

ASEAN 6 TAX GUIDE

2026





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Taxation in ASEAN 6

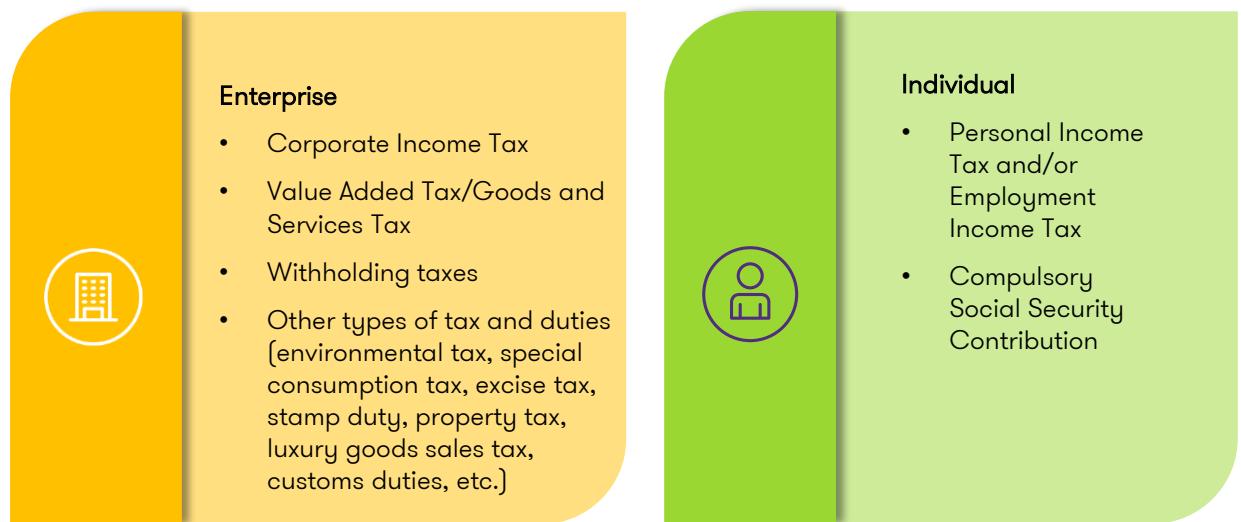
A comprehensive guide for Indonesia,
Malaysia, Philippines, Singapore,
Thailand, and Vietnam



Contents

1	Taxation in ASEAN 6 - Overview	05
2	Indonesia	08
3	Malaysia	11
4	Philippines	14
5	Singapore	17
6	Thailand	20
7	Vietnam	23
8	Contacts	26

Overview



Comparison of the common taxes

Country	Standard CIT rates	Standard VAT/GST	Top PIT rate (for employment income)	Capital gain tax
Indonesia 	22%	11% (effective rate)	35% (> IDR 5 billion)	Yes, usually CIT at normal rates, but final tax on listed shares
Malaysia 	24%	Sales tax: 10%; Service tax: 8%	Residents: 30%; Non-residents: 30%	10% on net gains
Philippines 	25%	12%	35%	<ul style="list-style-type: none"> 15% on net gain (unlisted shares); OR 0.1% on the gross sales (listed shares) effective from July 2025; OR 6% on the higher of either gross selling price or fair market value (sales of real property classified as capital assets)
Singapore 	17%	9%	Up to 24%	None
Thailand 	20%	7%	35%	Yes, either CIT or PIT
Vietnam 	20%	10% (5% for essential goods and services)	Residents: 35%; Non-residents: 20%	Yes, either CIT or PIT

Overview (Cont.)

Comparison of the common taxes

Country	Dividend	Royalty	Interest
Indonesia 	Residents: Nontaxable for corporations; 10% for individuals (self-assessed) or nontaxable if reinvested Non-residents: 20%, or reduced treaty rate	Residents: 15% Non-residents: 20%, or reduced treaty rate	Residents: 15% (not applied on interest paid to a bank) Non-residents: 20%, or reduced treaty rate
Malaysia 	Residents: 0% Non-residents: 0% 2% to be imposed on the excess of RM100,000 received by individuals (even through nominees) from resident companies	Residents: 0% Non-residents: 10%	Residents: 0% Non-residents: 15%
Philippines 	Residents: 0% for corporates and 10% for individuals Non-residents: 15%, 20% or 25%	Residents: 20% for corporates and 10%/20% for individuals Non-residents: 25% for corporates and 10%/20%/25% for individuals	Residents: 20% for corporates or individuals Non-residents: 0%/20% for corporates and 0%/20%/25% for individuals
Singapore 	Residents: 0% Non-residents: 0%	Residents: 17% (corporate) / up to 24% (individuals) Non-residents: 10%	Residents: up to 17% (corporate) / 24% (individuals) Non-residents: 15%
Thailand 	Residents: 10% for corporates; 10% for individuals Non-residents: 10% for corporates; 15% for individuals	Residents: 3% for corporates; 0% - 35% for individuals Non-residents: 15% for corporates; 15% for individuals	Residents: 1% for corporates; 15% for individuals Non-residents: 15% for corporates; 15% for individuals
Vietnam 	Exempted for corporates 5% PIT for individuals	Deduction method: same as CIT/PIT plus VAT (be able to credited input against output VAT) Direct method or Hybrid method: VAT exempted - CIT 10%	Deduction method: same as CIT/PIT plus VAT (be able to credited input against output VAT) Direct method or hybrid method: VAT exempted - CIT 2% or 5%

Overview (Cont.)

Matrix of Double Tax Avoidance Agreements (“DTA”) among 6 countries and with other countries

	Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam	Other countries
Indonesia		Yes	Yes	Yes	Yes	Yes	+66
Malaysia	Yes		Yes	Yes	Yes	Yes	+72
Philippines	Yes	Yes		Yes	Yes	Yes	+39
Singapore	Yes	Yes	Yes		Yes	Yes	+88
Thailand	Yes	Yes	Yes	Yes		Yes	+56
Vietnam	Yes	Yes	Yes	Yes	Yes		+75
Other countries	+66	+72	+39	+88	+56	+75	



Indonesia



All taxes are levied at the central government level and regional level. The Directorate General of Taxes, under the Ministry of Finance, is the governing body for tax administration and collection in Indonesia.

Corporate Income Tax

Corporate Tax Rate

The current standard CIT rate is 22%, which can be reduced under certain conditions for public companies, small companies, etc.

Tax Year – Calendar year or fiscal year.

Basis of Taxation

Indonesian enterprises are taxed on taxable income generated in and outside Indonesia. However, offshore dividend income may be nontaxable if it is reinvested in Indonesia, with certain conditions.

