Vietnam Labor Law Updates 2026

Personal income tax, social insurance, penalties and foreign-worker permits: what employers need to do before year-end



#7
November 2026

CADENA
A HUMANICA COMPANY

HRM Series 5

Contents

At a glance 3
Seven changes at a glance and the 2026 timeline

01 Personal income tax: more take-home pay, more documents to manage 6
Higher family deductions · From seven brackets to five · New exemptions and deductions · Overtime, night work and unused leave · Withholding, casual income and exit payments · Resident and non-resident foreign employees · Forms, deadlines and filing frequency

02 Social insurance: a higher base salary lifts every benefit 12
The new reference level · The ten SI benefit amounts from 01 Jul 2026 · Reference: insurance for foreign employees

03 Leave and family benefits: longer rest, one more holiday 15
Seven months of maternity leave for a second child · Convalescence leave: how many days · A new paid holiday on 24 November

04 Decree 283: penalties are now defined, and organizations pay double 18
How to read the penalty figures · Social insurance · Wages and discipline · Health checks and recruitment · How to stay on the right side

05 Decree 393: a new foreign-worker regime from 05 Dec 2026 22
Key terms · Where to file · Work permit renewal · Employer duties and permit changes · Who qualifies · Documents and exemptions · Deadline reference · Transition rules

06 Administrative changes: one ID, digital records, central accounts 28
Personal ID number replaces the SI number · Electronic SI books in HCMC · The 2% union fee goes to the central account · Labor registration together with SI registration · The new Tax Administration Law

07 Looking ahead: 2027 drafts to plan for 32
Proposed regional minimum wage · Proposed health insurance rate

Action plan 35
What payroll and HR teams should do, by timing

Legal references 36
Source documents and effective dates

At a glance

Between January and December 2026, Vietnam reset the rules on personal income tax, social insurance, payroll penalties and foreign-worker permits, and most employers have actions due before the year ends.

Seven changes account for most of the cost and compliance impact on employers this year. Each is covered in its own chapter, with the legal basis stated so your team can verify the source.

- **Higher PIT family deductions.** From tax period 2026, VND 15.5 million a month for the taxpayer and VND 6.2 million per dependent, up from VND 11 million and VND 4.4 million (Resolution 110/2025/UBTVQH15).
- **A five-bracket PIT schedule.** Five wider brackets (5% to 35%) replace the former seven, lowering tax at every income level (PIT Law 109/2025/QH15).
- **A higher base salary.** VND 2,530,000 a month from 01 Jul 2026 lifts the maximum SI contribution base to VND 50.6 million and raises all ten SI benefit amounts (Decree 161/2026/NĐ-CP).
- **Fixed penalties for labor and SI violations.** From 10 Sep 2026, late payment, evasion, wage and work-rule violations carry set fine ranges, and organizations pay twice the individual amount (Decree 283/2026/NĐ-CP).
- **A new foreign-worker regime.** From 05 Dec 2026, Decree 393/2026/NĐ-CP replaces Decree 219/2025/NĐ-CP, with new renewal timing, employer reporting and qualification rules.
- **Simpler administration.** The personal ID number replaces the SI number, electronic SI books replace paper books, and labor registration joins SI registration.
- **More leave.** Seven months of maternity leave for a second child and a new paid holiday on 24 November.

2026 timeline

Effective date	Change	Legal basis
01 Jan 2026	Higher family deductions; overtime and unused-leave PIT exemptions for residents	Resolution 110/2025/UBTVQH15; PIT Law 109/2025/QH15
15 Apr 2026	Quarterly PIT filing for salaries and wages begins	Resolution 66.16/2026/NQ-CP; Circular 89/2026/TT-BTC
01 Jul 2026	New PIT rules, tax administration law, base salary, SI benefits, labor registration, second-child maternity leave, 24 Nov holiday	Decrees 253, 252, 161 and 168/2026/NĐ-CP; Law 108/2025/QH15; Resolution 28/2026/QH16
01 Sep 2026	Personal ID number replaces SI number; 2% union fee to the central account (HCMC)	Plan 3115/KH-BHXH; Notice 6877/TB-BHXH; Official Letter 1363/LĐLĐ
10 Sep 2026	New administrative penalties	Decree 283/2026/NĐ-CP
05 Oct 2026	Electronic SI books (HCMC)	Notice 8362/TB-BHXH
05 Dec 2026	New foreign-worker rules	Decree 393/2026/NĐ-CP

Items proposed for 2027 are drafts only and are covered separately in Chapter 7.

VISUAL SUMMARY

The 2026 timeline

Seven dates that shape payroll, tax and HR work this year.

01 JAN 2026
Higher family deductions; overtime and unused-leave PIT exemptions for residents
Resolution 110/2025/UBTVQH15; PIT Law 109/2025/QH15

15 APR 2026
Quarterly PIT filing for salaries and wages begins
Resolution 66.16/2026/NQ-CP; Circular 89/2026/TT-BTC

01 JUL 2026
New PIT rules, tax administration law, base salary and SI benefits, labor registration, second-child maternity leave, 24 Nov holiday
Decrees 253, 252, 161 and 168/2026/NĐ-CP; Law 108/2025/QH15; Resolution 28/2026/QH16

01 SEP 2026
Personal ID number replaces SI number; 2% union fee to the central account (HCMC)
Plan 3115/KH-BHXH; Notice 6877/TB-BHXH; Official Letter 1363/LĐLĐ

10 SEP 2026
New administrative penalties
Decree 283/2026/NĐ-CP

05 OCT 2026
Electronic SI books (HCMC)
Notice 8362/TB-BHXH

05 DEC 2026
New foreign-worker rules
Decree 393/2026/NĐ-CP

Start now: list all foreign-worker permits by expiry date before 05 Dec 2026.

Items proposed for **2027** are drafts only and are covered separately in Chapter 7.

CHAPTER 1

Personal income tax

01

More take-home pay, more documents to manage

Employees keep more of their pay in 2026, and payroll teams carry a heavier documentation load.

LEGAL BASIS
Resolution 110/2025/UBTVQH15; Personal Income Tax Law 109/2025/QH15; Decree 253/2026/NĐ-CP; Circulars 87, 89 and 90/2026/TT-BTC; Decree 252/2026/NĐ-CP.

1.1 Higher family deductions (from 01 Jan 2026)

Resolution 110/2025/UBTVQH15 raises both deductions from tax period 2026. The previous amounts remain in use only for the 2025 tax finalization.

Deduction	Before (2025 finalization)	From tax period 2026
Taxpayer	VND 11,000,000 a month	VND 15,500,000 a month (VND 186 million a year)
Each dependent	VND 4,400,000 a month	VND 6,200,000 a month

Circular 87/2026/TT-BTC also widens who counts as a dependent. A dependent's maximum income rises from VND 1 million to VND 3 million a month, measured as average monthly income over the tax year. For example, a parent averaging VND 2.8 million a month (VND 33.6 million a year) can be claimed, which yields VND 74.4 million of deduction over 12 months. At VND 3.5 million a month the same parent cannot be claimed. Relationship and age or inability-to-work conditions still apply, and supporting documents must be completed within the tax year.

1.2 From seven brackets to five (tax period 2026)

Under PIT Law 109/2025/QH15, the progressive schedule for salaries and wages now has five brackets.

Bracket	Taxable income per month (VND million)	Annual equivalent (VND million)	Rate
1	Up to 10	Up to 120	5%
2	Over 10 to 30	Over 120 to 360	10%
3	Over 30 to 60	Over 360 to 720	20%
4	Over 60 to 100	Over 720 to 1,200	30%

Bracket	Taxable income per month (VND million)	Annual equivalent (VND million)	Rate
5	Over 100	Over 1,200	35%

The five-bracket schedule never costs more than the seven-bracket one, and the saving grows with income. The figures below are Cadena's own calculation on taxable income, before deductions.

Taxable income per month (VND million)	Monthly tax, 7 brackets → 5 brackets (VND million)	Saving per year (VND million)
10	0.75 → 0.50	3.0
20	2.35 → 1.50	10.2
30	4.35 → 2.50	22.2
60	12.15 → 8.50	43.8
100	25.15 → 20.50	55.8

What it means: employers that guarantee net pay see lower gross-up costs, and a clearer net-pay story helps in hiring.

1.3 New exemptions and deductions (from 01 Jul 2026)

Decree 253/2026/NĐ-CP and Circular 87/2026/TT-BTC introduce the following. Medical and education deductions apply to residents only.

