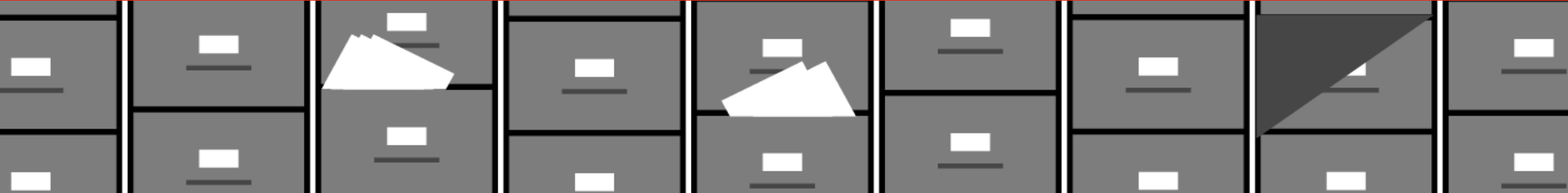


2% VAT rate cut in 2022



12 January 2022

At a glance...

On 11 January 2022, the National Assembly has approved a Resolution on fiscal and monetary policies to support the Socio-Economic Development and Recovery Program which is effective from 11 January 2022 to 31 December 2023. The Resolution includes a 2% VAT reduction applicable for 2022.



Below are some notable points:

- Applicable to 2022, goods and services which are currently subject to 10% VAT shall be entitled to a reduced VAT rate of 8%, except for the following types of goods and services:
 - Telecommunications, IT services;
 - Finance and banking services, securities, insurance;
 - Real estate business;
 - Metal production and manufacture of prefabricated metal products;
 - Mining industry (excluding coal mining), production of coke (“than cốc”), refined petroleum, production of chemicals and chemical products; and
 - Goods and services which are subject to special sales tax.

- The Resolution requests the Government and relevant ministries to implement the policies set out therein. It is expected that the guiding documents with details on the implementation of the above VAT reduction will soon be issued.

Contact us

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. For further information, please reach out to us.

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