



BE VIETNAM WISE · DOING BUSINESS IN VIETNAM

The guide for foreign and Vietnamese investors

Chapter 6 of 11

Banking, Foreign Exchange & Repatriation

A foreign investor's capital enters Vietnam through one bank account, its loans are registered with the State Bank, its profits leave only after audited accounts and tax finalisation, and inside the country almost every price must be in dong. This chapter explains each of those rules, the instruments behind them, the documents banks will ask for and the points at which money is most often trapped.

Reviewed 10 October 2026. Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law.

Legal and tax information, not legal advice. Rates, thresholds and procedures change: confirm anything important with the relevant authority or a lawyer licensed to provide legal services in Vietnam before you act. Only the Vietnamese text of a law is authoritative.

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Banking, Foreign Exchange & Repatriation

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AT A GLANCE

Governing law

- [Ordinance No. 28/2005/PL-UBTVQH11 on Foreign Exchange, as amended by Ordinance No. 06/2013/PL-UBTVQH13](#)
- [Law No. 143/2025/QH15 on Investment, Article 11 \(transfer of capital, profits and assets abroad\)](#)
- [Circular No. 38/2026/TT-NHNN on foreign exchange management of foreign investment in Vietnam \(in force 18 August 2026\)](#)
- [Circular No. 12/2022/TT-NHNN on foreign loans of enterprises, as amended by Circular No. 80/2025/TT-NHNN; Circular No. 08/2023/TT-NHNN on borrowing conditions, as amended by Circular No. 19/2024/TT-NHNN](#)
- [Circular No. 32/2013/TT-NHNN on restricting the use of foreign exchange in Vietnam, as amended](#)
- [Circular No. 17/2024/TT-NHNN on payment accounts, as amended by Circular No. 25/2025/TT-NHNN](#)
- [Resolution No. 222/2025/QH15 on the International Financial Centre; Law No. 150/2025/QH15 on the Specialised Court at the International Financial Centre](#)

Key figures

Notice to the tax office before remitting profits	7 working days
Register a medium or long-term foreign loan	Within 30 working days, before drawdown

Who you will deal with

- State Bank of Vietnam (SBV): foreign exchange policy, the Foreign Exchange Management Department and the SBV regional branches (foreign loan registration), payment and anti-money-laundering rules
- Licensed commercial banks and foreign bank branches: the gatekeepers that open accounts, check documents and execute every cross-border payment
- Tax Department (Cuc Thue) and its tax offices: the profit remittance notice, foreign contractor tax and the tax conditions for remitting profits
- Ministry of Justice (Department of Secured Transaction Registration and State Compensation) and land registration offices: registration of security
- The executive and supervisory bodies of the Vietnam International Financial Centre in Ho Chi Minh City and Da Nang

What changed in 2025–26

- Circular No. 38/2026/TT-NHNN replaced Circular No. 06/2019/TT-NHNN on 18 August 2026: the direct investment capital account became the investment capital account, it can be opened before the IRC, and flows to

SBV decision on a loan registration	10 working days
FCT (CIT element) on interest paid abroad	5%
Net interest deduction cap (related-party borrowers)	30% of EBITDA
USD/VND trading band around the SBV central rate	Plus or minus 5%
Non-cash payment needed for VAT and CIT deduction	VND 5 million or more
Cash transactions reported under AML rules	VND 400 million or more

and from the international financial centre are covered.

- Circular No. 80/2025/TT-NHNN, in force 25 January 2026, moved foreign loan registration fully online through the National Public Service Portal, cut the State Bank's processing time to ten working days and, from 25 July 2026, sends loans of USD 20 million or less to the SBV regional branches.
- Decree No. 252/2026/ND-CP set the tax conditions for remitting profits abroad from 1 July 2026.
- Circular No. 25/2025/TT-NHNN tightened in-person and biometric verification of the legal representative for corporate accounts; since 1 July 2025 online transactions are suspended where the representative's biometrics are missing.
- Decree No. 340/2025/ND-CP replaced Decree No. 88/2019/ND-CP on administrative penalties in the monetary and banking field from 9 February 2026.
- The Vietnam International Financial Centre was created by Resolution No. 222/2025/QH15 and eight decrees of 18 December 2025, with a specialised court under Law No. 150/2025/QH15 from 1 January 2026.

Who this applies to. The investment capital account, the profit remittance procedure and most of the capital-flow rules apply to foreign investors and to companies more than 50% foreign-owned. The dong-only rule, the foreign loan registration regime, the payment account rules and the anti-money-laundering checks apply to every resident company, foreign-invested or Vietnamese.

Why money needs a chapter of its own

Vietnam guarantees that a foreign investor may take its money home. Article 11 of Law No. 143/2025/QH15 on Investment allows a foreign investor, once it has met its financial obligations to the State, to transfer abroad its invested capital and liquidation proceeds, its income from business investment and the other money and assets it lawfully owns. The guarantee is real, but it is delivered through a foreign exchange regime that is still controlled. Every flow has a prescribed channel, every bank is required to check documents before it pays, and a flow that took the wrong route on the way in can be difficult to

reverse on the way out. Investors who plan their banking at the start rarely have trouble; investors who treat it as an administrative afterthought often find profits or proceeds sitting in Vietnam for months while documents are reconstructed.

The framework rests on Ordinance No. 28/2005/PL-UBTVQH11 on Foreign Exchange, as amended by Ordinance No. 06/2013/PL-UBTVQH13, administered by the State Bank of Vietnam through a series of circulars. The distinctions that drive everything else, between residents and non-residents and between current and capital transactions, are explained in [The foreign exchange control framework](#), together with the mirror-image rules for Vietnamese investors investing abroad and the anti-money-laundering regime that now shapes every bank's appetite for new clients.

Getting money in: accounts and capital

A foreign-invested company needs two kinds of bank account. The **investment capital account** carries the capital flows: contributions of charter capital, payments for share transfers with Vietnamese parties, the remittance of profits and the return of capital. Circular No. 38/2026/TT-NHNN, in force from 18 August 2026, replaced Circular No. 06/2019/TT-NHNN, renamed the account, extended it to the international financial centre and allowed it to be opened before the Investment Registration Certificate. Who must open it, at how many banks, in which currencies and for which flows is set out in [The investment capital account](#), with a decision guide on which account each flow uses. The 90-day deadline for paying charter capital belongs to company law and is explained in [Charter capital and capital contribution](#).

The ordinary **payment accounts** in dong and foreign currency carry the trading flows. Opening them has become more demanding: Circular No. 17/2024/TT-NHNN, as amended by Circular No. 25/2025/TT-NHNN, requires the bank to meet the legal representative in person or verify him or her biometrically, and since 1 July 2025 banks suspend online transactions on corporate accounts whose representative has not completed biometric verification. The dossier, the beneficial ownership and source-of-funds questions, the choice between local and foreign banks and realistic timelines are in [Opening corporate bank accounts](#).

Borrowing from abroad

Shareholder loans and offshore bank loans are common in Vietnamese structures because equity is slow to return. They are permitted, but only within limits. Circular No. 08/2023/TT-NHNN, as amended, restricts the purposes for which a company may borrow abroad and caps medium and long-term borrowing for a licensed project at the loan capital shown in its IRC, that is, total investment capital less the investor's contributed capital. Circular No. 12/2022/TT-NHNN, as amended by Circular No. 80/2025/TT-NHNN from 25 January 2026, requires loans of more than one year, and short-term loans that run past a year, to be registered with the State Bank within 30 working days and before drawdown, online through the National Public Service Portal. Interest bears foreign contractor tax and, for a borrower with related-party transactions, net interest is deductible only up to 30% of EBITDA. The whole regime, with a worked shareholder-loan example, is in [Offshore loans and State Bank registration](#).

Getting money out: profits and capital

Profits are remitted once a year, after the financial year has closed, the audited financial statements and the corporate income tax finalisation have been filed, the tax has been paid and any accumulated losses have been absorbed. Decree No. 252/2026/ND-CP, in force from 1 July 2026, sets the tax conditions; the company notifies its tax office at least seven working days before it remits, and the money leaves through the investment capital account. Capital comes home on a sale of the investment, a reduction of charter capital or a liquidation, each with its own conditions. The step-by-step procedure, a checklist and the branch position are in [Profit remittance and repatriation of capital](#); the tax on dividends and on share sales is in [Tax on share transfers and dividends](#).

Inside Vietnam, and across the border

Within Vietnam, residents may not quote, price, advertise, invoice or pay each other in foreign currency except in cases listed in Circular No. 32/2013/TT-NHNN, as amended. The exceptions matter in practice: transactions with non-residents, exports and imports, export processing enterprises, and foreign-currency salaries for foreign employees. The rule, the penalties under Decree No. 340/2025/ND-CP, the non-cash payment conditions for tax deductions and exchange-rate practice are in [Currency and payments inside Vietnam](#).

Payments abroad for goods, services, royalties, interest and group charges are current transactions that banks execute against documents. Most payments to foreign entities bear foreign contractor tax, which the Vietnamese payer withholds and declares within ten days of payment, and intra-group charges must meet the arm's-length and benefit tests. The documents a bank will ask for, the tax steps and a worked monthly payment run are in [Paying foreign suppliers and group companies](#), cross-referring to [Foreign contractor tax and tax treaties](#) and [Transfer pricing, interest and global minimum tax](#).

Lenders, security and the financial centre

Project and acquisition finance depends on security. The Civil Code, Decree No. 21/2021/ND-CP and the registration regime in Decree No. 99/2022/ND-CP govern mortgages, pledges and guarantees; land use rights can be mortgaged only to credit institutions licensed in Vietnam, so offshore lenders work through an onshore security agent. The Vietnam International Financial Centre, a single centre with hubs in Ho Chi Minh City and Da Nang created by Resolution No. 222/2025/QH15, offers its members a liberalised foreign exchange regime and a specialised court with foreign judges under Law No. 150/2025/QH15. What is in force and what is still pending is set out in [Project finance, security and the financial centre](#); disputes are covered in [Chapter 9](#).

Readers new to Vietnam should read the sections in order. Readers with a company already licensed will usually start with the profit remittance and payments sections. Each section ends with the related FAQs, the official sources and a question that can be put to Lawbot on the reader's own facts; the short answers to the most common questions are in the [repatriation and banking FAQs](#).

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Ordinance No. 28/2005/PL-UBTVQH11 as amended by Ordinance No. 06/2013/PL-UBTVQH13; Decree No. 70/2014/ND-CP; Law No. 14/2022/QH15 — <https://vbpl.vn>
- State Bank of Vietnam: Circulars No. 38/2026/TT-NHNN, 03/2025/TT-NHNN, 12/2022/TT-NHNN and 80/2025/TT-NHNN — <https://www.sbv.gov.vn>
- Government portal: Decree No. 340/2025/ND-CP; Decree No. 219/2013/ND-CP as amended by Decree No. 366/2025/ND-CP — <https://chinhphu.vn>
- Ministry of Finance (outward investment registration) — <https://mof.gov.vn>
- National Business Registration Portal — <https://dangkykinhdoanh.gov.vn>
- National Public Service Portal (online foreign loan registration) — <https://dichvucong.gov.vn>
- Tax Department (Cuc Thue): foreign contractor tax guidance — <https://gdt.gov.vn>
- Customs Department, Ministry of Finance: import procedures — <https://www.customs.gov.vn>
- Ministry of Justice: registration of secured transactions — <https://moj.gov.vn>

The foreign exchange control framework: the Ordinance, the State Bank, residents and non-residents, current and capital transactions, outward investment and the anti-money-laundering overlay

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WHAT YOU NEED TO KNOW

- Foreign exchange is governed by Ordinance No. 28/2005/PL-UBTVQH11, as amended by Ordinance No. 06/2013/PL-UBTVQH13, and Decree No. 70/2014/ND-CP, administered by the State Bank of Vietnam through circulars on investment accounts, foreign loans, payment accounts and the use of foreign currency.
- A Vietnamese company is a resident however much of it is foreign-owned; its foreign parent is a non-resident, and the classification decides which rules apply to a payment between them.
- Current transactions (goods, services, interest and the transfer of income) are made through licensed banks against documents; capital transactions (equity, loan principal, divestment) must follow the account and registration rules in Circular No. 38/2026/TT-NHNN and Circular No. 12/2022/TT-NHNN.
- Inside Vietnam residents must quote, price and pay in dong save for the exceptions in Circular No. 32/2013/TT-NHNN, as amended; Vietnamese investors abroad must repatriate profits within 12 months of distribution under Decree No. 103/2026/ND-CP.
- Banks apply Law No. 14/2022/QH15 on Anti-Money Laundering, report cash transactions of VND 400 million or more, and treat Vietnam's place on the FATF increased-monitoring list as a reason for enhanced due diligence.

Why Vietnam still controls foreign exchange

The dong is not freely convertible in the way the major currencies are. The State Bank of Vietnam (SBV) sets a daily central rate for the US dollar, lets banks trade within plus or minus 5% of it, and uses the foreign exchange rules to limit dollarisation and keep capital flows visible. For a foreign investor the practical consequence is that money does not move simply because the parties agree that it should. It moves because a licensed bank has seen the documents the rules require, through the prescribed account, and is satisfied the payment is what it claims to be.

The regime is not hostile to foreign capital: Article 11 of Law No. 143/2025/QH15 on Investment guarantees the transfer abroad of capital and income once the investor has met its financial obligations to the State, and the investment treaties repeat the guarantee ([Investment guarantees and treaties](#)). What it demands is discipline: the right account from the first contribution, loans registered before drawdown, and a documentary trail a bank can follow years later.

Where the rules come from

The foundation is Ordinance No. 28/2005/PL-UBTVQH11 on Foreign Exchange, adopted by the Standing Committee of the National Assembly, as amended by Ordinance No. 06/2013/PL-UBTVQH13. The Ordinance states the principles: residents and non-residents may carry out current transactions freely through authorised banks; capital transactions follow specific rules for direct investment, indirect investment, foreign loans and outward investment; and within Vietnam the use of foreign currency is restricted. Decree No. 70/2014/ND-CP gives the Ordinance its detailed implementing rules.

The working law is in State Bank circulars, each dealing with one corner of the regime. Circular No. 38/2026/TT-NHNN, in force from 18 August 2026, governs foreign direct investment flows and the investment capital account ([The investment capital account](#)). Circular No. 03/2025/TT-NHNN, in force from 16 June 2025, governs the dong accounts that non-resident portfolio investors use. Circular No. 08/2023/TT-NHNN, as amended by Circular No. 19/2024/TT-NHNN, sets the conditions for borrowing abroad, and Circular No. 12/2022/TT-NHNN, as amended by Circular No. 80/2025/TT-NHNN, the registration of foreign loans ([Offshore loans and State Bank registration](#)). Circular No. 32/2013/TT-NHNN, as amended most recently by Circular No. 75/2025/TT-NHNN, restricts the use of foreign currency inside Vietnam. Circular No. 17/2024/TT-NHNN, as amended by Circular No. 25/2025/TT-NHNN, governs payment accounts. Decree No. 219/2013/ND-CP, as amended by Decree No. 366/2025/ND-CP from 1 January 2026, sets the macro-level framework for enterprises' foreign borrowing without a Government guarantee.

