

KEY NOTES ON INPUT VAT DEDUCTION FROM JULY 1, 2025

Cashless payment documents



Previously

One of the conditions for input VAT deduction is the availability of non-cash payment documents for the purchase of goods and services (including imported goods) valued at **VND 20 million or more**, except circumstance the total value of goods or services per invoice is under VND 20 million, inclusive of VAT.



Current regulations

A business establishment must have documents of non-cash payment for purchased goods and services (including imported goods) valued at **VND 5 million or more**, inclusive of value-added tax.

In case of purchases goods or services valued at less than VND 05 million from the same taxpayer but makes many purchases in the same day with the total value of VND 05 million or more is entitled to tax credit only when it produces non-cash payment documents.

Refer to other forms recognized as non-cash payment methods [here](#).

Deferred payment

Previously

If non-cash payment documents are unavailable **by the payment time** , business establishments shall **declare and reduce** input value-added tax amounts already credited for the value of goods and services without non-cash payment documents **in the tax period in which the payment obligation arises**.

Current regulations

If non-cash payment documents are unavailable **by the payment time defined in contract or contract annex**, business establishments shall **declare and reduce** input value-added tax amounts already credited for the value of goods and services without non-cash payment documents **in the tax period in which the payment obligation arises according to the contract or contract annex**

(Point g, Clause 2, Article 26 of Decree No. 181/2025/NDND-CP)

Invoices with wrong VAT rates

Previously

For businesses purchasing goods or services: If the VAT rate indicated on an invoice is **higher** than that prescribed in legal documents on VAT, **the input VAT shall be credited at the rate** prescribed in these legal documents.

If it is possible to conclude that the seller has declared and paid tax at the rate indicated on the invoice, the input VAT may be credited at this rate but the written certification of the seller's managing tax office is required.

If the VAT rate indicated on an invoice is **lower** than that prescribed in legal documents on VAT, **the input VAT shall be credited at the rate indicated on the invoice.**

(Point b, Clause 5, Article 12 of Circular No. 219/2013/TT-BTC)

Current regulations

None of regulation

Adding prohibited acts in VAT tax credit and rerefund

Invoices and documents arising from the following prohibited acts **shall not be eligible for value-added tax (VAT) deduction:**

1

Purchasing, giving, selling, advertising, and brokering the purchase and sale of, invoices.

2

Creating fake transactions on purchase and sale of goods/services, or conducting transactions in contravention of law.

3

Making goods sale or service provision invoices in the period of suspension of business operation, except the case of making invoices for customers to perform contracts signed before notification of business operation suspension.

4

Using unlawful invoices and documents, or illegally using invoices and documents under the Government's regulations.

5

Failing to transfer e-invoice data to tax offices under regulations.

6

Falsifying, misusing, illegally accessing or destroying the information system on invoices and documents.

7

Giving, receiving or brokering bribes or committing other acts related to invoices and documents to enjoy VAT credit or refund, or make VAT appropriation or evasion.

8

Colluding, covering up; colluding among tax administration officers, tax administration offices and business establishments, importers, and between business establishments and importers in using unlawful invoices and documents, or illegally using invoices and documents to enjoy VAT credit or refund, or make VAT appropriation or evasion.

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