Item	Rule from 01 Jul 2026
Shift meal allowance	Tax-exempt up to VND 1.2 million per person a month
Medical expenses	Deductible up to VND 23 million a year, for treatment at a domestic facility covered by the health insurance list
Education expenses	Deductible up to VND 24 million a year, for tuition at a domestic preschool, general, vocational, university or professional training institution
Supplementary pension and life insurance	Deductible up to VND 3 million a month (previously VND 1 million)
Trade union-funded payments	Not PIT-taxable if not salary-like and paid under the Trade Union Law

Medical and education deductions require invoices, vouchers and a cost statement in the name of the taxpayer or dependent. Employees must self-finalize these deductions and cannot authorize the employer to do so (Decree 253/2026/NĐ-CP, Art. 51(3)). Dependent files continue to be submitted to the paying unit.

VISUAL SUMMARY

Exemptions and withholding

What changes in practice for deductions, overtime, exit payments and foreign staff.

01

1.3 New exemptions and deductions (from 01 Jul 2026)

SHIFT MEAL ALLOWANCE
1.2 million / month
Tax-exempt per person

MEDICAL EXPENSES
23 million / year
Domestic facility on the health insurance list

EDUCATION EXPENSES
24 million / year
Preschool to university or vocational training

PENSION AND LIFE INSURANCE
3 million / month
Previously VND 1 million

Medical and education deductions are for residents only. They need invoices in the name of the taxpayer or dependent, and employees must self-finalize them (Decree 253/2026/NĐ-CP, Art. 51(3)).

1.4 Overtime, night work and unused leave

Exempt in full
Overtime
Not only the premium, when paid at legal rates and supported by a timesheet. Pay above the legal level is not exempt.

Unchanged
Night work
Only the part above normal daytime pay (usually 30%+) is exempt. Split night pay into a taxed portion and an exempt premium.

On resignation
Unused annual leave
Exempt within the legal amount when the employee resigns or loses the job. Payout to a current employee stays taxable.

Residents from 01 Jan 2026, non-residents from 01 Jul 2026.

1.5 Withholding thresholds (residents, from 01 Jul 2026)

10% WITHHOLDING THRESHOLD, PER PAYMENT
~~VND 2 million~~ → **5 million**

CASUAL INCOME EXEMPT FROM FINALIZATION
~~VND 10 million~~ → **15 million**

For exit payments, the 10% applies to taxable income, not to the total. Take out tax-exempt items first (overtime, annual leave pay, severance).

1.6 Resident and non-resident foreign employees

	Resident	Non-resident
Deductions	VND 15.5m / month; 6.2m per dependent	Not applicable
PIT on salary	Five-bracket schedule	Flat 20% on salary earned in Vietnam
Medical and education	Up to VND 23m and 24m a year	Not applicable
Overtime and leave exemptions	From 01 Jan 2026	From 01 Jul 2026

Filing: PIT on salaries and wages is filed quarterly from 15 Apr 2026 (Resolution 66.16/2026/NQ-CP, valid to 28 Feb 2027).

1.4 Overtime, night work and unused leave

From 01 Jan 2026 for residents, and from 01 Jul 2026 for non-residents, the exemptions widen.

- **Overtime:** exempt in full, not only the premium, when paid at legal rates and supported by a timesheet. Pay above the legal level is not exempt.
- **Night work:** unchanged. Only the part above normal daytime pay (usually at least 30%) is exempt, so payroll must split night pay into a taxed normal portion and an exempt premium.
- **Pay in lieu of unused annual leave** (Labor Code 2019, Art. 113(3)): exempt within the legal amount when the employee resigns or loses the job. A payout to a current employee, or any amount above the legal level, remains taxable.

1.5 Withholding, casual income and exit payments

For residents, Decree 253/2026/NĐ-CP (Art. 50(2)) changes two thresholds.

Item	Before	From 01 Jul 2026
10% withholding threshold	VND 2 million per payment	VND 5 million per payment
Casual income exempt from direct finalization	VND 10 million a month	VND 15 million a month

The rules cover individuals without a labor contract, contracts under three months, and payments made after a contract has ended. Below VND 5 million per payment, withholding is not mandatory, although the individual may request it. Non-residents are taxed at a flat 20%.

For exit payments, the 10% applies to taxable income, not to the total paid. Take out tax-exempt items first (overtime, annual leave pay, severance), and remember that unused annual leave must be paid out on resignation under Labor Code Art. 113.

1.6 Resident and non-resident foreign employees

A resident is present in Vietnam for 183 days or more in a calendar year (or in the first 12 months from arrival), or has a regular home here. Payroll must run two tax logics for foreign staff.

Item	Resident	Non-resident
Personal and dependent deductions	VND 15.5 million a month; VND 6.2 million per dependent	Not applicable
PIT on salary	Five-bracket schedule	Flat 20% on salary earned in Vietnam
Medical and education deductions	Up to VND 23 million and 24 million a year	Not applicable
Overtime, night and unused-leave exemptions	From 01 Jan 2026	From 01 Jul 2026

Item	Resident	Non-resident
SI/HI reference level and ceiling	VND 2.53 million; ceiling VND 50.6 million	Same as residents
Regional minimum wage	Same for all	Same as residents

1.7 Forms, deadlines and filing frequency

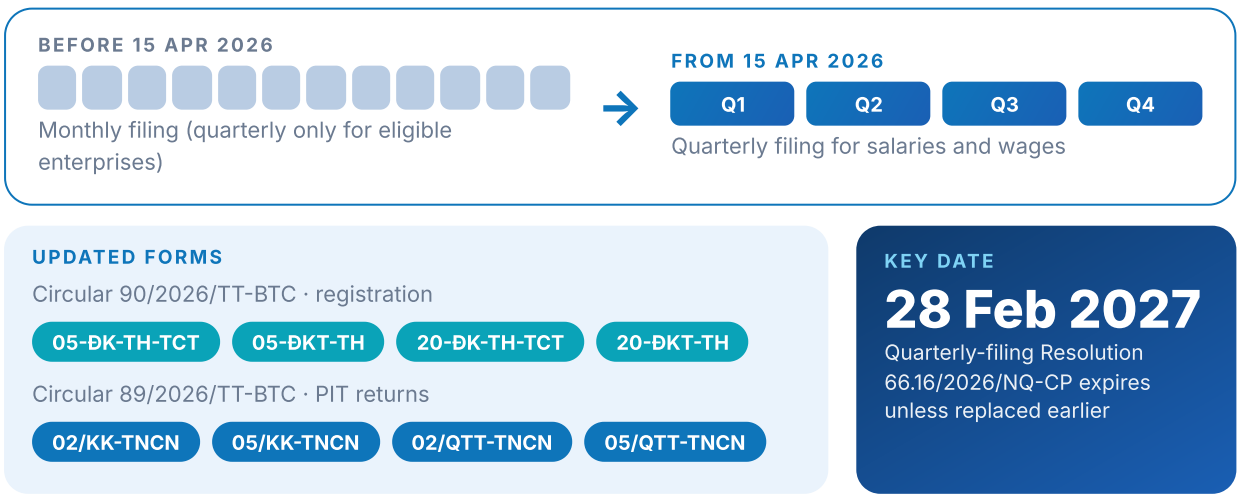
Forms. Circular 90/2026/TT-BTC updates tax registration forms, including consolidated registration (05-ĐK-TH-TCT, 05-ĐKT-TH) and dependent registration (20-ĐK-TH-TCT, 20-ĐKT-TH). Form 20-ĐKT-TH now separates first-time dependents from changes and adds disability, loss of civil capacity, degree of work-capacity loss and average monthly income. Circular 89/2026/TT-BTC updates PIT returns 02/KK-TNCN, 05/KK-TNCN, 02/QTT-TNCN and 05/QTT-TNCN with indicators for exempt income and exempt tax, and re-issues or updates appendices 05-1/BK-QTT-TNCN and 05-2/BK-QTT-TNCN.

Registration deadlines (Decree 252/2026/NĐ-CP, replacing Circular 86/2024/TT-BTC):

Item	Before 01 Jul 2026	From 01 Jul 2026
Employer registers on behalf of employees	10 working days	By the deadline of the PIT return for the first payment period
Individual self-registers	10 working days	Unchanged
Dependent registration	10 working days (employer)	No later than 31 Dec of the tax year
Tax obligation arises on wages	Not stated	When income is paid or received (PIT Law 2025, Art. 8)

Quarterly filing. Under Circular 89/2026/TT-BTC and Resolution 66.16/2026/NQ-CP, PIT on salaries and wages moves from monthly to quarterly filing, applying from 15 Apr 2026. The Resolution expires on 28 Feb 2027 unless replaced earlier. Before, filing was monthly, with quarterly filing available to eligible enterprises.

