



Update new legal documents and important tax policies

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Content

In this newsletter, Grant Thornton Vietnam would like to provide updates readers the newly issued regulations, official letters, and tax guidance.

1. Decree No. 221/2025/ND-CP

Regulations on temporary visa exemption for certain categories of foreigners serving diplomatic and socio-economic development purposes. This decree takes effect from 15 August 2025.

2. Decree No. 188/2025/ND-CP

Issued on 1 July 2025, guiding implementation of the Law on Health Insurance. This decree takes effect from 15 August 2025.

3. Decision No. 114/QĐ-BCĐTTTC

Action plan for establishing International Financial Centers in Ho Chi Minh City and Da Nang.

4. Official letter No. 2821/CT-TS

Tax Department acknowledges taxpayer's proposal on dependent registration when changing employers.

5. Official letter No. 413/VLO-QLDN2

Guidance on input Value Added Tax (VAT) deduction for goods and services purchased under deferred payment terms.





1. Decree No. 221/2025/ND-CP

- The Government has just issued Decree No. 221/2025/ND-CP dated 8 August 2025, providing guidance on the temporary visa exemption for certain categories of foreigners who fall under priority groups serving socio-economic development purposes. This Decree takes effect from 15 August 2025.
- This Decree brings many practical benefits: strengthening diplomatic relations, attracting investment and economic cooperation, creating favorable conditions for foreign experts and high-quality human resources to work in Vietnam, promoting cultural and social exchanges, and enhancing flexibility in immigration management. In this newsletter, we provide an update on the key contents of the Decree.

1. Decree No. 221/2025/NĐ-CP (cont.)



Subjects of application

- High-level guests invited by leaders of the Party, State, Government, National Assembly, Fatherland Front, judiciary bodies, Ministers, or provincial/municipal leaders.
- Scholars and experts: professors, scientists, chief engineers, and high-quality digital technology professionals.
- Investors and executives of large global enterprises.
- Influential individuals in culture, arts, sports, and tourism.
- Honorary Consuls of Vietnam abroad.
- Guests invited by universities, research institutes, or major enterprises (as listed and approved by the Government).
- Other special cases decided by the Ministry of Public Security for diplomatic or socio-economic purposes.



Criteria and Conditions

- **Criteria:** Must meet eligibility requirements listed in Appendix I of the Decree (the Government has authority to update this list).
- **Conditions for visa exemption:**
 - ✓ Have a valid passport;
 - ✓ Have an official request letter from a competent authority, using Form NA-01 or NA-02, including details on purpose, duration, and personal information, etc.
 - ✓ Not falling under cases of entry suspension or travel ban under relevant laws.



Special visa exemption card

- Can be issued in electronic format or chip-based card, both with the same legal validity.
- Validity of visa exemption: up to 5 years.
- Foreigners using this card are granted temporary residence of 90 days per entry (or equivalent to the visa exemption validity if shorter). After expiry, they may apply for extended residence permits or other immigration documents under relevant laws.

2. Decree No. 188/2025/ND-CP

The Government issued Decree No. 188/2025/ND-CP on 01 July 2025, providing detailed guidance for the Law on Health Insurance. This decree takes effect from 15 August 2025.

This decree replaces Decree 146/2018/ND-CP and Decree 75/2023/ND-CP. Accordingly, certain new provisions are as follows:

Main Content	Key New Provisions
Eligibility and contribution levels	Expanded groups of eligible participants to achieve the nationwide health insurance coverage, detailed contribution rules.
Exemptions from contribution	No penalty for late payment in force majeure cases (natural disasters, epidemics, emergencies, etc.) as per Law on Health Insurance 2024, Article 48b.
Budget support levels	Increased government support for special groups (students, trafficking victims, near-poor households, etc.).
Medical cost reimbursement	<ul style="list-style-type: none"> ▪ Clearly define the conditions, limits, and implementation principles to ensure transparency and feasibility. ▪ Expand benefits: outpatient treatment outside the registered facilities will no longer require to pay the full cost as previously, applicable from 1 July 2025. ▪ Special cases covered: Health insurance benefits remain available even without a card in situations such as Children under 6 not yet issued a card, Pending renewal/replacement, Emergency treatment, Defective card or incorrect information not yet be corrected
Verification of medical data	Nationwide health insurance database verification to be implemented no later than 01 January 2026.
5-year continuous participation	New rule added: Individuals who have participated in health insurance for 5 consecutive years and whose co-payment in a financial year exceeds 06 months' basic salary (by 31 December of that year) will have 100% of the excess medical costs covered.
Application of regulations	In case of conflict between old and new regulations, the rule most beneficial to the patient will prevail.
Benefit continuity when change of administrative boundaries or administrative units.	Health insurance participants will retain their entitlements in case of changes to administrative boundaries or administrative units.

