

Vietnam Capital Gains Tax on Share Transfers

(Updated June 2026)

Overview of Current Rules (as of June 2026)

1. Regulatory and legal context

The proposed changes arise under:

▶ **Personal Income Tax (PIT) Law 2025**
Draft Decree expect effective from
1 July 2026 (subject to final issuance)

▶ **Corporate Income Tax (CIT)**
Decree 320/2025/ND-CP

▶ **Value Added Tax (VAT)**
Decree 181/2025/ND-CP

2. Tax treatment of share capital gains


Seller Types	Target Company	Type of Tax	Current	Proposed
Individual	Share transfer - Listed JSCs	PIT	0.1% tax on gross proceeds	No change
	Share transfer - Non-listed JSCs		0.1% tax on gross proceeds	
	Capital transfer - LLCs		<ul style="list-style-type: none">• 20% tax on capital gains (Resident individual)• 0.1% on gross proceeds (for Non-resident individual)	
Corporate - Share Deal	Share transfer - Listed JSCs	CIT	20% on taxable income (Transfer price - Purchase price of the transferred capital - Transfer-related expenses)	<ul style="list-style-type: none">• 20% tax on capital gains, or• 2% tax on gross proceeds if cost base cannot be determined, effective from 1 July 2026
	Share transfer - Non-listed JSCs			
	Capital transfer - LLCs			
Corporate - Asset Deal	Asset Deal	VAT	VAT treatment depends on the nature of transferred assets and transaction structure; standard VAT rate may apply	No major proposed change noted
		CIT	Treated as other income for CIT purposes and subject to the standard CIT rate of 20%	


Notes:

- Expanded PIT applicability to all forms of real estate transfers, including transfers of companies owning real estate.
- **Indirect Transfer:** Even if the transaction occurs at the offshore parent company level, if it results in a change of ownership of a Vietnamese entity, the Vietnamese tax authorities reserve the right to tax the gain derived from the underlying assets or interest in Vietnam.
- **Tax Due Diligence:** In share acquisition deals, the buyer inherits all historical tax liabilities and risks of the target company. Consequently, conducting a thorough review of past tax records is critically important.
- **Transfer Pricing:** If a transaction takes place between related parties, the transfer price must comply with arm's length principles to avoid the risk of tax reassessment (tax imposition) by the authorities.


3. Timeline


- **PIT:** Within 10 days from agreement effective date.
- **CIT:** Regular filing for local entities; or within 10 days from the date the ownership of capital is transferred for foreign entities.


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