Foreign enterprises with Indonesia-based permanent establishments should generally assume the same tax obligations as a resident taxpayer in addition to a branch profit tax.

Deemed profit margins are applied for certain businesses such as domestic/foreign shipping and airline operations, foreign oil and gas drilling operations, and foreign trade representative offices.

Tax facilities

Tax facilities include, among others, tax holiday up to 100%, tax allowance, tax facilities in Special Economic Zones/bonded zones/remote areas, import tax facilities, and tax facilities for foreign direct investment.

Tax holidays are to support pioneer industries which provide additional value and high externalities, offer new technologies, and have strategic value for the national economy.

Generally, proposals or applications for tax holidays and tax allowances must be submitted, assessed and approved.

Tax Treatment of Unutilized Tax Losses

Tax loss may be carried forward for up to 5 years and can be extended to 10 years in limited cases. Losses cannot be carried backward.

Tax Treatment of Dividends Received from Domestic Shareholdings

Dividends received from a domestic enterprise after such enterprise has paid corporate tax are nontaxable for corporate taxpayers. Individual taxpayers are subject to 10% final tax (self-assessed by the individual); however, a dividend may be nontaxable under certain circumstances if it is reinvested in Indonesia.

Dividends paid to nonresidents will be subject to 20% withholding tax, or the lower tax treaty rate.

Controlled Foreign Corporation “CFC” Rules

Certain income of a CFC is subject to deemed dividend rules with certain limitations.

Limits on Interest Deduction

The nondeductibility of interest is determined by commonly accepted methods, such as a loan for nonbusiness related purposes, debt-to-equity ratio is exceeded, debt to EBITDA, loan is placed as deposit in savings of which interest income is subject to final tax, or transfer pricing adjustment.

Tax Filing Deadlines

The annual corporate income tax return is submitted by the end of the fourth month after the end of the tax year. Payment should be prior to submission.

Monthly withholding tax should be paid by the 15th day of the following month and reported by the 20th.

Coretax System

Coretax is the integrated tax administration system developed to handle all tax administration matters digitally. Starting 2025, all payments and reporting should be done through the Coretax system.

Indonesia



Capital Gains Tax

Sales of a company's assets (other than land and building) may result in capital gains or losses. Capital gains are taxable; losses are deductible if the asset was used in operating the business. The standard CIT rates generally apply.

Capital gains from the sale of listed shares will be subject to final tax at 0.1%, plus 0.5% for founder shares, from the gross sale amount.

Value Added Tax

VAT applies to the import or delivery of most goods and services in Indonesia. The VAT rate was increased to 12% in 2025; however, the government implemented a policy so that the effective VAT rate remained at 11% for most goods and services. The export of most goods and certain exported services is subject to 0% VAT. A VAT exemption applies for food and drink served in hotels and restaurants, public services provided by the Government that cannot be provided by normal businesses, among others.

Small-medium sized enterprises whose revenue does not exceed IDR 4.8 billion are not required to be registered as a VATable business.

VAT calculation methods

- Typically, VAT payable = output VAT – input VAT
- A VATable business can credit input VAT (incurred on the purchase of VATable goods/services, use of offshore services or intangible assets, and import of VATable goods) and offset this against output VAT (charged to customers on the delivery of goods/services). Input VAT is creditable if reported within 3 months after the end of the period stated in the VAT invoice.
- If output VAT exceeds input VAT during a month, the difference is payable before the end of the month. A refund can be requested if input VAT exceeds output VAT, which triggers a VAT audit.

Tax filing deadlines

- VATable companies must report and settle their VAT obligations on a monthly basis. The VAT return for a particular month must be submitted by the end of the following month and any amount owed must be paid before the return is submitted.
- If business is conducted in more than one location, each location must be registered for VAT purposes. VAT centralization is allowed in certain situations.

Withholding Tax

Income tax is mainly collected through two types of withholding tax: final and nonfinal. Both types are collected by designated withholding agents and reported in the monthly tax return. Income subject to final tax is not subject to further income tax; income subject to nonfinal tax is subject to further tax at the normal tax rates, but the amount withheld can be credited against tax payable.

Income paid to resident taxpayers in the form of dividends, interest, royalties, and gifts (among others) is subject to withholding tax of 15%; income paid related to e.g., services and rental of assets other than land/building is subject to withholding tax of 2%.

Final tax is withheld at various rates based on the type of income, e.g., land/building rental (10%), gains from shares traded on the Indonesian stock exchange (0.1%, plus an additional 0.5% for founder shares), and construction work/services (1.75%–6%).

Payments to nonresidents in the form of e.g., dividends, interest, royalties, rent, and branch profit tax are subject to withholding tax of 20%. This rate can be reduced if the recipient resides in a country which has a tax treaty with Indonesia, in which case a valid certificate of domicile must be submitted by the nonresident income recipient.

Tax payment methods

Monthly withholding tax should be paid by the 15th day of the following month and reported by the 20th.

Indonesia



Transfer Pricing

The Income Tax Law defines related parties as:

- A direct or indirect equity participation of at least 25% of another taxpayer;
- Two or more taxpayers under common control, directly or indirectly; or
- Family relationships.

Transactions between related parties must be conducted on an arm's length basis. If the tax office believes the pricing is not arm's length, it can redetermine the amount of taxable income and deductions.

Transfer pricing disputes can be resolved through the domestic dispute resolution process or through the mutual agreement procedures (MAP) if the dispute involves a transaction with a related party in a tax treaty partner country. The parties can also pursue an advance pricing agreement (APA), which is valid for 5 years.

Compliance requirements and filings

- Companies which meet certain criteria must prepare transfer pricing documentation in the form of a local file, master file and country-by- country report. A price setting report may be useful as a supporting document to the local file.
- Local and master files must be provided for compliance monitoring or within 1 month of the tax office's request in an audit. A country- by-country report must be prepared if the consolidated gross turnover of the business group is at least IDR 11 trillion in the fiscal year preceding the reported fiscal year.

Personal Income Tax

- A tax resident is defined as an individual who meets one of the following conditions:
 - Resides in Indonesia;
 - Is present in Indonesia for more than 183 days in a 12-month period; or
 - Is present in Indonesia and intends to reside in Indonesia (as evidenced by various documents).
- Indonesia resident taxpayers are generally taxed on their worldwide income; nonresident taxpayers are taxed only on their Indonesia- sourced income. However, expatriate resident taxpayers who meet particular job types and specific skills can apply to be taxed only on their Indonesia- sourced income. If granted, this is valid for 4 years from when the expatriate becomes an Indonesia tax subject.

Tax rates

- 5 – 35% for residents; 20% for nonresidents.
- Final tax rates for severance payments are 5%– 25%, if paid within 2 years.
- Pension payments from the government- approved pension fund are 0% (up to IDR 50 million) or 5% (> IDR 50 million) if paid within 2 years, and at normal tax rates for the 3rd year onward.