Around that core sit the Law on Enterprises (whose dividend and capital-reduction rules decide when money may leave), the tax administration rules, Law No. 32/2024/QH15 on Credit Institutions and Law No. 14/2022/QH15 on Anti-Money Laundering. Penalties for breaches are now in Decree No. 340/2025/ND-CP, which replaced Decree No. 88/2019/ND-CP from 9 February 2026; an organisation pays twice the fine prescribed for an individual.

Residents and non-residents

The Ordinance classifies every party as a resident or a non-resident, and the classification decides which rules apply. Residents include credit institutions, Vietnamese companies and other economic organisations established in Vietnam, State agencies and Vietnamese citizens. The point that surprises many investors is that a company incorporated in Vietnam is a resident however much of it is foreign-owned: a wholly foreign-owned limited liability company in Binh Duong is as much a resident as a State-owned enterprise in Hanoi, and is subject to the same dong-only rule in its dealings with Vietnamese customers. Its foreign parent, by contrast, is a non-resident. Foreign individuals are classified by the length and basis of their permitted stay in Vietnam under the Ordinance's definitions, which matters mainly for their personal accounts and for the exception allowing foreign-currency salaries.

So a Vietnamese subsidiary may pay its foreign parent for services in foreign currency, but two residents generally may not deal in foreign currency, even if owned by the same group. A share transfer between a non-resident seller and a resident buyer must, under Circular No. 38/2026/TT-NHNN, be settled in dong through the investment capital account, while a sale between two non-residents may be settled offshore in foreign currency.

Current transactions and capital transactions

The second distinction is between current transactions and capital transactions. **Current transactions** are, broadly, payments for imports and exports of goods and services, interest on foreign loans, the transfer of investment income such as profits and dividends, and one-way transfers such as gifts and remittances. The Ordinance commits Vietnam to freedom of current transactions: a resident may buy foreign currency from an authorised bank and pay abroad, provided it presents documents showing the underlying transaction. In practice that means a contract, an invoice or debit note, a customs declaration for goods, and evidence that any tax due on the payment has been dealt with ([Paying foreign suppliers and group companies](#)).

Capital transactions are the movements of principal: the foreign investor's contribution of equity, the purchase and sale of shares and capital contributions, the drawdown and repayment of loan principal, the return of capital on a reduction or liquidation, and investment abroad by Vietnamese residents. These are not free. Each type must pass through a specified account and, for foreign loans of more than a year, must be registered with the State Bank before money moves. Profit remittance sits on the boundary: profits are investment income, but because they leave through the investment capital account and only after specific tax and corporate conditions are met, investors should treat a remittance as a regulated event rather than a routine payment ([Profit remittance and repatriation of capital](#)).

DECISION GUIDE

Which rules govern this cross-border flow?

A first classification for any payment between a Vietnamese company and a party abroad. It identifies the regime; the section linked in each answer explains the procedure.

Q1 Is the money a contribution of equity, a payment for shares or capital in a Vietnamese company, a return of capital or the remittance of profits to a foreign investor?

Yes Capital-account flow. It must pass through the investment capital account under Circular No. 38/2026/TT-NHNN (or, for a non-resident portfolio investor, the dong indirect investment account under Circular No. 03/2025/TT-NHNN). See [The investment capital account](#).

No Continue to Q2.

Q2 Is it the drawdown or repayment of principal under a loan from a non-resident lender?

Yes Foreign loan. Check the borrowing conditions in Circular No. 08/2023/TT-NHNN and, if the term exceeds one year or the loan is still outstanding after a year, register it under Circular No. 12/2022/TT-NHNN before drawdown.

No Continue to Q3.

Q3 Is it a payment for goods, services, royalties, interest or a group recharge under a contract with a non-resident?

Yes Current transaction. The bank pays against documents; consider foreign contractor tax before paying. See [Paying foreign suppliers and group companies](#).

No Continue to Q4.

Q4 Is the counterparty also in Vietnam (a resident), even if foreign-owned?

Yes Not a cross-border flow at all: the dong-only rule applies unless a Circular No. 32/2013/TT-NHNN exception fits. See [Currency and payments inside Vietnam](#).

No Take advice: the flow may be an outward investment, a one-way transfer or a transaction requiring specific State Bank approval.

The State Bank and the banks

The State Bank is the regulator. Its Foreign Exchange Management Department makes policy, registers the larger foreign loans and supervises banks' compliance; since 25 July 2026 the SBV regional branches register foreign loans of USD 20 million or less under Circular No. 80/2025/TT-NHNN. The State Bank also licenses banks under Law No. 32/2024/QH15 and supervises the anti-money-laundering regime through its anti-money-laundering department.

Day to day, however, the investor deals with its **authorised bank**: a commercial bank or foreign bank branch licensed to provide foreign exchange services. The circulars make the bank responsible for checking that each transaction is lawful and documented before executing it. Circular No. 38/2026/TT-NHNN, for example, requires banks to adopt internal rules under which every payment order states its amount and purpose, to check the supporting records and to apply the anti-money-laundering rules. A bank that executes an unlawful transaction is itself exposed to penalties, so banks tend to ask for more documents than the circulars list, and different banks sometimes take different positions on the same transaction. Asking the chosen bank for its checklist before signing a contract or loan agreement is the most useful single precaution.

Dong inside Vietnam

The Ordinance prohibits the use of foreign currency within Vietnam except where the State Bank permits it, and Circular No. 32/2013/TT-NHNN, as amended, lists the permitted cases, among them contracts with non-residents, export processing enterprises and foreign-currency salaries for foreign employees. Breaches attract fines under Decree No. 340/2025/ND-CP and put the contract price clause at risk. The rule and its exceptions are explained in [Currency and payments inside Vietnam](#); the contractual drafting points are in [Commercial contracts in Vietnam](#).

Outward investment by Vietnamese investors

Vietnamese investors investing abroad face mirror-image rules. Outward investment is a capital transaction: the investor must obtain the outward investment registration required by the Law on Investment and follow the State Bank's foreign exchange procedures before transferring capital out of Vietnam. Decree No. 103/2026/ND-CP adds a repatriation duty that foreign groups with Vietnamese shareholders should understand: a Vietnamese investor must bring the profits of its foreign investment home within 12 months of their distribution, unless it reinvests them in accordance with the rules or obtains an extension. Foreign groups with Vietnamese co-investors in offshore structures should map those obligations in advance. Members of the international financial centre that are wholly foreign-owned benefit from a lighter regime for outward investment from the centre ([Project finance, security and the financial centre](#)).

The anti-money-laundering overlay

Law No. 14/2022/QH15 on Anti-Money Laundering, in force since 1 March 2023 and implemented by Decree No. 19/2023/ND-CP, applies to banks and to other reporting entities including real estate businesses, accountants, lawyers and notaries. Banks must identify their customers and the customers' beneficial owners, apply enhanced due diligence to higher-risk relationships, monitor transactions and report suspicious ones. Under Decision No. 11/2023/QĐ-TTg, cash transactions of VND 400 million or more in a day have been reportable to the State Bank since 1 December 2023. The beneficial ownership information the company files on registration ([Beneficial ownership and transparency](#)) is what the bank will compare with its own enquiries.

Vietnam was placed on the Financial Action Task Force's list of jurisdictions under increased monitoring in June 2023 and remains on it. The listing does not change the foreign exchange rules, but it has made banks more cautious: expect source-of-funds questions on capital contributions, requests for the group chart up to the ultimate individual owners and enquiries about unusual payments. An investor with a clear ownership chart, evidence of where the capital came from and a description of the expected payment flows moves through these checks far faster.

The regime at a glance

Subject	Instrument	Key rule
Principles of the regime	Ordinance No. 28/2005/PL-UBTVQH11 as amended by Ordinance No. 06/2013/PL-UBTVQH13; Decree No. 70/2014/ND-CP	Current transactions free through authorised banks; capital transactions regulated; foreign currency restricted inside Vietnam
Foreign direct investment flows	Circular No. 38/2026/TT-NHNN (from 18 August 2026)	One investment capital account per currency at one authorised bank; can be opened before the IRC
Foreign portfolio investment	Circular No. 03/2025/TT-NHNN (from 16 June 2025)	Non-resident investors use one dong indirect investment account at one bank; no term deposits

Subject	Instrument	Key rule
Foreign loan conditions	Circular No. 08/2023/TT-NHNN as amended by Circular No. 19/2024/TT-NHNN	Permitted purposes; project borrowing capped at loan capital in the IRC
Foreign loan registration	Circular No. 12/2022/TT-NHNN as amended by Circular No. 80/2025/TT-NHNN	Loans over one year registered within 30 working days and before drawdown; online; ten-working-day decision
Use of foreign currency in Vietnam	Circular No. 32/2013/TT-NHNN as amended (latest Circular No. 75/2025/TT-NHNN)	Dong only between residents save listed exceptions
Payment accounts	Circular No. 17/2024/TT-NHNN as amended by Circular No. 25/2025/TT-NHNN	In-person or biometric verification of the legal representative
Outward investment profits	Decree No. 103/2026/ND-CP	Profits repatriated within 12 months of distribution unless reinvested or extended
Anti-money laundering	Law No. 14/2022/QH15; Decree No. 19/2023/ND-CP; Decision No. 11/2023/QD-TTg	Customer and beneficial owner identification; cash transactions of VND 400 million or more reported
Penalties	Decree No. 340/2025/ND-CP (from 9 February 2026)	Fines for foreign exchange and banking breaches; organisations pay twice the individual figure

WORKED EXAMPLE

Classifying a first year of flows for a new manufacturing subsidiary

A Japanese parent establishes a wholly owned LLC in an industrial park in Dong Nai with charter capital of USD 3 million and a USD 2 million shareholder loan. The flows are illustrative and the classification is the starting point for the documents each bank will ask for.

Month 1	USD 3 million charter capital remitted by the parent: capital transaction, credited to the investment capital account (Circular No. 38/2026/TT-NHNN); bank advices kept for the life of the investment.
Month 2	USD 2 million shareholder loan for four years: capital transaction; borrowing purpose and IRC loan capital checked (Circular No. 08/2023/TT-NHNN); registered with the State Bank before drawdown (Circular No. 12/2022/TT-NHNN as amended).
Months 2 to 6	Purchase of moulds and machinery from Japan: current transaction, paid against contract, invoice and customs declaration; no foreign contractor tax where title passes at or before the border gate.
Month 4 onwards	Monthly technical services fee to the parent: current transaction; foreign contractor tax withheld and declared within ten days of payment; arm's-length documentation under the transfer pricing rules.

Month 6 onwards	Sales of components to a Vietnamese assembler in Hanoi: resident to resident, so priced, invoiced and paid in dong (Circular No. 32/2013/TT-NHNN).
Month 6 onwards	Sales to an export processing enterprise in the same park: may be priced and paid in US dollars by bank transfer under the export processing exception.
Quarterly	Interest on the shareholder loan: current transaction; 5% CIT element of foreign contractor tax unless a treaty reduces it; the loan is reported to the State Bank quarterly.
Year 2	First profit remittance only after the audited financial statements and the year-1 CIT finalisation are filed and any accumulated loss is absorbed; seven working days' notice to the tax office.

Had the parent paid the charter capital into the dong payment account, the bank would later have had difficulty treating it as registered capital for remittance.

Had the loan been drawn before registration, the company would have faced a fine under Decree No. 340/2025/ND-CP and difficulty in repaying principal until the position was regularised.

Questions investors ask about the foreign exchange regime

Does Vietnam have foreign exchange controls?

Yes. Ordinance No. 28/2005/PL-UBTVQH11, as amended in 2013, and State Bank circulars control foreign exchange. Current payments such as imports, services and interest are made freely through licensed banks against documents, while equity, loan principal and divestment proceeds must follow specific account and registration rules, and residents must generally use dong among themselves.

Is a 100% foreign-owned company in Vietnam a resident for foreign exchange purposes?

Yes. Any company established in Vietnam is a resident, whatever its ownership. Its dealings with other Vietnamese companies are subject to the dong-only rule in Circular No. 32/2013/TT-NHNN, while its dealings with its foreign parent, a non-resident, may be priced and paid in foreign currency through an authorised bank.

Who checks whether a cross-border payment is lawful?

The authorised bank that executes it. The circulars require banks to check the supporting documents and the stated purpose of each transfer and to apply the anti-money-laundering rules. Banks are penalised for executing unlawful transactions, so they often ask for more than the minimum; obtain the bank's checklist before contracts are signed.

Does the FATF listing affect foreign investors in Vietnam?

Indirectly. Vietnam has been on the FATF increased-monitoring list since June 2023. The listing does not change the foreign exchange rules, but banks apply enhanced due diligence under Law No. 14/2022/QH15, so expect detailed questions on beneficial ownership, the source of capital and the purpose of unusual payments.

Must a Vietnamese investor bring profits from an overseas subsidiary back to Vietnam?

Yes. Under Decree No. 103/2026/ND-CP a Vietnamese investor must repatriate profits from its outward investment within 12 months of their distribution, unless it reinvests them in accordance with the rules or obtains an extension. The capital transfer out of Vietnam must also follow the registration and State Bank procedures for outward investment.

THE 2027 HORIZON

- Circular No. 38/2026/TT-NHNN gives foreign investors in petroleum activities, and holders of capital accounts that should have been closed under the old rules, until about 18 August 2027 to complete the transition; banks are likely to chase outstanding cases as that date approaches.
- Vietnam's continued place on the FATF increased-monitoring list depends on completing its action plan; any change in status would be decided at an FATF plenary and would not itself change the foreign exchange rules, although it could ease bank onboarding over time.
- The State Bank continues to amend its circulars to cut administrative procedures, as Circular No. 75/2025/TT-NHNN did; further changes to document requirements for current payments are possible and should be checked with the bank before relying on an older checklist.

Terms you will meet in the documents

English	Vietnamese	Meaning
Foreign exchange	<i>Ngoại hối</i>	Foreign currency and instruments payable in it, as defined in the Ordinance.
Resident	<i>Người cư trú</i>	A party treated as inside Vietnam for foreign exchange purposes, including every company established in Vietnam.
Non-resident	<i>Người không cư trú</i>	A party outside the resident categories, such as a foreign parent company.
Current transaction	<i>Giao dịch vãng lai</i>	Payments for goods and services, interest, investment income and one-way transfers.
Capital transaction	<i>Giao dịch vốn</i>	Movements of principal: equity, loans, divestment and outward investment.
Authorised bank	<i>Ngân hàng được phép</i>	A bank or foreign bank branch licensed to provide foreign exchange services.

English	Vietnamese	Meaning
State Bank of Vietnam	<i>Ngân hàng Nhà nước Việt Nam</i>	The central bank and foreign exchange regulator.
Outward investment	<i>Đầu tư ra nước ngoài</i>	Investment abroad by a Vietnamese resident investor.
Anti-money laundering	<i>Phòng, chống rửa tiền</i>	The regime under Law No. 14/2022/QH15 that drives banks' due diligence.