Filing frequency at a glance



CHAPTER 1 · VISUAL SUMMARY

Personal income tax

More take-home pay, more documents to manage.

01

1.1 Higher family deductions (from 01 Jan 2026)

TAXPAYER · PER MONTH

~~VND 11,000,000~~

15.5 million

VND 186 million a year · +VND 4.5 million

EACH DEPENDENT · PER MONTH

~~VND 4,400,000~~

6.2 million

+VND 1.8 million per dependent

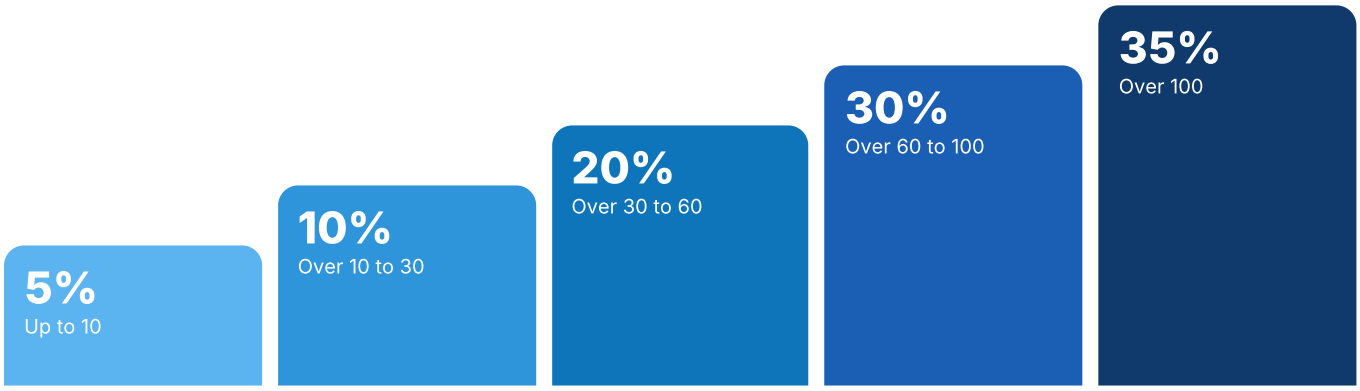
Resolution 110/2025/UBTVQH15. The previous amounts remain in use only for the 2025 tax finalization.

WHO COUNTS AS A DEPENDENT

Maximum income of a dependent rises from **VND 1 million** to **VND 3 million** a month (yearly average, Circular 87/2026/TT-BTC).

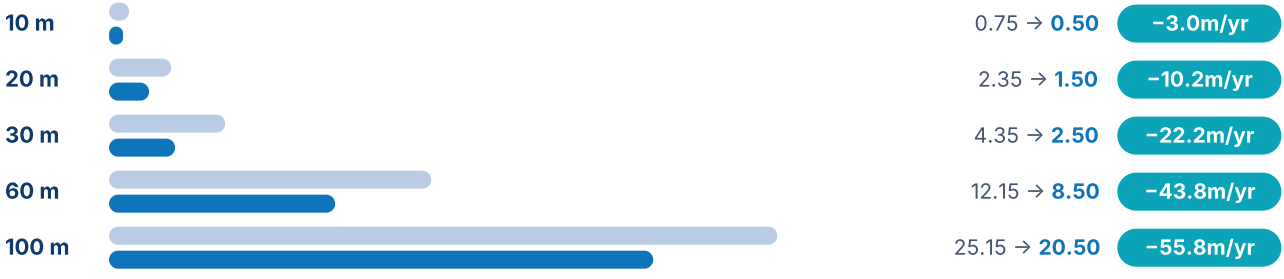
A parent averaging VND 2.8 million a month can be claimed (VND 74.4 million deduction over 12 months). At VND 3.5 million they cannot.

1.2 From seven brackets to five (tax period 2026)



Taxable income per month, VND million. PIT Law 109/2025/QH15.

MONTHLY TAX, 7 BRACKETS VS 5 BRACKETS (VND MILLION)



Cadena's own calculation on taxable income per month, before deductions.

What it means: employers that guarantee net pay see lower gross-up costs, and a clearer net-pay story helps in hiring.

CHAPTER 2

Social insurance

02

A higher base salary lifts every benefit

The base salary rose 8.12% on 01 Jul 2026, and every SI amount calculated from it rose with it.

LEGAL BASIS
Decree 161/2026/NĐ-CP (issued 15 May 2026, effective 01 Jul 2026, replacing the level set by Decree 73/2024/NĐ-CP); Law on Social Insurance 2024; Law on Occupational Safety and Health (OSH) 2015.

2.1 The new reference level

Decree 161/2026/NĐ-CP sets the base salary at VND 2,530,000 a month, up VND 190,000 from VND 2,340,000. Under the 2024 SI Law, while the base salary has not been abolished, the SI reference level equals the base salary. Three amounts follow directly:

Item	Before 01 Jul 2026	From 01 Jul 2026
Base salary / SI reference level	VND 2,340,000	VND 2,530,000
Maximum monthly salary base for SI contributions	VND 46.8 million	VND 50.6 million (20 times the base salary)
Benefits calculated on the base salary	Old amounts	All ten benefits below

A higher ceiling means contributions rise for higher earners and so do their future entitlements. Because benefits follow one formula tied to the base salary, employers can budget changes with confidence.

2.2 The ten SI benefit amounts from 01 Jul 2026

#	Benefit	Amount from 01 Jul 2026	Legal basis
1	Convalescence after sickness	VND 759,000 a day, up to 5–10 days	SI Law 2024, Art. 46(3)
2	One-time allowance at childbirth or adoption	VND 5,060,000 per child	SI Law 2024, Art. 58(4)
3	Convalescence after maternity	VND 759,000 a day, up to 5–10 days	SI Law 2024, Art. 60(3)

#	Benefit	Amount from 01 Jul 2026	Legal basis
4	Work-capacity loss of 5% (one-time)	VND 12,650,000, plus VND 1,265,000 for each additional 1%	OSH Law 2015, Art. 48
5	Work-capacity loss of 31% (monthly)	VND 759,000, plus VND 50,600 for each additional 1%	OSH Law 2015, Art. 49
6	Attendant care (work accident or occupational disease)	VND 2,530,000	OSH Law 2015, Art. 52
7	Death allowance (work accident or occupational disease)	VND 91,080,000	OSH Law 2015, Art. 53(1)
8	Convalescence after treatment of injury or illness	VND 759,000 a day, up to 5–10 days	OSH Law 2015, Art. 54(3)
9	Funeral allowance (compulsory SI)	VND 25,300,000	SI Law 2024, Art. 85(2)
10	Monthly survivor allowance, per relative	VND 1,265,000	SI Law 2024, Art. 87(1)

The death allowance for work accidents and occupational diseases, at VND 91.08 million, is the largest single benefit.

Payment channel. SI benefits for sickness and maternity can be paid through the employer or directly to the individual's bank account. Direct payment is preferred, but no rule currently makes it mandatory.

2.3 Reference: insurance for foreign employees

These rules are unchanged in 2026 and apply to resident and non-resident foreign employees alike.

Item	Foreign employees	Vietnamese employees
Compulsory SI	Fixed-term contract of 12 months or more; excludes intra-company transfers, people past retirement age at signing, and treaty cases	Contract of one month or more, or indefinite term, where covered by law
Compulsory HI	Contract of one month or more	Contract of one month or more
Contribution rates	Employee 9.5% (SI 8% + HI 1.5%); employer 20.5% (SI 17%, work accident 0.5%, HI 3%)	Same
Unemployment insurance	Not covered; the employer pays an extra 1% of monthly salary instead	Employee 1% and employer 1%

Budget the extra 1% of salary paid in place of unemployment insurance, and check whether in-lieu payments apply where SI or HI does not.

CHAPTER 2 · VISUAL SUMMARY

Social insurance

02

A higher base salary lifts every benefit. The base salary rose 8.12% on 01 Jul 2026.

