Forra.

A PRACTICAL GUIDE · 2026 EDITION

Doing Business in Vietnam.

A practical guide for foreign investors entering the Vietnamese market.

Forra Consulting

2026 Edition

ABOUT THIS GUIDE

The 2026 rulebook, rewritten for clarity.

Vietnam's company law and tax framework were substantially rewritten in 2025–2026 — the Law on Investment 2025, updates to the Law on Enterprises, the Law on Corporate Income Tax 2025, the Law on Value Added Tax 2024/2025, and the Law on Personal Income Tax 2025. This guide covers that regulatory landscape for foreign investors at every scale.

Forra Consulting has prepared this guide as a single, plain-language reference — organized around the decisions a foreign investor actually faces, in the order it faces them. Every figure, table and procedure reflects the 2025–2026 legal framework in force at the time of publication.

WHO THIS GUIDE IS FOR

Foreign investors evaluating market entry, teams trying to understand licensing timelines and costs, and business owners who need a clear overview of Vietnam's tax, accounting and labour obligations before engaging an advisor for detailed execution.

CONTENTS

SECTION 01

Vietnam at a glance.

Vietnam recorded GDP growth of 8.02% in 2025 according to the National Statistics Office, building on 7.36% in 2024 and a string of strong years since 2021. By sector, industry and construction lead, followed by services, with agriculture, forestry and fishery making up the remainder.

8.02 %
GDP growth (2025)

$ **5,026**
GDP per capita (USD)

102.3 M
Population

53.5 M
Labour force (15+)

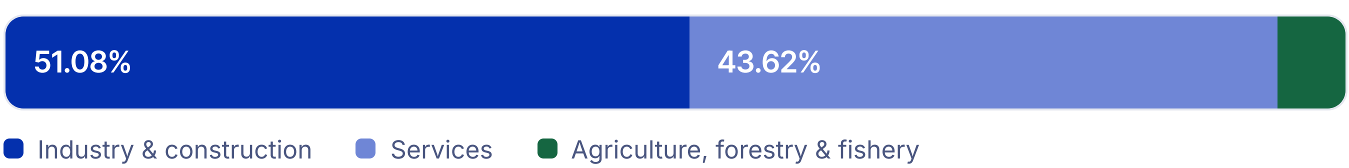
2.22 %
Unemployment rate

17
Free trade agreements signed

80
Double-tax agreements

6+28
Municipalities + provinces

Share of GDP by sector



Why investors are choosing Vietnam

- **International integration**
  17 FTAs and deep participation in global supply chains.
- **Strategic location**
  Over 3,000 km of coastline near major shipping routes.
- **Large, competitive labour force**
  A working-age population above 50 million with rising skills.
- **Political stability**
  A single-party system focused consistently on growth.
- **Improving business environment**
  Ongoing reform of business registration and licensing procedures.

What's driving growth

01

Resilient FDI inflows

Steady foreign investment despite global headwinds, with stable inflation and expanding trade.

02

Manufacturing relocation

Supply-chain diversification from China reinforces Vietnam as a regional manufacturing hub.

03

Digital economy boom

E-commerce, fintech and online services are expanding rapidly across the country.

Major free trade agreements

CPTPP · EVFTA · UKVFTA · RCEP · ASEAN · China · South Korea · Japan · India · Australia–NZ · Chile · Eurasian Economic Union · + 5 more

Vietnam has signed **17 free trade agreements** and **80 double-taxation agreements**, offering broad market access and tax-treaty protections for foreign investors.

SECTION 02

Choosing your business structure.

Foreign investors may generally own 100% of a Vietnamese company's charter capital, except where a treaty (such as Vietnam's WTO services commitments or the EVFTA) or a sector-specific regulation caps the ratio. The Law on Investment 2025 sets out five permitted forms of foreign direct investment.

