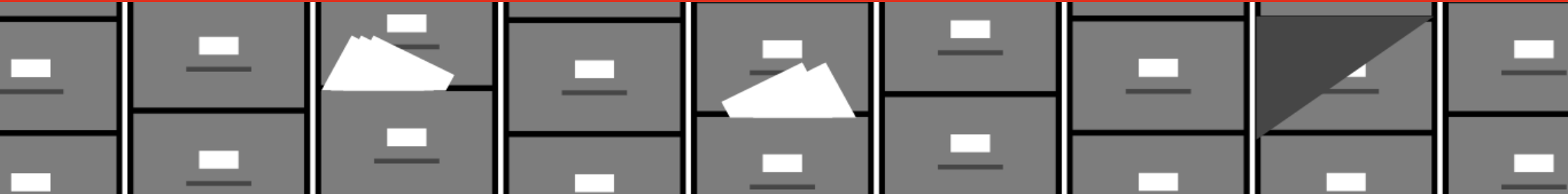


Vietnam signed the MAAC – key milestone in international cooperation



20 April 2023

At a glance...

On 22 March, Vietnam signed the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, becoming the 147th country to join the Convention. The Convention needs to be ratified before coming into force.



What is the MAAC?

- The MAAC was developed jointly by the OECD and the Council of Europe in 1988 and amended by protocol in 2010.
- The Convention facilitates international co-operation and provides various forms of administrative cooperation to tackle tax evasion and avoidance. These range from exchange of information, including automatic exchanges, to the recovery of foreign tax claims.



What does it mean for Vietnam?

- The countries in MAAC include members of the G20, OECD, EU, BRIICS, large financial centers and developing countries.
- Participating in the MAAC is a key milestone that may lead to expanded international co-operation on tax administration, including participating in the Multilateral competent authority agreement in the future. In addition, the MAAC provides a legal framework for tax administration cooperation and will assist Vietnam to accelerate exchanging information with other countries participating in the MAAC.
- There is an article on automatic exchange of information which may provide an avenue for Vietnam to obtain CbCR automatically from countries participating in the MAAC.
- Taxpayers could be affected in future in cases of certain tax disputes (e.g. on transfer pricing) where one country's tax authority seeks information and assistance from another country to enforce their tax regime.

Contact us

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