



PwC Vietnam Newsbrief

# New Special Sales Tax Law

July 2025





# At a glance

On 14 June 2025, the National Assembly approved the new Special Sales Tax (“SST”) Law which will take effect from 01 January 2026.

Some key changes in the new SST law are as follows.

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# Key points

## 01

### Change the scope of SST

- Adding beverages with sugar content above 5g/ 100ml in accordance with Vietnamese standard (excluding milk and dairy products; liquid foods used for nutritional purposes; natural mineral water and bottled drinking water; pure vegetable and fruit juices, etc.)
- All tobacco products according to Law on Prevention and Control of Tobacco Harm would be subject to SST. Accordingly, per the new SST law, the scope of tobacco products subject to SST is much broader, including other tobacco products.
- Air-conditioners with capacity less than 24.000 BTU are excluded from objects subject to SST.
- **“Goods imported from abroad into non-tariff areas, goods sold from the inland into non-tariff areas for use only in non-tariff areas, and goods traded between non-tariff areas, except under-24 seat cars”** would now be subject to SST, similar to goods consumed domestically. Only goods exported overseas would be outside the scope of SST.



# Key points

## 02

### Increase in SST rate

The official law introduces the roadmap for increase in SST rates in a number of sectors. Considering the current social-economic situation, the roadmap to increase SST rate will start from 2027 instead of 2026 as initially proposed under the draft SST law. The key changes are highlighted below:

- **Beverages with sugar content above 5g/ 100ml** (excluding certain regulated cases) is subject to 8% SST from 1 January 2027 and 10% SST from 1 January 2028.
- **Tobacco products:** SST rate will increase from 2027 to 2031, specifically:

Products	Current SST rates	Proposed SST rates
Cigarettes	75%	From 2027: 2,000 VND/pack; From 2028: 4,000 VND/pack; From 2029: 6,000 VND/pack; From 2030: 8,000 VND/pack; From 2031: 10,000 VND/pack
Cigars	75%	From 2027: 20,000 VND/cigar; From 2028: 40,000 VND/cigar; From 2029: 60,000 VND/cigar; From 2030: 80,000 VND/cigar; From 2031: 100,000 VND/cigar
Tobacco (thuốc lá sợi), pipe tobacco or other forms, other tobacco products	75% for other tobacco products	From 2027: 20,000 VND/100g or 100ml; From 2028: 40,000 VND/100g or 100ml; From 2029: 60,000 VND/100g or 100ml; From 2030: 80,000 VND/100g or 100ml; From 2031: 100,000 VND/100g or 100ml

# Key points

## 02

### Increase in SST rate (cont'd)

- **Alcohol and beer:** SST rate will increase from 2027 to 2031 (up to 90%), specifically:

Products	Current SST rates	Proposed SST rates
Spirit/Wine with ABV $\geq 20^{\circ}$	65%	From 2027: 70%; 2028: 75%; 2029: 80%; 2030: 85%; From 2031: 90%
Spirit/Wine with ABV $< 20^{\circ}$	35%	From 2027: 40%; 2028: 45%; 2029: 50%; 2030: 55%; From 2031: 60%
Beer	65%	From 2027: 70%; 2028: 75%; 2029: 80%; 2030: 85%; From 2031: 90%

- **Automobiles:** The new SST Law updates the descriptions and increases the SST rates for certain types of automobiles.

Specifically, for "Vehicle for both passenger and cargo transport", the description is updated to be more specific as "Double-cabin pickup trucks, VAN trucks with two or more rows of seats, designed with a fixed partition between the passenger compartment and the cargo area" and the SST rates are increased with the roadmap as follows:

Products	Current SST rates	Proposed SST rates
Engine displacement under 2,500 cm <sup>3</sup>	15%	2026: 15%; 2027: 18%; 2028: 21%; From 2029: 24%
Engine displacement from over 2,500 cm <sup>3</sup> to 3,000 cm <sup>3</sup>		2026: 20%; 2027: 23%; 2028: 26%; From 2029: 29%
Engine displacement from over 3,000 cm <sup>3</sup>		2026: 25%; 2027: 28%; 2028: 31%; From 2029: 34%

# Key points

## 03

### **Refunds and creditability of SST**

- Temporarily imported and re-exported goods are no longer be entitled to SST refunds.
- Clarifying tax refund regulations for imported raw materials used for the production and processing of exported goods whereby refunds are only applied in relation to the actual quantity of goods exported.
- Refunds are only available in case of liquidation or bankruptcy. Restructuring such as merger, demerger, etc are no longer entitled to refund.



# Contact us

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