01 Establishment of a business entity

02 Capital contribution or purchase of shares/stakes

03 Execution of an investment project

04 Business cooperation contract (no new entity)

05 Other forms as prescribed by the Government

Comparing the five enterprise types

Vietnamese law recognizes five main enterprise forms, each with different ownership and liability characteristics.

Structure	Owners	Liability
Single-member LLC	1 individual or legal entity (sole owner)	Owner liable only up to the company's charter capital
Multi-member LLC	2–50 members (individuals or entities)	Each member liable only up to their capital contribution
Joint Stock Company	Min. 3 shareholders, no maximum	Liable up to capital contributed; only JSCs may issue securities
Partnership	Min. 2 general partners (individuals)	General partners liable with entire personal assets; limited partners up to committed capital
Private enterprise	1 individual owner	Owner liable with their entire personal assets

Governance & legal representation

Every company may have one or more legal representatives, and **at least one must reside in Vietnam**. If a sole legal representative leaves the country, they must authorize, in writing, another Vietnam-resident person to act — while remaining responsible for that person's actions.

Ending a company

Dissolution is available once all debts are settled and no dispute is pending. Where a company cannot pay debts within six months of the due date, it is considered insolvent and **bankruptcy procedures** apply; simplified procedures exist in certain cases.

Other market-entry options (no full local company required)

Option	What it allows
Business Co-operation Contract (BCC)	Co-operate and share profits/products through a contract, without forming a new legal entity
Capital contribution / M&A	Invest in, merge with, or acquire an existing enterprise (ownership ratio capped in certain sectors)
Branch	Activities limited to the Branch licence; the foreign trader must have operated ≥ 5 years with a certificate valid ≥ 1 more year
Representative Office	Liaison, market research and promotion only — no income-generating activity; trader operating ≥ 1 year
Foreign contractor / cross-border supply	Direct delivery of services under treaty commitments, typically via a Construction Activity Permit and Project Execution Office

Key facts about company formation

90 days
To contribute charter capital after the ERC is issued

100%
Foreign ownership permitted in most sectors

No min.
Statutory minimum capital in most investment fields

LEGAL REPRESENTATIVE

Every company must have **at least one legal representative residing in Vietnam**. Certain conditional sectors (banking, petroleum) also require a guaranteed minimum capital. Confirm your sector's specific requirements with Forra Consulting before incorporating.

SECTION 03

Market access for foreign investors.

The Law on Investment 2025 sets clear rules on which sectors foreign investors can enter, and on what terms, based on Vietnam's treaty commitments and domestic regulation (Decree 31/2021/ND-CP).

LIST A

Foreign investors are **not allowed** to access these sectors.

LIST B

Allowed, but subject to **market-access conditions**.

ALL OTHER SECTORS

Same market access as **domestic investors**.

→ The specific sectors in List A and List B are set out in **Decree 31/2021/ND-CP** and are updated periodically. Contact Forra Consulting to confirm the current classification for your intended business activity before incorporating.

List B market-access conditions can include

- Maximum foreign-owned ratio permitted
- Permitted form of investment
- Permitted scope of investment activity
- Requirements on investor capability
- Other conditions set by the Government

WHY THIS MATTERS BEFORE YOU INCORPORATE

Under the Law on Investment 2025, a foreign investor may now **set up the business entity before completing the IRC procedures** — provided the market-access conditions applicable to foreign investors are already satisfied when the entity is established. Confirming your sector's category early therefore directly affects how quickly you can incorporate.

Projects requiring 'in-principle' approval

Certain projects — regardless of foreign ownership — must obtain in-principle approval from the National Assembly, the Prime Minister, or the provincial authority before a licence is issued. Examples include:

- Nuclear power plants
- Special-use / protection forests
- Airports & terminals
- Petroleum processing
- Betting & casinos
- Golf courses

Most investment projects fall *outside* this list and proceed via the standard registration route in Section 4.

