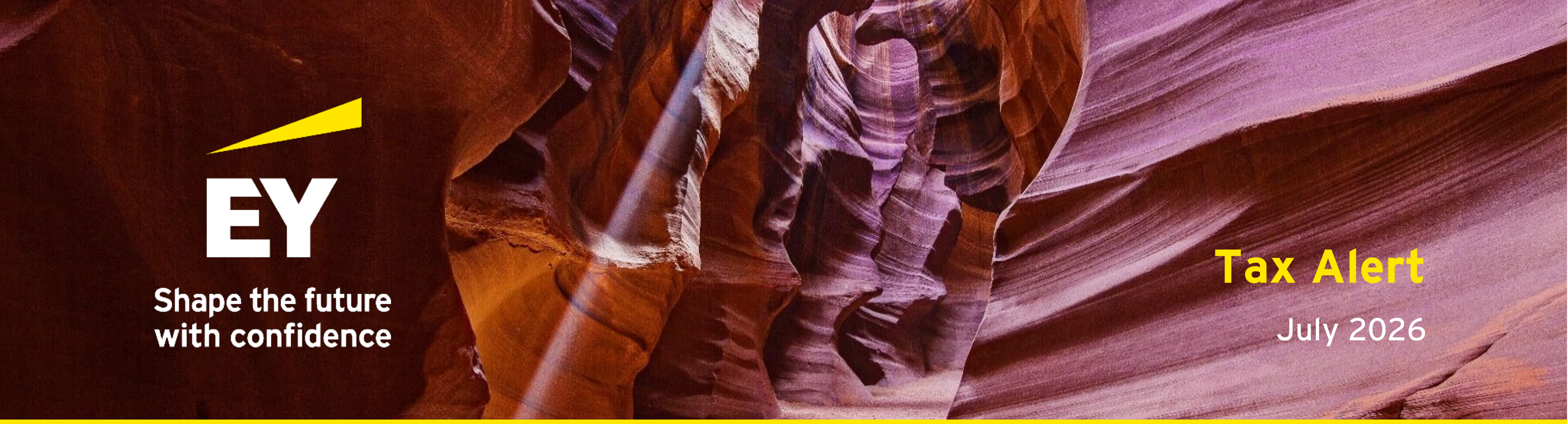

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Digital tax regulatory update in Vietnam

Key tax updates relating to business activities conducted on e-commerce platforms and digital platforms by foreign suppliers.

Vietnam introduced Decree 252/2026/ND-CP dated 30 June 2026 (Decree 252) providing guidance on implementation of the Law on Tax management. Decree 252 takes effect from 1 July 2026 and provides detailed guidance on business activities conducted on e-commerce platforms and digital platforms by foreign suppliers, including:

- Definitions and criteria for e-commerce platforms and digital platforms with online ordering and payment functions
- Taxpayers, including foreign suppliers and organizations responsible for withholding and paying taxes on behalf of foreign suppliers
- Tax registration requirements
- Tax declaration dossiers
- Other obligations

1. Definitions and criteria for e-commerce platforms and digital platforms with online ordering and payment functions

- E-commerce and digital platforms are considered to have online ordering and payment functions if they meet the following criteria:
  - (i) They enable buyers to select goods or services and conclude transactions with sellers through the platform.
  - (ii) They directly or indirectly participate in the payment process, with the ability to control, reconcile, or confirm payment transactions, including collecting payments from buyers and transferring them to sellers or coordinating such processes with other parties; organize payment mechanisms where the completion of a transaction is tied to payment confirmation on the platform.
  - (iii) The determination of whether a platform has payment functionality is based on its actual role in organizing, controlling, or participating in the payment process, regardless of the technical form or payment method used. Platforms that only provide listing, advertising, or transaction-matching services without involvement in the payment process are excluded from this scope.