FOREIGN V VIETNAMESE INVESTOR

The dong-only rule, the payment account rules, the foreign loan registration regime and the anti-money-laundering checks apply to every resident company, whoever owns it. The investment capital account and the profit remittance procedure are foreign-investor rules, although a Vietnamese investor may contribute its own foreign currency through the same account. Vietnamese investors carry the extra burden of the outward investment rules, including the 12-month repatriation duty under Decree No. 103/2026/ND-CP.

WATCH OUT FOR

- Assuming that a foreign-owned company may deal in dollars with other companies in Vietnam: it is a resident and the dong-only rule applies to it.
- Treating a shareholder loan as an internal matter: loans of more than a year must be registered with the State Bank before drawdown.
- Sending capital or profits through the wrong account: capital-account flows must use the investment capital account, and errors are slow to correct.
- Relying on another bank's view of the documents: each authorised bank applies its own checklist, so confirm requirements with the bank that will execute the payment.
- Underestimating anti-money-laundering onboarding: an ownership chart, source-of-funds evidence and a description of expected flows should be ready before the first account is opened.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Ordinance No. 28/2005/PL-UBTVQH11 as amended by Ordinance No. 06/2013/PL-UBTVQH13; Decree No. 70/2014/ND-CP; Law No. 14/2022/QH15 — <https://vbpl.vn>
- State Bank of Vietnam: Circulars No. 38/2026/TT-NHNN, 03/2025/TT-NHNN, 12/2022/TT-NHNN and 80/2025/TT-NHNN — <https://www.sbv.gov.vn>
- Government portal: Decree No. 340/2025/ND-CP; Decree No. 219/2013/ND-CP as amended by Decree No. 366/2025/ND-CP — <https://chinhphu.vn>
- Ministry of Finance (outward investment registration) — <https://mof.gov.vn>

The investment capital account under Circular No. 38/2026/TT-NHNN: who must open it, where, in which currencies, what may pass through it, and the separate account for portfolio investors

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Circular No. 38/2026/TT-NHNN, issued on 31 July 2026 and in force from 18 August 2026, replaced Circular No. 06/2019/TT-NHNN and renamed the direct investment capital account the foreign investment capital account in Vietnam (the investment capital account).
- A company established by foreign investors, a company more than 50% foreign-owned after a contribution or acquisition, a foreign-invested PPP project company and a foreign party to a business cooperation contract must open one, at a single authorised bank, with one account per currency.
- The account may be opened before the IRC is issued, but until then it may only receive capital and interest, pay lawful pre-investment costs and refund capital if the IRC is refused.
- Capital contributions, payments for share transfers between residents and non-residents, profit remittance and the return of capital pass through it; transfers involving a resident party are settled in dong.
- Non-resident portfolio investors, and foreign buyers of 50% or less of a company not subject to the investment capital account, use a single dong indirect investment account under Circular No. 03/2025/TT-NHNN.

What the account is for

The investment capital account is the channel the State Bank uses to see foreign direct investment entering and leaving Vietnam. Every dollar, euro or yen of equity a foreign investor contributes to its Vietnamese company is credited to it; every payment between a foreign and a Vietnamese party for shares or capital in the company passes through it; and when the investor takes its profits or its capital home, the money leaves through it. The account's statements are the evidence, years later, that the capital was lawfully brought in and that what is now leaving is the return of that capital or the income from it.

Circular No. 38/2026/TT-NHNN, issued on 31 July 2026 and in force from 18 August 2026, replaced Circular No. 06/2019/TT-NHNN in full. It renamed the direct investment capital account the **foreign investment capital account in Vietnam**, replaced the expression FDI enterprise with economic organisation with foreign investment capital, and applied the new terms to earlier State Bank circulars that use the old ones. It also extended the regime to the Vietnam International Financial Centre, so that

investment by a member of the centre into the rest of Vietnam follows similar rules, and to foreign petroleum contractors, which previously used ordinary payment accounts. The charter capital rules that the account serves, including the 90-day contribution deadline, are explained in [Charter capital and capital contribution](#) and are not repeated here.

Who must open one

Professional summaries of the circular identify the following categories as required to open an investment capital account: an economic organisation established by foreign investors or by members of the international financial centre; an economic organisation in which foreign investors or members of the centre hold more than 50% of the charter capital as a result of a capital contribution or a purchase of shares or capital; a PPP project enterprise established by foreign investors; a foreign investor or member of the centre that is a party to a business cooperation contract; a foreign investor implementing a PPP project without a project enterprise; and foreign investors in petroleum activities. The account is opened in the name of the Vietnamese company, or, for a business cooperation contract or a PPP project without a project company, in the name of the foreign investor, with a separate account for each contract or project.

The 50% line follows the Law on Investment: a company more than 50% foreign-owned is treated as a foreign investor ([The Law on Investment 2025](#)). A company in which foreign investors acquire 50% or less is not required to open an investment capital account; the foreign buyer instead pays through its own indirect investment account, described below. An account opened because foreign ownership crossed 50% must generally be closed if foreign ownership falls back to 50% or less, or if the company becomes a public company with listed or registered shares, unless the account is still needed for a registered foreign loan or another lawful payment obligation.

One bank, one account per currency

Each company may open its investment capital account at **one** authorised bank. At that bank it may open a foreign-currency account, a dong account, or both; the old requirement to open the foreign-currency account first has gone. If capital is contributed in more than one foreign currency, one account is opened for each currency at the same bank. Where several currencies are contributed, the contributor chooses one documented currency as the basis for the total, the bank converts the others at its rate at the time of crediting, and the converted total may not exceed the documented amount.

Banks must publish their documentation and procedures for the account, review the supporting records for each transfer, require every payment order to state its amount and purpose, and provide authenticated electronic confirmations of balances and transaction history on request. The last point is useful in practice: an electronic confirmation of all contributions is the most efficient evidence for an auditor, a buyer's due diligence or a later remittance.

Opening the account before the IRC

Under the old circular the account could be opened only once the company held its Investment Registration Certificate, which created a trap on the company-first route introduced by Article 19 of Law No. 143/2025/QH15: the company existed, the 90-day charter capital clock was running, but the capital

account could not be opened. Circular No. 38/2026/TT-NHNN removes the trap. A company established by a foreign investor may open a foreign-currency or dong investment capital account before its IRC is issued or adjusted. Until the IRC step is complete the account may only receive charter capital and interest, pay lawful investment preparation costs and refund capital to the investor if the IRC is not issued or adjusted. Once the IRC issues, the same account continues and the full range of permitted transactions becomes available. A company that received charter capital into a payment account before 18 August 2026 may transfer that balance into its new investment capital account. The company-first route itself is explained in [The Investment Registration Certificate](#).

What may pass through the account

The circular lists the permitted receipts and payments separately for foreign-currency and dong accounts. In summary, the account may **receive** capital contributions from the foreign investors, payments for the transfer of shares or capital where the circular routes them through the account, interest on the balance, refunds of capital contributed early, and amounts connected with permitted foreign loans; and it may **pay** the return of capital on a reduction, transfer, completion, liquidation or termination of the contract or project, the remittance of profits and other lawful income abroad or into the international financial centre, transfers to the company's payment account for use in Vietnam, and amounts connected with permitted foreign loans. Funds may be remitted to increase capital or change the contribution ratio before the increase is registered, although the registration obligations still apply.

Ordinary trading does not belong in the account. Sales receipts, supplier payments, payroll and tax are handled through the company's payment accounts. The usual pattern is that capital arrives in the investment capital account and is then transferred, in tranches, to the payment account as the business needs it; profits are later moved back into the investment capital account to be remitted. Foreign loans may be drawn and repaid through the investment capital account or through a dedicated foreign loan account under the borrowing rules ([Offshore loans and State Bank registration](#)).

Share transfers and the currency of payment

When a foreign investor buys shares or capital in a Vietnamese company from a Vietnamese seller, or sells to a Vietnamese buyer, the payment passes through the investment capital account. A transfer between a resident investor and a non-resident investor, or a member of the international financial centre, must be valued and settled in dong, except for specified transfers of petroleum interests. A transfer between two non-residents does not pass through the account and may be settled in foreign currency, typically offshore; a transfer between two residents is settled in dong. These rules interact with the tax on the seller's gain and with the Article 21 registration of foreign acquisitions ([Forms of investment](#); [Tax on share transfers and dividends](#); [Chapter 8](#)).

Investment preparation costs

Before the IRC and the company exist, a foreign investor often incurs costs in Vietnam: feasibility studies, legal and survey fees, staff and office rent. Circular No. 38/2026/TT-NHNN allows these lawful preparation costs to be paid from abroad or from a payment account at an authorised bank in Vietnam; once the company has an investment capital account, the transfers must go through it. After the project

is approved, the amounts may be converted into capital contributions or into a foreign loan, the latter subject to the foreign borrowing rules, or returned to the investor after deducting the lawful costs. Keep the invoices: an amount claimed as capital must be supported.

Changing banks

A company may move its investment capital account to another authorised bank, but it may not run two in parallel. The procedure is to open a new account at the new bank, transfer the full balance from the old account, and close the old account. Until those steps are complete, the new account may receive the balance but may not be used for its other permitted transactions. The company should obtain from the old bank a full electronic statement of every contribution and transfer before closing, because the new bank will need it to process later remittances.

The separate regime for portfolio investors

Foreign portfolio investment is outside Circular No. 38/2026/TT-NHNN. Under Circular No. 03/2025/TT-NHNN, in force from 16 June 2025 and replacing Circular No. 05/2014/TT-NHNN, a **non-resident** foreign investor carrying out indirect investment in Vietnam opens a dong payment account for that purpose, generally only one, at one authorised bank, with limited exceptions for securities companies, funds and sovereign investors that need several trading codes. All receipts and payments for its indirect investment pass through that account: purchases of listed securities, capital contributions and share purchases in companies that are not subject to the investment capital account (that is, holdings that keep foreign ownership at 50% or less), dividends, sale proceeds, and the purchase of foreign currency to remit capital or income abroad. The balance may not be placed on term or savings deposit. Consular legalisation of the investor's documents is no longer required; foreign documents must be notarised or certified within the 12 months before the bank receives them.

DECISION GUIDE

Which account does this flow use?

A decision guide for the common capital flows of a foreign investor. It assumes the investor is a non-resident.

Q1 Is the Vietnamese company one that must hold an investment capital account (established by foreign investors, or more than 50% foreign-owned after the transaction, or a PPP or BCC vehicle)?

Yes

Contributions, share-transfer payments with Vietnamese parties, profit remittance and capital returns go through the company's investment capital account. Continue to Q3.

No

Continue to Q2.

Q2 Is the investor buying listed securities, or acquiring 50% or less of an unlisted company?

Yes The investor uses its own dong indirect investment account under Circular No. 03/2025/TT-NHNN for the purchase, dividends and sale proceeds.

No Take advice: the flow may be an investment preparation cost (paid from abroad or a payment account) or a transaction outside both regimes.

Q3 Is the counterparty to a share or capital transfer also a non-resident?

Yes Not through the investment capital account; may be settled offshore in foreign currency. The Article 21 registration and the tax on the seller still apply.

No Through the investment capital account, valued and settled in dong.

Q4 Is the money ordinary trading income or expenditure (sales, suppliers, payroll, tax)?

Yes Use the company's payment accounts, not the investment capital account.

No Capital or income flow: confirm with the bank which permitted receipt or payment it falls under before instructing the transfer.

The account at a glance

Item	Rule	Source
Instrument	Circular No. 38/2026/TT-NHNN, issued 31 July 2026, in force 18 August 2026; replaces Circular No. 06/2019/TT-NHNN	Circular No. 38/2026/TT-NHNN
Name	Foreign investment capital account in Vietnam (formerly direct investment capital account)	Circular No. 38/2026/TT-NHNN
Who opens	Companies established by foreign investors; companies more than 50% foreign-owned after a contribution or acquisition; PPP project companies; foreign parties to BCCs; petroleum contractors; members of the international financial centre investing in Vietnam	Circular No. 38/2026/TT-NHNN
Number of banks	One authorised bank; one account per currency at that bank	Circular No. 38/2026/TT-NHNN
Before the IRC	May be opened; limited to receiving capital and interest, paying preparation costs and refunds	Circular No. 38/2026/TT-NHNN

Item	Rule	Source
Share transfers involving a resident	Through the account, in dong (petroleum exceptions)	Circular No. 38/2026/TT-NHNN
Changing banks	Open new account, transfer full balance, close old account	Circular No. 38/2026/TT-NHNN
Closure	Generally when foreign ownership falls to 50% or less or the company becomes public, unless needed for a foreign loan	Circular No. 38/2026/TT-NHNN
Transition	Petroleum investors and accounts that should already have closed: 12 months from 18 August 2026	Circular No. 38/2026/TT-NHNN
Portfolio investors	One dong indirect investment account at one bank; no term deposits	Circular No. 03/2025/TT-NHNN

WORKED EXAMPLE

A Korean investor using the company-first route

A Korean electronics group registers a wholly owned LLC in Bac Ninh on the company-first route, with charter capital of USD 1.5 million and total investment capital of USD 4 million. A Vietnamese partner later buys 20%. The figures and dates are illustrative.

Day 0	Enterprise Registration Certificate issued; 90-day charter capital clock starts; IRC application to follow.
Day 6	USD investment capital account opened at one authorised bank before the IRC; legal representative verified in person.
Days 10 to 40	USD 1.5 million remitted from Korea in three tranches into the account; the account may only hold the capital, earn interest and pay preparation costs (USD 40,000 of survey and legal fees paid from it) until the IRC issues.
Day 55	IRC issued. Account now usable for all permitted transactions; USD 600,000 transferred to the dong payment account for fit-out and payroll.
Month 8	USD 2.5 million shareholder loan registered with the State Bank and drawn into the investment capital account, within the IRC's loan capital (USD 4 million less USD 1.5 million).
Month 14	Vietnamese partner buys 20% from the Korean parent: price agreed and paid in dong through the investment capital account; Article 21 registration and the 2% tax on the parent's gross proceeds dealt with before the ERC is amended; foreign ownership 80%, so the account stays open.

Year 3

Profits for year 2 moved from the payment account into the investment capital account and remitted to Korea after the audited accounts, CIT finalisation and seven working days' notice to the tax office.

Had the Korean parent paid the charter capital into the dong payment account on day 10 because the IRC had not yet issued, as was common before August 2026, the contribution would have needed to be corrected; the new circular allows payment-account balances received before 18 August 2026 to be moved into the investment capital account.

Had the partner bought 60%, foreign ownership would have fallen to 40% and the account would have had to close once no longer needed, unless retained for the registered shareholder loan.

Questions investors ask about the investment capital account

Can the investment capital account be opened before the IRC?

Yes. Since 18 August 2026 Circular No. 38/2026/TT-NHNN allows a company established by a foreign investor to open the account before its IRC is issued. Until the IRC issues, the account may only receive capital and interest, pay lawful preparation costs and refund capital if the IRC is refused.