Market-access decision flow

1. **Is your sector on List A?**
   If yes → not accessible to foreign investors
2. **Is it on List B?**
   If yes → conditions apply (caps, form, scope)
3. **Neither list?**
   Same access as domestic investors
4. **In-principle approval needed?**
   If yes → additional stage before IRC

FOREIGN OWNERSHIP CAP

Ownership can generally reach **100%**, except where a treaty (WTO services schedule, EVFTA) or specific domestic law caps the ratio. This applies in parallel with the List A/B framework.

NEW UNDER THE 2025 LAW

A foreign investor may now **establish the business entity before finalizing the IRC** — provided the applicable market-access conditions are already satisfied at the time of establishment.

FOREIGN OWNERSHIP BY SECTOR TYPE

- **100% — Open sectors (majority)**
- **Up to 49–70% — List B conditional sectors**
- **0% — List A restricted sectors**

Caps vary by treaty commitment (WTO, EVFTA) and domestic regulation. Confirm the applicable ratio for your sector with Forra Consulting.

SECTION 04

Setting up: the IRC and ERC process.

Foreign investors set up via two certificates: an **Investment Registration Certificate (IRC)**, which licenses the project, and an **Enterprise Registration Certificate (ERC)**, which licenses the company. Under the 2025 law, the company may be established before the IRC is finalized, provided market-access conditions are met.

INDICATIVE END-TO-END SEQUENCE

1. **Confirm market-access conditions**
2. **Submit IRC application** — Provincial DOF / Zone Board
3. **IRC issued** — 14–20 days appraisal
4. **Submit & obtain ERC** — ≈ 3 working days
5. **Contribute charter capital** — Within 90 days

Step 1 — Investment Registration Certificate

Step	Authority / Action	Indicative timeline
Submission	Direct, postal or online submission of the dossier	—
Appraisal	Provincial DOF, or the relevant Economic / Industrial / Export-Processing / High-Tech Zone Management Board	**14 days** (self-approval, conforming to master plan) or **20 days** (standard appraisal)
IRC issued	Provincial People's Committee (from 1 Mar 2026, its Chairman), or the relevant Management Board	Following appraisal

Projects requiring in-principle approval

A preliminary approval stage is added. Indicative statutory timelines:

Provincial-level steps	10 days
Ministry appraisal → PM approval	17 days
National Assembly approval	up to 90 days

Step 2 — Enterprise Registration Certificate

The company is registered with the **Provincial Business Registration Office**. The dossier can be submitted directly, by post, or online. The ERC is issued within approximately **3 working days** of a complete submission.

PRACTICAL TAKEAWAY

For a straightforward single-member LLC outside a special zone and not subject to in-principle approval, the realistic critical path is: confirm market-access conditions → submit IRC to the provincial DOF (14–20 days) → obtain IRC → submit ERC to the provincial Business Registration Office (≈ 3 working days) → ERC issued. Projects inside Economic, Industrial, Export-Processing or High-Tech Zones are appraised by the relevant Zone Management Board instead.

The two certificates at a glance

IRC — 14–20 days

Investment Registration Certificate

Licenses the **investment project**. Issued by the Provincial People's Committee (or relevant Zone Board) following appraisal.

ERC — ~3 days

Enterprise Registration Certificate

Licenses the **company** that manages the project. Issued by the Provincial Business Registration Office.

Which authority handles your file

- **Standard location**
  Appraised by the **provincial Department of Finance** (DOF).

- **Inside a special zone**
  Appraised by the **Zone Management Board** — Economic, Industrial, Export-Processing or High-Tech.

Investment incentives you may qualify for.

The Law on Investment 2025 (effective 1 March 2026) sets out the available forms of incentive and support, granted to projects in prioritized sectors or locations, and to large-scale, labour-intensive or nationally significant projects.

