



Shape the future
with confidence

Tax Alert

July 2026

Visit other Alerts [here](#).

Decree 252/2026/ND-CP guiding the implementation of Law on Tax Administration

This Alert discusses important amendments to various tax administration procedures that taxpayers need to be aware of to ensure they remain compliant.

On 10 December 2025, the National Assembly passed the Law on Tax Administration No. 108/2025/QH15 (the new Law on Tax Administration or the new Law). To provide guidance on the implementation of this Law, on 30 June 2026, the Government issued Decree No. 252/2026/ND-CP (Decree 252), which took effect on 1 July 2026.

In addition to amending various tax administrative procedures, the new Law on Tax Administration and Decree 252 demonstrate a clear reform agenda pursued by the tax authorities, including:

- Transition from the traditional tax administration model to a digital data-driven approach, leveraging technology and adopting risk-based and compliance-based tax administration
- Promoting digitalization, automation, and data-driven tax administration
- Simplifying tax administrative procedures and reducing unnecessary tax filing and reporting obligations
- Expanding access to information and the use of data for tax administration purposes
- Strengthening the management of tax obligations

Furthermore, Decree 252 introduces a number of provisions aimed at enhancing the tax administration of e-commerce activities, digital platforms, and foreign service providers. Given the specialized nature of these developments, we will address them in greater detail in a separate publication.

We highlight below some of the key developments that businesses should take into consideration.

I. Transformation of the tax administration model: From traditional administration to a digital, data-driven, technology-enabled approach focused on risk and compliance management

1. Introduction of taxpayer segmentation and compliance management

One of the fundamental changes introduced under the new Law is the adoption of a taxpayer segmentation mechanism based on various criteria, including business sector, legal form, ownership structure, operational scale, budget contribution, and tax compliance history.

In addition to the existing concept of “risk management”, the new Law introduces “compliance management”, enabling tax authorities to assess and monitor the level of tax compliance of individual taxpayers and apply appropriate administrative measures accordingly.

For businesses assessed as having a high level of compliance and low risk, Decree 252 provides preferential treatment in a number of areas, including:

- Processing of tax administrative procedures
- Application of automated procedures
- Remote inspection and monitoring
- Taxpayer support services
- Consideration of compliance ratings
- Procedures relating to advance pricing agreements (APAs) and mutual agreement procedures (MAPs) for enterprises with related-party transactions

This development reflects a shift from a traditional tax administration model primarily focused on risk management to one centered on compliance management, under which a taxpayer’s level of tax compliance will play a more significant role in determining the extent of oversight and the administrative measures applied by tax authorities.

2. Enhanced digitalization and automation of tax administration processes

The new Law establishes a foundation for a centralized tax administration system built on digital data, facilitating extensive automation of tax administration processes.

Building on the policy directions set out in the new Law on Tax Administration, Decree 252 further establishes several mechanisms to accelerate the digitalization of tax administration. In particular:

- Tax registration is primarily conducted through electronic means or automatically via the tax administration information system.
- In certain cases, tax registration may be processed based on data shared between government authorities through integrated inter-agency data exchange mechanisms.
- Taxpayers demonstrating a high level of tax compliance and a willingness to connect and share electronic data with the tax authorities may benefit from preferential tax administration mechanisms, including priority access to automated procedures, remote monitoring and supervision, and other appropriate administrative measures.
- Decree 252 provides a legal basis for the implementation of automated tax administration mechanisms, including tax refunds, tax exemptions, and tax reductions, based on tax data, risk management criteria, and the tax authorities’ automated processing systems.

The expanded use of digital data and automated processes is expected to improve administrative efficiency, reduce compliance burdens, and provide a foundation for future data-driven compliance and risk management mechanisms.

3. Automatic tax refunds, exemptions, and reductions

The new Law introduces a legal basis for the implementation of:

- Automatic tax refunds
- Automatic tax exemptions
- Automatic tax reductions

Accordingly, Decree 252 focuses on providing guidance on the procedures and processes for tax refunds, tax exemptions, and tax reductions, including the relevant documentation requirements, statutory timelines, and processing procedures. However, Decree 252 does not provide detailed guidance on the operation of automated tax refunds, tax exemptions, or tax reduction mechanisms. Further clarification may therefore be issued through subsequent regulations and practical implementation by the tax authorities.