Tax filing deadlines

- The employer withholds employee income tax and reports to the tax office by 15th of the following month and pays by the 20th. Each employee will receive a tax form 1721-A1 from their employer which summarizes the monthly taxes paid by the employer to the tax authorities.
- The individual must file an annual individual income tax return. The filing date and the settlement date (for a tax underpayment) is 31 March. However, the filing deadline can be extended by 2 months.

Malaysia



Inland Revenue Board of Malaysia (“IRBM”) is the governing body for the tax administration and collection together with Royal Malaysian Customs Department (“RMCD”).

Corporate Income Tax

Corporate Tax Rate

The current standard corporate income tax rate is 24%.

Tax Year

The basis period for a company, co-operative or trust body is normally the financial year (“FY”) ending in a particular year of assessment (“YA”) coinciding with the calendar year.

Basis of Taxation

For residents, tax is imposed on income accruing in or derived from Malaysia, including the case where income is derived from outside Malaysia and received in Malaysia except for certain specific cases. However, resident companies carrying on the business of banking, insurance, sea or air transport (BISA) are assessable on income from wherever it is derived.

Tax incentives

Lower progressive tax rates from 15% - 24% are applied for resident companies with paid-up capital of RM2.5 million or less, and gross business income of not more than RM50 million. Those companies must not be part of a group of companies where any of their related companies have a paid-up capital of more than RM2.5 million, and no more than 20% of its paid-up capital is owned (directly or indirectly) by companies incorporated outside Malaysia or non-Malaysian citizens.

Other incentives (Pioneer Status, investment tax allowance) are also available in Malaysia for investment in promoted products and activities in manufacturing, agricultural, hotel and tourism industries, etc., or capital expenditure, providing partial or full relief from income tax for a specific duration.

Tax Treatment of Unutilized Tax Losses

Tax loss may be carried forward for maximum 10 consecutive YA and can be offset against all kinds of income from business source. Loss carried backward is not allowed.

Tax treatment on Profit distribution

Dividends paid, credited or distributed are tax exempt in the hands of shareholders.

Group Tax Relief

A company may surrender a maximum of 70% of its adjusted loss for a YA to one or more related companies for the first 3 consecutive YAs after having completed its first 12-month basis period from commencement of its operations with conditions. Also, companies enjoying certain incentives are not eligible for such group relief.

Controlled Foreign Corporation Rules

None.

Tax Filing Deadlines

- Submission of income tax return - Within 7 months from the date following the close of its accounting period.
- Submission of estimate of tax payable - 30 days before the beginning of the basis period, payable before 15th of a month commencing from the 2nd month of the basis period for a year of assessment by monthly instalments divided equally to the number of months of the basis period. The balance of tax payable by a company, based on the return submitted, is due to be paid by the due date for submission of the return.

Capital Gains Tax

- Capital gains tax, introduced on 1 January 2024, is levied on capital gains derived from disposals of capital assets situated in Malaysia or outside of Malaysia but remitted to Malaysia. Individuals are not subject to Capital Gains Tax.
- Real Property Gains Tax on gains arising from disposal of real property, including interest or shares in a real property company where its total tangible assets consist of 75% or more in real property and / or shares in another real property company.

Malaysia



Sales Tax and Service Tax

Sales Tax

Sales tax is a single-stage tax, applied to sales of locally manufactured taxable goods as well as to taxable goods imported into Malaysia for domestic consumption. Sales tax is also applicable to goods brought into Malaysia sold at a price not more than MYR500.

There is no input tax recovery for sales tax.

Sales tax is levied at 5%, 10% or a specific rate for petroleum products. There are a list of goods that are exempted from sales tax. All exported goods are exempted from sales tax.

Other than the above, Malaysia also stipulates Refund of sales tax for bad debts, Drawback on the sales tax paid in respect of imported or locally acquired goods which are subsequently exported but not applicable to petroleum.

Service Tax

Service tax is a single-stage tax levied on selected prescribed taxable services. Generally, service tax is not chargeable on services where the subject matter is outside of Malaysia.

The Service Tax rate is 8% effective from 1 March 2024 and levied on the value of taxable services rendered in Malaysia, including imported taxable services and digital services provided by foreign suppliers. Service tax rate for food and beverages, telecommunication, vehicle parking space, logistics, private healthcare, private education and construction services is 6%. Credit and charge cards are levied at the rate of MYR25.00 is maintained at 6%.

Tax registration

The Sales Tax registration threshold for a 12-month period is MYR500,000.

The Service Tax registration threshold for a 12-month period is MYR500,000, MYR1,000,000 or MYR1,500,000 for certain services. Despite the above, credit cards or charge cards issuers, services relating to clearing of goods from customs control and private education services have a nil threshold.

Tax filing deadlines

Any sales tax that falls due during a taxable period is payable to the RMCD latest by the last day of the month following the end of the taxable period. A taxable period is a period of 2 calendar months.

Service tax due is accounted for and payable to the RMCD every 2 months (taxable period) and by the last day of the month following the end of the taxable period.

Withholding Tax

In Malaysia, withholding tax (WHT) is imposed on certain payments made to non-residents, and in specific cases, residents, under the Income Tax Act, 1967. Payments subject to withholding tax and withholding tax rates:

- Contract payment to non-resident – 10% + 3%
- Interest payments to non-resident persons – 15%
- Royalty to non-resident persons – 10%
- Payments to non-resident Public Entertainers – 15%
- Payment of special classes of income to non-resident – 10% *
- Other income under Section 4(f) of the Income Tax Act, 1967 – 10%
- Income distributions by Real Estate Investment Trust (REITs) / Property Trust Fund – 24% (non-resident company), 10% (foreign investment), 10% (institutions other than non-resident company, foreign investment and resident company)
- Income distributions by Retail Money Market Fund to unitholder other than an individual – 24%
- Income distributions by Family Fund/ Takaful Family Fund / General Fund – 25% (non-resident) and 8% (other than non-resident and resident company)
- Income derived from withdrawal of a deferred annuity or a private retirement scheme before reaching the age of fifty-five – 8%.

* payment to non-resident for services rendered in Malaysia is exempted from withhold tax payment

Where the recipient is resident in a country which has a tax treaty with Malaysia, the withholding tax rates may be reduced or exempted.

Tax filing deadlines

- Within one month after such payment has been paid or credited to the resident or non-resident.



Transfer Pricing

In Malaysia, Transfer Pricing is primarily based on the arm's length principle. In this regard, a Transfer Pricing documentation ("TPD") is crucial as a defense documentation to justify that the controlled transactions are conducted at arm's length. The TPD needs to be retained for up to 7 years.