Forms of incentive

- CIT incentives — preferential rate & tax holiday
- Accelerated depreciation; higher deductible expenses
- Exemption / reduction of land levy and rental
- Import duty exemptions
- Other forms as regulated by the Government

Forms of government support

- Technical & social infrastructure
- Human-resource training
- Credit support
- Business premises & relocation
- Science & technology transfer
- Market development & information
- R&D support
- Green transition & digital
- Investment Support Fund

Eligible sectors & locations

Incentives target these priority areas. Note: under the new CIT law, enterprises in industrial parks and export-processing zones are **no longer eligible for location-based CIT incentives** as previously applied.

Technology & innovation
Science, digital transformation, semiconductors, the digital economy

Green & circular economy
Renewable & clean energy, circular and sharing economy

Industry & value chains
Industrial clusters, global value chains, supporting industries

Agriculture & environment
Agriculture, forestry, marine-economy and environmental protection

Social infrastructure
Education, healthcare, high-performance sports, infrastructure

Eligible locations
Disadvantaged areas, high-tech & digital zones, free-trade zones, financial centers

RELEVANCE FOR YOUR BUSINESS

Many incentives are **scale-based** rather than tied to large strategic projects — see the preferential CIT rates for businesses below VND 3 billion and VND 3–50 billion in annual revenue in Section 6. Sector- and location-based incentives (tax holidays, land-rent exemptions) are most relevant if you operate in one of the prioritized sectors or zones above.

Core investment protections

- ✓ No appropriation of lawfully owned assets, with compensation if required for national defence or interest
- ✓ Right to retain incentives if a law change is less favourable, or take new incentives if more favourable
- ✓ No requirement to prioritize domestic vendors; no restriction on export ratio, quantity or value
- ✓ Freedom to choose headquarters and service location; right to transfer capital and income overseas after meeting State obligations

Three ways a project can qualify

01

Prioritized sector

Technology, green economy, supporting industries and the other priority fields listed above.

02

Eligible location

Disadvantaged areas, high-tech and digital zones, free-trade zones and economic zones.

03

Scale & impact

Large-scale, labour-intensive, or otherwise nationally significant projects.

INCENTIVES

Reduce what you **owe** — preferential tax rates, holidays, accelerated depreciation, and exemptions on land levy, rental and import duty.

SUPPORT

Help you **build** — infrastructure, training, credit, premises, R&D, market access and the Investment Support Fund.

HOW INCENTIVES ARE APPLIED

Incentives are not automatic — they are **granted based on eligibility** at the time of project registration. Your IRC application should identify the applicable incentives; the licensing authority confirms them as part of the appraisal. Sector- and location-based incentives (tax holidays, land-rent exemptions) require your project to fall within a designated priority area. Revenue-based CIT reductions (15% / 17%) apply by default once the prior year's revenue threshold is met.

15%
CIT rate for enterprises with prior-year revenue ≤ VND 3 billion

17%
CIT rate for revenue VND 3bn – 50bn (vs 20% standard)

3–15 yrs
Land-rent exemptions for projects in encouraged sectors or difficult areas

TALK TO FORRA

Incentive eligibility depends on sector, location, and project scale. Forra Consulting can assess which incentives apply to your specific investment and ensure they are claimed correctly during the IRC application.

SECTION 06

Taxation for your business.

Vietnam applies tax on a **self-assessment** basis: the taxpayer calculates and pays, and the authority later audits (typically every one to five years). All taxes are levied nationally. The main taxes relevant to a small enterprise are CIT or PIT on business income, VAT, and — for foreign suppliers without a permanent establishment — Foreign Contractor Withholding Tax.

6.1 Corporate Income Tax

CIT is charged on enterprise profit. The standard rate is 20%. To reduce the tax burden on lower-revenue enterprises, preferential rates apply based on the **prior year's revenue**.