3. Decision No. 114/QĐ-BCĐTTTC on establishing International Financial Centers (IFCs)

Decision No. 114/QĐ-BCĐTTTC issued the Action Plan for building IFCs in Vietnam, with the goal of launching operations in Ho Chi Minh City and Da Nang City by the end of 2025. This is a key initiative to attract long-term investment, global corporations, advanced technology, and high-quality human resources, while promoting socio-economic development.

- **Focus:** Develop a special legal and regulatory framework, create a competitive international environment, ensure transparency, and align with global practices; promote infrastructure development, financial technology, modern human resource training, and establish a modern financial ecosystem.
- **Incentives:** Tax incentives, import-export policies, distribution of goods, labor, employment, and social security. Policies aim to provide a competitive regional environment to attract international investors, corporations, and innovative enterprises.
- **Expectation:** Promote innovation, digital economy development, and enhance Vietnam's financial position regionally and globally.



4. Official Letter No. 2821/CT-TS dated 30 July 2025

Tax Department's response to taxpayer's proposal on dependent registration when changing employers

Proposal

- A taxpayer submitted a proposal to remove the requirement to re-register dependents when changing employers.
- Under the current regulations (Circular 111/2013/TT-BTC, dated 15/08/2013, Ministry of Finance):
“If a taxpayer changes workplace, the new employer is responsible for re-registering dependents when preparing the Personal Income Tax (PIT) reduction dossier for the taxpayer.”
- In practice, when employees change jobs, there is often a gap before dependent registration is updated, leading to difficulties in entitling timely family circumstance-based deductions.



Tax Department's response

The Tax Department acknowledged the concern and considered to adjust this term in the new Personal Income Tax law and Law on Tax administration.

On 17 July 2025, Ministry of Finance published a draft of the new PIT Law to seek publication consultation.

Regarding this matter, we note that the draft PIT laws, Article 11, Clause 2 only stipulates: *“The determination of dependent deductions shall follow the principle that each dependent may only be claimed once by one taxpayer.”*

In comparison with the current regulations at Circular 111/2013/TT-BTC, Article 9, Clause c, Point c.2.4, *“Each dependent may only be claimed once by one taxpayer in a tax year. In cases where multiple taxpayers share the responsibility of supporting a dependent, the taxpayers must reach an agreement as to which taxpayer will register the dependent for deduction purposes”*, we observed that the new draft PIT Law has not yet to clarify any change to this matter. Further monitoring will be necessary once the official law is promulgated.

5. Official Letter No. 434/VLO-QLDN2 dated 11 August 2025

Tax Department of Vinh Long Province – Guidance on VAT deduction for installment/ deferred payments.

Legal basis:

According to Decree 181/2025/NĐ-CP, Article 26, Clause 2, Point g:

- For purchases of goods/services valued over VND 5 million under deferred payment or installment arrangements, enterprises must make payment via bank transfer or other non-cash methods in order to claim input VAT deduction.
- If payment documents are not yet available but the contractual payment deadline has not yet arrived, enterprises may temporarily claim the input VAT deduction.
- By the payment due date, if no valid non-cash payment evidence is available, businesses must reverse the VAT already claimed.
- Of note, timely and proper payment documents are essential to secure VAT deduction rights.



Conclusion from Vinh Long Tax Department:

- For goods/services purchased on deferred payment, if at the due date under the contract, there is **no non-cash payment evidence**, the company must **reverse the input VAT previously credited**.
- If the company makes a non-cash payment **after the agreed deferred payment period**, such payment **will not be accepted for input VAT credit**.

Impact & Recommendation:

According to the guidance in the official letter, if the payment deadline has passed without valid non-cash payment evidence, the enterprise will not be entitled to credit the input VAT, even if payment is later made. In practice, this could create significant challenges for businesses. To mitigate risks, enterprises should consider:

- Maintain non-cash payment evidence (e.g., bank transfer slips, electronic payment confirmations) to secure VAT credit entitlements.
- Review and reconcile payment schedules and supporting documents before preparing VAT return filings, in order to detect and promptly address any missing payment evidence.
- Strengthen internal procedures and coordination between accounting, procurement, and legal documentation teams to ensure transparency and compliance, thereby minimizing risks of penalties or unexpected VAT adjustments. Where necessary, consider contract addenda to extend payment terms if timely payment is not feasible.

Contact

Please study the newly issued regulations and review the internal compliance procedures in order to comply with the regulations on customs tax as well as reduce errors in the process of filing and preparing documents that could lead to additional tax obligations or administrative penalty.

Please contact the experts of Grant Thornton Vietnam for in-depth advice if you have any inquiries during the implementation of tax and customs compliance

Please visit our **Tax Hub** to view more information

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