A company is required to prepare TPD if it has controlled transaction for the year. Depending on the threshold, a company can prepare the following types of TPD:

i) Full TPD

- a) Gross business income more than RM30 million and cross-border controlled transactions RM10 million or more; or
- b) Receives or provides controlled financial assistance transactions more than RM50 million annually.

ii) Minimum TPD

The company falls below threshold (a) or (b) above.

Nevertheless, a company can be exempted from preparing a TPD if the following conditions are met:

- a) Entered into controlled transactions of RM1 million or less; or
- b) Entered solely into domestic controlled transactions where both parties (i) do not enjoy tax incentives; (ii) are taxed at the same tax rate; and (iii) do not suffer losses for 2 consecutive years prior to the controlled transaction.

Compliance requirements and filings

The TPD needs to be prepared on a yearly basis and to be completed prior to the due date of submission of the annual Corporate Income Tax Return (i.e., Form e-C).

The TPD needs to be prepared on a contemporaneous basis, that is - Prepared and completed prior to the due date for furnishing a tax return; - Date of completion is required to be stated in the TPD; - Contains all information as required in the TP Rules 2023; - Must be furnished to the IRBM within 14 days upon its request.

A non-contemporaneous TPD will result in the following penalties: (i) Penalty between RM20,000 to RM100,000; or (ii) Imprisonment of up to 6 months; or (iii) The above penalty and imprisonment. A company within a MNE Group that is subjected to CbCR is required to complete a CbCR Notification which is part of the Form e-C. Nevertheless, the Master File is not required to be submitted to the IRBM, unless requested.

Earnings stripping rules (ESR)

The ESR apply to a person whose total interest expense for financial assistance granted in a controlled transaction exceeds RM500,000 in the year of assessment ("YA"). The ESR is applicable to both cross-border and domestic financial assistance transactions.

Under the ESR, interest deduction is restricted to a 'maximum amount of interest' being 20% of the tax-EBITDA.

Personal Income Tax

- Tax residents – Physically present or having regular residence in Vietnam at least 182 days in a calendar year and some other specific cases.
- Non-tax residents – Do not meet the above conditions.
- The submission deadline for a person not carrying on a business is 30 April of the following year. As for person carrying on a business, the submission deadline is 30 June of the following year.

Tax rates

- Residents: from 1% - 30%, certain employment income will be subject to 15%.
- Non-residents: 15% for Public entertainer's professional income and interest, 10% for Royalties, and special income such as Rental of moveable properties, etc. 30% for Business income, Employment income, etc.
- 2% Dividend Tax will be imposed on the excess of RM100,000 dividend income received by individual shareholders (resident and non-residents, and individuals who hold shares through nominees) from resident companies.
- Exemption is applied for short-term employees who has the aggregate of the period(s) of employment in Malaysia does not exceed 60 days in a calendar year; or the total period of employment which overlaps 2 calendar years does not exceed 60 days.

Tax filing deadlines

- Taxes are collected from employees through compulsory monthly deductions from remuneration by the 15th of the following month under the Monthly Tax Deduction (MTD) system.
- Individuals receiving non-employment income are required to pay by compulsory bi-monthly instalments.

Philippines

The Bureau of Internal Revenue (“BIR”) is the primary tax authority in Philippines.

Corporate Income Tax

Corporate Tax Rate

The current standard CIT rate is 25%. With specific conditions, domestic small and medium-sized companies and registered business enterprises under enhanced deduction regime can enjoy the rate of 20%.

Furthermore, there is a minimum CIT (“MCIT”) rate of 2% on gross income imposed on both domestic and resident foreign corporates beginning in the 4th taxable year of operations following the year when the corporation commenced its operations. The MCIT tax is payable when it is greater than the tax computed using the normal CIT rate. Any amount of MCIT paid in excess of the normal CIT shall be carried forward and credited against the normal CIT for three (3) immediately succeeding years.

Tax Year

Calendar year but corporations may adopt a different fiscal year than calendar year.

Basis of Taxation

Tax resident enterprises shall be taxed on worldwide taxable income being net income after allowable deductions. Non-tax residents are taxed on taxable income from sources within Philippines.

If a foreign corporation sets up a branch in the Philippines, such branch is regarded as a resident foreign corporation and is taxed on Philippines-sourced income.

Tax incentives

Special incentives such income tax holiday, enhanced deductions and special corporate income tax are available for export-oriented enterprises and domestic market enterprises engaged in strategic activities such as technology investments and other priority sectors. VAT exemption of importations and VAT zero-rating of local purchases are also available for export-oriented enterprises.

Tax Treatment of Unutilized Tax Losses

Tax loss may be carried forward for the maximum of three (3) years (for taxable years 2020 and 2021, the period is five (5) years as a temporary relief measure due to the pandemic). Loss carried backward is not allowed.

Tax Treatment of Dividends Received from Domestic Shareholdings

Not subject to tax.

Tax Treatment of Dividends Received from Foreign Subsidiaries or Associated Companies

Foreign sourced dividends received by a domestic corporations are exempted from tax in case of re-investment into working capital, capital expenditure, etc.

Dividends paid to non-resident foreign corporations are subject to a 15% withholding tax where the country of residence of dividend receiver allows at least 10% tax credit; otherwise, it will be 25%. The withholding tax may be reduced under an applicable tax treaty.

Controlled Foreign Corporation Rules

There are no CFC rules in Philippines.

Thin capitalization

Generally, there is no thin capitalisation rules in Philippines.

Tax Filing Deadlines

Corporate Quarterly Declaration must be filed on or before the 60th day following the close of each of the quarters of the taxable year, so is the payment of estimated tax obligations.

Annual income tax returns must be filed on or before the 15th day of the 4th month following the close of the taxable year. Annual final CIT liability payment follows the same deadline.

Philippines

Capital Gains Tax

Capital gains are subject to income tax at the regular CIT rate.

However, gains realised by domestic or resident foreign corporations on the sales of shares in a domestic or foreign corporation which are not traded in the stock exchange market are subject to 15% capital gains tax while the sale of listed shares are taxed at 0.6% on gross selling price, which is reduced to 0.1% pursuant to Capital Market Efficiency Promotion Act (“CMEPA Act”) effective from July 2025.

Capital Gains Tax are subject to filing within thirty (30) days after each sale, barter, exchange or other disposition of shares of stock not traded through the local or foreign stock exchange. For annual filing, **individual taxpayers** should complete on or before 15 April of each year covering all stock transactions of the preceding taxable year; **corporate taxpayers** must file within the first fifteen (15) days of the 4th month following the close of the taxable year covering all transactions of the preceding taxable year.