15%
Prior-year revenue ≤ **VND 3 billion**

17%
Revenue **VND 3bn – 50bn**

20%
Standard rate — all other enterprises

Taxable income = total taxable revenue − deductible expenses, other income, exempt income and losses carried forward. Expenses are deductible if they relate to business activity, are off the non-deductible list, and are supported by proper invoices; purchases of **VND 5 million or more** (VAT incl.) additionally require non-cash payment evidence. Operating losses carry forward up to **five years**. Annual CIT is due by the last day of the third month after year-end; quarterly provisional payments are due by the 30th of the following month and must cumulatively reach at least **80%** of the final liability.

6.2 Value Added Tax

VAT applies to goods and services used in production, trading and consumption in Vietnam, including imports. There are two filing methods.

Method	Who it applies to	How VAT is calculated
Credit (deduction) method	Businesses with ≥ VND 1 billion VAT-able revenue, or voluntary registrants, keeping full books and records	Output VAT on sales minus creditable input VAT on purchases
Direct method	Businesses below VND 1 billion; gold/silver/precious-stone traders; individuals/households without full bookkeeping	A flat 1%–5% applied directly to revenue (by activity)

0%
Mainly exports

5%
Essential goods & services

8% ~~10%~~
Standard, temporarily reduced through end-2026

Certain goods/services are VAT-exempt — unprocessed agricultural products, land-use-right transfers, most finance/banking/securities, healthcare, education, software, and — notably — goods/services supplied by business individuals with annual revenue of **VND 500 million or less**. VAT is generally filed monthly (by the 20th), or quarterly on request for new enterprises (first 12 months) or businesses with prior-year revenue ≤ VND 50 billion. Since July 2022 all enterprises must use the centralized **e-invoice** system.

6.3 Personal Income Tax

An individual is a tax resident if present in Vietnam for **183 days or more** in a tax year (or 12-month period from first arrival), or maintains a regular residence — unless they prove residency elsewhere. Residents are taxed on worldwide income at progressive rates; non-residents on Vietnam-sourced income at a flat 20%.

Monthly assessable income (residents)	Rate
Up to VND 10 million	5%
VND 10 – 30 million	10%
VND 30 – 60 million	20%
VND 60 – 100 million	30%
Above VND 100 million	35%
Non-residents (flat)	20%

STANDARD DEDUCTIONS (RESIDENTS)

Self-relief allowance	15.5M/mo
Per dependent	6.2M/mo

Effective 1 Jan 2026 (VND). Plus compulsory insurance, capped pension & life insurance, and charitable donations.

BUSINESS INCOME — SOLE PROPRIETORS & INDIVIDUAL ENTREPRENEURS

Taxed differently from employment income. Under the deduction method, resident business individuals with annual revenue up to **VND 500 million are exempt**; above that, tax applies to actual profit at roughly 15%–20% by band — or, for revenue under VND 3 billion, the taxpayer may elect a simpler deemed/direct method at a flat ~0.5%–5% of revenue. Business individuals are also separately subject to VAT of 1%–5% of revenue, or VAT-exempt, by type. Non-residents are taxed at flat 1%–5% of Vietnam-sourced business revenue.

6.4 Tax compliance calendar

Filing	Frequency	Deadline
VAT / PIT (default)	Monthly	20th day of the following month
VAT / PIT (quarterly election)	Quarterly	Last day of the month following the quarter
Provisional CIT payment	Quarterly	30th day of the month following the quarter
CIT annual finalization	Annual	Last day of the 3rd month after the tax year
PIT finalization (withholding)	Annual	Last day of the 3rd month after the tax year
PIT finalization (direct filing)	Annual	Last day of the 4th month after the tax year
Tax registration on new obligation	On occurrence	Within 10 working days of incurring the obligation

6.5 Other taxes you may encounter

Business Licence Fee
Annual fee payable on commencement and each year thereafter

Foreign Contractor WT
On payments to a foreign supplier without a Vietnamese permanent establishment

Special Sales Tax
On specific goods/services — alcohol, tobacco, and others

Resource / environment tax
Natural resources tax or environment protection tax where applicable

Vietnam has signed **80 Double Taxation Agreements**; relief under a DTA is not automatic and generally requires application to the local tax authority (in principle 15 days before the tax payment is due, though applications are in practice accepted within a three-year limit).

