

Tax and Legal Updates

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Policies to attract high-quality personnel to work at IFC

In addition to issuing the Decree on the establishment and operation of the International Financial Center (IFC) in Vietnam, the Government of Vietnam has also issued several important policies to attract high-quality human resources to work at IFC. These policies aim to strengthen global competitiveness, promote knowledge transfer, and enhance national financial capacity.

These policies include:

- Detailing and guiding the implementation of labor, employment and social security (Decree 325/2025/ND-CP dated 18/12/2025 takes effect on the same day);
- Personal Income Tax (PIT) incentives (Decree 324/2025/ND-CP dated 18/12/2025 takes effect on the same day); and
- Immigration incentives (Decree 327/2025/ND-CP dated 18/12/2025 takes effective from 17/01/2026).



Labor

- There is **no restriction on the proportion** of foreign workers employed at IFC.
- **Foreigners** who enjoy preferential policies are foreign workers working for employers under IFC.
- **Duration of the work permit and the work permit exemption certificate:** up to 10 years.
- **Relaxation of the process and procedures** for applying for a work permit and work permit exemption:
 - Work permit exemption for some cases where foreigners meet the criteria and conditions as prescribed.
 - Exemption from the requirement to notify the recruitment of Vietnamese workers before recruiting foreign workers for equivalent positions.
- **The time limit for processing dossiers** is shortened by up to 3 working days from the date the competent authority receives a complete dossier.
- **The competent labour authority** is not the Department of Home Affairs, but the specialized agencies under the IFC.



Social insurance; Health Insurance and Unemployment Insurance

• Social Insurance

- **Foreigners not otherwise eligible to participate in social insurance** according to the provisions of the Law on Social Insurance No. 41/2024/QH15 (intra-corporate transfer, have reached retirement age, or according to international treaties), **may voluntary participate in compulsory social insurance when they request to participate.**
- Social insurance regimes and procedures for settlement of social insurance benefits apply the same as those for foreigners who are subject to compulsory social insurance.

• Health Insurance

The participation in and settlement of health insurance regimes for both Vietnamese and foreigners shall comply with the provisions of the law on health insurance.

• Unemployment Insurance

Foreigners working at IFC can participate in unemployment insurance when they request to participate and are entitled to the same unemployment insurance regime as for Vietnamese.



Personal Income Tax

• PIT exemption for income from salaries and wages:

- Applicable to managers, experts, scientists, and highly qualified people working at IFC, including Vietnamese and foreigners.
- This policy is effective until the end of 2030, provided that individuals must fully meet the criteria and conditions as prescribed.

• PIT exemption for income from capital transfer:

Individuals earning incomes from the transfer of shares, capital contributions, and the right to contribute capital to members are exempt from personal income tax on this income until the end of 2030.



Immigration and Residence

• Issuance of visas and temporary residence cards

- Foreigners who are important investors, experts, managers and high-skilled workers at IFC are granted a UD1 visa or temporary residence card for a maximum period of 10 years.
- The spouses and children under the age of 18 of these foreigners are granted visas or UD2 temporary residence cards with the corresponding duration.
- The time limit for processing entry procedures and issuing visas is reduced to a maximum of 3 working days.

• Consideration of permanent residence for foreigners working at IFC

- Foreigners who are important investors, experts, scientists, people with special talents, and long-term senior managers are considered for permanent residence cards when they meet the conditions.
- Time to process the dossier: 2 months.

In addition, the Government in Resolution No. 222/2025/QH15 also has a policy to establish priority immigration clearance areas and separate lanes at international airports in Ho Chi Minh City and Da Nang for experts and employees working at IFC to reduce processing time.

KPMG Recommendations

- Human resources are the foundation of every IFC, maximizing incentives is an important factor that makes it easier for businesses to attract, recruit and retain highly qualified personnel from abroad to work at IFC, while minimizing administrative barriers for businesses.
- The above-mentioned incentive policies of the Government are only applied and take effect when all conditions are met and the procedures as prescribed are strictly followed. Continuous monitoring, compliance, and timely application of procedures will ensure businesses fully benefit from the incentives available to experts and skilled workers.

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