Can a company hold investment capital accounts at two banks?

No. The account is held at one authorised bank, with one account per currency at that bank. To move banks the company opens a new account, transfers the whole balance and closes the old one; until then the new account cannot be used for its other permitted transactions.

Which account does a foreign investor use to buy 30% of a Vietnamese company?

Not the company's investment capital account, because the company is not more than 50% foreign-owned. A non-resident buyer pays from its own dong indirect investment account at an authorised bank under Circular No. 03/2025/TT-NHNN, and later receives dividends and sale proceeds into that account.

Must a share purchase from a Vietnamese seller be paid in dong?

Yes. Under Circular No. 38/2026/TT-NHNN a transfer of shares or capital between a resident and a non-resident investor is valued and settled in dong through the investment capital account, save for specified petroleum transactions. A sale between two non-residents may be settled offshore in foreign currency.

What happens if capital was paid into the wrong account?

The bank may decline to treat it as registered capital for later remittance until the record is corrected. Contact the bank at once, document the error, and ask it to transfer the funds into the investment capital account with a reconciling statement. Balances received into a payment account before 18 August 2026 may be moved under the transitional rules.

THE 2027 HORIZON

- The 12-month transition under Circular No. 38/2026/TT-NHNN ends around 18 August 2027 for foreign petroleum investors and for accounts that should already have been closed; affected companies should complete the steps well before then.
- The State Bank may issue guidance on capital accounts opened before the IRC where the IRC is then refused or the 12-month company-first period lapses; until then banks apply the refund rule in the circular.
- As members of the international financial centre begin investing into the rest of Vietnam, banks' procedures for transfers between member banks and ordinary authorised banks are likely to be refined in practice.

Terms you will meet in the documents

English	Vietnamese	Meaning
Investment capital account	<i>Tài khoản vốn đầu tư</i>	The account under Circular No. 38/2026/TT-NHNN for capital flows of foreign direct investment.
Payment account	<i>Tài khoản thanh toán</i>	The ordinary current account for trading receipts and payments.
Authorised bank	<i>Ngân hàng được phép</i>	A bank licensed to provide foreign exchange services, at which the account is held.
Indirect investment	<i>Đầu tư gián tiếp</i>	Portfolio investment, including holdings of 50% or less not subject to the investment capital account.
Investment preparation costs	<i>Chi phí chuẩn bị đầu tư</i>	Lawful costs incurred before the project is approved.
Capital contribution	<i>Góp vốn</i>	Payment of charter capital into the company.
Transfer of capital contributions	<i>Chuyển nhượng vốn góp</i>	Sale of an LLC member's stake; shares in a JSC are transferred as cổ phần.
Economic organisation with foreign investment capital	<i>Tổ chức kinh tế có vốn đầu tư nước ngoài</i>	The circular's term for a foreign-invested company.

FOREIGN V VIETNAMESE INVESTOR

The investment capital account is a foreign-investor requirement. A Vietnamese investor contributing dong to a company uses ordinary transfers, but may contribute its own foreign currency through the company's investment capital account. When a Vietnamese buyer acquires shares from a foreign seller, the payment is made in dong through the company's investment capital account, so the Vietnamese buyer must follow the account rules too.

WATCH OUT FOR

- Paying equity into the payment account, or having a group company pay it on the investor's behalf: the contribution may not count for later remittance.
- Using the investment capital account for trading receipts or supplier payments: it is for capital flows only.
- Agreeing a share price in dollars with a Vietnamese seller: settlement must be in dong through the account.
- Closing the old account before the new bank has a full statement of historic contributions.
- Forgetting that the account must generally close when foreign ownership falls to 50% or less, unless it is still needed for a registered foreign loan.

OFFICIAL SOURCES

- State Bank of Vietnam: Circular No. 38/2026/TT-NHNN on foreign exchange management of foreign investment in Vietnam — <https://www.sbv.gov.vn>
- State Bank of Vietnam: Circular No. 03/2025/TT-NHNN on dong accounts for foreign indirect investment — <https://www.sbv.gov.vn>
- National Legal Database (vbpl.vn): Law No. 143/2025/QH15 on Investment, Articles 11, 19 and 20 — <https://vbpl.vn>
- National Business Registration Portal — <https://dangkykinhdoanh.gov.vn>

Opening corporate bank accounts in Vietnam: the payment account rules, verification of the legal representative, documents, beneficial ownership and source-of-funds checks, signatories, foreign-currency accounts and choosing a bank

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- A foreign-invested company normally opens an investment capital account under Circular No. 38/2026/TT-NHNN and at least one dong payment account, often with a foreign-currency payment account as well.
- Payment accounts are governed by Circular No. 17/2024/TT-NHNN, as amended by Circular No. 25/2025/TT-NHNN in force from 31 August 2025, which requires the bank to meet the company's legal representative in person and verify his or her identity, including biometrically.
- Since 1 July 2025 banks suspend online payments and withdrawals on corporate accounts whose legal representative has not completed biometric verification.
- The dossier covers the company's registration documents, the legal representative's and chief accountant's identity papers, beneficial ownership information and anti-money-laundering identification documents under Law No. 14/2022/QH15.
- From 1 March 2026 an organisation's account name must match the name on its Enterprise Registration Certificate or equivalent document.

The accounts a foreign-invested company needs

A Vietnamese company with foreign capital usually holds at least three accounts. The **investment capital account** carries capital contributions, share-transfer payments with Vietnamese parties, profit remittance and the return of capital; it is held at one bank, one account per currency, and is explained in [The investment capital account](#). A **dong payment account** carries the business: sales receipts, supplier payments, payroll, social insurance contributions and tax. A **foreign-currency payment account** receives export proceeds and other foreign-currency income that the company may lawfully receive and pays foreign suppliers and group companies. A company that borrows abroad may also need a dedicated foreign loan account ([Offshore loans and State Bank registration](#)).

Payment accounts may be held at more than one bank, and many companies keep a second bank for resilience or for a particular product, for example a local bank with a wide branch network for payroll and a foreign bank for treasury and cross-border payments. The investment capital account, by contrast, is held at only one bank, so the choice of that bank deserves more thought. Most companies keep the investment capital account and the main payment accounts at the same bank, so that the bank sees the whole history of the capital it will later remit.

The legal framework

Payment accounts are governed by Circular No. 17/2024/TT-NHNN on the opening and use of payment accounts, in force since 1 January 2025, as amended by Circular No. 25/2025/TT-NHNN of 31 August 2025. The amending circular took effect on the date it was issued, with some provisions applying from 1 December 2025 and the rules on account names from 1 March 2026. The circulars sit within Decree No. 52/2024/ND-CP on non-cash payments and Law No. 32/2024/QH15 on Credit Institutions, and banks apply them together with Law No. 14/2022/QH15 on Anti-Money Laundering and Decree No. 19/2023/ND-CP. The investment capital account follows the same general opening rules, plus the specific rules in Circular No. 38/2026/TT-NHNN.

Verifying the legal representative

The most significant change of recent years is the requirement that the bank verify the company's legal representative in person. As amended by Circular No. 25/2025/TT-NHNN, the circular requires the bank, for an organisation, to meet the lawful representative of the account holder in person and verify his or her information, including by matching biometric data against the identity document where the document type allows. For a foreign legal entity, a third party or contracted organisation may carry out the meeting and the biometric matching on the bank's behalf. The bank must store the representative's biometric data and the results of the comparison securely.

For a foreign national legal representative, the identity document is the passport or another identity document issued by a competent foreign authority; a foreigner resident in Vietnam must also produce an entry visa, a valid document in lieu of a visa or proof of visa exemption. Banks' remote biometric processes are often built around Vietnamese chip-based citizen identity cards, so a foreign legal representative should expect to complete verification at a branch.

The consequence of missing verification is practical rather than theoretical. Since 1 July 2025 banks have suspended online payments and withdrawals on corporate accounts whose legal representative has not completed biometric verification; the account stays open, but the company cannot use internet banking for outgoing payments until the representative attends. A change of legal representative triggers the same requirement for the new representative, so the change should be planned around a visit to the bank ([Legal representative and governance](#)).

Electronic opening

The circular permits accounts to be opened electronically, and organisations are not excluded from electronic opening. Where an organisation uses an electronic identification account under the national electronic identification system, the bank may not ask for information that is already contained in it. In

practice, for a newly established foreign-invested company with a foreign legal representative, banks generally still require at least one in-person meeting, and the investment capital account in particular is usually opened at a branch with original documents. Electronic opening is more useful for a second payment account at an existing bank, or for a company whose representative already holds Vietnamese electronic identification.

Beneficial ownership and source of funds

Under Law No. 14/2022/QH15 the bank must identify the customer and its beneficial owners, the individuals who ultimately own or control it, and verify their identity using reliable sources. Circular No. 25/2025/TT-NHNN expressly adds the anti-money-laundering identification documents to the account-opening dossier for organisations. The bank will compare what it receives with the beneficial ownership information the company filed on registration under the Law on Enterprises ([Beneficial ownership and transparency](#)), so the two must match.

For a foreign-invested company the bank will usually ask for a group structure chart running from the Vietnamese company up to the ultimate individual owners or a listed parent, identity documents for each individual beneficial owner above the bank's threshold, and an explanation of the source of the capital to be contributed. For a subsidiary of a listed group the explanation can be short; for a company owned by individuals through holding companies in several jurisdictions the bank may ask for audited accounts, bank statements or tax returns of the holding entities. Vietnam's place on the FATF increased-monitoring list has made these requests more thorough, and banks may decline relationships they consider high-risk without giving detailed reasons.

Opening the accounts, step by step

1 Choose the bank before the ERC issues

Approach two or three banks while the company is being registered, obtain their account-opening checklists, and confirm that they open investment capital accounts before the IRC if the company-first route is used.

2 Prepare the ownership and source-of-funds pack

Group chart to the ultimate individual owners, identity documents of beneficial owners, parent's certificate of incorporation and latest accounts, and a short note on the source of the capital and expected payment flows.

3 Assemble the company documents

ERC, IRC where issued, charter, decision appointing the legal representative and chief accountant, members' or board resolution approving the accounts and signatories, and the company seal if one is used.

4 Book the legal representative's visit

Schedule an in-person meeting at the branch for identity and biometric verification; a foreign representative brings the passport and, if resident, the visa, temporary residence card or exemption evidence.

5 Sign the account agreements and specimen signatures

Complete the account application forms, specimen signatures of the legal representative, the chief accountant and any authorised persons, and the internet banking and token arrangements.

6 Open the investment capital account first

So that the charter capital can be remitted inside the 90-day window; then the dong and foreign-currency payment accounts.

7 Activate online banking and test

Confirm that biometric status is recorded, set up approval levels for payments, and make a small test transfer before the first capital remittance.

8 Link the accounts to e-tax payment

Register the payment account for electronic tax payment and check with the tax adviser whether the account details must be notified as part of the company's tax registration information; see [Setting up a company step by step](#).

Signatories and internal controls

The account holder acts through its legal representative or a person the legal representative authorises in writing within the scope permitted by law. Banks commonly require payment instructions for an organisation's account to carry the signature of the account holder's representative and, where the company is required to have one, the chief accountant or the person in charge of accounting, whose documents are now part of the account-opening dossier under Circular No. 25/2025/TT-NHNN. Internet banking is set up with a maker and approver structure, and the approver's token or digital signature is tied to the verified individual.

Foreign groups often want offshore approval of large payments. That is achievable through internal controls, for example an approval workflow in which the regional treasury approves before the Vietnamese approver releases, but the bank mandate itself must be given by the Vietnamese company through its legal representative. A legal representative who leaves Vietnam for long periods, or who resigns without a planned handover, can freeze the company's outgoing payments; at least one legal representative must reside in Vietnam under the Law on Enterprises.

Foreign-currency accounts

A resident company may open foreign-currency payment accounts at an authorised bank and may receive into them foreign currency it is permitted to receive: export proceeds, payments from non-residents for services, foreign-currency loan drawdowns where permitted, and transfers from its investment capital account. It may use them to pay non-residents for imports and services and to make other permitted payments. It may not use them to pay other residents except where Circular No. 32/2013/TT-NHNN permits, for example to an export processing enterprise, or to pay foreign

employees' salaries in foreign currency ([Currency and payments inside Vietnam](#)). Export proceeds in foreign currency are brought into the company's foreign-currency account in Vietnam; residents need State Bank approval to hold accounts abroad, save for limited cases.

Timelines and choice of bank

With a complete dossier and a legal representative who can attend, a payment account is commonly opened within a few working days of the meeting, and the investment capital account within about one to two weeks. Delays almost always come from the anti-money-laundering review: a complex ownership chain, an individual beneficial owner in a jurisdiction the bank considers high-risk, or a source-of-funds explanation the compliance team wants supported. Allowing four weeks from first approach to activated online banking is prudent, and the timetable should be measured against the 90-day charter capital deadline.

The choice is usually between a large Vietnamese commercial bank and a wholly foreign-owned bank or foreign bank branch. Vietnamese banks offer extensive branch and ATM networks, competitive dong pricing, strong payroll and tax-payment products and familiarity with provincial authorities. Foreign banks, such as the Vietnamese subsidiaries of HSBC, Standard Chartered, Shinhan and UOB, offer English-language service, integration with the group's global banking relationship, and experience with cross-border payments and capital-account flows; their onboarding is often more demanding because group policies sit on top of Vietnamese law. Many investors use a foreign bank for the investment capital account and treasury and a Vietnamese bank for local payments.

Accounts and the rules that govern them

Account	Purpose	Key rules
Investment capital account	Capital contributions, share-transfer payments with Vietnamese parties, profit remittance, return of capital, loan flows where used	Circular No. 38/2026/TT-NHNN: one bank, one account per currency; can be opened before the IRC
Dong payment account	Sales, suppliers, payroll, social insurance, tax	Circular No. 17/2024/TT-NHNN as amended by Circular No. 25/2025/TT-NHNN
Foreign-currency payment account	Export proceeds, receipts from non-residents, payments abroad, foreign-currency salaries to foreign staff	Circular No. 17/2024/TT-NHNN; Circular No. 32/2013/TT-NHNN restrictions on use
Foreign loan account	Drawdown and repayment of foreign loans where the investment capital account is not used	Circular No. 12/2022/TT-NHNN as amended by Circular No. 80/2025/TT-NHNN
Portfolio investor's dong account	Purchases and sales of listed securities and holdings of 50% or less	Circular No. 03/2025/TT-NHNN: one account at one bank; no term deposits
Legal representative verification	In person, with biometric matching; third party permitted for foreign legal entities	Circular No. 25/2025/TT-NHNN

Account	Purpose	Key rules
Online transactions without biometrics	Suspended since 1 July 2025	Circular No. 17/2024/TT-NHNN as applied by banks
Account name	Must match the ERC or equivalent from 1 March 2026	Circular No. 25/2025/TT-NHNN

Account-opening checklist for a new foreign-invested LLC

Individual banks add their own requirements; confirm the list with the chosen bank. Foreign documents may need notarisation or legalisation and a Vietnamese translation according to the bank's policy.