2.1 The new reference level

BASE SALARY / SI REFERENCE LEVEL

~~VND 2,340,000~~

2,530,000

MAX MONTHLY SALARY BASE FOR SI

~~VND 46.8 million~~

50.6 million

20 times the base salary

BENEFITS FOLLOW ONE FORMULA

+8.12%

All ten SI benefit amounts rise with it

2.2 The ten SI benefit amounts from 01 Jul 2026

1. Convalescence after sickness
   759,000 / day
   up to 5–10 days · SI Law Art. 46(3)

2. One-time allowance at childbirth or adoption
   5,060,000
   per child · SI Law Art. 58(4)

3. Convalescence after maternity
   759,000 / day
   up to 5–10 days · SI Law Art. 60(3)

4. Work-capacity loss of 5% (one-time)
   12,650,000
   +1,265,000 per extra 1% · OSH Art. 48

5. Work-capacity loss of 31% (monthly)
   759,000
   +50,600 per extra 1% · OSH Art. 49

6. Attendant care (work accident or occupational disease)
   2,530,000
   OSH Art. 52

7. Death allowance (work accident or occupational disease)
   91,080,000
   OSH Art. 53(1)

8. Convalescence after treatment of injury or illness
   759,000 / day
   up to 5–10 days · OSH Art. 54(3)

9. Funeral allowance (compulsory SI)
   25,300,000
   SI Law Art. 85(2)

10. Monthly survivor allowance, per relative
    1,265,000
    SI Law Art. 87(1)

Largest single benefit: the death allowance for work accidents and occupational diseases, at VND 91.08 million.

Payment channel. Sickness and maternity benefits can be paid through the employer or directly to the individual's bank account. Direct payment is preferred, but not mandatory.

CHAPTER 3

Leave and family benefits

03

Longer rest, one more holiday

Three changes give employees more paid time and give employers a retention argument that costs little.

LEGAL BASIS
Population Law 113/2025/QH15; Decree 168/2026/NĐ-CP; Resolution 28/2026/QH16; Law on Social Insurance 2024 (Arts. 46, 60); OSH Law 2015 (Art. 54).

3.1 Seven months of maternity leave for a second child (from 01 Jul 2026)

A female employee who has one living biological child and meets the SI maternity conditions is entitled to seven months of leave for her second child, instead of six. The seven months also count as seven months of maternity allowance, paid from the SI fund. A male employee in the same position receives 10 working days of paternity leave, where before the number of days depended on the type of birth.

Situation	Female employee	Male employee
Before 01 Jul 2026	6 months	Days set by the SI Law, by type of birth
Second child, from 01 Jul 2026	7 months	10 working days
Third child or later (single birth)	Standard 6 months under the Labor Code	Not covered in this update
Multiple births	+1 month for each child from the second child onward	Not covered in this update

The extension applies to the second child only. Employers should apply it case by case against the Population Law 2025 and the Labor Code 2019.

3.2 Convalescence leave: how many days

Convalescence is paid at 30% of the reference level, which is VND 759,000 a day from 01 Jul 2026. The employer sets the exact number of days with the grassroots trade union, within the legal maximum.

Case	Condition	Up to 10 days	Up to 7 days	Up to 5 days
After sick leave	30 or more days of sick leave in the year, health not yet recovered	Long-term illness	After surgery	Other cases
After maternity leave	Health not yet recovered	Multiple births	Caesarean or surgical birth	Other cases
Work accident or occupational disease	Not recovered within 30 days back at work after treatment	Work-capacity loss of 51% or more	Loss of 31%–50%	Loss of 15%–30%

3.3 A new paid holiday on 24 November (from 01 Jul 2026)

Under Article 2 of Resolution 28/2026/QH16, employees receive a fully paid holiday on 24 November every year. This is one additional paid holiday each year, on a fixed date that makes workforce planning simpler.

What it means: a fixed holiday date supports scheduling, and the extra rest supports morale and retention. Employers can also present the seven-month leave and the 24 November holiday as part of their employer brand.



VISUAL SUMMARY

Leave and family benefits

03

Longer rest, one more holiday. All three changes took effect on 01 Jul 2026.

3.1 Seven months of maternity leave for a second child

FEMALE EMPLOYEE, MONTHS OF LEAVE

Before 01 Jul 2026

1	2	3	4	5	6

Second child, from 01 Jul 2026 +1 month

1	2	3	4	5	6	7

The seven months also count as seven months of maternity allowance paid from the SI fund. Applies when the employee has one living biological child and meets the SI maternity conditions.

FATHER, SECOND CHILD

10

working days of paternity leave

THIRD CHILD OR LATER

6

months, standard Labor Code (single birth)

MULTIPLE BIRTHS

+1

month per child from the second child onward

3.2 Convalescence leave: how many days

759,000 VND a day, paid at 30% of the reference level. The employer sets the exact number of days with the grassroots trade union, within the legal maximum.

Case	Condition	Up to 10 days	Up to 7 days	Up to 5 days
After sick leave	30+ days of sick leave in the year, health not yet recovered	Long-term illness	After surgery	Other cases
After maternity leave	Health not yet recovered	Multiple births	Caesarean or surgical birth	Other cases
Work accident or occupational disease	Not recovered within 30 days back at work	Work-capacity loss 51%+	Loss of 31%–50%	Loss of 15%–30%

3.3 A new paid holiday on 24 November

NOVEMBER

24

fully paid, every year

Resolution 28/2026/QH16, Art. 2. One additional paid holiday on a fixed date, which makes workforce planning simpler. A fixed date supports scheduling, and the extra rest supports morale and retention. Employers can present the seven-month leave and the 24 November holiday as part of their employer brand.

CHAPTER 4

Decree 283

04

Penalties are now defined, and organizations pay double

Since 10 Sep 2026, the cost of a payroll or SI error is written into law, and the same violation costs a company twice what it costs an individual employer.

LEGAL BASIS

Decree 283/2026/NĐ-CP of 15 Jul 2026 on administrative penalties in labor, social insurance and Vietnamese workers going abroad under contract, effective 10 Sep 2026; Labor Code 2019 (Arts. 97, 102, 113, 118, 119, 124, 127, 129); Circular 25/2026/TT-BYT.

4.1 How to read the penalty figures

The fine ranges in this chapter are those for **individuals**, meaning individual employers such as household businesses and sole owners, not a company's legal representative. Under Article 7, an **organization** (company, cooperative, public unit) pays **2×** the individual amount. The decree also separates "late payment" from "evasion" for SI and unemployment insurance, a distinction that Decree 12/2022/NĐ-CP did not draw.

Violation	Individual	Organization (2×)	Remedy
Late payment of compulsory SI (Art. 43)	12%–15% of the late amount, up to VND 75 million	Up to VND 150 million	Pay the shortfall plus 0.03% a day
Evasion of compulsory SI (Art. 44)	18%–20% of the evaded amount, up to VND 75 million	Up to VND 150 million	Pay in full plus 0.03% a day
Failure to register or under-registering employees for SI	VND 5–75 million, by headcount	Up to VND 150 million	Complete the dossier; pay the shortfall plus 0.03% a day
Unemployment insurance	Late payment and evasion penalized separately	2×	Pay the shortfall plus 0.03% a day
Wage violations (Art. 23)	Up to VND 50 million	Up to VND 100 million	Pay in full, plus interest
Fines or pay cuts for lateness (Art. 25)	VND 20–40 million	VND 40–80 million	Refund all deductions
No registered work rules (Art. 25)	VND 5–10 million	VND 10–20 million	Issue and register the rules

Violation	Individual	Organization (2×)	Remedy
Missing periodic health checks (Art. 33)	VND 1–3 million per affected employee, up to VND 75 million	VND 2–6 million per employee, up to VND 150 million	Organize checks as regulated
Recruitment by deception for exploitation or forced labor	VND 50–75 million for some acts, where not yet a crime	2×	As set by Decree 283

4.2 Social insurance

Late payment 12–15% · Evasion 18–20%

Late payment (Art. 43). The penalty is 12%–15% of the total late-paid amount at the time the violation record is made. It replaces an approach under Decree 12/2022/NĐ-CP that did not separate late payment from evasion.

Evasion (Art. 44). Evasion means declaring a contribution salary lower than required, or not paying or underpaying after 60 days from the due date despite reminders, where the act does not yet amount to a crime. The penalty is 18%–20% of the evaded amount.

Failure to register, or under-registering, employees. The fine scales with the number of employees affected (individual amounts shown; organizations pay 2×, to a maximum of VND 150 million):

Employees affected	Fine (individual)
Under 10	VND 5–10 million
10 to under 50	VND 10–15 million
50 to under 100	VND 15–20 million
100 to under 300	VND 20–30 million
300 to under 500	VND 30–40 million
500 to under 700	VND 40–50 million
700 to under 1,000	VND 50–60 million
1,000 or more	VND 60–75 million

Unemployment insurance. Late payment and evasion are now separated. Evasion uses the same test as SI: a registered salary lower than required, or 60 or more days unpaid despite reminders.