2. Taxpayers

- Direct taxpayers: foreign organizations and individuals conducting business on e-commerce or other digital platforms, which are responsible for fulfilling their tax obligations in accordance with applicable tax laws.
- Withholding agents:
  - Vietnamese companies purchasing services from foreign suppliers
  - Foreign digital platform operators withhold and remit taxes on behalf of foreign suppliers
  - E-commerce and digital platform operators with payment functions withhold, declare and remit taxes on behalf of household businesses and individuals operating on their platforms
  - Other platform operators/owners (domestic or foreign) with both ordering and payment capabilities withhold, declare and remit taxes on behalf of household businesses and individuals operating on their platforms

3. Tax registration and declaration

In relation to business activities conducted through e-commerce and digital platforms, Vietnam's tax framework adopts a multi-layer collection mechanism under which tax obligations may be fulfilled through different collection channels depending on the nature of the transaction.

a. Withholding by Vietnamese purchasers (B2B transactions)

   For cross-border transactions where goods or services are purchased by Vietnamese organizations from foreign suppliers or non-resident individuals, the Vietnamese purchaser is obligated to withhold, declare, and pay value added tax (VAT), corporate income tax (CIT) and/or personal income tax (PIT) at the time of payment.

   Vietnam-based business organizations must declare withheld taxes on a transaction-by-transaction basis; however, where transactions occur frequently, monthly declaration is permitted.

   Where taxes have been fully withheld and paid by the Vietnamese purchaser, the foreign supplier is not required to separately declare and pay taxes in respect of the same income. In this case, the Vietnamese business purchaser must electronically notify the platform operator so that the platform does not withhold taxes again on the same transaction. The notification must include following information: tax code of the withholding entity, transaction/order number, transaction value, taxes withheld and remitted, and information of the seller/service provider. Both the Vietnamese purchaser and the platform operator are required to retain relevant records and supporting documents and provide them to the tax authorities upon request.

b. Withholding by e-commerce and digital platform operators/owners

   Where tax withholding is not performed by a Vietnamese purchaser, e-commerce and digital platform operators/owners with online ordering and payment functionalities (whether domestic or foreign) may be required to act as withholding agents.

   Platform operators are required to:

   - Withhold, declare, and pay taxes on behalf of household and individual sellers, including:
     - VAT on domestic transactions
     - PIT on domestic and overseas transactions of Vietnamese tax-resident sellers

    - PIT on domestic transactions of non-resident individual sellers
- Withhold, declare, and pay VAT and CIT on behalf of foreign suppliers

The tax obligation arises when the platform confirms completion of the transaction and payment in accordance with its operating rules.

Where taxes have been fully withheld and paid by the platform operator/owner, the underlying sellers or foreign suppliers are relieved from direct tax filing obligations in respect of those transactions.

Platform operators/owners are required to file monthly tax declarations for taxes withheld. For cancelled or returned transactions, the withheld taxes may be offset against taxes payable on other transactions.

c. Direct tax registration, declaration and payment by foreign suppliers

Where taxes are not withheld and paid by either a Vietnamese purchaser or a platform operator/owner, foreign suppliers are required to directly register, declare and pay taxes in accordance with Vietnam's tax regulations.

Tax declaration and payment obligations for foreign suppliers are determined based on business frequency:

- Foreign suppliers with regular business activities in Vietnam: monthly tax declaration and payment
- Foreign suppliers with non-recurring activities: tax declaration and payment on a transaction-by-transaction basis, for each instance of income arising in Vietnam

4. Obligations of relevant parties

Platform operators/owners responsible for withholding and remitting taxes must:

- Manage tax authority–issued accounts and retain transaction data and supporting documents for tax determination
- Withhold, declare, and remit taxes accurately and fully based on information provided by foreign suppliers, businesses, and individuals
- Provide relevant information to tax authorities upon request
- Refund withheld taxes relating to cancelled or returned transactions in a timely manner
- Comply with other obligations in accordance with regulation

Foreign suppliers earning income from Vietnam that has not been withheld by Vietnamese organizations or platform operators must:

- Directly register, declare, and pay taxes via the tax authority's system.
- Provide accurate, complete, and timely information to support tax determination.
- Retain relevant information used to identify transactions of Vietnamese customers for tax inspection purposes. This includes bank accounts, payment accounts, e-wallets, or other payment methods used to receive funds from Vietnamese customers or e-commerce platform operators. The registration information must include details of the financial institution or payment service provider, country of account opening, account number (or account identifier), account holder name, and currency denomination.

- Review and confirm the accuracy and completeness of declared payment account information when changes occur. This confirmation must be submitted via the tax authority's system together with the December tax filing. No confirmation is required if there are no changes.

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