



PwC Vietnam Newsbrief

New Special Sales Tax Decree and Circular

January 2026





At a glance

Following the approval of the new Special Sales Tax ("SST") Law on 14 June 2025 (please refer to our [Newsbrief](#)), the Government and the Ministry of Finance have issued Decree No. 360/2025 ("Decree 360") and Circular No. 158/2025 ("Circular 158"). These key documents, effective from 01 January 2026, provide the detailed implementation framework for the new Law.

This Newsbrief analyses the new, detailed guidance and highlights significant procedural changes compared to the previous legal framework (i.e., Decree 108/2015 as amended by Decree 100/2016, and their guiding Circulars).

Key points

01

Change in scope of SST: detailed definitions

- 1. Sugary beverages:** As a newly taxed category, Decree 360 provides the official definition: beverages with a total sugar content above 5g/100ml according to TCVN 12828:2019. The basis for assessment will be the sugar content declared on the product's nutrition label.
- 2. Air-conditioners:** Decree 360 clarifies the capacity of air-conditioners is based on the nominal cooling capacity announced by the manufacturer.
- 3. Services governed by specialized laws:** Decree 360 clarifies that the scope and business conditions for taxable services such as dance clubs, karaoke, massage, casinos, prize-winning electronic games, betting, golf, and lottery will follow the guidance under their respective specialized laws.

02

SST exemption

- 1. Transitional rule for air conditioners of 24,000 BTU or below:** SST already declared/paid at the import stage of these air conditioners imported before 1 January 2026 and were subject to SST at import will not be adjusted or refunded.
- 2. Aircraft, helicopters, gliders and yachts:** the exemption extends to assets imported/manufactured for leasing if the lease is for exempt purposes. Decree 360 clarifies that if the assets are manufactured locally, used for exempt purposes and later changed to use for a non-exempt purpose, it would be subject to SST based on remaining net book value.
- 3. Vehicles used for special purposes:** To claim SST exemption for vehicles designed only for use for special purposes or certain areas (recreation places, hospitals, historical sites, etc.), Circular 158 now requires the taxpayer to state the specific statement "**#phạm vi hẹp#**" ("restricted scope") on the customs declaration (for imported vehicles) or invoice (for domestically manufactured vehicles).

Key points

03

SST calculation

The new regulations set out the specific formula to calculate the taxable price for tobacco under the new hybrid tax system and provide crucial guidance on qualifying for preferential rates for hybrid vehicles.

- **Tobacco products:** To implement the new hybrid tax system (i.e. combination of ad valorem and specific tax), Decree 360 sets out the formula to calculate the taxable price for tobacco products:

$$\text{SST taxable price for tobacco (*)} = \frac{\text{Selling price exclusive of value added tax} - \text{Specific tax amount}}{1 + \text{SST rate}}$$

(*) When determining the excise taxable price for tobacco, mandatory contributions and support funds as prescribed will not be deducted.

Decree 360 also provides a conversion formula to apply the specific tax component to cigarette packs not containing 20 cigarettes and cigars of varying weights.

- **Hybrid Vehicle Preferential Rates:** Decree 360 provides two specific technical methods to determine the qualification of a hybrid vehicle the preferential rate (i.e., its gasoline consumption is $\leq 70\%$ of total energy use):
 - **Method 1:** Comparing the gasoline fuel consumption under the combined (hybrid) cycle against the average gasoline fuel consumption for gasoline-only internal combustion engine automobiles of the same cylinder capacity type, using the official average benchmark published annually by the Ministry of Construction.
 - **Method 2:** Comparing with another gasoline-only vehicle that has the same brand, type, specifications in accordance with Vietnam Standard TCVN 6211, and the same permitted number of passengers.

Key points

04

Refunds and creditability of SST

The new Decree and Circular also set out the procedures and alternative treatment for SST input.

- **Treatment of unutilised creditable SST:** Decree 360 allows the deduction of unutilised creditable SST or non-creditable SST due to lack of corresponding output SST for Corporate Income Tax (CIT) purposes.
- **SST refunds for biofuels:** Circular 158 specifies the required documents for SST refunds for biofuels:
 - A refund request submitted on the new form **01a/ĐNHT**.
 - A copy of the competent state authority's written approval for the taxpayer's production of biofuel, required for the first refund application only.



Contact us

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