IC&PARTNERS VIETNAM

Supporting

Business Worldwide

❖ **Headquarters in Hanoi**

4th floor, Cowaelmic Building, 198 Nguyen Tuan, Thanh Xuan District, Ha Noi

❖ **Ho Chi Minh Branch**

Level 46, Bitexco Financial Tower, 2 Hai Trieu Street, Sai Gon Ward, Ho Chi Minh City

❖ **Hai Phong Branch**

No. 186, Residential Group 1, An Duong Ward, Hai Phong City

❖ **Contact IC&Partners Vietnam**

Mobi: +84 915 432 043

Web: www.icpartners.it

Email: info@icpartnersvietnam.com

IN THIS ISSUE

1. Taxation — New PIT Law and a 29-law/34-decree package took effect July 1, 2026, adding a 0.1% tax on digital assets, gold, and carbon credits; Global Minimum Tax (15% floor) remains in penalty-free transition through FY2026.

2. Foreign Direct Investment (FDI) — H1 2026 FDI hit a 5-year high (USD 34.65bn registered, +61% YoY; USD 13.03bn disbursed), led by Singapore, Korea, Malaysia; Vietnam targets USD 200–300bn by 2030, shifting focus to high-tech, high-value FDI.

3. Economic Outlook and Policy — Growth accelerated to 8.39% in Q2 (8.18% H1), with exports up 21% YoY; Bloomberg raised its 2026 GDP forecast to 7.3% (inflation 4.8%), while ADB and UOB project steadier 7.0–7.2% growth with tariff/oil-price risks.

4. Investment Environment — Conditional business sectors cut from 198 to 142; a "green lane" fast-track lets foreign investors set up before full licensing; a draft law proposes Special Economic Zones as provincial-level units with dedicated incentives.

5. Global Developments and Regional Impact — US pressures Vietnam on non-tariff barriers and IP amid ongoing trade talks; the 10% Section 122 tariff is set to sunset around July 24 but remains under appeal; China–ASEAN trade surged 18.2% YoY, with Vietnam among the top gainers (+20%+).

IC&PARTNERS VIETNAM

Supporting

Business Worldwide

❖ **Headquarters in Hanoi**

4th floor, Cowaelmic Building, 198 Nguyen Tuan, Thanh Xuan District, Ha Noi

❖ **Ho Chi Minh Branch**

Level 46, Bitexco Financial Tower, 2 Hai Trieu Street, Sai Gon Ward, Ho Chi Minh City

❖ **Hai Phong Branch**

No. 186, Residential Group 1, An Duong Ward, Hai Phong City

❖ **Contact IC&Partners Vietnam**

Mobi: +84 915 432 043

Web: www.icpartners.it

Email: info@icpartnersvietnam.com

New Personal Income Tax Law takes effect Vietnam's new PIT Law No. 109/2025/QH15, implemented via Decree 253/2026/ND-CP and Circular 87/2026/TT-BTC (issued 30 June 2026), entered into force on 1 July 2026. Key employment-related items effective this date are the meal-allowance cap and casual-income withholding threshold, while salary/wage provisions apply retroactively from 1 January 2026.

Broad tax-law package activated on 1 July A package of 29 laws, two ordinances, and 34 decrees took simultaneous effect on 1 July 2026, reshaping tax administration, VAT, digital-asset taxation, and customs enforcement. Notably, a new 0.1% tax now applies to transfers of digital assets, gold bars, carbon credits, and auctioned license plates.

Global Minimum Tax transition period continues Under Decree 236/2025/NĐ-CP implementing OECD Pillar Two, Vietnam applies a 15% effective tax rate floor for multinational groups with consolidated revenue above €750 million. No administrative penalties apply for late filings through fiscal years beginning before 31 December 2026, easing compliance pressure during the transition.

& PARTNERS

IC&PARTNERS VIETNAM

Supporting Business Worldwide

❖ **Headquarters in Hanoi**

4th floor, Cowaelmic Building, 198 Nguyen Tuan, Thanh Xuan District, Ha Noi

❖ **Ho Chi Minh Branch**

Level 46, Bitexco Financial Tower, 2 Hai Trieu Street, Sai Gon Ward, Ho Chi Minh City

❖ **Hai Phong Branch**

No. 186, Residential Group 1, An Duong Ward, Hai Phong City

❖ **Contact IC&Partners Vietnam**

Mobi: +84 915 432 043

Web: www.icpartners.it

Email: info@icpartnersvietnam.com

TAX NEWSLETTER

JULY 2026

FOREIGN DIRECT INVESTMENT (FDI)

H1 2026 FDI hits five-year high Total registered FDI reached USD 34.65 billion in H1 2026, up 61% year-on-year — the strongest first-half figure in the 2022–2026 period. Disbursed FDI climbed to USD 13.03 billion, up 11.2% YoY, also a five-year high, driven mainly by manufacturing and processing.

Singapore, Korea, Malaysia lead investors Singapore, South Korea, and Malaysia were the three largest sources of FDI in H1 2026, with Thai Nguyen and Ho Chi Minh City the top destinations for newly registered capital. Manufacturing accounted for over half of total registered capital, followed by real estate and electricity production.