- ☐ **Enterprise Registration Certificate and IRC**
The IRC where issued; on the company-first route, evidence that the IRC application is pending.
- ☐ **Charter**
Current version, with the provisions on the legal representative and authority to open accounts.
- ☐ **Appointment of legal representative and chief accountant**
Members' or owner's decision; identity documents of both.
- ☐ **Resolution on bank accounts**
Approving the bank, the accounts, the signatories and the online banking authority levels.
- ☐ **Legal representative's identity**
Passport; for a resident foreigner, visa, temporary residence card or exemption evidence; in-person attendance for biometric verification.
- ☐ **Beneficial ownership information**
Group chart to the ultimate individuals; identity documents of beneficial owners; consistency with the registration filing.
- ☐ **Source of funds**
Parent's latest audited accounts or bank statements and a note on the origin of the capital.
- ☐ **Authorisations**
Written authorisation for any person who will sign or approve payments other than the legal representative.
- ☐ **Tax registration details**
Tax code (the enterprise code) for linking the accounts to e-tax payments.

WORKED EXAMPLE

A Japanese SME opening accounts in Ho Chi Minh City

A Japanese software company sets up a wholly owned LLC in Ho Chi Minh City with charter capital of USD 300,000. Its legal representative is a Japanese national who will relocate in month two. Illustrative timeline; the professional-fee figure is a typical market range, not a quotation.

Weeks 1 and 2	While the ERC and IRC are processed, the company approaches a foreign bank and a Vietnamese bank, obtains their checklists and prepares the group chart (parent owned by two founders and a Japanese venture fund).
Week 3	IRC and ERC issued. Foreign bank's compliance team asks for the venture fund's ownership and the founders' identity documents; supplied within a week.
Week 5	Legal representative flies in for two days; in-person and biometric verification at the branch; investment capital account (USD) and dong payment account opened on day 2.
Week 6	USD 300,000 remitted into the investment capital account; USD 100,000 moved to the payment account for office lease and payroll.
Week 7	Second dong account opened electronically at a Vietnamese bank for payroll, using the company's electronic identification account.
Month 6	The legal representative is replaced by a new Japanese manager; online payments are suspended on both accounts until the new representative completes biometric verification at each bank, which takes three days.
Professional fees (typical range)	Assistance with bank onboarding as part of a set-up package: commonly USD 300 to 1,000 with a Vietnamese firm; often included in an international firm's set-up fee.

Had the legal representative not been able to travel in week 5, the accounts would have remained unopened and the 90-day charter capital deadline would have come under pressure; appointing a second, resident legal representative from the start avoids this.

The month-six suspension could have been avoided by scheduling the new representative's bank visits on the day the change of legal representative was registered.

Questions investors ask about bank accounts

Must the legal representative visit the bank in person to open a corporate account?

Generally yes. Circular No. 17/2024/TT-NHNN, as amended by Circular No. 25/2025/TT-NHNN, requires the bank to meet the account holder's legal representative in person and verify identity, including biometrically. For a foreign legal entity a third party may perform the meeting, but a Vietnamese company's foreign representative should expect to attend a branch.

Why has our bank suspended online payments on our corporate account?

Most often because the legal representative has not completed biometric verification. Since 1 July 2025 banks suspend online payments and withdrawals on corporate accounts in that position. The account remains open; the representative must attend the bank, or use its approved process, to complete verification and restore online transactions.

Can a foreign-invested company hold accounts at several banks?

Yes for payment accounts, which may be held at several banks. The investment capital account is different: Circular No. 38/2026/TT-NHNN allows it at only one authorised bank, with one account per currency, so choose that bank with care and consider keeping the main payment accounts there.

How long does it take to open a corporate bank account in Vietnam?

With a complete dossier and the legal representative present, a payment account is commonly opened within a few working days and the investment capital account within one to two weeks. Anti-money-laundering review of complex ownership structures is the usual cause of delay, so allow about four weeks and start before the ERC issues.

Can the company pay a Vietnamese supplier from its US dollar account?

Generally no. Between residents the dong-only rule in Circular No. 32/2013/TT-NHNN applies, so a Vietnamese supplier must be paid in dong unless an exception fits, for example a supplier that is an export processing enterprise. The dollar account is for receipts from and payments to non-residents and other permitted uses.

THE 2027 HORIZON

- Banks are progressively linking corporate onboarding to the national electronic identification system for organisations; as that matures, more account opening and representative changes may be completed electronically, but foreign representatives without Vietnamese electronic identification are likely to remain on the in-person route for some time.
- Further State Bank amendments to the payment account rules to strengthen fraud controls, building on the fraud indicators added by Circular No. 25/2025/TT-NHNN, are possible; companies should keep contact details and representative information current with each bank.

Terms you will meet in the documents

English	Vietnamese	Meaning
Payment account	<i>Tài khoản thanh toán</i>	The ordinary current account under Circular No. 17/2024/TT-NHNN.
Legal representative	<i>Người đại diện theo pháp luật</i>	The individual who represents the company; must be verified by the bank.

English	Vietnamese	Meaning
Biometrics	<i>Sinh trắc học</i>	Facial or other biometric data matched against the identity document.
Beneficial owner	<i>Chủ sở hữu hưởng lợi</i>	The individual who ultimately owns or controls the company.
Chief accountant	<i>Kế toán trưởng</i>	The officer in charge of accounting whose documents form part of the dossier.
Specimen signature	<i>Mẫu chữ ký</i>	The registered signatures of authorised signatories.
Electronic identification	<i>Định danh điện tử</i>	The national electronic identity system, for individuals and organisations.
Customer identification	<i>Nhận biết khách hàng</i>	The bank's anti-money-laundering due diligence on the customer.

FOREIGN V VIETNAMESE INVESTOR

The payment account rules, the in-person and biometric verification of the legal representative, the suspension of online transactions and the anti-money-laundering checks apply to every company. A Vietnamese company with a Vietnamese legal representative can often complete biometric verification through a banking app using a chip-based citizen identity card. A foreign-invested company additionally needs the investment capital account and typically faces more extensive beneficial ownership and source-of-funds enquiries.

WATCH OUT FOR

- Leaving bank onboarding until after the ERC: the 90-day charter capital clock is already running.
- A legal representative who cannot travel: no verification, no accounts; consider a resident co-representative.
- Changing the legal representative without booking bank visits: online payments are suspended until the new representative is verified.
- Inconsistent beneficial ownership information between the registration filing and the bank pack.
- Choosing the investment capital account bank casually: it can be changed only by closing the account and moving the whole balance.

OFFICIAL SOURCES

- State Bank of Vietnam: Circular No. 17/2024/TT-NHNN on payment accounts and Circular No. 25/2025/TT-NHNN — <https://www.sbv.gov.vn>
- National Legal Database (vbpl.vn): Law No. 14/2022/QH15 on Anti-Money Laundering; Decree No. 19/2023/ND-CP; Decree No. 52/2024/ND-CP — <https://vbpl.vn>
- State Bank of Vietnam: Circular No. 38/2026/TT-NHNN (investment capital accounts) — <https://www.sbv.gov.vn>
- National Business Registration Portal (legal representative and beneficial ownership filings) — <https://dangkykinhdoanh.gov.vn>

Offshore loans and State Bank registration: borrowing conditions, the IRC loan cap, registration within 30 working days and before drawdown, online filing, amendments, reporting, tax on interest and shareholder loans

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- A Vietnamese company may borrow abroad only for the purposes in Circular No. 08/2023/TT-NHNN, as amended by Circular No. 19/2024/TT-NHNN, and medium and long-term borrowing for a licensed project is capped at total investment capital less contributed capital as shown in the IRC.
- Loans of more than one year, short-term loans extended beyond a year and short-term loans still outstanding a year after first drawdown must be registered with the State Bank within 30 working days and before drawdown (Circular No. 12/2022/TT-NHNN as amended by Circular No. 80/2025/TT-NHNN).
- Since 25 January 2026 registration is filed only online through the National Public Service Portal and decided within ten working days; from 25 July 2026 loans of USD 20 million or less are handled by the SBV regional branches.
- Interest paid abroad bears foreign contractor tax with a 5% CIT element unless a treaty reduces it, and a borrower with related-party transactions may deduct net interest only up to 30% of EBITDA under Decree No. 255/2026/ND-CP; there is no separate debt-to-equity ratio.
- Late registration, failure to follow the drawdown and repayment rules and use of a loan outside the permitted conditions are fined under Article 27 of Decree No. 340/2025/ND-CP, with organisations paying twice the individual rate.

Why foreign loans are used, and why they are regulated

Foreign investors fund Vietnamese companies with a mix of equity and debt. Debt has obvious advantages: principal can be repaid without the two-year wait and solvency test that apply to a reduction of charter capital, interest is generally deductible for corporate income tax within the limits described below, and a shareholder loan can be converted into equity later if the business needs it. Offshore bank finance is also often cheaper than dong borrowing.

The State Bank regulates foreign borrowing because it affects the country's external debt and its foreign exchange position. Decree No. 219/2013/ND-CP, as amended by Decree No. 366/2025/ND-CP from 1 January 2026, sets the macro framework, including an annual limit on self-borrowed, self-repaid foreign commercial borrowing approved within the national limit. At company level, two circulars matter.

Circular No. 08/2023/TT-NHNN, in force since 15 August 2023 and amended by Circular No. 19/2024/TT-NHNN, sets the conditions a borrower must meet. Circular No. 12/2022/TT-NHNN, as amended by Circular No. 80/2025/TT-NHNN from 25 January 2026, governs registration, accounts and reporting.

The conditions for borrowing abroad

The borrower must have a plan for using the loan proceeds approved by its competent body under its charter and the Law on Investment or the Law on Enterprises, and the loan must serve a permitted purpose. For an enterprise that is not a credit institution, a **short-term loan** (up to one year) may be used to restructure existing foreign debt or to pay short-term payables, excluding the principal of onshore loans. A **medium or long-term loan** (more than one year) may be used to implement the borrower's investment project, production and business plan or other project, or to restructure foreign debt. A loan may not be used to fund the projects of the borrower's investee companies, which limits holding-company financing structures. Where a new loan refinances an existing foreign loan, the existing loan must be repaid within five working days of the new drawdown, and drawn but unused proceeds may be placed only on deposits of up to one month at a time.

The amount is capped. For a licensed investment project, outstanding medium and long-term borrowing, domestic and foreign together, may not exceed the loan capital of the project, that is, the total investment capital less the investor's contributed capital as shown in the IRC, the investment certificate or the investment policy approval. For a production and business plan, the cap is the loan amount in the approved plan. This is why total investment capital in the IRC should be set to include planned loans: a company whose IRC shows total investment capital equal to its charter capital has no room to register a medium-term foreign loan until the IRC is adjusted (The Investment Registration Certificate; Charter capital and capital contribution).

Foreign loans are generally denominated in foreign currency. Dong-denominated foreign loans are permitted only in limited cases, including a loan from a foreign investor to its Vietnamese company funded from the profits of its direct investment, and arrangements in which the debt is fixed in dong but drawn and repaid in foreign currency. On cost, the circular makes borrowers responsible for complying with the law on interest and fees and empowers the Governor of the State Bank to decide when a ceiling on foreign borrowing costs applies and to announce it for each period; borrowers should check whether a ceiling decision is in force when pricing a loan.

Which loans must be registered

Registration is required for **medium and long-term loans**, meaning loans with a term of more than one year. It is also required for **short-term loans that are extended** so that the total term exceeds one year, within 30 working days of signing the extension, and for **short-term loans still outstanding** one year after the first drawdown, within 30 working days of that anniversary, unless within those 30 working days the principal is repaid in full, converted into equity or forgiven by the lender. A short-term loan that is drawn and repaid within a year does not need registration, but it must still meet the borrowing conditions and be drawn and repaid through the borrower's account at an authorised bank.

For a medium or long-term loan, the dossier must be filed within 30 working days of signing the loan agreement or, where relevant, the guarantee, or the first drawdown agreement under a framework facility, and the loan may not be drawn until the State Bank has confirmed registration. Shareholder loans are not exempt: a loan from a foreign parent is a foreign loan in exactly the same way as a loan from a bank. Deferred-payment import arrangements are outside the borrowing conditions, although they remain subject to the foreign exchange and trade rules.

Filing online and the State Bank's decision

Since 25 January 2026 the National Public Service Portal is the only channel for online filings. The borrower logs in with its organisational electronic identification (VNeID) account and submits scanned documents signed with a digital signature. The dossier no longer needs to include the borrower's constitutional documents or, for ordinary companies, the guarantee documents; instead of a full Vietnamese translation of the loan agreement the borrower may submit a loan summary signed by the legal representative and sealed, with cross-references to the material terms. Confirmations from the account bank on drawdown and repayment status must be dated within ten working days before submission. The borrower is fully responsible for the accuracy and consistency of what it files.

The State Bank decides within ten working days of a complete dossier, down from the previous 12 working days online and 15 for paper. If the dossier is incomplete it must ask for supplements within seven working days, and if the borrower does not respond within 60 days the file is closed. From 25 July 2026 loans of more than USD 20 million are registered with the Foreign Exchange Management Department of the State Bank and loans of USD 20 million or less with the SBV regional branch where the borrower is located.

Registering a medium-term shareholder loan

- 1 Check the IRC loan capital**
Total investment capital less contributed capital, minus existing medium and long-term loans for the project. Adjust the IRC first if there is not enough room.

- 2 Approve the borrowing plan**
Members' or board resolution approving the loan and the plan for using the proceeds, consistent with a permitted purpose.

- 3 Agree the terms and sign**
Currency, amount, term, interest and fees within any cost ceiling in force, drawdown and repayment schedule, and the account through which money will move. The 30-working-day clock starts at signing.

- 4 Open or designate the loan account**
Use the investment capital account or a dedicated foreign loan account at one authorised bank, and obtain the bank's confirmation for the dossier.

5 File on the National Public Service Portal

Organisational VNeID login, digital signature, registration form, loan agreement or signed summary, approval documents and bank confirmation.

6 Answer any supplement request

The State Bank must raise it within seven working days; respond promptly, as the file closes after 60 days.

7 Receive confirmation and draw down

Confirmation within ten working days of a complete dossier; only then may the loan be drawn.

8 Report and maintain

File the periodic online reports, register any amendment before changed terms are implemented, and keep the bank informed of every drawdown and repayment.

Amendments and notifications

A change to a registered loan's main terms, such as the amount, the term, the lender or the drawdown and repayment plan, requires registration of the change with the State Bank before the changed terms are implemented, within the deadline the circular sets from the signing of the amendment. Circular No. 80/2025/TT-NHNN replaced amendment registration with a simple online notification in three cases: a change of the borrower's address caused by administrative reorganisation; a lender's waiver of interest or fees; and the repayment of principal through a lender's write-off or through enforcement of security or a guarantee carried out in accordance with the loan and security documents. Lenders no longer need a formal amendment to apply enforcement proceeds, but depend on the borrower to notify.

