

Quick guide for foreign owners of Vietnam rental properties

5 Steps for taxation compliance and remitting rental income abroad

Foreign Individuals owning rental properties in Vietnam are entitled to remit their rental receipts / profits abroad, provided that tax has been paid on the income.

Rental property owners ("Landlords") are subject to Vietnamese tax obligations once their total income in a year exceeds VND 100 million (or where monthly income, on average, is greater than VND 8.4 million). Landlords are required to pay three forms of taxes in a year: Annual Business License Tax, Value Added Tax ("VAT") and Personal Income Tax ("PIT"). Along with these tax obligations, Landlords should also be providing their tax registrations & tax payment confirmations to their bank in order to better facilitate the remittance of their tax-paid rental income abroad.



1. ANNUAL BUSINESS LICENSE TAX

Location for Submission: The Tax Office in the District where the property is located.

Payment Frequency: Annually

Fee: Subject to income levels

Annual income	Annual fee
> VND 500 million	VND 1,000,000
VND 300m-500m	VND 500,000
VND 100m-300m	VND 300,000

If rental income first arises after 1 July, tax is 50% of the annual fee.

Required Documents:

1. Personal Income Tax code
2. Lease Agreement
3. Registration form 01/MBAI

Deadline: End of the month when a lease agreement is first signed.



2. TAX REGISTRATION

Location for Submission: Initial registration is undertaken online at <http://canhan.gdt.gov.vn>.

Following this, the Landlord is to present the original documents at the Tax Office in the District where the property located for verification.

Required Documents:

1. Personal Income Tax code
2. Lease Agreement
3. Registration form 01/DK-NTDT

Deadline: This step should be conducted to ensure the deadlines in step 4 are met.



3. CONFIRMATION WITH BANK

Foreign Landlords should share their ownership and property tax registration with their bank, and confirm that the bank will accept third-party rental income into their bank account.

It is also commonly recommend that the Landlord open a separate bank account for receiving rental income, so that later the funds can be easily identified as the rental income for remitting abroad.

Common Documents:

1. Lease Agreement
2. Certificate of Tax Registration



4. ONGOING TAX LODGMENTS

Location for Submission: Online lodgements via <http://canhan.gdt.gov.vn>

Frequency: Declaration and payment of tax occurs quarterly.

Payment method: Bank transfer or deposit at the State Bank account in the District the property is located.

Charges: VAT + PIT
 VAT = 5% * taxable periodic income
 PIT = 5% * taxable periodic income

Deadline: 30th day after the end of the quarter when rent is received, and in accordance with the rental agreement.



5. INCOME REMITTANCE

Although this is subject to each bank's internal processes, it is recommended that Landlords periodically provide their bank with copies of tax payment certificates so that bank will continue to treat the rental funds in the bank account as "tax paid". This makes it far easier for the Landlord when requesting their bank to remit the taxpaid funds abroad to a foreign bank account in their name, in accordance with State Bank requirements.

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