SECTION 07

Accounting & compliance basics.

All enterprises, including single-member LLCs, must keep records under the Law on Accounting and the Vietnamese Accounting Standards (VAS) framework. From 1 January 2026, the main implementing guidance is **Circular 99/2025/TT-BTC** — which replaced Circular 200/2014 and is considered closer to IFRS.

CIRCULAR 99

All enterprises

Main framework from 2026; closer to IFRS

CIRCULAR 133

Small & medium enterprises

May elect Circular 99 instead where suitable

CIRCULAR 132

Micro-enterprises

Lightest regime; may elect Circular 99

Core bookkeeping requirements

- Records kept in **Vietnamese** (a foreign language may sit alongside, with translation on request)
- **VND** is the required accounting currency, except where transactions are predominantly foreign-currency
- Chart of accounts must follow Circular 99; firms may adapt books with their own internal policies
- Vouchers & books may be kept electronically; printed only if requested for inspection

RETENTION PERIODS

5 years

Management / operational documents

10 years

Accounting data and books

∞

Major economic / security significance

Chief Accountant requirement

Every enterprise must appoint a qualified Chief Accountant — **except micro-enterprises**. Where one cannot be appointed, a company may designate a qualified person for up to 12 months, or outsource the function to a licensed accounting firm.

Fiscal year

Generally 12 months — the calendar year, or a 12-month period ending 31 Mar, 30 Jun or 30 Sep. The first and last fiscal years may run longer than 12 months but **not more than 15**.

Annual financial statements & audit

The standard VAS set comprises four statements, approved by the Chief Accountant and legal representative, filed with local authorities within **90 days** of year-end. **Foreign-invested enterprises must be audited** by an independent firm from the Ministry's approved list.

- Statement of Financial Position
- Income Statement
- Cash Flow Statement
- Notes to the Financial Statements

WHAT THIS MEANS FOR YOUR COMPANY

Register your accounting framework with the tax authority on incorporation, decide whether Circular 99, 133 or 132 fits your size, appoint (or outsource) a Chief Accountant unless you qualify as a micro-enterprise, adopt e-invoicing, keep VND-based books in Vietnamese, and file audited annual financial statements within 90 days of year-end if foreign-invested.

Obligations by company size

Requirement	Micro	Small & medium	Standard
Default framework	Circular 132	Circular 133	Circular 99
Chief Accountant	Not required	Required	Required
Independent audit (if foreign-invested)	Required	Required	Required

The annual reporting cycle

1. **Fiscal year-end** — Calendar or quarter-end
2. **Prepare 4 statements** — Per VAS / Circular 99
3. **Approve & sign** — Chief Accountant + rep.
4. **File within 90 days** — Audited if foreign-invested

Land, premises and housing.

Foreign-invested enterprises do not own land outright; they hold **land-use rights (LURs)** under the Law on Land 2024, Law on Real Estate Business 2023, and Law on Housing 2023 — all effective from 1 August 2024.

Six ways to obtain land-use rights

01
Land allocated by the State

02
Land leased from the State

03
State recognition of existing rights

04
Receiving a transfer of LURs

05
Capital contribution valued by LURs

06
LURs by donation or inheritance

TENURE

Leases align with project duration

Up to **50 years** as a general maximum, or **70 years** in encouraged sectors and difficult areas. Renewable on application.

PURPOSE

LURs are project-bound

Land must be used for the **declared project purpose**. Transfer or change of use requires State approval and may trigger new financial obligations.