Reporting and penalties

A borrower with a registered loan reports to the State Bank online on the periodic schedule the circular sets, and its account bank reports the flows. The reporting deadlines appear in the company's compliance calendar ([Compliance calendar after licensing](#)). Decree No. 340/2025/ND-CP, in force from 9 February 2026, sets the fines in Article 27. Late or non-compliant registration, or registration of a change, is fined VND 20 to 30 million for an individual borrower and VND 40 to 60 million for an organisation; failure to comply with the drawdown and repayment rules, or improper use of the loan account, VND 60 to 100 million for an organisation; and using a foreign loan for a purpose outside the borrowing conditions VND 300 to 400 million for an organisation. Beyond the fine, banks will not process repayments that do not match a confirmed registration.

Tax on interest, and the interest cap

Interest paid to a foreign lender without a permanent establishment in Vietnam is subject to foreign contractor tax, withheld by the Vietnamese borrower and declared within ten days of payment. Under Circular No. 103/2014/TT-BTC, as amended by Circular No. 20/2026/TT-BTC from 12 March 2026, the corporate income tax element on interest is 5%; lending interest is generally outside VAT, so no VAT

element usually arises. A tax treaty can reduce the rate, but treaty rates on interest are often 10% or more, so the domestic 5% is commonly the lower figure; some treaties exempt interest paid to government lenders. The procedure is in [Foreign contractor tax and tax treaties](#).

On the borrower's side, a company with related-party transactions may deduct net interest expense only up to 30% of EBITDA under Decree No. 255/2026/ND-CP, which replaced Decree No. 132/2020/ND-CP from 1 July 2026 and applies to the 2026 tax year; the excess may be carried forward for up to five years. Vietnam has no separate debt-to-equity thin capitalisation ratio. The corporate income tax rules have also long restricted the deduction of interest on loans from lenders that are not credit institutions where the rate is high, and of interest corresponding to charter capital that has not been paid on time; check how Decree No. 320/2025/ND-CP now treats those points. Both caps are explained in [Transfer pricing, interest and global minimum tax](#). The interest rate on a shareholder loan must also be at arm's length.

Foreign loans at a glance

Item	Rule	Source
Short-term loan purposes	Restructure foreign debt; pay short-term payables (not onshore loan principal)	Circular No. 08/2023/TT-NHNN as amended
Medium and long-term purposes	Investment project, production and business plan or other project of the borrower; restructure foreign debt; not investee companies' projects	Circular No. 08/2023/TT-NHNN as amended
Cap for a licensed project	Total investment capital less contributed capital in the IRC; domestic and foreign medium and long-term loans counted together	Circular No. 08/2023/TT-NHNN
Cost ceiling	Applies when and as announced by the Governor of the State Bank	Circular No. 08/2023/TT-NHNN
Loans requiring registration	Over one year; short-term extended beyond a year; short-term outstanding one year after first drawdown	Circular No. 12/2022/TT-NHNN as amended
Deadline	30 working days from signing (or the relevant trigger) and before drawdown	Circular No. 12/2022/TT-NHNN; FAQ 65
Filing channel	National Public Service Portal only; organisational VNeID; digital signature	Circular No. 80/2025/TT-NHNN (from 25 January 2026)
Decision period	10 working days from a complete dossier; supplement request within 7 working days; file closed after 60 days	Circular No. 80/2025/TT-NHNN
Competent office (from 25 July 2026)	Over USD 20 million: Foreign Exchange Management Department; up to USD 20 million: SBV regional branch	Circular No. 80/2025/TT-NHNN
FCT on interest	5% CIT element unless a treaty reduces it	Circular No. 103/2014/TT-BTC as amended by Circular No. 20/2026/TT-BTC

Item	Rule	Source
Interest deduction cap	Net interest up to 30% of EBITDA for related-party borrowers; five-year carry-forward; no thin cap ratio	Decree No. 255/2026/ND-CP
Fine for late registration (organisation)	VND 40 to 60 million	Decree No. 340/2025/ND-CP, Article 27

WORKED EXAMPLE

A USD 3 million shareholder loan to a packaging manufacturer

A Singapore parent lends USD 3 million for five years at 6% a year to its Vietnamese subsidiary in Hai Phong to buy a second production line. The IRC shows total investment capital of USD 8 million and contributed charter capital of USD 4 million; the subsidiary already has a USD 500,000 medium-term loan from a Vietnamese bank for the project. Figures and dates are illustrative; the tax figures are simplified.

Headroom check	Loan capital in the IRC: USD 8 million less USD 4 million = USD 4 million. Existing medium-term borrowing USD 0.5 million, so up to USD 3.5 million can be registered. USD 3 million fits.
2 November 2026	Board resolution approving the loan and the use-of-proceeds plan (second production line, an investment project purpose). Loan agreement signed the same day; the 30-working-day deadline runs to mid-December.
9 November 2026	Bank confirms the investment capital account will be used for drawdown and repayment. Dossier filed on the National Public Service Portal with a signed loan summary; addressed to the SBV regional branch because the loan is under USD 20 million.
13 November 2026	Regional branch asks for the board resolution in Vietnamese; supplied the next day.
25 November 2026	Registration confirmed within ten working days of the complete dossier.
1 December 2026	USD 3 million drawn into the investment capital account and transferred in tranches to the payment account to pay the equipment supplier.
Annual interest	USD 180,000. Foreign contractor tax at 5% CIT element: USD 9,000, withheld and declared within ten days of each payment (the Singapore treaty rate on interest is higher than 5%, so the domestic rate applies).
Interest deductibility	Year 2027 EBITDA USD 500,000; 30% cap USD 150,000. Net interest expense USD 210,000 (USD 180,000 plus USD 30,000 on the bank loan), so USD 60,000 is non-deductible in 2027 and carried forward for up to five years.
Year 3	Parent agrees to extend the repayment schedule by a year: amendment registered with the State Bank before the new schedule is applied.

Had the IRC shown total investment capital of USD 4 million, there would have been no room for the loan and the IRC would have had to be adjusted first, adding several weeks.

Had the subsidiary drawn the loan on 10 November, before confirmation, it would have faced a fine under Article 27 of Decree No. 340/2025/ND-CP and its bank would have been reluctant to process repayments until the position was regularised.

Questions investors ask about offshore loans

Does a shareholder loan to a Vietnamese subsidiary need State Bank registration?

Yes, if its term exceeds one year, or if a short-term loan is extended beyond a year or is still outstanding a year after first drawdown. Under Circular No. 12/2022/TT-NHNN, as amended by Circular No. 80/2025/TT-NHNN, register within 30 working days of signing and before drawdown, online through the National Public Service Portal.

How much can a foreign-invested company borrow from abroad?

For a licensed project, medium and long-term borrowing, domestic and foreign together, is capped at the loan capital in the IRC: total investment capital less the investor's contributed capital (Circular No. 08/2023/TT-NHNN). Set total investment capital to include planned loans, or adjust the IRC before borrowing.

How long does the State Bank take to register a foreign loan?

Ten working days from a complete dossier under Circular No. 80/2025/TT-NHNN, which took effect on 25 January 2026. Any request for supplements must be made within seven working days, and the file is closed if the borrower does not respond within 60 days. Loans of USD 20 million or less go to SBV regional branches.

What tax applies to interest paid to a foreign lender?

Foreign contractor tax, withheld by the borrower and declared within ten days of payment, with a 5% CIT element under Circular No. 103/2014/TT-BTC as amended by Circular No. 20/2026/TT-BTC, unless a treaty gives a lower rate. Separately, related-party borrowers may deduct net interest only up to 30% of EBITDA.

Is there a debt-to-equity limit for Vietnamese companies?

Not as such. Vietnam has no thin capitalisation ratio. The constraints are the IRC loan cap under Circular No. 08/2023/TT-NHNN, the 30% of EBITDA cap on net interest for borrowers with related-party transactions under Decree No. 255/2026/ND-CP, and the arm's-length requirement for related-party interest.

THE 2027 HORIZON

- The delegation of loan registration to SBV regional branches took effect on 25 July 2026; practice among branches may vary for a period, and borrowers should allow for supplement requests while procedures settle.
- Decree No. 219/2013/ND-CP was amended by Decree No. 366/2025/ND-CP from 1 January 2026; further implementing changes to the borrowing conditions in Circular No. 08/2023/TT-NHNN are possible and should be checked before a new facility is signed.
- Members of the international financial centre borrow abroad on a declaration and reporting basis rather than registration; if that model proves workable, pressure to simplify the onshore regime may grow, but no such change has been announced.

Terms you will meet in the documents

English	Vietnamese	Meaning
Foreign loan	<i>Khoản vay nước ngoài</i>	A loan from a non-resident lender to a resident borrower.
Self-borrowed, self-repaid loan	<i>Khoản vay tự vay, tự trả</i>	A foreign loan without a Government guarantee, under Decree No. 219/2013/ND-CP.
Short-term loan	<i>Khoản vay ngắn hạn</i>	A loan with a term of up to one year.
Medium and long-term loan	<i>Khoản vay trung, dài hạn</i>	A loan with a term of more than one year; must be registered.
Loan registration	<i>Đăng ký khoản vay</i>	State Bank confirmation of a foreign loan under Circular No. 12/2022/TT-NHNN.
Registration of change	<i>Đăng ký thay đổi khoản vay</i>	Registration of amended loan terms.
National Public Service Portal	<i>Cổng Dịch vụ công quốc gia</i>	The only online channel for loan filings since 25 January 2026.
Plan for use of loan proceeds	<i>Phương án sử dụng vốn vay</i>	The approved plan that underpins the borrowing purpose and amount.

FOREIGN V VIETNAMESE INVESTOR

The borrowing conditions and registration rules apply to every resident borrower, foreign-invested or Vietnamese. The IRC loan cap bites only where the project has an IRC or investment policy approval; a Vietnamese company without an IRC is capped by its approved production and business plan instead. A foreign investor lending out of profits from its direct investment may lend in dong, an option not available to an unrelated foreign lender.

WATCH OUT FOR

- Drawing a loan before the State Bank confirms registration.
- An IRC whose total investment capital leaves no loan capital: adjust it before signing the loan.
- Short-term group funding that rolls over: it must be registered within 30 working days of the first anniversary unless repaid, converted or forgiven.
- Changing the repayment schedule informally: register the change before applying it.
- Forgetting that the 30% of EBITDA cap counts onshore bank interest as well as the shareholder loan.

OFFICIAL SOURCES

- State Bank of Vietnam: Circular No. 12/2022/TT-NHNN and Circular No. 80/2025/TT-NHNN on foreign loans of enterprises — <https://www.sbv.gov.vn>
- State Bank of Vietnam: Circular No. 08/2023/TT-NHNN as amended by Circular No. 19/2024/TT-NHNN (borrowing conditions) — <https://www.sbv.gov.vn>
- National Public Service Portal (online foreign loan registration) — <https://dichvucong.gov.vn>
- Government portal: Decree No. 219/2013/ND-CP as amended by Decree No. 366/2025/ND-CP; Decree No. 340/2025/ND-CP — <https://chinhphu.vn>
- Tax Department (Cuc Thue): foreign contractor tax guidance — <https://gdt.gov.vn>

Profit remittance and repatriation of capital: the Article 11 guarantee, the annual remittance after audit and tax finalisation, the seven-working-day notice, and bringing capital home on a sale, a capital reduction or a liquidation

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Article 11 of Law No. 143/2025/QH15 guarantees that a foreign investor may transfer abroad its capital, liquidation proceeds, investment income and other lawful assets once it has met its financial obligations to the State.
- Profits are remitted annually after the financial year ends, once the audited financial statements and the CIT finalisation have been filed, taxes and penalties due have been paid and there are no accumulated losses; on termination of the investment all tax obligations must be settled, including those not yet due (Decree No. 252/2026/ND-CP, from 1 July 2026).
- The investor or the company notifies the managing tax office at least seven working days before the remittance, and the money leaves through the investment capital account under Circular No. 38/2026/TT-NHNN.
- Dividends paid to a foreign corporate shareholder bear no further Vietnamese withholding tax; dividends paid to individuals bear personal income tax withheld by the company.
- Capital comes home through a sale of the stake, a reduction of charter capital (after two years and only if the company remains solvent) or a liquidation, each passing through the investment capital account; a branch remits profits after its own tax finalisation and audit.

The guarantee, and what it depends on

Article 11 of Law No. 143/2025/QH15 on Investment guarantees that, after fully meeting its financial obligations to the Vietnamese State, a foreign investor may transfer abroad its invested capital and liquidation proceeds, its income from business investment, and other money and assets it lawfully owns. The same guarantee appears in Vietnam's investment treaties ([Investment guarantees and treaties](#)). In practice the guarantee is honoured: profits and capital do leave Vietnam every day. What determines how smoothly they leave is whether three sets of conditions are met at the moment of transfer.

The first set is **corporate**: the company must have distributable profits under the Law on Enterprises, which allows profits to be distributed only after tax and other financial obligations have been met and only if the company can still pay its debts as they fall due after the distribution, under the rules for each company type (for example Article 69 for a multi-member limited liability company, as amended by Law

No. 76/2025/QH15). The second is **tax**: the conditions in the tax administration rules, now in Decree No. 252/2026/ND-CP. The third is **foreign exchange**: the money must leave through the investment capital account, supported by the documents the bank requires (The investment capital account).

The tax conditions in Decree No. 252/2026/ND-CP

Decree No. 252/2026/ND-CP, implementing Law No. 108/2025/QH15 on Tax Administration and in force from 1 July 2026, brought the tax conditions for profit remittance into the tax administration framework. For an annual remittance, the company must have paid all taxes, other State charges, late-payment interest and penalties that have fallen due, and must have no outstanding tax debt at the time of the remittance. On termination of the investment, every obligation under the tax administration law must be settled, including amounts not yet due. Secondary sources report that liabilities under the global minimum tax rules are not a precondition for remitting profits. The tax on dividends themselves is covered in Tax on share transfers and dividends.

Annual remittance after the year end

Profits are normally remitted once a year, after the end of the financial year. Before remitting, the company must have filed its **audited financial statements** and its **corporate income tax finalisation** for the year, both of which are due by the end of the third month after the year end for a company with a calendar financial year (Compliance calendar after licensing). A company that completes its audit and finalisation early may remit earlier; most calendar-year companies remit in April or May.

The company must have **no accumulated losses**. A company that made a profit this year but still shows accumulated losses on its balance sheet after applying the loss carry-forward rules cannot remit until the losses have been absorbed. This catches many young companies whose early years were loss-making: the first profitable year may produce a dividend on paper but not a remittance.

The amount that may be remitted is the profit after corporate income tax attributable to the foreign investor under the members' or shareholders' distribution decision, less any amount reinvested or retained for funds under the charter, plus profits from earlier years that were retained and not previously remitted. Profits that the investor decides to reinvest in another project in Vietnam are moved from the investment capital account to a payment account rather than abroad, under Circular No. 38/2026/TT-NHNN.