4. Expanded data access rights for tax authorities

Under the new Law, tax authorities are granted broader rights to access data where there are indications of tax evasion, including data from:

- Accounting software
- E-invoicing systems
- Point-of-sale (POS) systems

In addition, tax authorities are authorized to temporarily retain documents related to suspected tax evasion in accordance with procedures prescribed by law.

Compared with the previous regulations, the new Law expands the legal basis for the tax authorities to access and utilize electronic data sources for tax administration purposes. However, Decree 252 does not provide detailed guidance on the scope of data, methods of access, or mechanisms for extracting and using such data from taxpayers' systems. Accordingly, the practical implementation of the tax authorities' data access rights may require further guidance or clarification from the competent authorities in the future.

II. Notable changes relating to tax filing and compliance

In addition to the policy-level developments in tax administration, Decree 252 also introduces and clarifies a number of provisions regarding tax filing procedures and compliance obligations.

Decree 252 also introduces a number of new provisions and detailed guidance relating to e-commerce activities, digital platforms, and digital business models. Given the broad scope and specialized nature of these areas, we will discuss and analyze these developments in greater detail in a separate publication.

Other notable developments include:

1. Expansion of cases exempt from tax return filing requirements

Decree 252 expands and clarifies circumstances in which taxpayers are not required to submit tax returns, including:

- No personal income tax finalization return is required where no salary or wage income has been paid during the year.
- No tax return is required where no foreign contractor tax has been withheld during the filing period.
- Certain value added tax (VAT) refund applications relating to ODA-funded projects, aid programs, and beneficiaries of diplomatic privileges and immunities.
- Income paid to foreign contractors from certain Government bond investments or loans to the State that fall within income not subject to VAT and exemption of corporate income tax (CIT).
- Other situations where tax authorities already possess sufficient information to determine tax liabilities and may notify taxpayers accordingly.

These changes help simplify tax administrative procedures and reduce filing obligations in circumstances where tax authorities already have sufficient information to assess tax liabilities.

2. Introduction of an explanatory mechanism for errors identified after the expiry of the tax return amendment period

Under the new Law on Tax Administration, taxpayers may amend tax returns only within five years from the expiry of the filing deadline for the relevant tax period, compared to the previous 10 year period.

For errors discovered after the five year limitation period, Decree 252 introduces an explanation mechanism under which taxpayers may no longer amend returns under the ordinary procedure but may submit explanatory dossiers in certain circumstances, primarily where adjustments increase tax liabilities or decrease deductible or refundable tax amounts.

This change may reduce taxpayers' ability to proactively rectify historical errors discovered at a later stage and therefore increases the importance of conducting regular tax compliance reviews.

3. First-time guidance on exchange rate determination for top-up CIT returns under global anti-base erosion rules

Decree 252 is the first regulation to provide specific guidance on the exchange rate principles applicable to amendment CIT returns and adjustments arising from tax audits and inspections.

III. Strengthening tax administration obligations

1. Strengthening the legal framework for profit remittance abroad

For the first time, Decree 252 sets out conditions for the remittance of profits abroad by foreign investors within a regulation guiding the Law on Tax Administration. Previously, this matter was primarily governed by Circular 186/2010/TT-BTC.

In principle, Decree 252 retains the approach previously set out under Circular No. 186/2010/TT-BTC, whereby foreign investors are permitted to remit profits overseas after the enterprise has fully discharged its tax obligations and other related financial obligations. However, compared with the previous regulations, Decree 252 provides greater clarity regarding the scope of obligations that must be fulfilled, including due taxes, other government charges, late payment interest, and administrative penalties payable in accordance with applicable laws. In addition, the Decree introduces a requirement that the enterprise must have no outstanding tax liabilities at the time of profit remittance.

In addition, where a foreign investor remits profits upon termination of its direct investment activities in Vietnam, Decree 252 clarifies that all obligations prescribed under the Law on Tax Administration must be fulfilled, including obligations that have not yet fallen due.

The explicit reference to tax obligations that have not yet fallen due provides additional clarity on the scope of tax obligations that must be settled upon the termination of an investment project. This clarification may be relevant when planning investment exits and related profit remittances.