For transfer of real property classified as capital assets, it may be taxable or exempted (in case of sale of principal residence). Tax filing should be done within thirty (30) days following the sale, exchange or disposition of real property. The tax rate applied is 6% on gross selling price or fair market value, whichever is higher.

Value Added Tax

The current standard value added tax rate is 12%; the 0% VAT rate is applied for exports. VAT exemption is also granted for certain transactions and entities. Digital services consumed in the Philippines are subject to 12% VAT, unless the transaction is specifically exempted.

The threshold for VAT registration is PHP 3 million gross sales.

VAT calculation method

VAT payable = Output VAT – Creditable input VAT

Tax filing deadlines

- Optional Monthly filing for the first two months of the taxable quarter - by the 20th - 25th day following the close of the month
- Quarterly Filing - by the 25th following the close of the taxable quarter.

Withholding Tax

Income payments to local income payees can be subject to either creditable withholding tax or final withholding tax. While income payments to non-resident payees can be subject to final withholding tax.

Classification of withholding taxes

Creditable withholding tax such as

- Compensation (for employer-employee relationship),
- Expanded withholding tax (“EWTs”) is a tax withheld from local/resident vendors/suppliers (which is creditable against the income tax due of the local/resident vendors/suppliers for the taxable quarter or year)
- Withholding Tax on Government Money Payments (“GMPs”) including Value Added Taxes (before National Government Agencies and instrumentalities make any payments to VAT registered taxpayers/suppliers/payees) and/or Percentage Taxes (before National Government Agencies and instrumentalities making any payments to non-VAT registered taxpayers/suppliers/payees).

Final Withholding Tax is a kind of withholding tax which is prescribed on certain income payments and is not creditable against the income tax due of the payee.

Tax rates

Rates of withholding tax depend on types of income and residency status of income receivers. The most common include 10%-20%-25% for dividends, 15%-20%-25% for Interest, 10%-20%-25% for Royalties or Technical services (where treated as Royalties).

Tax filing deadlines

- Filing can be done via electronic or manual forms and payments. The employer must ensure that the tax due is equal to tax withheld after year-end adjustment. For more information, please refer to the Individual Income Tax section.
- Withholding tax returns must be filed monthly by the 10th-15th day of the following month for the monthly returns and last day of the following month for the quarterly returns.

Philippines

Transfer Pricing

TP legislation in Philippines largely adopts the arm's length principle set out under the OECD Guidelines.

In all cases, taxpayers should be able to explain why a specific TP method is selected or used in recording controlled transactions through proper documentation. Taxpayers who met the statutory conditions are required to file Information Return on Transactions with Related Party (BIR Form No. 1709).

Transfer Pricing Documentation (TPD) is required to prepare/maintain when any one of the threshold below is met:

- Annual gross revenue exceeding PHP150 million or related party transaction exceeding PHP90 million; or
- Sale of tangible goods involving the same related party exceeding PHP60 million within the taxable year; or
- Service transaction, payment of interest, utilization of intangible goods involving the same related party exceeding PHP15 million within the taxable year.

Master File and CbCR are not yet required while local TPD is preferred.

Manual Agreement Procedure ("MAP") and APA may be applied.

Compliance requirements and filings

- The Information Return on Transactions with Related Party (BIR Form No. 1709) shall be filed to the tax authority annually as an attachment to the annual CIT return, which submission deadline is the 15th day of the 4th month following the close of the taxable year. Taxpayers who electronically file annual CIT return can submit attachments to the return within 15 days from deadline of filing the return.
- TPD should be prepared contemporaneously which is prior to or at the time of undertaking the related party transactions. Deadline could be extended but not later than the deadline of annual CIT return. Furthermore, it should be available to submit within 30 days upon request from tax authority.

Personal or Individual Income Tax

- Resident citizen of Philippines are taxed on worldwide income.
- Non-resident citizens, resident aliens (foreigners), non-resident aliens, whether engaged (stay in the Philippines for an aggregate period of more than 180 days during any calendar year) or not engaged in business in the Philippines are taxed only on income from sourced within the Philippines.

Tax rates

- Compensation or Employment income and Income from engaging in Business and Practice of Profession: Progressive tax rates from 0%, 20% to 35% for citizens, aliens except non-resident alien not engaged in trade or business in the Philippines (NRANETB), 25% for NRANETB.
- For purely self-employed individuals and/or professionals with gross sales not exceeding Php3M, they can opt to pay 8% tax on gross sales and other income over Php250k, in lieu of progressive income tax rates and percentage tax.
- Fringe benefits furnished to managerial and supervisory-level employees by the employer are subject to a final Fringe Benefits Tax ("FBT") of 35%.
- Other types of income of citizens and resident aliens or non-residents will be applied at flat tax rates.

Tax filing deadlines

- For employment income – Local employers withhold and remit taxes on the compensation of its employees on a monthly basis. Furthermore, annualization of income is required to be performed On or before the end of the calendar year but prior to the payment of the compensation for the last payroll period, to determine the tax due from each employee on taxable compensation income for the entire taxable year.
- The FBT – a final tax – is payable on a calendar quarterly basis by the employer and deductible as part of fringe benefit expenses.
- Married individuals, who do not derive income purely from compensation, shall file a return for the taxable year to include the income of both spouses except when impracticable.

Singapore

The Inland Revenue Authority of Singapore (IRAS) is the governing body for the administration and collection of tax.

Corporate Income Tax

Corporate Tax Rate

The current standard CIT rate is 17% after the tax exemptions below.

Tax exemption

Partial tax exemption is available to exempt a portion of the first SGD 200,000 where conditions are met. Full tax exemption is available to exempt a larger portion of the first SGD 200,000 where the conditions are met.

CIT rebates

A CIT rebate is available for YA2024 based on 50% of the tax payable, capped at SGD 40,000 less the CIT Rebate Cash Grant. CIT Rebate Cash Grant for YA2024 is SGD 2,000 if local employee conditions are met.

Tax Year – Calendar year. Income earned in the basis year (preceding year) will be assessed in the year of assessment (YA).

Basis of Taxation

Companies in Singapore shall be taxed on (i) income accruing in or derived from Singapore and (ii) foreign income received or deemed as being received in Singapore from outside Singapore.

Foreign-sourced income

Foreign-sourced dividends, foreign branch profits and foreign-sourced service income received in Singapore by a Singapore resident company are exempt from income tax if the following conditions are met:

- the income is subject to some form of income tax in the foreign country
- the income is remitted from a country with a headline tax rate of not less than 15%
- the Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the Singapore resident company.

Unutilised capital allowances, trade losses and donations

Subject to certain conditions, Singaporean companies can carryforward unutilised capital allowances, trade losses and donations as well as carryback unutilised capital allowances and trade losses with a capped amount and for one year maximum.