Is interim remittance possible?

The rules provide for remittance at the end of the financial year and on termination of the investment. They do not provide for remitting the current year's profits during the year on the basis of interim accounts, and banks do not ordinarily process such remittances. A foreign investor that needs cash flow from Vietnam during the year must use other lawful channels: interest on a registered shareholder loan, scheduled repayment of loan principal, or arm's-length fees for services, technology or brand actually supplied to the company. Each of those channels has its own tax cost and documentation (Paying foreign suppliers and group companies; Offshore loans and State Bank registration), so the mix should be planned when the investment is structured, not when the parent needs cash.

The notice to the tax office

The foreign investor, or the company on its behalf under an authorisation, must notify the tax office that manages the company at least **seven working days** before the planned remittance. Secondary sources continue to apply the notification form and procedure that have been used since Circular No. 186/2010/TT-BTC. The notice states the investor, the amount, the source year of the profits and the planned date and bank. It is a notification, not an application for approval: the tax office does not issue a permit, but it may use the notice to check the company's position, and a remittance made without notice is a breach. Keep the filing acknowledgement, because the bank will usually ask for it.

Remitting annual profits, step by step

- 1 Close the year and complete the audit**
An independent audit of the financial statements; deal promptly with audit adjustments that affect distributable profit.

- 2 File the CIT finalisation and pay the tax**
File the annual return and pay any balance, late-payment interest and penalties; confirm on the e-tax portal that no tax debt remains.

- 3 Confirm distributable profit and accumulated losses**
Check that retained earnings are positive after loss carry-forward and that the company will remain able to pay its debts after the distribution.

- 4 Adopt the distribution decision**
Resolution of the members' council, owner or general meeting fixing the amount, the recipients and the payment date, in line with the charter.

- 5 Withhold tax for individual shareholders**
Corporate foreign shareholders receive dividends without further withholding; individuals' personal income tax is withheld and declared by the company.

- 6 Notify the tax office**
File the profit remittance notice at least seven working days before the remittance date and keep the acknowledgement.

- 7 Move the funds and instruct the bank**
Transfer the dong amount from the payment account to the investment capital account, buy foreign currency from the bank if needed, and instruct the transfer abroad with the supporting documents.

- 8 Record and archive**
Keep the bank advice, the notice and the resolution with the capital contribution records for the life of the investment.

Repatriating capital

Capital comes home by three main routes. On a **sale of the stake**, a non-resident buyer usually pays the foreign seller offshore in foreign currency; a Vietnamese buyer pays in dong through the company's investment capital account, and the seller then buys foreign currency and remits it. Before the transfer is recorded the Article 21 registration may be needed where foreign ownership changes across a threshold, and the 2% tax on a foreign corporate seller's gross proceeds must be dealt with ([Tax on share transfers and dividends](#); Chapter 8).

On a **reduction of charter capital**, the company returns part of the contributed capital to its members. Under the Law on Enterprises that is possible only after at least two years of continuous operation and only if the company can still pay its debts and other liabilities in full after the return. The reduction is registered with the business registration office, the IRC is adjusted if the project's capital changes, and the money is remitted through the investment capital account with the registration documents as support ([Charter capital and capital contribution](#)).

On **liquidation or dissolution**, the company or project is wound up, debts are paid, all tax obligations are settled including those not yet due, the tax code is closed and the project is terminated with the registration authority. The remaining proceeds are then remitted through the investment capital account. In practice the tax closure is the longest step: a tax audit of the open years commonly precedes closure of the tax code, and the remittance waits for it.

Branch profits

A branch of a foreign company, where Vietnam's market-access commitments permit one, pays corporate income tax on its Vietnamese profits. Vietnam imposes no separate branch profits remittance tax, but the branch must complete its annual tax finalisation, file audited financial statements and settle all tax before the bank will transfer profits to head office. Branches are used mainly in regulated sectors such as banking and insurance, and are compared with subsidiaries in [Branches and representative offices](#). A representative office earns no profit and has nothing to remit.

Routes for money home

Route	Conditions	Tax in Vietnam	Account
Annual dividend	Year closed; audited accounts and CIT finalisation filed; taxes due paid; no accumulated losses; seven working days' notice	None further for a foreign corporate shareholder; PIT withheld for individuals	Investment capital account
Interest on a shareholder loan	Loan registered with the State Bank; arm's-length rate	FCT, 5% CIT element unless reduced by treaty	Investment capital account or foreign loan account
Repayment of loan principal	In accordance with the registered schedule; register changes	None	Investment capital account or foreign loan account

Route	Conditions	Tax in Vietnam	Account
Service, royalty and management fees	Genuine services or rights; contract; arm's length; technology transfer registration where required	FCT (CIT and VAT elements); deductibility subject to transfer pricing	Payment account
Sale of the stake to a non-resident	Article 21 registration where required; ERC amendment	2% of gross proceeds for a foreign corporate seller	Offshore, foreign currency
Sale of the stake to a resident	As above; price in dong	As above	Investment capital account, in dong
Capital reduction	After two years of operation; solvency after return; registration and IRC adjustment	Depends on the gain, if any	Investment capital account
Liquidation proceeds	All debts and taxes settled, including those not yet due; project terminated	Settled in the closure	Investment capital account

WORKED EXAMPLE

Remitting 2026 profits in spring 2027

A wholly owned subsidiary of a Dutch group, with a calendar financial year, earned profit after tax of VND 26 billion in 2026. It had accumulated losses of VND 6 billion from 2023 and 2024. The figures, exchange rate and dates are illustrative.

31 December 2026	Year end. Retained earnings after the 2026 profit: VND 20 billion (VND 26 billion less VND 6 billion of accumulated losses), so the accumulated-loss condition is now met.
Early March 2027	Audit completed; audited financial statements and the 2026 CIT finalisation filed and the CIT balance paid; e-tax portal shows no outstanding debt.
10 March 2027	Members' decision to distribute VND 18 billion to the Dutch parent and retain VND 2 billion for working capital, after confirming the company can pay its debts as they fall due.
12 March 2027	Profit remittance notice filed with the managing tax office for a remittance on or after 23 March, more than seven working days later.
20 March 2027	VND 18 billion moved from the dong payment account to the dong investment capital account; bank provides its document checklist: distribution decision, audited accounts, CIT finalisation, tax payment evidence and the acknowledged notice.
23 March 2027	VND 18 billion converted into euro at the bank's selling rate on the day and remitted to the parent's account in the Netherlands. No Vietnamese withholding tax on the dividend.
Archive	Bank advice, notice, decision and audited accounts filed with the capital contribution records.

Had the audit identified an adjustment that turned 2026 retained earnings negative, no remittance would have been possible until a later year absorbed the losses.

Had the company tried to remit VND 9 billion in September 2026 on the basis of half-year accounts, the bank would have declined: the rules provide for annual and termination remittances only.

Profit remittance checklist

Documents and confirmations to have ready before instructing the bank. Banks vary; ask for the bank's own list in advance.

- ☐ **Audited financial statements**
For the year whose profits are remitted, filed with the authorities.
- ☐ **CIT finalisation return**
Filed, with evidence of payment of the balance.
- ☐ **No tax debt**
Evidence from the e-tax portal or the tax office that no tax, late-payment interest or penalty is outstanding.
- ☐ **Accumulated losses**
Balance sheet showing positive retained earnings after loss carry-forward.
- ☐ **Distribution decision**
Members' council, owner or general meeting resolution consistent with the charter and the Law on Enterprises.
- ☐ **Profit remittance notice**
Filed at least seven working days before remittance; acknowledgement retained.
- ☐ **Capital records**
Investment capital account statements showing the foreign investor's contributions.
- ☐ **Withholding for individuals**
PIT declared and paid on dividends to individual shareholders, where relevant.
- ☐ **Bank instruction**
Transfer from the investment capital account, stating the amount and purpose, with foreign currency purchased from the bank.

Questions investors ask about profit remittance

When can a foreign investor remit profits from Vietnam?

Normally once a year after the financial year ends, once the audited financial statements and the CIT finalisation are filed, taxes and penalties due are paid, and there are no accumulated losses, or on termination of the investment after all tax obligations are settled. The tax office must be notified at least seven working days before the remittance.

Can profits be remitted quarterly or half-yearly?

Not as such. The rules provide for annual remittance after the year end and remittance on termination of the investment; interim remittances of current-year profits are not provided for. Investors who need cash during the year use registered shareholder loan interest or principal, or arm's-length fees for real services or rights.

Is there withholding tax on dividends paid to a foreign parent?

No. Dividends paid out of after-tax profits to a foreign corporate shareholder bear no further Vietnamese withholding tax. Dividends paid to individual shareholders are subject to personal income tax withheld by the company. Corporate income tax will already have been paid on the underlying profits.

Why can our profitable company not remit profits?

The usual reasons are accumulated losses from earlier years that the current profit has not yet absorbed, an unfinished audit or CIT finalisation, an outstanding tax debt or penalty, or a missing seven-working-day notice. Each is a condition under the Law on Investment, the Law on Enterprises or Decree No. 252/2026/ND-CP.

How does a foreign investor get its capital back out of Vietnam?

By selling the stake, by a registered reduction of charter capital after two years of operation if the company remains solvent, or by liquidation after all debts and taxes are settled. Each route passes through the investment capital account, except a sale to a non-resident buyer, which is usually paid offshore.

THE 2027 HORIZON

- Decree No. 252/2026/ND-CP is the first full year of the new tax conditions for remittance; the Ministry of Finance may issue a circular on forms and procedure, which could replace the notification form used since Circular No. 186/2010/TT-BTC.
- Vietnam's global minimum tax rules continue to develop; secondary sources report that top-up tax liabilities are not a precondition for remittance, but any change in that position would be a significant development to monitor.
- Banks may align their remittance checklists more closely with Decree No. 252/2026/ND-CP, for example by checking the company's tax-debt status electronically; investors should confirm the current checklist with their bank before each annual remittance.

Terms you will meet in the documents

English	Vietnamese	Meaning
Remittance of profits abroad	<i>Chuyển lợi nhuận ra nước ngoài</i>	Transfer of the foreign investor's share of profits out of Vietnam.
Notice of profit remittance	<i>Thông báo chuyển lợi nhuận ra nước ngoài</i>	The notice to the tax office at least seven working days before remitting.
CIT finalisation	<i>Quyết toán thuế thu nhập doanh nghiệp</i>	The annual corporate income tax return.
Audited financial statements	<i>Báo cáo tài chính đã được kiểm toán</i>	The annual accounts audited by an independent auditor.
Accumulated losses	<i>Lỗ lũy kế</i>	Losses carried on the balance sheet that block remittance until absorbed.
Reduction of charter capital	<i>Giảm vốn điều lệ</i>	A registered return of capital to members.
Dissolution	<i>Giải thể</i>	The winding up of a solvent company.
Tax debt	<i>Nợ thuế</i>	Tax, late-payment interest or penalties due and unpaid.

FOREIGN V VIETNAMESE INVESTOR

The corporate rules on distributable profit apply to everyone, and so do the dividend tax rules for individual shareholders. The seven-working-day notice, the investment capital account and the Article 11 transfer guarantee are foreign-investor matters. A Vietnamese investor receiving dividends from a Vietnamese company has nothing to remit; a Vietnamese investor receiving profits from abroad faces the opposite duty, to bring them home within 12 months of distribution under Decree No. 103/2026/ND-CP.

WATCH OUT FOR

- Accumulated losses: a profitable year may not be enough to remit if earlier losses have not been absorbed.
- Missing the seven-working-day notice, or filing it with the wrong tax office.
- Distributing profits that leave the company unable to pay its debts: the distribution itself breaches the Law on Enterprises.
- Capital that never passed through the investment capital account: the bank may not accept it as the basis for remitting capital.
- Planning cash flow around interim dividends: they are not available, so structure loans or service arrangements at the outset.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Law No. 143/2025/QH15 on Investment, Article 11; Law No. 59/2020/QH14 on Enterprises as amended by Law No. 76/2025/QH15 — <https://vbpl.vn>
- Government portal: Decree No. 252/2026/ND-CP implementing Law No. 108/2025/QH15 on Tax Administration — <https://chinhphu.vn>
- Tax Department (Cuc Thue): e-tax portal and profit remittance notices — <https://gdt.gov.vn>
- State Bank of Vietnam: Circular No. 38/2026/TT-NHNN — <https://www.sbv.gov.vn>

Currency and payments inside Vietnam: the dong-only rule and its exceptions, quotations and advertising, foreign-currency salaries, penalties, non-cash payment rules, exchange rates and export processing enterprises

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Under the Ordinance on Foreign Exchange and Circular No. 32/2013/TT-NHNN, as amended most recently by Circular No. 75/2025/TT-NHNN, residents may not transact, pay, list, advertise, quote, price or fix contract prices in foreign currency inside Vietnam unless a listed exception applies.
- The exceptions include dealings with non-residents, export processing enterprises' purchases and sales, contractors' offshore costs under international bidding, duty-free and bonded operations, and salaries paid in foreign currency to non-resident and foreign resident employees (Article 4).
- Breaches are fined under Decree No. 340/2025/ND-CP, in force from 9 February 2026, with organisations paying twice the individual rate, and a foreign-currency price clause between residents risks being unenforceable.
- Input VAT on a purchase of VND 5 million or more is deductible only with non-cash payment documents under Law No. 48/2024/QH15, and Article 9 of Decree No. 320/2025/ND-CP applies the same VND 5 million threshold to CIT-deductible expenses.
- Cash transactions of VND 400 million or more are reportable under Decision No. 11/2023/QĐ-TTg, and banks trade the US dollar within a band of plus or minus 5% around the State Bank's daily central rate.

The rule

The Ordinance on Foreign Exchange prohibits the use of foreign currency inside Vietnam except where the State Bank permits it, and Circular No. 32/2013/TT-NHNN, as amended, turns that principle into a detailed rule. Article 3 of the circular provides that, within Vietnam, transactions, payments, listings, advertisements, quotations, pricing and the writing of prices in contracts and similar agreements, including the conversion or adjustment of prices or contract values, may not be made in foreign currency, save for the cases listed in Article 4. The rule applies to residents, and every company established in Vietnam is a resident, however foreign its ownership ([The foreign exchange control framework](#)).

The breadth of the rule surprises many investors. It is not limited to payment: a quotation, a price list, a website advertisement or a tender price in US dollars is caught even if payment will be made in dong. It is not limited to the price itself: the circular also catches clauses that convert or adjust a dong price by

reference to a foreign currency, which puts at risk the common practice of fixing a dong price that floats with the dollar exchange rate. Practice and court decisions on such indexation clauses have not been uniform, and the contractual drafting points are discussed in [Commercial contracts in Vietnam](#); the cautious course is to fix a dong price and agree a periodic price review rather than an automatic link to the exchange rate.