2. Refinement of the exit restriction framework for tax debt enforcement

Facilitation of the removal of exit restrictions

Decree 252 introduces several measures aimed at facilitating the timely lifting of restrictions from exiting Vietnam for taxpayers who have satisfied the prescribed conditions. Notably, the tax authorities are required to promptly process the cancellation of an exit restriction once the taxpayer satisfies the prescribed conditions. The Decree also provides mechanisms to address situations where tax payment information has not yet been reflected in the tax administration system and allows for the lifting of an exit restriction where the outstanding tax debt falls below the applicable statutory threshold.

Expansion of the scope of individuals subject to exit restrictions

At the same time, Decree 252 expands the categories of individuals who may be subject to exit restrictions. Significantly, in addition to legal representatives, the beneficial owners of enterprises may also be subject to such measures in certain circumstances. Under the new regulations, exit restrictions may be imposed on:

- Individual business operators and household business owners with outstanding tax liabilities of VND50 million or more that remain overdue for more than 120 days.
- Legal representatives or beneficial owners of enterprises with outstanding tax liabilities of VND500 million or more that remain overdue for more than 120 days.
- Certain other cases involving taxpayers that are no longer operating at their registered addresses or have not fully fulfilled their tax obligations prior to departure from Vietnam.

These changes indicate the tax authorities' continuing efforts to refine the exit restriction framework in a manner that both enhances the effectiveness of tax debt enforcement and reduces administrative burdens on taxpayers. Furthermore, the inclusion of beneficial owners within the scope of application reflects a broader trend toward extending accountability to individuals who are connected with, and may have influence over the fulfillment of an enterprise's tax obligations.

IV. Our observations and recommendations

The new Law on Tax Administration and Decree 252 not only amend various tax administrative procedures but also reflect a significant shift in Vietnam's tax administration approach toward greater reliance on data-driven management, compliance-based administration, automation, and enhanced transparency.

In addition to strategic changes such as taxpayer classification based on risk level and industry sector, the digitalization of tax administration activities, and strengthened audit measures, Decree 252 introduces a number of practical guidelines that may have a direct impact on businesses. These include regulations on amended tax filings, exchange rate determination for top-up corporate income tax returns under the Global Minimum Tax regime, conditions for profit

remittance overseas, tax obligations of e-commerce platforms, and enforcement measures for the collection of outstanding tax liabilities.

Businesses should proactively review their internal tax governance processes and compliance control frameworks to fully assess the implications of the new regulations and ensure appropriate preparedness for their implementation in practice.



Shape the future
with confidence

Contacts

Hanoi Office



Huong Vu | General Director
EY Consulting Vietnam Joint Stock Company
huong.vu@vn.ey.com



Trang Pham | Senior Partner | Tax
Ernst & Young Vietnam Limited
trang.pham@vn.ey.com

Ho Chi Minh City Office



Robert King | EY Vietnam, Laos, Cambodia Tax Leader
EY Consulting Vietnam Joint Stock Company
robert.m.king@vn.ey.com



Thinh Xuan Than | Senior Partner | Tax
EY Consulting Vietnam Joint Stock Company
thinh.xuan.than@vn.ey.com

Japanese Business Services (JBS)



Takehisa Onose | EY Vietnam, Laos, Cambodia JBS Leader
Ernst & Young Vietnam Limited
takahisa.onose@vn.ey.com



Takaaki Nishikawa | Associate Partner
EY Consulting Vietnam Joint Stock Company
takaaki.nishikawa@parthenon.ey.com

Korean Business Services (KBS)



Binh Thanh Phan | EY Vietnam, Laos, Cambodia KBS Leader
EY Consulting Vietnam Joint Stock Company
binh.thanh.phan@parthenon.ey.com



Kyung Hoon Han | Associate Partner
Ernst & Young Vietnam Limited
kyung.hoon.han@vn.ey.com

Chinese Business Services (CBS)



Truong Duc Le | EY Vietnam, Laos, Cambodia CBS Leader
Ernst & Young Vietnam Limited
truong.duc.le@vn.ey.com



Owen Tsao | Director
Ernst & Young Vietnam Limited
owen.tsao@vn.ey.com



Trinh Kiet Luong | Assistant Director
Ernst & Young Vietnam Limited
trinh.kiet.luong@vn.ey.com

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

©2026 EY Consulting Vietnam Joint Stock Company. All Rights Reserved.

APAC No. 16150701

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

ey.com/en_vn