PwC Vietnam Newsbrief

New Ultimate Beneficial Ownership (UBO) requirements

September 2026

At a glance

On 23 July, the Government issued Decree 296/2026/ND-CP, amending the existing enterprise registration regulations, including requirements for identifying and declaring UBOs. Earlier, on 21 July, the Government issued Decree 288/2026/ND-CP, introducing administrative penalties for non-compliance with these UBO declaration and reporting requirements. Both decrees took effect on their issuance dates.

In detail

01

UBO identification rules

Decree 296 requires companies to identify and declare their UBOs by tracing ownership through each layer of the ownership structure until the individual who ultimately owns or controls the company is identified.

A UBO must be determined in the following order:

- **i.** **Ownership**: An individual directly, indirectly, or collectively holding 25% or more of the company's charter capital or voting shares.
- **ii.** **Control rights**: An individual exercising actual control, such as the power to appoint key management (e.g., members of the Board of Directors or Members' Council), amend the charter, or make significant financial and investment decisions.
- **iii.** **Highest managerial authority**: If neither (i) nor (ii) applies, the individual holding the highest managerial authority in the company.

This provides a clearer approach than Decree 168/2025, which did not prescribe a sequential method for identifying UBOs.

02

Implementation for existing companies remains unclear

Decree 296 does not appear to impose a standalone deadline requiring existing companies to immediately submit UBO information. Instead, UBO information is required to be declared as part of the enterprise registration process for newly established companies and upon subsequent registration amendments. Further guidance from the business registration authorities may be introduced to clarify how the new requirement applies to companies established before the effective date of Decree 296.

In detail

03

Dealing with non-compliance

Under Decree 288, violations of UBO declaration and reporting obligations are subject to administrative fines up to VND100 mil depending on the nature of the non-compliance. Payment of a fine does not discharge the obligation to rectify the violation.

04

UBO reporting obligations for representative offices

Separately from the enterprise registration regime, the tax authorities have introduced UBO reporting requirements for representative offices. Under the new tax registration framework, a representative office must disclose information on the UOB(s) of its head office to the tax authorities through Form BK07-DKT for new tax registration and update such information when changes occur. Existing representative offices that were granted tax codes before 1 July 2026 are also required to submit the relevant UOB information when carrying out tax registration changes.

Key takeaway

Companies should review their ownership structures and ensure that UBO information is accurately identified, declared, and kept up to date to mitigate regulatory risks and avoid potential penalties. In addition, representative offices should also ensure that the required UBO information of their head offices is properly disclosed and kept up to date under the newly introduced tax registration framework.

Contact us

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