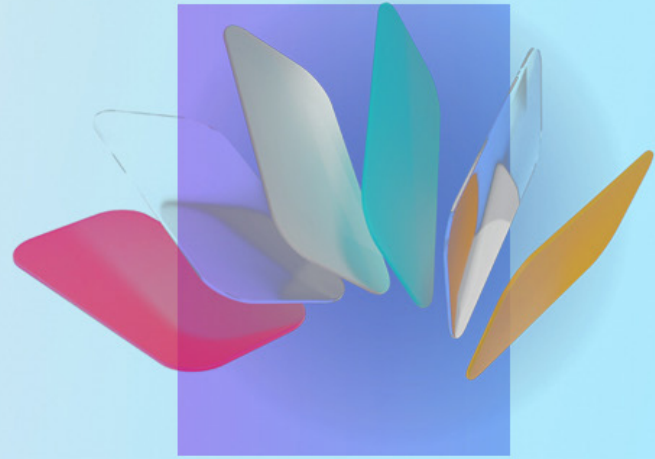


Tax Alert

November 2022



Decree 91/2022/ND-CP amending and supplementing a number of articles of Decree 126/2020/ND-CP

On 30 October 2022, the Government issued Decree 91/2022/ND-CP (“Decree 91”) amending and supplementing several articles of Decree 126/2020/ND-CP. Decree 91 takes effect from 30 October 2022 with some notable changes as below:

1. Amending the regulation on provisional Corporate Income Tax (“CIT”) payment

- The total provisional CIT payment for the four quarters in a fiscal year must not be less than 80% of the total CIT liability arising on completion of the annual CIT finalization. This rule is applicable from the tax year 2021 onward. Of note, in respect of the year 2021, where the provisional CIT payment in the first three quarters is not lower than 75% of the annual CIT liability, the rule of 80% as regulated under Decree 91 will not be applied.
- Previously, Decree 126/2020 required the provisional CIT payment for the first three quarters to account for at least 75% of the annual CIT liability.

2. Amending the regulations on the withholding and declaration of Personal Income Tax (“PIT”)

- Monthly or quarterly PIT returns will not be required where income paying organizations/ individuals are not subject to the PIT withholding in a particular month or quarter.
- Decree 91 defers the timeline to implement the provision of Point dd1, Clause 5, Article 7, Decree 126/2020 on the obligation to withhold and declare PIT by securities trading companies and commercial banks when an individual receives dividends in the form of securities or an individual being an existing shareholder receives bonuses in the form of securities until 1 January 2023, instead of from 5 December 2020. Where an individual receiving dividends in the form of securities or an individual being an existing shareholder receiving bonuses in form of securities is recorded in the securities account from 31 December 2022 or earlier, and the securities trading company or commercial banks have not withheld and declared PIT on his/her behalf, such individual will declare and pay tax directly to the tax authority and will not be subject to both administrative penalty for late tax filing and interest on late payment.

3. Supplementing the regulation on the responsibility of owners of e-commerce trading platforms (“e-commerce owners”) in information reporting

- E-commerce owners being organizations established and operating under Vietnamese laws are responsible for providing tax authorities with information of traders, organizations and individuals conducting partially or wholly their supply of goods or provision of services via the e-commerce trading platforms. The information reporting must be performed on a quarterly basis, which is due by the end of the first month of the following quarter, via online tax portal of the General Department of Taxation.

4. Supplementing the regulation on the deadline for tax declaration and payment

- Where the deadline for tax declaration, tax payment, and the deadline for tax authorities to handle the tax dossier or enforce tax payment, falls on off-days or public holidays, the deadline will be the next workday following the deadline.

Please contact KPMG for further consultation on the impact of Decree 91 to your business.

Contact us

Hanoi

46th Floor, Keangnam Landmark 72,
E6 Pham Hung, Me Tri, Nam Tu Liem

T +84 (24) 3946 1600

Ho Chi Minh City

10th Floor, Sun Wah Tower,
115 Nguyen Hue, Ben Nghe, District 1

T +84 (28) 3821 9266

Da Nang

Unit D3, 5th Floor, Indochina Riverside Towers,
74 Bach Dang, Hai Chau I, Hai Chau

T +84 (236) 351 9051

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Email: kpmghcmc@kpmg.com.vn