)**



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