Leasing land from the State

The Law on Land 2024 allows **one-time lump-sum** or **annual** rental payment. Lease terms align with the project duration:

50 yrs General maximum	**70** yrs Some circumstances

Extendable on application without exceeding the original term. Land-rent exemptions after the construction period range from 3 years up to the whole project lifetime for encouraged sectors or difficult areas.

Financial obligations on land

- Land use fee
- LUR registration fee
- Certificate evaluation fee
- Licence fee
- Compensation fee

During operation, ongoing obligations include land rent, non-agricultural and agricultural land-use fees, and natural resource tax where applicable.

OFFICE, RETAIL OR HOUSING PREMISES

Foreign individuals permitted to enter Vietnam may buy, rent-and-purchase, receive or inherit commercial housing in approved projects outside defence/security-restricted areas. Foreign-invested enterprises, branches, representative offices and foreign bank branches may likewise own residential housing, subject to conditions. To *develop and sell* commercial housing, an investor must itself be a licensed real-estate business; other foreign-invested enterprises may purchase, lease-purchase or sublease space for their own use on a broader basis.

Securing premises — your three routes

ROUTE 01

Lease land from the State

One-time lump-sum or annual rental, for terms aligned to your project — generally up to 50 years.

ROUTE 02

Sublease within a zone

Take serviced land or factory space inside an industrial park, cluster or high-tech zone.

ROUTE 03

Buy or lease commercial space

Purchase, lease-purchase or sublease office or housing for the company's own use.

GOVERNING LAWS Law on Land 2024 · Real Estate Business 2023 · Law on Housing 2023

Effective **1 August 2024**

Practical considerations for premises

Industrial zones & clusters

Serviced land, ready-built factories and streamlined utility connections. Zone Management Boards handle licensing directly, which can simplify the IRC process.

Commercial office space

Foreign-invested enterprises may purchase, lease-purchase or sublease commercial space for their own use on a basis similar to domestic businesses.

Residential housing

Foreign individuals may buy apartments and houses in approved projects outside defence-restricted areas. Foreign-invested enterprises may also own housing subject to conditions.

Land-rent exemptions

After the basic construction period, exemptions range from 3 years up to the whole project lifetime for encouraged sectors or difficult socio-economic areas.

BEFORE SIGNING A LEASE

Confirm whether your chosen premises sit inside an industrial or economic zone (which changes your licensing authority), whether the land-use rights are properly registered, and what financial obligations — land-use fees, registration fees, annual rent — apply. Forra Consulting can advise on location selection and due diligence.

SECTION 09

HR, work permits and employment.

Visas & residence

Foreign individuals enter on categories by purpose — Labour (LD1/LD2), Investment (DT1–DT4), Enterprise (DN1/DN2) and Dependent (TT/VR). From 1 July 2026, two new categories **(UD1/UD2)**, valid up to 5 years, are introduced for high-quality digital-technology professionals and families.

2 / 10 yrs
Temporary Residence Card validity

90 days
E-visa stays — all countries/territories

14–45 days
Visa-free for certain nationalities

Work permits

Foreign nationals generally need a Work Permit (WP) or Certificate of Exemption (CoWPE) — valid up to **2 years**, extendable once for a further 2 years. Several categories are exempt:

- ✓ Managers, experts or technical workers entering for under 90 days total in a calendar year
- ✓ Employees entering for under 3 months to provide services
- ✓ Owner or capital-contributing member of an LLC with **≥ VND 3 billion** contribution
- ✓ Chairperson or board member of a JSC with ≥ VND 3 billion contribution
- ✓ A foreign lawyer licensed to practise in Vietnam
- ✓ A foreign national married to a Vietnamese citizen and residing in Vietnam

RELEVANCE FOR A SOLE FOREIGN OWNER

An individual who is the sole owner of a single-member LLC with **at least VND 3 billion** in capital contribution is exempt from the work-permit requirement — though a report on the exemption must still be submitted to the competent labour authority.