Vietnam targets USD 200–300 billion by 2030 Under Resolution 10, Vietnam aims to attract USD 200–300 billion in registered foreign investment during 2026–2030, with 75% expected from developed economies. The policy marks a shift from chasing capital volume toward prioritizing high-technology, higher value-added FDI.

TAX NEWSLETTER

JULY 2026

ECONOMIC OUTLOOK AND POLICY

IC&PARTNERS VIETNAM

Supporting

Business Worldwide

❖ **Headquarters in Hanoi**

4th floor, Cowaelmic Building, 198 Nguyen Tuan, Thanh Xuan District, Ha Noi

❖ **Ho Chi Minh Branch**

Level 46, Bitexco Financial Tower, 2 Hai Trieu Street, Sai Gon Ward, Ho Chi Minh City

❖ **Hai Phong Branch**

No. 186, Residential Group 1, An Duong Ward, Hai Phong City

❖ **Contact IC&Partners Vietnam**

Mobi: +84 915 432 043

Web: www.icpartners.it

Email: info@icpartnersvietnam.com

2026 GDP forecast raised to 7.3% A Bloomberg survey of economists (conducted 3–8 July 2026) lifted Vietnam's 2026 GDP growth forecast to a median 7.3%, citing strong electronics demand and sustained FDI inflows. The inflation forecast was also raised, to 4.8% from 4.3%.

Q2 growth accelerates to 8.39% Vietnam's GDP expanded 8.39% year-on-year in Q2 2026, up from 7.94% in Q1, lifting H1 growth to 8.18%. Industry and construction rose 9.81% YoY, driven by electronics manufacturing. H1 merchandise exports reached USD 266.52 billion, up 21% YoY.

ADB and UOB see steadier growth ahead The Asian Development Bank's July 2026 Outlook projects 7.2% GDP growth for 2026 and 7.0% for 2027, with inflation at 4.0% and 3.8% respectively. UOB separately maintained its 2026 forecast at 7.0%, flagging risks from elevated oil prices and potential US tariff shifts.

IC & PARTNERS

IC&PARTNERS VIETNAM

Supporting

Business Worldwide

❖ **Headquarters in Hanoi**

4th floor, Cowaelmic Building, 198 Nguyen Tuan, Thanh Xuan District, Ha Noi

❖ **Ho Chi Minh Branch**

Level 46, Bitexco Financial Tower, 2 Hai Trieu Street, Sai Gon Ward, Ho Chi Minh City

❖ **Hai Phong Branch**

No. 186, Residential Group 1, An Duong Ward, Hai Phong City

❖ **Contact IC&Partners Vietnam**

Mobi: +84 915 432 043

Web: www.icpartners.it

Email: info@icpartnersvietnam.com

TAX NEWSLETTER

JULY 2026

INVESTMENT ENVIRONMENT

Conditional business lines cut from 198 to 142 Resolution 66.17/2026/NQ-CP streamlined Vietnam's list of conditional business sectors, removing licensing requirements across insurance, securities, gold trading, aviation, telecoms, real estate, and healthcare, among others, to simplify market entry for domestic and foreign businesses.

"Green lane" fast-track investment expanded Under the amended Investment Law (effective 1 March 2026) and Decree 96/2026/ND-CP, foreign investors may now establish an enterprise before obtaining an investment registration certificate, and projects in industrial parks, hi-tech zones, and free-trade zones qualify for expedited approval procedures.

Special Economic Zones proposed as provincial units A draft Law on Urban Development would establish Special Economic Zones as provincial-level administrative units with dedicated governance and incentives, prioritizing strategic investors in logistics, free trade zones, and high-tech parks, with minimum investment capital from VND 1 trillion (approx. USD 38 million).

TAX NEWSLETTER

JULY 2026

GLOBAL DEVELOPMENTS AND REGIONAL IMPACT

US pressures Vietnam on non-tariff issues On 16 July 2026, the US Trade Representative said Washington is pressing Vietnam for further action on non-tariff barriers, economic security cooperation, and intellectual property as bilateral trade talks continue, months after the two sides' 2025 tariff framework was announced.

US Section 122 tariff set to sunset Vietnam's imports to the US currently face a 10% Section 122 tariff (down from a proposed 46% IEEPA rate struck down by the Supreme Court in February 2026), a rate scheduled to sunset around 24 July 2026, though it remains under legal appeal by the US government.

China–ASEAN trade surges, Vietnam a top gainer China–ASEAN two-way trade rose 18.2% year-on-year to roughly USD 641 billion in H1 2026, with Vietnam among the members recording over 20% growth in trade with China, reflecting deepening production-network integration across electronics and machinery supply chains.

IC&PARTNERS VIETNAM

Supporting Business Worldwide

❖ **Headquarters in Hanoi**

4th floor, Cowaelmic Building, 198 Nguyen Tuan, Thanh Xuan District, Ha Noi

❖ **Ho Chi Minh Branch**

Level 46, Bitexco Financial Tower, 2 Hai Trieu Street, Sai Gon Ward, Ho Chi Minh City

❖ **Hai Phong Branch**

No. 186, Residential Group 1, An Duong Ward, Hai Phong City

❖ **Contact IC&Partners Vietnam**

Mobi: +84 915 432 043

Web: www.icpartners.it

Email: info@icpartnersvietnam.com