



VAT REDUCED TO 8%

[UPDATE 2026]

 Chau Doc - An Giang, Vietnam  N2NC

Positive news from Vietnam Government that VAT 8% continue to apply from 1 July 2025 to 31 Dec 2026, promulgated under Resolution 174/2024/QH15 of Vietnam National Assembly.

The Government issue Decree 174/2025/ND-CP guiding VAT rate reduction.

APPLICABLE SUBJECTS

Basically, 8% VAT is still applied to all goods and services for next 12-month period, **EXCEPT:**

- Financial activities, banking, securities, insurance
- Real estate business
- Metals and prefabricated metal products, mining products
- Goods and services subject to special consuming tax (SCT)

SIGNIFICANT CHANGES

One significant change in new issued Resolution that the subjects of 8% VAT beneficiaries are expanded comparing to previous one. Besides the abovementioned goods and services, businesses in transportation, logistics, IT goods and services are subject to tax rate reduction.

NEW LAW PROMULGATION

Law on Value-Added Tax No. 48/2024/QH15 is effective from 1 July 2025.

Prominent changes is Goods and Services provided subject to VAT 0%; and certain conditions of such activities in order to be entitled for VAT 0%.