

# GMS Flash Alert

2023-006 | January 11, 2023



## Vietnam – Tax Authorities Focusing in on Tax Debts

Recently there has been an increasing number of expatriates receiving tax debt notices from local tax authorities. Where the tax debt remains unsettled or the taxpayers are unresponsive to the third notice, the tax authority will issue temporary exit bans and inform the immigration authority accordingly for their record.

The local tax authorities have become more aggressive in collecting tax debts. This follows from the tax administration's Law No. 38/2019/QH14 issued by the National Assembly and the decision No. 1129/QĐ-TCT dated 20 July 2022, issued by the General Department of Taxation on tax debt management.

---

### WHY THIS MATTERS

Unsettled tax debt presents a risk of:

- \* imposition of penalties and interest;
  - \* deportation for the individuals and difficulties when re-applying for (re)entry.
-

## What Taxpayers Can Expect



---

### KPMG INSIGHTS

- The taxpayer/company should review the tax debt status of the taxpayer/employee within the last 10 years so as to be able to take action(s) that may be necessary to avoid a ban being imposed in terms of that individual's exit from Vietnam.
- The debt recorded by the tax system may not represent the actual amount owed due to numerous external reasons (e.g., missing/wrong payment, system errors, incorrect tax return recorded, etc.). Therefore, tax debt reconciliation with the tax authority should be carried out periodically or upon departure or upon receiving a tax debt notification issued by the tax authority to help ensure the fulfilment of the individual's tax obligations.
- To prevent tax debt arising in future, taxpayers may wish to make sure they adhere to tax payment deadlines and include necessary information in payment descriptions to help avoid missing/wrong payments.

### What KPMG Can Help With

- Periodic tax payment / tax debt reconciliation;
- Tax debt review and clearance;
- Working with tax and immigration authorities to reconsider, and potentially remove, an exit ban.

## Contact us

For additional information or assistance, please contact your local GMS or People Services professional or one of the following professionals with the KPMG International member firm in Vietnam:



**Andrea Godfrey**

**Partner**

Mob. +84 917 974 454

[andreadgodfrey@kpmg.com.vn](mailto:andreadgodfrey@kpmg.com.vn)



**Le Minh Hang**

**Director**

Mob. +84 914 331 115

[hmle@kpmg.com.vn](mailto:hmle@kpmg.com.vn)



**Nguyen Thuy Duong**

**Director**

Tel. +84 975 293 095

[duongtnguyen@kpmg.com.vn](mailto:duongtnguyen@kpmg.com.vn)

**The information contained in this newsletter was submitted by the KPMG International member firm in Vietnam.**

© 2023 KPMG Limited, KPMG Tax and Advisory Limited, KPMG Legal Limited, all Vietnamese one member limited liability companies and member firms of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

[www.kpmg.com](http://www.kpmg.com)

[kpmg.com/socialmedia](http://kpmg.com/socialmedia)



© 2023 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. Printed in the U.S.A. NDPPS 530159

The KPMG name and logo are registered trademarks or trademarks of KPMG International. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG LLP is the U.S. firm of the KPMG global organization of independent professional services firms providing Audit, Tax and Advisory services. The KPMG global organization operates in 147 countries and territories and has more than 219,000 people working in member firms around the world.

Each KPMG firm is a legally distinct and separate entity and describes itself as such. KPMG International Limited is a private English company limited by guarantee. KPMG International Limited and its related entities do not provide services to clients.

Flash Alert is a GMS publication of KPMG LLP's Washington National Tax practice. To view this publication or recent prior issues online, please click here. To learn more about our GMS practice, please visit us on the Internet: click here or go to <http://www.kpmg.com>.