4.3 Wages and discipline

Pay in full, plus interest

Wage violations (Art. 23). Fines cover paying wages late, and not paying or underpaying contractual wages, overtime and night-work pay, and downtime pay. Employers must pay in full plus interest at the highest non-term deposit rate of state-owned banks at the time of the penalty. Wages that are 15 days or more late require at least the one-month deposit rate (Labor Code 2019, Art. 97).

Fines and pay cuts for lateness (Art. 25). Fining an employee for being late, cutting pay as discipline, or deducting pay under work rules or by agreement is penalized. Previously the range was VND 10–15 million under Decree 12/2022/NĐ-CP. What remains lawful:

- No pay for time actually not worked, which is not a fine.
- Deductions for damage to property of up to 30% of monthly net pay.
- Four disciplinary forms: reprimand, delayed pay raise (maximum 6 months), demotion, dismissal.

The rule covers every employee under a labor contract, including probationary and part-time staff. Breaks counted as working time, such as those for women during menstruation or nursing a child under 12 months, are not lateness.

Registered work rules (Art. 25). Employers with 10 or more employees need written work rules, registered with the provincial labor authority within 10 days of issue and re-registered after any amendment. Below 10 employees, discipline and material liability are agreed in the labor contract. Rules must cover working time and rest, workplace order, occupational safety and health, sexual-harassment prevention, protection of assets and trade secrets, temporary reassignment, violations and discipline, material liability, and who may discipline.

4.4 Health checks and recruitment

Periodic health checks (Art. 33). Violations include not organizing periodic checks or occupational-disease screening, checks missing the content required by Circular 25/2026/TT-BYT, or not checking every 6 months for heavy or hazardous work, minors, older workers and employees with disabilities. Certificates are valid for 12 months, and where employees arrange their own checks, the employer reimburses the cost. HCMC set a deadline of 31 Oct 2026 for 100% of employees to have a health check, so employers should confirm their status with the local authority now.

Recruitment (Art. 11). Luring, inducing, promising, falsely advertising or using other tricks to recruit people in order to exploit them or force them to work is fined VND 50–75 million for some acts where the conduct is not yet a crime.

4.5 How to stay on the right side

- Pay SI and unemployment insurance in full and on time, and declare the real contribution salary.
- Keep headcount filings with the SI agency accurate and current.
- Replace pay deductions for lateness with timekeeping records and the four lawful disciplinary forms.
- Issue and register work rules within 10 days, and re-register after changes.
- Calendar health checks, and reimburse employees who arrange their own.
- Audit SI, unemployment insurance and wage records against these provisions at least once before year-end.

CHAPTER 4 · VISUAL SUMMARY

Decree 283

Penalties are now defined, and organizations pay double. Effective 10 Sep 2026.

04

2×

An organization pays twice the individual amount (Art. 7).

HOW TO READ THE FIGURES

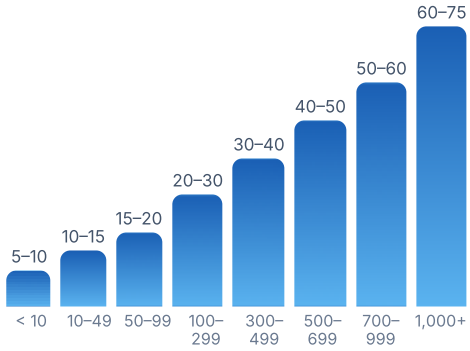
Ranges are for **individuals**, meaning household businesses and sole owners. Companies, cooperatives and public units pay **2×**. The decree now separates **late payment** from **evasion** for SI and unemployment insurance.

4.1 Fine ranges: individual vs organization



SI late payment: 12–15% of the late amount. Evasion: 18–20% of the evaded amount. Both capped as shown. Remedy: pay the shortfall plus 0.03% a day.

Registration fines by headcount



Individual fine, VND million. Organizations pay 2×, up to 150.

WHAT STAYS LAWFUL (ART. 25)

- No pay for time not worked
- Deductions for damage up to 30% of monthly net pay
- Four disciplinary forms: reprimand, delayed pay raise (max 6 months), demotion, dismissal

HOW TO STAY ON THE RIGHT SIDE

- ✓ Pay SI and unemployment insurance in full and on time
- ✓ Keep headcount filings accurate
- ✓ Register work rules within 10 days
- ✓ Calendar health checks; audit before year-end

CHAPTER 5

05

Decree 393

A new foreign-worker regime from 05 Dec 2026

Decree 393/2026/NĐ-CP rewrites how Vietnamese employers renew permits, report on foreign staff and decide who qualifies.

LEGAL BASIS

Decree 393/2026/NĐ-CP of 20 Oct 2026 (five chapters, 37 articles), effective 05 Dec 2026 and replacing Decree 219/2025/NĐ-CP; Decree 221/2025/NĐ-CP on the special visa-exemption card; Resolution 24/2026/NQ-CP; Labor Code 2019.

The decree changes eleven points across four areas: work permit renewal, employer duties, who qualifies, and documents and exemptions. It also lists 18 cases in which a foreign worker needs no work permit, among them three groups added by this decree (Section 5.6).

5.1 Key terms

Term	What it means	How it fits
Visa (thị thực)	A stamp or e-visa allowing entry and stay for a set period. It covers entry and stay, not the right to work.	Needed before arrival unless exempt. A visa alone does not allow work.
Work permit (giấy phép lao động) and exemption certificate	The permit allows work for a named employer in a named position. The certificate confirms the worker falls in an exempt case.	Both are issued by the province where the person will work. Exempt does not always mean no paperwork, because the employer often still applies for the certificate.
Special visa-exemption card	A multi-entry card valid up to 5 years for invited senior experts, scientists and investors, with a 90-day stay per entry.	Issued by the Ministry of Public Security (Decree 221/2025/NĐ-CP). From 05 Dec 2026, holders also need no work permit (Art. 8.16).
Consular legalization (hợp pháp hóa lãnh sự)	Verification by a Vietnamese embassy or consulate that the signature and seal on a foreign document are genuine.	Usually done in the issuing country after its foreign ministry authenticates the document. From 05 Dec 2026, passports are exempt.
Working in Vietnam vs abroad	Work physically done in Vietnam, for example under a Vietnamese labor contract, internal transfer or service contract, versus work done outside Vietnam.	Permit rules apply to work done in Vietnam. Work done entirely abroad needs no Vietnamese permit, but tax and SI should be checked case by case.

A visa lets a person in; a permit lets them work. Never treat a visa as proof of the right to work.

5.2 Where to file

Procedure	Where	Who files and how
Work permit or exemption certificate	People's Committee of the province or city where the worker will work	The employer, not the worker, for issue, reissue, renewal or revocation, online where the national database is connected
Visa and temporary residence card	Embassy or consulate abroad for the visa; Immigration Department, Ministry of Public Security, in Vietnam	The foreign worker or the sponsoring employer, separately from the work permit
Special visa-exemption card	Immigration Department, Ministry of Public Security	A ministry, agency or organization applies on the foreigner's behalf
Legalization and judicial record	Legalization: Vietnamese embassy or consulate in the issuing country. Judicial record: the issuing authority	The worker obtains the documents; the employer files them with the dossier, translated and certified where required

5.3 Work permit renewal (Decree 393, Arts. 28–29)

Previously governed by Decree 219/2025/NĐ-CP, Arts. 27–28, as amended by Resolution 24/2026/NQ-CP.

	Before 05 Dec 2026	From 05 Dec 2026
Filing window	10 to 45 days before expiry	From 10 working days up to 90 days before expiry
Decision time	10 working days	5 working days
Health certificate	Part of the dossier	Not required

The renewal dossier now has five items: the report and request (Form 03), a passport copy, two photos, proof of the work form, and a copy of the valid permit. A 90-day window leaves room to correct and refile if a dossier is returned.

5.4 Employer duties and permit changes

Decree 393, Arts. 3.5, 8.13.a, 12.3, 24.3 and 37.6.

Item	Before 05 Dec 2026	From 05 Dec 2026
Periodic report	No employer duty; Decree 219 set duties only for ministries and provinces	Employers report on their foreign workers before 05 Jun and 05 Dec each year (Appendix IV), or on request or on changes. Not needed if the data is already in the national database

Item	Before 05 Dec 2026	From 05 Dec 2026
Sub-leasing	Not regulated	Not allowed. Lending or sending a foreign worker to another company is prohibited; the worker serves only the employer named on the permit
Short-term work	Under 90 days in a calendar year	Up to 90 days in total per calendar year, all employers combined, is exempt if there is no hiring, pay or employment relationship in Vietnam. If the person is hired or paid here, a work permit under the labor contract form is required
Change of head office, branch, rep office or business location	Reissue only for loss or damage, or a change of name, nationality, passport or employer name	Reissue the permit or exemption certificate also when the head office, branch, rep office or business location changes
Working at a new location	Several provinces: notify at least 3 days ahead	New or changed regular location: notify the new site and the issuing authority 3 working days ahead; the permit must match where the person really works

For clarity, a branch is a dependent unit that does business, a rep office is a dependent unit that only liaises and earns no revenue, and a business location is an additional operating site.