Group Tax Relief

Under the group relief system, Singapore companies within the same group (the Group) are allowed to transfer current year tax losses, unabsorbed capital allowances and unabsorbed donations to another company in the same group.

Tax Filing Deadlines

An estimate of chargeable income (ECI) must be filed within three months from the end of a company's financial year or accounting period with concessional treatment.

The statutory deadline for filing corporate income tax returns is 30 November of the YA.

Income tax payable is due within 30 days from the date of the notice of assessment unless the IRAS has allowed the Company to pay the tax assessed by instalments.

Incentives

Singapore has an extensive range of tax incentives for businesses. These incentives are administered by statutory boards such as the Economic Development Board, Enterprise Singapore, the Maritime and Port Authority of Singapore and the Monetary Authority of Singapore.

Capital Gains Tax

In general, there is no capital gain tax in Singapore. However, the issue of the capital versus revenue divide has always been an area of contention with the Comptroller of Income Tax.

Singapore

Goods and Service Tax (“GST”)

The current standard GST rate is 9%. GST is a broad-based consumption tax and imposed on almost all supplies or goods and services in Singapore as well as imports into Singapore. For certain cases, GST can be zero-rated or exempted.

Singapore extended the scope of its GST regime to imported services with effect from 1 January 2020 and include non-digital services, if they are “remote services” i.e. services supplied from abroad, since 1 January 2023.

Registration for GST

- GST registration threshold is SGD 1 million, applying on a both a prospective and retrospective basis, i.e. previous year's supplies and current year's estimated supplies of goods and services in Singapore, and even in the case that the business does not have a physical presence in Singapore.
- From 1 January 2023, overseas suppliers, e-marketplace operators, etc. making significant supplies of “low-value goods” (not exceeding SGD 400 in value) to local customers via air or post, will need to register for GST in Singapore.
- GST registration can be exempted if a business has its zero-rated supplies exceed 90% of total supplies.

VAT calculation methods

- VAT payable = Output VAT – Input VAT

Tax filing deadlines

- One month after end of prescribed accounting period, usually quarterly with an option for monthly basis.

Withholding Tax

Withholding tax will be imposed on payments attributable to certain services performed in Singapore.

A non-final tax allows the non-resident to file a tax return and claim relevant expenses against the gross payments whilst a final tax does not allow this.

Payments to the Singapore branch of a non-resident business are not subject to withholding tax. However, the branch must include the income in its annual tax return.

Payments subject to withholding tax

- Interest or Rental or other payments for movable property. These are final taxes for operations carried on outside Singapore.
- Royalties or other lump sum payments for the use of immovable properties.
- Technical fees and management fees for services performed in Singapore.

And more to come further to the above.

Payments for software and payments for the use of or the right to use information and digitised goods will be characterised by rights-based approach which distinguishes between the transfer of a “copyright right” (which may be subject to withholding tax) and a “copyrighted article” (which is generally not subjected to withholding tax).

Withholding tax rates

Regarding rates of withholding tax, they can be up to 24%, depending on the nature of income but may be reduced under tax incentives or tax treaties.

Tax filing deadlines

- By 15th of the second month, following the date of payment to the non-residents.

Singapore

Transfer Pricing

Transactions between related parties must be consistent with the arm's length principle. If the arm's length principle is not followed, the tax authority is authorised to make transfer pricing adjustments.

Unless specific conditions are met, a 5% surcharge will be imposed on any TP adjustment made by IRAS and is applicable regardless of whether additional tax is payable as a result of the adjustments and must be paid within one month from the issuance of the surcharge notice.

Compliance requirements and filings

- Taxpayers engaged in transactions with related parties are exempt from preparing and maintaining TP documentation if they meet the following two conditions:
 1. Annual gross revenue from trade or business for the basis period concerned does not exceed SGD 10 million; and
 2. They were not required to prepare TP documentation for the immediately preceding basis period.
- Some more conditions and thresholds can be met to alleviate these administrative burden.
- There are various other transactions entitled to specific exemptions such as routine support services where a 5% mark-up is applied or certain types of transactions not exceeding SGD 15 million.
- If not being exempted, TP documentation must be completed prior to the tax return filing deadline for the YA.
- It is noteworthy that exemption from preparing comprehensive TP documentation does not exempt taxpayers from IRAS scrutiny. Hence, maintaining adequate records is essential to ensure preparedness for any inquiries or audits conducted by the IRAS.

Personal Income Tax

- Tax residents – Normally reside in Singapore without temporary absences, or physically present or exercise an employment in Singapore (other than being a director) for more than 183 days in a calendar year.
- Non-tax residents – Do not meet the above conditions

Taxable incomes

- Generally, individuals are taxed on Singapore sourced income.
- Any foreign sourced income received in Singapore is exempt for non-tax residents. For tax residents it is also exempt if the Comptroller is satisfied that the tax exemption is beneficial, but excludes income received through a partnership in Singapore.

Tax rates

- Residents are subject to progressive rates of tax up to 24%.
- For non-residents, a flat 24% is usually due on Singapore source income. Where employment income is involved then this is the higher of a flat 15% and the progressive resident rates.
- Residence status and income earned in the basis year (preceding year) will be assessed in the year of assessment (YA).

Tax filing deadlines

- The statutory deadline for filing an employee's individual tax return is 15 April (if paper filing) or 18 April (if e-filing) of the year following the YA.
- Tax assessed has to be paid within a month from the date of the Notice of Assessment, unless instalment payment is registered.

Thailand

The Thai Revenue Department (“RD”) is the governing body for the administration and collection of tax.

Corporate Income Tax

Corporate Tax Rate

The current standard corporate income tax rate is 20%. Small enterprises with paid up capital on the last day of any accounting period less than THB 5 million and revenue less than THB 30 million in any accounting period are exempted from tax on initial net taxable profits of THB 300,000.

Tax Year

Must be 12 months, except for the followings:

- The first accounting period may end on any date within twelve months of incorporation;
- The closing date of an accounting period can be changed with the permission of the Director General of the Revenue Department.

Basis of Taxation

Enterprises incorporated in Thailand shall be taxed on taxable income generated worldwide while those carrying businesses in Thailand only will be subject to withholding tax for their certain types of income generated in Thailand.

Branches of foreign companies pay income tax at the normal tax rate on locally earned profits and are subject to additional 10% tax upon profit remittance.

Tax incentives

Tax incentives including but not limited to:

- Exemption of corporate income tax on the net profit and dividends derived from the promoted activities for periods from 3 years to 13 years (with or without cap). One additional year of CIT exemption can be granted for projects located in industrial estates or promoted industrial zones;
- Further 50% reduction of CIT after the exemption period ends;
- Double deduction from the costs of transportation, electricity and water supply
- Additional 25% deduction of the cost of installation or construction of facilities •

Tax Treatment of Unutilized Tax Losses

Net losses may be carried forward for five (5) accounting periods to offset against future profits from all sources. There is no provision for loss carry-back.

