

Changes to VAT Invoices in Vietnam: 1 July 2025 changes with Decree 70/2025/ND-CP

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Changes to VAT Invoice Issuance from 1 July 2025, with Decree 70/2025/ND-CP

The Vietnam Government issued Decree 70/2025/ND-CP on 20 March 2025, implementing various amendments to provisions in Decree 123/2020/ND-CP concerning VAT invoices and documentation. These changes take effect from 1 June 2025, and are designed to address evolving business needs, providing clearer guidance for invoicing and documentation processes.

Key Changes Arising:

1. Additional parties eligible to use VAT invoices

E-commerce business activities, digital platform-based businesses, and other services provided by foreign suppliers without a permanent establishment in Vietnam will be added as parties eligible to use VAT invoices, a provision not specified in Decree No. 123/2020/ND-CP.

2. Addition of electronic commercial (e-commerce) invoices as an eligible invoice type

The decree introduces an amendment that permits exporters of goods or services from Vietnam to opt for using electronic commercial invoices, provided they meet the requirements for electronically transmitting commercial invoice data to the tax authorities. Otherwise, exports must use VAT e-invoices and sales e-invoices in accordance with current regulations.

This provision appears to revert to the previous rules before Decree No. 123/2020/ND-CP was implemented, when exports were permitted to use e-commerce/commercial invoices instead of VAT invoices. This new provision requires further guidance from the tax authorities to ensure consistency with VAT regulations, which currently require the issuance of VAT invoices for exported goods or services.

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Vietnam VAT Invoice Changes from 1 July 2025

3. Export Processing Enterprises (EPEs) required to issue VAT invoices when engaging in business activities outside the scope of export processing

EPE are required to issue VAT invoices or sales invoices, depending on the VAT tax method adopted, for activities outside the export processing scope.

4. Amendments to VAT Invoicing Issuance Timelines for Certain Industries:

- **Sale of Goods:** VAT invoices are to be issued upon the transfer of ownership or the right of use, regardless of whether payment has been received. This provision remains unchanged compared to Decree 123/2020/ND-CP. However, the new decree clearly stipulates the invoicing issuance timelines for the export of goods.

The decree states that for the export of goods (including export processing), the time for issuing electronic commercial invoices, electronic VAT invoices, or electronic sales invoices is determined by the seller, but must be issued no later than the next working day following the clearance of the goods through customs, in accordance with customs laws.

- **Sale of Services:** VAT invoices are to be issued upon service completion, including services provided to foreign organizations and individuals. If payment is received in advance or during the provision of services, the invoice is issued at the time of payment, (except for deposits or advances for services such as accounting, auditing, financial consulting, tax consulting, valuation, surveys, technical design, supervision consulting, and investment project planning).

This amendment emphasizes that the timeline for issuing invoices for services provided to foreign organizations and individuals is now explicitly included in this regulation, whereas it was previously an implicit understanding.

- **Mass sales of goods and services that occur frequently and require time for data reconciliation:** The invoice may be issued after reconciliation, but no later than the 7th of the following month or within 7 days after the agreed invoicing period.

This provision extends to industries such as rail transport support services, banking services (excluding lending activities), international money transfers, securities services, computerized lotteries, road toll collection between investors and toll service providers, and other cases as guided by the Minister of Finance, which were not clearly mentioned in Decree 123/2020/ND-CP.

- **Sale of natural gas, associated gas, and coal seam gas transported by gas pipeline to buyers:** The time of invoice issuance is the time when the buyer and seller determine the volume of gas delivered in the month, but no later than the last day of the deadline for declaration and tax payment for the month in which tax obligations arise according to tax laws.

In contrast, under Decree 123/2020/ND-CP, the time of invoice issuance is when the buyer and seller determine the monthly gas delivery volume, but no later than 7 days after the date the seller sends the monthly gas delivery notice.