5.5 Who qualifies

Decree 393, Arts. 3.1, 4.2, 4.3 and 11.3 (previously Decree 219/2025/NĐ-CP, Arts. 3.2, 3.3, 7.13 and 10).

Category	Before	From 05 Dec 2026
Expert	University degree plus experience, for example one year in finance, science, technology or other priority fields	Old cases kept, plus five new ones: five years' relevant experience with no degree needed; a degree in a strategic technology; or a top-grade science or technology degree from a top-500 university plus one year
Executive director heading a field	At least 3 years' relevant experience	At least 2 years' relevant experience
Internal transfer, 11 service sectors	Included technical workers; certificate valid up to 2 years	Managers, executive directors and experts only, employed by the foreign company for 12 continuous months before arrival; certificate valid up to 3 years

Direct hire versus internal transfer. In a direct hire, the Vietnamese company signs a Vietnamese labor contract and pays the salary, and the worker needs a work permit (labor contract form). In an internal transfer, the person stays an employee of the foreign group company and is sent temporarily to its commercial presence in Vietnam. There is no work permit but an exemption certificate valid up to 3 years, available only to managers, executive directors and experts in the 11 service sectors Vietnam committed to under the WTO. Hire directly for permanent local roles, and use the transfer route only when the 12-month and 11-sector conditions are met.

5.6 Documents and exemptions

Foreign documents (Arts. 6, 7.1, 9.6 and 19; previously Decree 219/2025/NĐ-CP, Arts. 5 and 18.4):

- Passports are exempt from consular legalization. Before, all foreign documents, passports included, had to be legalized.
- Other foreign documents are still legalized unless exempt by treaty, reciprocity or law, then translated and certified. The certification of the copy before translation is dropped.
- A judicial record is no longer needed for online filing if the data can be pulled from the judicial database. It is now also required for exemption certificate dossiers, which did not need it before. For work permit dossiers it must be issued within 6 months.

Three groups added to the no-permit list (Arts. 8.16–8.18; previously Art. 7.15, under which science and technology experts needed ministry or provincial confirmation):

- Holders of the special visa-exemption card (Decree 221/2025/NĐ-CP).
- Experts in listed strategic technologies, and their relatives.
- Workers recruited under the national AI talent program.

Employers should check each new hire against these groups before preparing a permit dossier.

5.7 Deadline reference

Action	Decree 219/2025 (before)	Decree 393/2026 (from 05 Dec 2026)
New permit or certificate	Within 60 days, at least 10 days before the start date (Arts. 9.1, 22.1)	At least 10 working days and at most 60 days before (Arts. 10.1, 23.1)
Renewal filing	10 to 45 days before expiry (Arts. 16.1, 28.1)	10 working days to 90 days before expiry (Arts. 17.1, 29.1)
Renewal decision	10 working days (Art. 28.3)	5 working days (Art. 29.3)
New permit after one renewal, same position and field	No filing time set (Art. 20.3)	10 working days to 60 days before expiry (Arts. 9.8, 21.3)
Return an expired permit or certificate	15 days from expiry (Arts. 31.1, 33.1)	10 working days from expiry (Arts. 32.1, 34.1)
Work at a new location	Several provinces: notify at least 3 days ahead (Art. 22.5)	Notify the new site and the issuing authority 3 working days ahead (Art. 23.5)

5.8 Transition rules (Art. 35)

- **Permits already issued.** Work permits and exemption certificates issued under Decree 219/2025/NĐ-CP and Decree 70/2023/NĐ-CP stay valid until they expire. Later issuance, reissue and renewal follow Decree 393 (Art. 35.1).
- **Dossiers already filed.** Dossiers filed before 05 Dec 2026 continue under Decree 219/2025/NĐ-CP, and renewal dossiers filed under Resolution 24/2026/NQ-CP continue under that Resolution (Art. 35.2, 35.5).
- **Technical workers on internal transfer.** Documents already issued stay valid until expiry. Reissue or renewal is possible as an expert if the worker has at least five years' relevant experience (Art. 35.3).

New filings from 05 Dec 2026 follow Decree 393/2026/NĐ-CP, and anything filed earlier is completed under the old rules. Nobody needs to re-apply early.

What employers should do now: list when each permit expires and which dossiers are pending; move renewal reminders to the 90-day mark; build the 05 Jun and 05 Dec reporting dates into the compliance calendar; reissue permits when a head office, branch or site changes; track each person's 90-day total across employers; and re-check technical workers on internal transfer to see who must re-qualify as an expert.

CHAPTER 5 · VISUAL SUMMARY

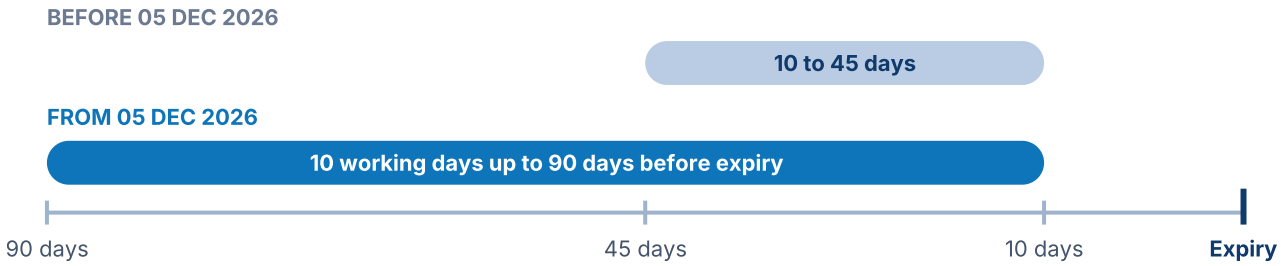
Decree 393

A new foreign-worker regime from 05 Dec 2026. Replaces Decree 219/2025/NĐ-CP.

05

5.3 Work permit renewal (Decree 393, Arts. 28–29)

WHEN YOU CAN FILE A RENEWAL, COUNTED BACK FROM EXPIRY



DECISION TIME

~~10~~ → **5**

working days

HEALTH CERTIFICATE

No longer required

was part of the dossier

RENEWAL DOSSIER

5 items

Form 03, passport, 2 photos, work proof, valid permit

5.5 Direct hire vs internal transfer

DIRECT HIRE

Vietnamese company signs a Vietnamese labor contract and pays the salary. The worker needs a **work permit** (labor contract form). Use for permanent local roles.

INTERNAL TRANSFER

Worker stays employed by the foreign group company. **No permit**, but an exemption certificate valid up to 3 years, for managers, executive directors and experts in the 11 WTO service sectors, after 12 continuous months abroad.

5.6 Three groups added to the no-permit list

Special visa-exemption card holders

Decree 221/2025/NĐ-CP · Art. 8.16

Experts in listed strategic technologies, and their relatives

Art. 8.17

Workers recruited under the national AI talent program

Art. 8.18

5.4 NEW EMPLOYER DUTY: PERIODIC REPORT

BEFORE **05 Jun**

BEFORE **05 Dec**

Every year (Appendix IV), on request or on changes. Not needed if the data is already in the national database.

5.8 TRANSITION RULES (ART. 35)

Permits already issued stay valid until expiry. Dossiers filed before 05 Dec 2026 finish under the old rules. Nobody needs to re-apply early.

CHAPTER 6

Administrative changes

06

One ID, digital records, central accounts

Several smaller changes share one theme: fewer paper records and one identifier across HR, tax and SI.

LEGAL BASIS
Plan 3115/KH-BHXH and Notice 6877/TB-BHXH; Notice 8362/TB-BHXH; Official Letter 1363/LĐLĐ; Law on Social Insurance 2024 (Art. 27); Decree 318/2025/NĐ-CP; Decision 645/QĐ-BNV; Law on Tax Administration 108/2025/QH15.

