

## UPDATE OF TAX POLICY - DECREE 70/2025/ND-CP ON INVOICES AND SUPPORTING DOCUMENTS

On 20 March 2025, the Government issued Decree 70/2025/ND-CP ("**Decree 70**") amending Decree 123/2020/ND-CP on invoices and supporting documents. The amendments and supplements in Decree 70 are also summarized by the Department of Taxation in Official Letter No. 348/CT-CS dated 28 March 2025.

Some noteworthy changes are as follows:

### 1. Subject of application

- Supplementing the subjects of applying electronic Value Added Tax ("**VAT**") invoices, including overseas suppliers without a permanent establishment in Vietnam engaging in e-commerce, digital platform-based business activities and other services who voluntarily register to use electronic VAT invoices.

### 2. Invoice issuance and types of invoices

- Amending and supplementing the provision allowing sellers (including business households and individual businesses) to authorize third parties to issue electronic invoices.
- Supplementing regulations on types of invoices for export processing enterprises ("**EPEs**"), whereby EPEs engaging in other business activities (besides export and processing activities) must use electronic sales invoices or electronic VAT invoices, depending on the registered tax declaration method.
- Supplementing regulations allowing enterprises to use electronic commercial invoices when exporting goods and providing services abroad if they meet the conditions of standard data format and transmission of electronic commercial invoice data to the tax authorities.

### 3. Time of invoice issuance

- Clarifying the time of invoice issuance for exported goods, whereby the time for issuing electronic commercial invoice, electronic VAT invoice, or electronic sales invoice is determined by the seller but no later than the next working day from the date the goods are customs cleared according to customs regulations.
- Amended regulations on the timing for issuing invoices in specific cases:
  - Supplementing cases where invoices for sale of goods and provision of services are issued according to reconciliation periods (i.e. no later than the 7th day of the month following the month in which the goods are sold or services are provided or 7 days after the end of the agreed period), including: railway transport support services, television advertising services, e-commerce services, banking services (except for lending activities), international money transfers, securities services, electronic lotteries, road toll collection services between investors and toll collection service providers, and other cases under the guidance of the Ministry of Finance.

- Abolishing the regulation on the time of invoicing at the end of the day for retail trading business and food and beverage business in direct-to-consumer store systems where all business activities are accounted for at the headquarters.
- Abolishing the regulation on issuing total invoices at the end of the day or month for banking, securities, insurance services, electronic wallet money transfer services, electricity distribution services to buyers being non-business individuals who do not need invoices.
- For credit institution activities:
  - ✓ For lending activities: the timing is when the bank actually collects interest.
  - ✓ For foreign exchange agency activities, foreign currency receipt and payment services: at the time of foreign exchange, completion of foreign currency receipt and payment services.
- For insurance business activities: at the time of recognizing insurance revenue in accordance with the applicable regulations on insurance business.
- For passenger transport business by taxi using fare calculation software: issued at the end of the trip and invoice data transmitted to the tax authorities.
- Supplementing the timing for issuing tax deduction certificate as at the time of personal income tax withholding.

#### **4. Invoice content**

- Supplementing some contents to be stated on invoices, including the personal identification number of the individual buyers or the codes of state budget related units.
- Supplementing the requirements for the invoice description of goods and service names in some cases such as food and beverage services and transportation services.
- Clarifying that if the time for invoices to be created and digitally signed cannot be on the same day, the time for digital signature must be no later than the next working day following the day when the invoice is created.

#### **5. Invoices generated from cash registers**

- Supplementing the subjects required to use electronic invoices generated from cash registers connected to the tax authorities for data transmission, including: business households, individual businesses with annual revenue from VND1 billion, and enterprises with direct-to-consumer sales activities such as: shopping centers; supermarkets; retail businesses (excluding retail of automobiles, motorcycles, motorbikes, and other motor vehicles); food and beverage service; restaurants; hotels; passenger transportation services, direct support services for road transport, etc.

#### **6. Replacement and adjustment of electronic Invoices**

- Abolishing the regulation on invoice cancellation.
- Supplementing regulations whereby, before adjusting or replacing the incorrectly issued electronic invoices, if the buyers are enterprises, economic organizations, other organizations, business households, individual businesses: the seller and the buyer must have a written agreement specifying the incorrect content of the invoices. In case the buyers are individuals, the seller must send notification to the buyer or provide announcement on the seller's website.
- Supplementing regulations allowing enterprises to issue one invoice to replace or adjust multiple incorrectly issued invoices in the same month for the same buyer.
- Specifying cases where the seller or buyer issues invoices in cases of goods returns.

#### **7. Other provisions**

- Supplementing the prohibited acts to include "not transmitting electronic data to the tax authorities" and "forging invoices and documents".
- Decree 70 also amends and supplements some report templates as prescribed.

Decree 70 takes effect from 1 June 2025.

# Contact us

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