- **Lending activities:** The time of invoice issuance for lending activities follows the specific schedule outlined in the credit contract, except for outstanding interest as determined by credit laws and interest prepayment, where the invoice is issued upon payment.

- **Foreign exchange agency activities:** The time of invoice issuance is the time of the foreign currency exchange, or the time when completion of foreign currency receiving and payment service arises.

- **Passenger transportation services integrated through POS machines (ride-hailing, etc.):** Invoices are to be issued electronically immediately upon trip completion and submitted to the tax authority.

- **Healthcare sector:** Medical facilities are to issue a consolidated invoice at the end of the day unless an individual invoice is requested. For payments related to social insurance, invoices are issued at the time of settlement.

- **Insurance sector:** Invoices are issued when revenue is recognized under insurance business regulations.

- **Traditional lottery & instant-result lottery tickets:** Lottery businesses must issue e-invoices with a tax authority code for each agent (organization/individual) after retrieving unsold tickets, no later than prior to the next draw.

- **Casino & prize-winning electronic games:** E-invoices must be issued no later than one day after the end of the revenue recognition day (from 00:00 to 23:59). Businesses must submit revenue data (total money received minus refunded amounts) using Form 01/TH-DT to the tax authority at the same time as e-invoice data submission.

- In addition, a number of industries/activities are no longer regulated: with retail and direct to consumer activities now included with electronic invoice generation through POS (Point of Sale) systems, changes include:

- i) Regulations requiring the issuance of invoices at the end of each day for retail business activities and food and beverage services under the direct-to-consumer store model have been removed,
- ii) Regulations requiring the issuance of invoices at the end of the day or month for banking services, securities, insurance, electronic wallet transfer services, and electricity disconnection and reconnection services provided by electricity distribution units to individual customers who are not engaged in business and do not require invoices have been removed.

5. Amendments for adjustments to incorrect invoices

- Sellers are no longer permitted to cancel issued invoices, even where invoices have not yet been released to buyers.
- Before generating an adjustment or replacement invoice, the buyer and seller need to reach mutual agreement regarding the incorrect information. For non-business individual buyers, the seller must notify the buyer directly or provide a notification on the seller's website.
- Sellers are permitted to only issue one adjustment/replacement invoice for multiple incorrectly created electronic invoices in the same month, along with a list of the incorrectly issued electronic invoices according to Form No. 01/BK-DCTT, Appendix IA. This list must include the same information about the buyer, product name, unit price, and tax rate across multiple invoices from the same buyer in the same month
- Sellers are required to issue an adjustment invoice when a buyer returns goods, unless it is mutually agreed that a buyer will issue the invoice when returning the goods.
- For services, sellers are specifically required to issue an adjustment invoice to reflect changes in the invoice amount, such as refunds or decreases in service fees.
- For electronic invoices, the regulations specify how to record adjustments: increases are marked as positive values and decreases as negative values. These updates incorporate certain guidelines from Circular 78/2021/TT-BTC into the Decree to address practical issues.

6. Timing of e-Invoice dates and the date of e-signing invoices

If the date of e-signing an invoice differs from the invoice issuance date, sellers must complete signing and submission of e-invoices to the tax authority (or transmit data for non-coded e-invoices) no later than the next working day, except when submitted via the summary report as specified. Sellers will declare tax based on the invoice issuance date, while buyers declare tax based on the invoice receipt date, provided the invoice is complete and compliant with regulations.

These amendments appear to address the a significant number of existing issues arising with Decree 123/2020/ND-CP in practice, and provide more specific guidance on matters that previously caused difficulties for taxpayers when applying the provisions of the previous decree.

For any further questions you may have, please reach out to us at vietnam@alitium.com


This article is intended to provide an overview of recent updates to tax regulations. While it aims to present useful insights, it is important to note that the content shared here should not be considered as formal legal or financial advice. For specific guidance on tax obligations or legal matters related to your business, we strongly recommend consulting with a qualified professional, such as a tax advisor or legal expert or directly reach out to us.


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