6.1 Personal ID number replaces the SI number (01 Sep 2026)

Before 01 Sep 2026, declarations and lookups relied mainly on the 10-digit SI number. From that date, business software uses the personal ID number, the number on the citizen ID card, in its place. Vietnam Social Security converts records automatically, so no conversion procedure is required of employers or employees. The practical gain is one identifier across declarations, which means cleaner master data, easier reconciliation across HR, tax and SI, and fewer record corrections. (Plan 3115/KH-BHXH; Notice 6877/TB-BHXH)

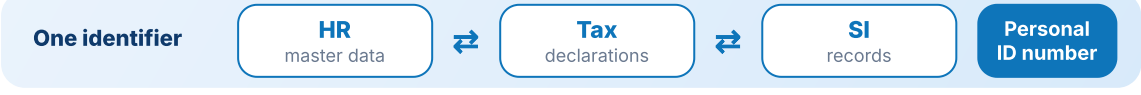
6.2 Electronic SI books in HCMC (05 Oct 2026)

Notice 8362/TB-BHXH of 05 Oct 2026 sets the direction that electronic SI books gradually replace paper books and loose sheets. An e-SI book has the same legal value as the paper book under the Law on Social Insurance 2024, and once one is issued, no paper book or loose sheet is needed for transactions or for claiming SI and unemployment benefits.

	Before	From this notice
Record held	Paper SI books and loose sheets	E-SI book, received through VNeID level 2, VssID or personal email
Claims	Paper book needed	No paper needed once an e-book is issued

Employer actions:

- Guide employees to register VNeID level 2 and VssID, and to give an accurate personal email.
- Where an employee has no updated email, file electronic dossier 608 (SI book re-issuance) so the SI agency can update the data.
- Keep a clear record of who holds an e-book.



Employees can check contribution history at any time on VssID or VNeID and file claims faster. The scope of Notice 8362/TB-BHXH should be confirmed against its full text.

6.3 The 2% union fee goes to the central account (01 Sep 2026, HCMC)

Under Official Letter 1363/LĐLĐ, HCMC employers could previously pay the 2% trade union fee into the collection account of the HCMC Labor Federation. From 01 Sep 2026 the Federation no longer receives the fee through its own account, and employers must transfer to the centralized collection account of the Vietnam Trade Union. Employee take-home pay is not affected.

The account number is a bank prefix followed by the tax code of the paying entity, and each legal entity has its own account.

Bank	Account number	Transfer content
Vietinbank	1TLD + tax code	[Company name] nộp 2% KPCĐ tháng .../...
BIDV	V2TT + tax code	[Company name] nộp 2% KPCĐ tháng .../...
Vietcombank	VCBTLD + tax code	[Company name] nộp 2% KPCĐ tháng .../...
Dependent units	Own 13-digit tax code	Each legal entity has its own account

Always use the entity's own tax code and the transfer content shown, and confirm the details with the HCMC Labor Federation against Official Letter 1363/LĐLĐ.

6.4 Labor registration together with SI registration (01 Jul 2026)

Before 01 Jul 2026, integrated labor registration was not mandatory. From that date, employees under compulsory SI must register for labor at the same time as they register for SI, in the same dossier filed with the SI agency (SI Law 2024, Art. 27; Decree 318/2025/NĐ-CP; procedure under Decision 645/QĐ-BNV).

- **Employer:** registers labor information and updates it when it changes.
- **Employee:** provides complete and accurate information.
- **Processing:** 5 working days, free of charge for the initial registration, with data synchronized to the national labor database.
- **Reporting:** labor-use reports go to the provincial Department of Home Affairs every 6 months and annually.
- **Employees outside compulsory SI** follow from 01 Jan 2027.

Build labor registration into onboarding so one submission covers both.

6.5 The new Tax Administration Law (01 Jul 2026)

Law 108/2025/QH15 replaces Law 38/2019/QH14. Its main effects on employers:

- **Electronic data first.** Registration, filing, withholding, payment and refund data are used more extensively to assess compliance.
- **Tax code linked to the personal ID number,** syncing tax and population data and reducing information errors.
- **A shorter window for amended returns,** cut from 10 years to 5 years, counted from the filing deadline of the tax period containing the error.
- **Cross-border transactions.** Stronger management of e-commerce and digital platforms, including foreign organizations and individuals with tax obligations in Vietnam.
- **Prohibited acts.** Unlawfully creating or using e-invoices or documents, falsifying or misusing tax data, disclosing taxpayer information, and failing to provide information for inspections as required.

VISUAL SUMMARY

Administrative changes

06

One ID, digital records, central accounts. Fewer paper records and one identifier across HR, tax and SI.

Four changes, four dates

01 JUL 2026

Labor registration with SI registration

Employees under compulsory SI register for labor in the same dossier filed with the SI agency. Processing in **5 working days**, free for the initial registration. Labor-use reports go to the provincial Department of Home Affairs every 6 months and annually. Employees outside compulsory SI follow from 01 Jan 2027.

01 SEP 2026

Personal ID number replaces the SI number

~~10-digit SI number~~ → **Citizen ID number**

Vietnam Social Security converts records automatically. No conversion procedure is required of employers or employees.

05 OCT 2026 · HCMC

Electronic SI books

An e-SI book has the same legal value as the paper book. Received through VNeID level 2, VssID or personal email. Once issued, no paper book or loose sheet is needed for claims.

- ✓ Guide staff to register VNeID level 2 and VssID
- ✓ File dossier 608 where an employee has no updated email
- ✓ Keep a record of who holds an e-book

01 SEP 2026 · HCMC

2% union fee to the central account

The HCMC Labor Federation no longer receives the fee through its own account. Employers transfer to the centralized account of the Vietnam Trade Union. Take-home pay is not affected.

Where to transfer the 2% union fee (HCMC)

Bank	Account number	Transfer content
Vietinbank	1TLD + tax code	[Company name] nộp 2% KPCĐ tháng .../...
BIDV	V2TT + tax code	[Company name] nộp 2% KPCĐ tháng .../...
Vietcombank	VCBTLD + tax code	[Company name] nộp 2% KPCĐ tháng .../...
Dependent units	Own 13-digit tax code	Each legal entity has its own account

Always use the entity's own tax code and confirm the details with the HCMC Labor Federation against Official Letter 1363/LĐLĐ.

6.5 The new Tax Administration Law (01 Jul 2026)

WINDOW FOR AMENDED RETURNS

~~10 yrs~~ → **5 yrs**

Law 108/2025/QH15 replaces Law 38/2019/QH14.

- Electronic data first, used more to assess compliance
- Tax code linked to the personal ID number
- Stronger management of e-commerce and cross-border transactions
- Prohibited acts: misusing e-invoices or tax data, failing to provide information for inspections

CHAPTER 7

Looking ahead

07

2027 drafts to plan for

Two proposals could raise payroll costs in 2027, and both are still drafts. They are not law, so use them for budgeting and early planning only.

SOURCES
proposals reported by the Government news portal (baochinhphu.vn) and the Government policy drafting portal (xaydungchinhsach.chinhphu.vn); confirm against the final decree before acting.

7.1 Proposed regional minimum wage (from 01 Jan 2027)

The National Wage Council has agreed on an average increase of about 7.8%. Monthly figures are the proposal; 2027 hourly figures are derived from the monthly proposal (monthly amount divided by 208).

Region	2026 monthly	2026 hourly (VND)	Proposed 2027 monthly	Proposed 2027 hourly (VND)	Monthly increase
I	VND 5.31 million	25,500	VND 5.70 million	27,400	+7.3%
II	VND 4.73 million	22,700	VND 5.08 million	24,400	+7.4%
III	VND 4.14 million	20,000	VND 4.45 million	21,400	+7.5%
IV	VND 3.70 million	17,800	VND 4.04 million	19,400	+9.2%

For reference, the monthly minimum wage before 2026 was VND 4.96 million (Region I), 4.41 million (II), 3.86 million (III) and 3.45 million (IV).

Proposed region changes. Only selected wards and communes in seven provinces and cities would move, not whole provinces.

Move	Localities
Region II to Region I	Hai Phong, Dong Nai, HCMC, Quang Ninh
Region III to Region II	Da Nang, Dong Nai, HCMC, Quang Ninh, Gia Lai
Region IV to Region III	Hung Yen, Quang Ninh, Gia Lai

How employers would be affected:

- Pay must rise for employees paid at the regional minimum wage.
- SI, HI and unemployment insurance contribution costs may rise.
- Union fees may rise.
- Downtime pay owed to employees would be higher.
- Pay when temporarily reassigning employees to other work would be higher.

Early visibility of which sites are affected lets companies plan raises instead of reacting.

7.2 Proposed health insurance rate (from 01 Jul 2027)

A draft decree proposes a phased increase in the health insurance contribution rate and broader benefits.

	Current	Draft proposal
Rate	4.5% of the monthly salary used as the SI contribution base (employer 3%, employee 1.5%)	5.1%, rising from 4.5% from 01 Jul 2027 for some groups (+0.6 percentage points)
Benefits	Current levels	Higher benefit levels and wider coverage

Model the move from 4.5% to 5.1% now, and watch for the final text, because the groups affected and the phasing may change.