Tax Treatment of Dividends Received or Paid

- Dividends received by a company listed on the Stock Exchange of Thailand are exempted from income tax. Same treatment is applied for dividends received by a company incorporated in Thailand holding at least 25% of the voting shares in another Thai company (with conditions).
- Furthermore, companies incorporated in Thailand is entitled to a reduction from taxable income 50% of a dividend received from another company incorporated in Thailand.
- Dividends paid to a foreign company not doing business in Thailand are subject to a withholding tax of 10%. Foreign tax credit is allowable, limited to the amount of Thai tax on the same income.

Group Tax Relief, Controlled Foreign Corporation Rules or Thin Capitalisation Rules

None.

Tax Filing Deadlines

- Half-year return must be filed within two months after the end of the first six (6) months of an accounting period and so is the tax payment calculated on estimated profit, except for certain industries such as banks, financial institutions, etc.
- The annual tax return must be filed within 150 days from the closing date of an accounting period and credit is given for the amount of tax paid at the half-year above.

Thailand

Capital Gains Tax

There is no specific legislation governing capital gains. It is considered as “normal” income for CIT purposes.

Gains on the sale of investments derived from or in Thailand by a foreign company not carrying on business in Thailand are subject to a tax of 15%, withheld at source by the purchaser, unless otherwise exempt under DTA. The purchaser withholds the tax.

Value Added Tax

The current standard value added tax rate is 10% and currently reduced to 7%. VAT rate of 0% applies to the export of goods outside Thailand and services performed in the country but entirely used abroad.

VAT is imposed upon sale of goods, provision of services, and imports. There are certain exempt activities such as agricultural products, educational and cultural services, medical services, etc.

Threshold for VAT registration is annual revenue of THB 1.8 million.

A foreign supplier without a permanent establishment or agent in Thailand is not subject to VAT on the sale of goods to Thailand. The VAT on services performed abroad but used in Thailand is payable by the service recipient within seven (7) days from the end of the month in which the payment is made.

VAT calculation methods

- Credit method: VAT payable = Output VAT – Creditable input VAT.
- If the monthly input VAT exceeds the output VAT, the VAT registrant may claim a refund or carry the excess forward.

Tax filing deadlines

- Registration must be done within 30 days of its revenues exceeding THB 1.8 million.
- Monthly basis – Monthly VAT return with payments are due to the tax authority RD within 15 days (additional eight days in case of e-filing) of the following month.

Withholding Tax

Withholding tax is imposed on payments of certain categories of income to domestic receivers in addition to payments of income to non-residents.

Withholding tax rates

Upon paying to a foreign company not doing business in Thailand (non-residents):

- 10% WHT will be imposed on dividends;
- 15% on interests and royalties unless otherwise stipulated by the DTAs;
- 15% on management and professional fees for services rendered outside of Thailand, except for the cases where the fees paid to companies outside Thailand where its country of residence has tax treaty with Thailand and have no permanent establishment in Thailand, WHT are generally exempted.

Upon paying to resident individuals and companies or branches:

- 10% WHT will be imposed on dividends;
- 10% if paid to associations or foundations, 1% in other cases for interest payments;
- 10% if paid to associations or foundations, 3% in other cases for royalty payments;

Different rates will be applied based on types of incomes and tax residency status of the receivers. Government agencies are liable for a WHT of 1% on all income paid to Thai companies.

Tax filing deadlines

- The payer must withhold tax at source on certain income, complete the return, and pay the WHT to the tax authority.
- For payments to companies and branches, the payer must remit the WHT to the tax authority within the first seven (7) days of the month after the payment was made.

Thailand

Transfer Pricing

Specific TP provisions were introduced since 2019, before that it were a part of the general income tax provisions. The TP rules in Thailand adopts the arm's length principle generally based on the OECD Guidelines.

Taxpayers with annual revenue exceeding THB 200 million are required to file for TP reports, including

- TP disclosure form to be filed at the time of filing their annual tax return; and
- TP Documentation which must be retained up to five (5) years and submitted to tax authority upon request.
- CbCR was introduced from 1 January 2021.
- Only Bilateral APAs are accepted with the covered period generally limited to a maximum of five accounting periods.
- In February 2022, Thailand signed the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting.

Compliance requirements and filings

- TP Disclosure Forms as appendices to CIT finalisation returns with similar annual due date.
- TP Documentation: Local files should be available in Thai and submitted to the tax authority within 60 days after receipt of formal written notice from the Thai Revenue Department. Benchmarking analysis exemption is applicable only if certain conditions are met. Master file can be prepared in English or Thai language.
- CbCR is required to be filed within 12 months from the financial year-end in the case where the Ultimate Parent Entity of a Thai Multinational Enterprise (“MNE”) group is the filing entity and within 60 days upon request in the case where the filing entity falls under the local filing conditions.

Personal Income Tax

- Tax residents – Residing in Thailand for more than an aggregated period of 180 days in any tax year – are taxed on employment and business income conducted in Thailand and on overseas income earned from 1 January 2024 only if they are transferred to Thailand on the same year or later.
- Non-tax residents – Do not meet the above conditions – are taxed on income derived from employment or business carried on in Thailand.

Taxable income and tax rates

- Employment income (Salaries and wages, fringe benefits, rent allowance): 0% – 35%.
- Capital gains: Taxable with 15% for both residents and non-residents on the gains derived and credit against assessable income in annual PIT return, unless certain conditions are met for tax exemption. Capital losses cannot be offset against capital gains.
- Interest and dividends: subject to withholding at the flat rates of 15% and 10%, respectively. Income from other business, commerce, industry: subject to withholding tax at different tax rates.

In the case where an individual has assessable income other than from employment, amounting to THB 120,000 or more, the tax payable must not be less than 0.5% of the total assessable income.

Personal allowances and other specific allowances such as health insurance premium, pension life insurance, donations, etc.

Tax filing deadlines:

- All persons liable to tax are required to file a tax return no later than 31 March of the following year for hardcopy filing and 8 April for online filing. Annual tax must be paid at the same time.
- For income from lease and certain professions, a mid-year tax return must be filed by 30 September in respect of income derived during the first half of the tax year to 30 June and creditable against annual tax liability.

Vietnam



All taxes are levied at the national level, no local taxes. Department of Taxation is the governing body for the administration and collection of tax. For customs & tariff, it is Department of Vietnam Customs.

Corporate Income Tax

Corporate Tax Rate

The current standard corporate income tax rate is 20%. In the oil and gas industry: 25%-50% depending on the location and other specific conditions.