Compulsory insurance contributions

Insurance type	Employer	Employee	Contribution cap
Social insurance	17.5%	8%	20× base / reference salary
Health insurance	3%	1.5%	20× base / reference salary
Unemployment (local only)	1%	1%	20× regional minimum salary

Salaries are agreed directly, subject to government-set regional minimum wages. All employers fall under the Law on Trade Union (including the Trade Union Fund), though setting up a branch within the company is optional. From 1 July 2025, foreign employees on contracts of 12 months or more may join the Trade Union.

Common visa categories

Category	Purpose
LD1 / LD2 Labour	Foreign nationals working under a labour relationship
DT1 – DT4 Investment	Investors and their representatives, tiered by capital
DN1 / DN2 Enterprise	Those working with Vietnamese enterprises
TT / VR Dependent / Visiting	Family members and visitors
UD1 / UD2 New from Jul 2026	Digital-technology professionals & families — valid up to 5 years

The work-permit lifecycle

01
Apply or report exemption
Recruitment notice first, where applicable

02
Valid up to 2 years
WP or Certificate of Exemption

03
Extend once
A further maximum of 2 years

04
Simpler renewal
Same role & field after one extension

SECTION 10

Practical setup checklist.

This consolidates Sections 2–9 into a single sequence for a foreign investor setting up a company in Vietnam.

1 **Structure & market access** Check List A/B & in-principle needs	**2** **IRC application** Provincial DOF or Zone Board	**3** **ERC application** Registration Office (~3 days)	**4** **Contribute charter capital** Within 90 days of ERC
5 **Accounting & tax setup** Circular 99/133/132; e-invoicing	**6** **Secure premises** Lease, sublease or purchase	**7** **Work permit / visa** Apply or confirm exemption	**8** **Ongoing compliance** Filings, provisional CIT, audit

The full 13-step checklist

01	Confirm whether your activity sits in List A, List B, or is open to 100% foreign ownership (§3)
02	Confirm whether your project requires in-principle approval before licensing (§3)
03	Decide on entity type — for a sole investor, typically a single-member LLC (§2)
04	Prepare & submit the IRC application to the provincial DOF or Zone Management Board (§4)
05	Submit the ERC application — can begin before the IRC is finalized if market access is met (§4)
06	Contribute charter capital within 90 days of ERC issuance (§2)
07	Register your accounting framework (Circular 99/133/132) & appoint/outsource a Chief Accountant (§7)
08	Register for e-invoicing (§6 / §7)

09	Secure premises — State land lease, industrial-zone sublease, or office/housing purchase or lease (§8)
10	Confirm work-permit exemption (owner with ≥ VND 3bn capital) or apply for the relevant visa/permit (§9)
11	Set up payroll — register social, health & unemployment insurance if hiring staff (§9)
12	Build your tax compliance calendar — VAT/PIT, provisional CIT, annual finalization & audit (§6–7)
13	Check eligibility for CIT incentives by revenue (15%/17%) or sector/location (§5–6)

Three phases, thirteen steps

PHASE 1 · STEPS 1–6

Establish

Confirm access, choose structure, secure the IRC and ERC, and contribute charter capital.

PHASE 2 · STEPS 7–9

Set up

Register accounting & e-invoicing, appoint a Chief Accountant, and secure premises.

PHASE 3 · STEPS 10–13

Operate

Sort work permits & payroll, run the tax calendar, and claim eligible incentives.

Indicative critical-path timeline

IRC appraisal	ERC	Contribute charter capital
14–20 days	~3 days	Within 90 days of ERC

Documents you will typically need

Passport
Notarized copy, consularly legalized

Bank reference
Proof of financial capability

Company charter
Draft for the new Vietnamese entity

Investment proposal
Project description for the IRC dossier

Premises confirmation
Lease agreement or land-use documentation

Sector-specific licences
If required for conditional business lines

Important disclaimer.

Disclaimer

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