VISUAL SUMMARY

2027 drafts to plan for

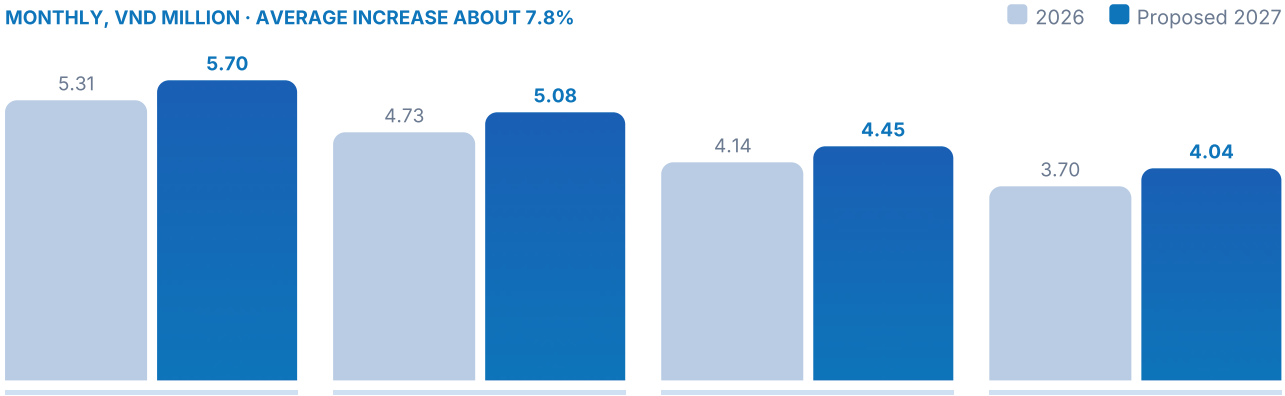
07

Two proposals could raise payroll costs in 2027. Both are still drafts, not law.

DRAFTS ONLY. Use for budgeting and early planning. Confirm against the final decree before acting.

7.1 Proposed regional minimum wage (from 01 Jan 2027)

MONTHLY, VND MILLION · AVERAGE INCREASE ABOUT 7.8%



Region I	Region II	Region III	Region IV
+7.3%	+7.4%	+7.5%	+9.2%
25,500 → 27,400 / hour	22,700 → 24,400 / hour	20,000 → 21,400 / hour	17,800 → 19,400 / hour

Hourly figures are derived from the monthly proposal (monthly amount divided by 208).

PROPOSED REGION CHANGES

Region II → I: Hai Phong, Dong Nai, HCMC, Quang Ninh

Region III → II: Da Nang, Dong Nai, HCMC, Quang Ninh, Gia Lai

Region IV → III: Hung Yen, Quang Ninh, Gia Lai

Only selected wards and communes would move, not whole provinces.

HOW EMPLOYERS WOULD BE AFFECTED

- Pay rises for minimum-wage staff
- SI, HI, unemployment insurance costs
- Union fees
- Downtime and reassignment pay

7.2 Proposed health insurance rate (from 01 Jul 2027)

CONTRIBUTION RATE, SHARE OF SI BASE SALARY

~~4.5%~~ → **5.1%**

+0.6 percentage points for some groups. Current split: employer 3%, employee 1.5%.

Higher benefit levels and wider coverage are proposed too. Model the move from 4.5% to 5.1% now, and watch for the final text, because the groups affected and the phasing may change.

Action plan

Compliance changes are also an opportunity to improve pay competitiveness, employee trust and HR's strategic role. The plan below groups the work by team and by timing.

Team	Already in force (Jul 2026)	September 2026	October 2026 and beyond
Payroll	Apply tax-free overtime; confirm the new family deductions; update PIT forms and the filing calendar; move to quarterly filing if eligible	Check that wages and SI are paid in full and on time; use the personal ID number in declarations; pay the 2% union fee to the central account (HCMC)	Add withholding checks to exit payments; digitize HR data and automate payroll, tax and SI reporting
HR	Brief staff on the changes; train HR and payroll teams on Circulars 87, 89, 90 and Decree 253; promote net pay, 7-month leave and the 24 Nov holiday in employer branding	Audit SI, unemployment insurance and wage records against Decree 283; build a compliance calendar; brief leaders on penalty risks	Guide staff to set up VNeID level 2 and VssID; move SI records to e-books (dossier 608 where there is no email); add labor registration to onboarding

Start now: list all foreign-worker permits by expiry date before 05 Dec 2026, and model the 2027 drafts: the proposed minimum wage rise of about 7.8% and the health insurance rate moving from 4.5% to 5.1%.



Legal references

Document	Subject	Effective
Resolution 110/2025/UBTVQH15	PIT family deductions	01 Jan 2026 (tax period 2026)
Personal Income Tax Law 109/2025/QH15	Five-bracket schedule, exemptions, tax obligation	General effect 01 Jul 2026; schedule from tax period 2026
Decree 253/2026/NĐ-CP	Guidance on the PIT Law: deductions, exemptions, withholding	01 Jul 2026
Decree 252/2026/NĐ-CP	Tax registration deadlines (replacing Circular 86/2024/TT-BTC)	01 Jul 2026
Circular 87/2026/TT-BTC	PIT guidance, dependent conditions	Guidance from 01 Jul 2026
Circular 89/2026/TT-BTC	PIT return forms; quarterly filing	01 Jul 2026
Circular 90/2026/TT-BTC	Tax registration forms	01 Jul 2026
Resolution 66.16/2026/NQ-CP	Quarterly PIT filing	15 Apr 2026, to 28 Feb 2027
Law on Tax Administration 108/2025/QH15	Replaces Law 38/2019/QH14	01 Jul 2026
Decree 161/2026/NĐ-CP (issued 15 May 2026)	Base salary VND 2,530,000	01 Jul 2026
Law on Social Insurance 2024; OSH Law 2015	Basis of the ten SI benefit amounts	In force
Population Law 113/2025/QH15; Decree 168/2026/NĐ-CP	Seven months of maternity leave for a second child	01 Jul 2026
Resolution 28/2026/QH16, Art. 2	Paid holiday on 24 November	01 Jul 2026
Decree 318/2025/NĐ-CP; Decision 645/QĐ-BNV	Labor registration with SI registration	01 Jul 2026
Plan 3115/KH-BHXH; Notice 6877/TB-BHXH	Personal ID number replaces SI number	01 Sep 2026
Official Letter 1363/LĐLĐ	2% union fee to the central account (HCMC)	01 Sep 2026
Decree 283/2026/NĐ-CP (issued 15 Jul 2026)	Administrative penalties in labor and SI	10 Sep 2026
Circular 25/2026/TT-BYT	Content of periodic health checks	Referenced by Decree 283
Notice 8362/TB-BHXH (05 Oct 2026)	Electronic SI books in HCMC	05 Oct 2026
Decree 393/2026/NĐ-CP (issued 20 Oct 2026)	Foreign workers; replaces Decree 219/2025/NĐ-CP	05 Dec 2026
Decree 221/2025/NĐ-CP	Special visa-exemption card	In force

This guide summarizes legal developments for general information and is not legal or tax advice. Confirm important decisions against the official text or with a qualified adviser.

ABOUT US

Cadena is a leading provider of Human Resource Information Systems (HRIS) across Southeast Asia and a core member of the Humanica Group. Headquartered in Singapore with a strong operational hub in Vietnam, our team of approximately 120 experts in Ho Chi Minh City and Hanoi delivers specialized support and localized technology.



Our flagship platform, **Cadena HRM Series 5**, provides fully web-based, localized human resources, attendance and payroll solutions tailored to the intricate labor laws and business practices of Southeast Asia. We are enabling multinational companies and big local corporations to manage payroll compliance for multiple countries or entities through a single, unified login.

CONTACT US

sales@cadena.com.sg

cadena-hrmseries.com

+84 (0)9 3131 3598

HEADQUARTER

Cadena International Pte. Ltd.
146 Robinson Road, #10-01,
Singapore (068909)

HCMC, Vietnam

Cadena Vietnam Co., Ltd.
Aloha Building, 2nd Floor
68 Hong Ha Street, Tan Son Hoa Ward
Ho Chi Minh City, Vietnam
Tel: +84 (0)9 3131 3598

Hanoi, Vietnam

Hanoi Branch
Thach Ban Building, Level 3
183 Thach Ban street Long Bien Ward
Hanoi, Vietnam