Tax Year

- Calendar year or fiscal year;
- The first tax year (in case of newly establishment) or the last tax year (in case of bankruptcy, dissolution, etc.) could be added up to the subsequent/prior tax year but the total duration must not exceed 15 months.

Basis of Taxation

Vietnamese enterprises shall be taxed on taxable income generated in and outside Vietnam.

Foreign enterprises with Vietnam-based permanent establishments shall be taxed on:

- Taxable income generated in and outside Vietnam, which are related to the operation of such establishments; and
- Taxable income generated in Vietnam, which are not related to the operation of such establishments.

Foreign enterprises without Vietnam-based permanent establishments shall be taxed on taxable incomes generated in Vietnam.

Tax incentives

Tax incentives are applied for investments in encouraged sectors and/or areas; or large-scale projects. There are two types of tax incentives:

- Preferential tax rates are 10% or 17% for the whole project life or number of years. In addition, a 15% tax rate is available for micro enterprises with annual revenue below VND3 billion or those operating in preferential industries;
- Tax exemption and tax reduction could be up to four (4) and nine (9) years, respectively.

Tax Treatment of Unutilized Tax Losses

Tax loss may be carried forward fully and consecutively for the maximum of five (5) years. Loss carried backward is not allowed.

Tax Treatment of Dividends Received from Domestic Shareholdings

Dividends received from a domestic enterprise after such enterprise has paid corporate tax are exempted from tax.

Tax Treatment of Dividends Received from Foreign Subsidiaries or Associated Companies

Tax treatment of foreign sourced dividends received after paying corporate tax overseas:

- In case of investments to a country having a Double Taxation Agreement with Vietnam: the provisions of such agreement shall be applied;
- In case of investments to a country not having a Double Taxation Agreement with Vietnam: collecting the positive difference between corporate tax under the Law of Vietnam and the foreign country.

Group Tax Relief

None.

Controlled Foreign Corporation Rules

None.

Thin Capitalisation Rules

For taxpayers who incur related party transactions, the interest expenses exceeding 30% of EBITDA are non-deductible. (EBITDA is calculated using net interest expense, which equals to interest expense minus interest income).

Tax Filing Deadlines

The last day of the third month from the end of the tax year.

Vietnam



Capital Gains Tax

Tax Treatment of Capital Gains Arising from the Disposal of Domestic and Foreign Shareholdings

Capital gains are subject to income tax, either for corporate or individual investors.

Deductibility of Capital Losses Resulting from the Disposal of Domestic and Foreign Shareholdings

Capital losses are not deductible.

Value Added Tax

The current standard value added tax rates include 0%, 5% and 10%. There are VAT exemption and non-declaration cases.

- 0%: Exported goods and services;
- 5%: Essential goods and services, such as clean water, animal feeds, teaching aids, etc.
- 10%: Standard VAT rate. Also applied for services provided via digitalized platforms and e-commerce channels by overseas entities having no permanent establishment in Vietnam.
- VAT exemption: no output VAT shall be charged, and any input VAT shall be uncreditable, but considered as deductible expenses for CIT purposes. For non-declaration cases, related input VAT can be creditable.

VAT calculation methods

- Credit method: VAT payable = Output VAT - Creditable input VAT. This is the most common method.
- Direct method: VAT payable = Revenue x Deemed VAT rates (including 1% for trading, 3% for manufacturing, transportation, etc., 5% for services and construction without materials, and 2% for others)

Tax filing deadlines

- Monthly basis – by the 20th day of the subsequent month.
- Quarterly basis – by the last day of the first month of the subsequent quarter.

Withholding Tax

FCT regime is imposed on foreign business individuals (PIT and VAT) and foreign organisations (CIT and VAT) earning Vietnam-sourced income.

FCT payment methods

- Deduction method – VAT under credit method and CIT as other Vietnam-based entities.
- Direct method – VAT and CIT will be withheld and settled by Vietnamese customers with prescribed rates.
- Hybrid method – a mix method where VAT is under credit method of deduction method above and CIT is under direct method above.

Rates of FCT – depends on types of business activities such as Trades, Services, Insurance, Leasing, Royalty, etc.

Tax filing deadlines

- Deduction method and VAT of Hybrid method – same as standard CIT and VAT
- Direct method and CIT of Hybrid method – 10 days from payment date of Vietnamese customers.

Vietnam has also applied Tax mechanism on foreign e-commerce or digital-platform businesses similar to Withholding Tax regime above. Foreign companies having such business activities will be granted a tax code for online tax declaration via portal of the Department of Taxation on a quarterly basis, even when they incur no income during any quarter.

Vietnam



Transfer Pricing

The Vietnamese Government has been enforcing Transfer Pricing (“TP”) since 2005 as an integral part of the CIT regime.

Vietnamese TP regulations provides a threshold for TP filing, in which qualified small and medium taxpayer could be exempted from the preparation of TP Documentation reports. The threshold currently include

- (i) Total revenue in financial year/tax period under VND 50 billion and (ii) total value of controlled transactions (total value of revenue and expenses) in financial year/tax period under VND 30 billion; OR
- Total revenue in financial year/tax period under VND 200 billion, and no income and/or expenses from intangible assets (i.e. royalty, trademark, tradename, etc.), achievement of minimum operating margin (5% for distributor, 10% for manufacturer or 15% for toll manufacturer); OR
- Incurred transactions have been subject to the cover of Advance Pricing Agreement (APA) valid for 3-year duration upon approval from Department of Taxation; OR
- Vietnamese taxpayer only incur domestic related party transactions, and all parties are not subject to tax incentives.

Compliance requirements and filings

- TP Disclosure Forms as appendices to CIT finalisation returns with similar annual due date.
- TP Documentation reports (such as Local Files, Master Files, and/or a copy of Country-by-country profitability report from the Ultimate Parent Entity) shall be available in Vietnamese and submitted to the tax authority upon request.

Personal Income Tax

- Tax residents – Physically present or having regular residence in Vietnam for more than 183 days in a calendar year – are taxed on world-wide income.
- Non-tax residents – Do not meet the above conditions – are taxed on Vietnam-sourced income.

Taxable income and tax rates

- Employment income: 5 – 35% for residents and 20% for non-residents. New tax brackets will be available soon under the new Law on Personal Income Tax.
- Business income: Deemed rates depends on types of business activities.
- Flat rates on other types of income such as capital investment, capital transfer, royalties, etc.

Tax filing deadlines:

- Monthly basis – by the 20th day of the subsequent month.
- Quarterly basis – by the last day of the first month of the subsequent quarter.
- Annual finalization – either the last day of the fourth month of the subsequent year or 45 days from repatriation date.

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