The exceptions that matter in practice

Article 4 of the circular lists the permitted cases. For a foreign-invested business the important ones are these. **Dealings with non-residents:** a non-resident may price and pay for goods and services exported to it in foreign currency, and the resident supplier may quote, price and receive foreign currency; this is what allows a Vietnamese subsidiary to invoice its foreign parent, or a foreign customer, in dollars.

Export processing enterprises: an export processing enterprise (EPE) may price and pay in foreign currency, by bank transfer, for goods bought from the domestic market for export production, and the domestic supplier may quote and receive foreign currency; EPEs may also deal with each other in foreign currency. **Contractors under international bidding** may bid in foreign currency for their offshore costs and receive transfers for those costs. **Entrusted importers and exporters** may use foreign currency with their principals.

Other exceptions cover duty-free shops and bonded warehouses; agents of foreign carriers, who may quote international freight in foreign currency but must be paid in dong; insurers for reinsured risks; air transport, hotels and tourism businesses, which may list prices in dong with the foreign-currency equivalent on their websites and specialist publications in a foreign language, but not on menus or price tables; and capital contributions in foreign currency by residents for foreign investment projects in Vietnam. Beyond the list, the Governor of the State Bank may approve other cases individually. A transaction that does not fit an exception must be in dong.

Foreign-currency salaries

Article 4 of the circular allows an organisation to agree in the labour contract, and to pay, salaries, bonuses and allowances in foreign currency to non-resident employees and to foreign employees who are residents. A foreign-invested company may therefore pay its expatriate general manager a dollar or euro salary into the employee's foreign-currency account; payment by bank transfer is the norm. Vietnamese employees must be paid in dong. Whatever the currency of payment, personal income tax, social insurance where applicable and the employer's accounting are computed in dong at the exchange rate the rules prescribe, so a fall in the dong increases the dong value of a foreign-currency salary for tax purposes ([Personal income tax and expatriates](#); [Wages, minimum wage and payroll](#)).

Leases, intra-group dealings and other traps

Some arrangements that look natural to a foreign group are not permitted. An office or factory lease between a Vietnamese landlord and the Vietnamese subsidiary must be priced and paid in dong, although industrial park developers commonly quote rent with reference to dollar figures and then invoice in dong; the investor should ensure the contract price itself is a dong figure. Two Vietnamese subsidiaries of the same group must deal with each other in dong, even if their parent reports in dollars. A Vietnamese distributor may not be invoiced in dollars by the group's Vietnamese manufacturing

company, although it may be invoiced in dollars by a foreign group company selling to it directly from abroad. And a foreign-invested company may not pay a Vietnamese contractor in dollars from its foreign-currency account, unless the contractor is an EPE or another exception applies.

DECISION GUIDE

May this transaction be priced and paid in foreign currency?

A first check under Circular No. 32/2013/TT-NHNN. If in doubt, price in dong and ask the bank before signing.

Q1 Is the counterparty a non-resident (for example a foreign company with no Vietnamese entity in the transaction)?

Yes Foreign currency permitted for the export of goods or services to it, and for imports from it; payments go through an authorised bank against documents.

No Continue to Q2.

Q2 Is either party an export processing enterprise, buying inputs for export production or dealing with another EPE?

Yes Foreign currency permitted, by bank transfer.

No Continue to Q3.

Q3 Is the payment a salary, bonus or allowance to a non-resident or foreign resident employee under a labour contract?

Yes Foreign currency permitted.

No Continue to Q4.

Q4 Does the transaction fall within another listed case (international bidding offshore costs, duty-free, bonded warehouse, entrusted import or export, reinsurance, tourism listings) or an individual State Bank approval?

Yes Foreign currency permitted within the limits of that case.

No Dong only: quotations, prices, invoices and payments must all be in dong, and any exchange-rate adjustment clause is a risk.

Penalties and consequences

Decree No. 340/2025/ND-CP, in force from 9 February 2026 and replacing Decree No. 88/2019/ND-CP as amended by Decree No. 143/2021/ND-CP, sets the administrative fines for foreign exchange violations, including the use of foreign currency for listing, advertising, pricing or payment otherwise than as permitted. An organisation pays twice the fine prescribed for an individual. The commercial

consequences can be more serious than the fine: a price clause in foreign currency between two residents may be treated as contrary to a prohibition of law, leaving the parties to argue over what price applies, and the tax authority may reject or recompute the transaction. Banks, for their part, will refuse to execute a foreign-currency payment between residents that does not fit an exception.

Cash and non-cash payments

Vietnam has moved decisively towards non-cash payment. Decree No. 52/2024/ND-CP governs non-cash payment services, and the tax rules now penalise cash payments by denying deductions. Under Law No. 48/2024/QH15 on Value Added Tax, in force from 1 July 2025, input VAT on a purchase of VND 5 million or more, including VAT, is deductible only if the company holds non-cash payment documents; cash deposited into the seller's account does not qualify, and several purchases from the same seller on the same day are aggregated. Under point c of clause 1 of Article 9 of Decree No. 320/2025/ND-CP, in force from 15 December 2025, an expense of VND 5 million or more per payment is deductible for corporate income tax only with non-cash payment documents. In practice a foreign-invested company should pay all suppliers by bank transfer and confine cash to petty expenses.

Large cash transactions are also visible. Under Law No. 14/2022/QH15 on Anti-Money Laundering and Decision No. 11/2023/QD-TTg, banks and other reporting entities report cash transactions of VND 400 million or more in a day to the State Bank. Foreign capital contributions and share-transfer payments must in any case pass through the investment capital account by bank transfer (The investment capital account).

Exchange rates and conversion

The State Bank publishes a daily central rate for the US dollar, and commercial banks may trade within a band of plus or minus 5% around it; in mid-August 2026, for example, the central rate was VND 25,586 per dollar, giving a ceiling of VND 26,865. Rates for other currencies are set by the banks. A company buys foreign currency from its authorised bank for permitted payments, presenting the supporting documents, and sells foreign currency receipts to the bank when it needs dong.

Taxes are declared and paid in dong, and statutory financial statements are presented in dong. The Law on Accounting permits a company that receives and spends mainly in a foreign currency to use that currency as its accounting currency if it meets the conditions, but its statutory statements must still be converted into dong. Foreign-currency revenue, expenses, assets and liabilities are converted at the rates prescribed by the accounting and tax rules, generally the actual rates of the commercial bank through which the company transacts, and realised and unrealised exchange differences affect taxable profit. A company with large dollar loans or receivables should model the exchange-rate effect on its tax and on the 30% of EBITDA interest cap.

Foreign currency inside Vietnam: the main cases

Situation	Foreign currency permitted?	Source
Sale by a Vietnamese company to a Vietnamese company	No; dong only	Circular No. 32/2013/TT-NHNN, Article 3

Situation	Foreign currency permitted?	Source
Export of goods or services to a non-resident	Yes; quote, price and receive foreign currency	Circular No. 32/2013/TT-NHNN, Article 4
Sale of inputs by a domestic supplier to an export processing enterprise	Yes, by bank transfer	Circular No. 32/2013/TT-NHNN, Article 4
Dealings between two export processing enterprises	Yes, by bank transfer	Circular No. 32/2013/TT-NHNN, Article 4
Salary of a foreign employee	Yes, if agreed in the labour contract	Circular No. 32/2013/TT-NHNN, Article 4
Salary of a Vietnamese employee	No	Article 3
Office or factory lease between residents	No; contract price in dong	Article 3
International freight quoted by a carrier's agent	May be quoted in foreign currency; payment in dong	Circular No. 32/2013/TT-NHNN, Article 4
Hotel and tourism prices on websites	Dong with foreign-currency equivalent, in a foreign language; not on menus or price tables	Circular No. 32/2013/TT-NHNN, Article 4
Capital contribution by a resident to a foreign-invested project	Yes, by transfer	Circular No. 32/2013/TT-NHNN, Article 4
Input VAT on purchase of VND 5 million or more	Non-cash payment required	Law No. 48/2024/QH15
CIT-deductible expense of VND 5 million or more	Non-cash payment required	Decree No. 320/2025/ND-CP, Article 9
Cash transaction of VND 400 million or more	Reported to the State Bank	Decision No. 11/2023/QD-TTg

WORKED EXAMPLE

A month of transactions at a foreign-owned garment factory

A Hong Kong group owns a Vietnamese garment company in Long An that is not an export processing enterprise. The transactions and amounts are illustrative.

Fabric from a Chinese supplier

USD 120,000, priced and paid in dollars from the foreign-currency account against the contract, invoice and customs declaration: import from a non-resident.

Trims from a Vietnamese supplier	VND 850 million, priced, invoiced and paid in dong by bank transfer; input VAT deductible because paid non-cash.
Sales to the group's Hong Kong buyer	USD 480,000, invoiced in dollars and received into the foreign-currency account: export to a non-resident.
Sales to an EPE in a Dong Nai zone	USD 60,000, invoiced in dollars and received by bank transfer under the EPE exception.
Sales to a Vietnamese fashion retailer	VND 1.2 billion, invoiced and received in dong; a proposed dollar price list for this customer was withdrawn on advice.
Factory rent to the industrial park developer	Developer's rate expressed as USD per square metre in its brochure, but the lease fixes a dong price with an annual review; paid in dong.
Salaries	General manager (Hong Kong resident in Vietnam on a two-year assignment) paid in US dollars by transfer under the labour contract; 600 Vietnamese workers paid in dong.
Petty cash	Small purchases under VND 5 million only; anything larger paid by transfer to preserve VAT and CIT deductions.

Had the company signed the Vietnamese retailer up to a dollar price list, it would have risked a fine under Decree No. 340/2025/ND-CP and a dispute over the enforceability of the price.

Had the company itself been an EPE, its domestic purchases of trims could also have been priced in dollars.

Questions investors ask about currency inside Vietnam

Can a foreign-owned company in Vietnam invoice a Vietnamese customer in US dollars?

Generally no. A company established in Vietnam is a resident, and Circular No. 32/2013/TT-NHNN prohibits residents from quoting, pricing, invoicing or paying each other in foreign currency unless an Article 4 exception applies, such as a sale to an export processing enterprise. Price in dong and agree a periodic price review if exchange-rate risk matters.

Can expatriate staff be paid in dollars?

Yes. Article 4 of Circular No. 32/2013/TT-NHNN allows salaries, bonuses and allowances to be agreed and paid in foreign currency to non-resident employees and to foreign employees who are residents. Personal income tax and the employer's accounts are still computed in dong. Vietnamese employees must be paid in dong.

Can a contract price in dong be linked to the dollar exchange rate?

It is risky. Circular No. 32/2013/TT-NHNN treats the conversion or adjustment of prices by reference to foreign currency as within the prohibition, and practice on such clauses has not been uniform. The cautious course is a fixed dong price with an agreed periodic review mechanism that does not operate automatically by exchange rate.

Why must supplier invoices over VND 5 million be paid by bank transfer?

Because the tax rules deny deductions otherwise. Under Law No. 48/2024/QH15 input VAT on purchases of VND 5 million or more is deductible only with non-cash payment documents, and Decree No. 320/2025/ND-CP applies the same threshold to CIT-deductible expenses. Cash deposited into the seller's account does not count.

What penalties apply for pricing in foreign currency inside Vietnam?

Administrative fines under Decree No. 340/2025/ND-CP, in force from 9 February 2026, with organisations paying twice the individual rate. The commercial consequences can be worse: the price clause may be unenforceable, the bank will refuse foreign-currency payments between residents, and the tax authority may recompute the transaction.

THE 2027 HORIZON

- Inside the Vietnam International Financial Centre, members may already price and settle in foreign currency with each other and with offshore counterparties under Decree No. 329/2025/ND-CP; whether any part of that freedom will be extended beyond the centre is a matter for future legislation and should not be assumed.
- The State Bank amends Circular No. 32/2013/TT-NHNN periodically, most recently through Circular No. 75/2025/TT-NHNN; any new exception or narrowing should be checked before relying on an older list.
- The tax authority is expected to rely increasingly on e-invoice and bank data to test the non-cash payment conditions automatically; companies with residual cash practices should eliminate them before the 2026 finalisation.

Terms you will meet in the documents

English	Vietnamese	Meaning
Restriction on the use of foreign exchange	Hạn chế sử dụng ngoại hối	The rule in Circular No. 32/2013/TT-NHNN.
Price listing	Niêm yết giá	Displaying prices, caught by the dong-only rule.
Export processing enterprise	Doanh nghiệp chế xuất	An enterprise that exports all its products; may use foreign currency for inputs.

English	Vietnamese	Meaning
Non-cash payment	<i>Thanh toán không dùng tiền mặt</i>	Payment by transfer, card or other non-cash means, required for deductions above VND 5 million.
Central exchange rate	<i>Tỷ giá trung tâm</i>	The State Bank's daily reference rate for the US dollar.
Trading band	<i>Biên độ tỷ giá</i>	The plus or minus 5% range around the central rate.
Accounting currency	<i>Đơn vị tiền tệ trong kế toán</i>	The currency of the company's books; statutory statements are in dong.
Large-value transaction	<i>Giao dịch có giá trị lớn phải báo cáo</i>	A cash transaction of VND 400 million or more reported under AML rules.

FOREIGN V VIETNAMESE INVESTOR

The dong-only rule applies identically to a foreign-invested company and a Vietnamese company: both are residents. The foreign investor's distinctive position lies in its dealings with its foreign parent and group, which are dealings with non-residents and may be in foreign currency, and in its capital flows, which go through the investment capital account. The non-cash payment conditions for VAT and CIT deductions apply to everyone.

WATCH OUT FOR

- Dollar price lists or quotations sent to Vietnamese customers, including on websites.
- Leases and service contracts between residents priced in dollars, or in dong with an automatic exchange-rate adjustment.
- Paying a Vietnamese contractor from the foreign-currency account.
- Cash payments of VND 5 million or more: the VAT and CIT deductions are lost.
- Assuming that two subsidiaries of the same foreign group may deal in dollars: both are residents.
- Exchange differences on large foreign-currency balances, which affect taxable profit and the interest cap.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Circular No. 32/2013/TT-NHNN on restricting the use of foreign exchange, as amended — <https://vbpl.vn>
- Government portal: Decree No. 340/2025/ND-CP on administrative penalties in the monetary and banking field; Decree No. 320/2025/ND-CP — <https://chinhphu.vn>
- State Bank of Vietnam: daily central exchange rate; Circular No. 75/2025/TT-NHNN — <https://www.sbv.gov.vn>
- Tax Department (Cuc Thue): VAT and CIT deduction conditions — <https://gdt.gov.vn>

Paying foreign suppliers and group companies: the documents banks require, foreign contractor tax before and after payment, royalties and technology transfer, management fees, intercompany interest and cost recharges, with a worked monthly payment run

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Payments abroad for goods, services, royalties, interest and group charges are current transactions that authorised banks execute against documents: the contract, an invoice or debit note, customs declarations for goods and evidence relevant to tax.
- Payments to foreign organisations without a Vietnamese permanent establishment generally bear foreign contractor tax, withheld by the Vietnamese payer and declared within ten days of payment, with CIT elements of 5% for services and interest and 10% for royalties under Circular No. 103/2014/TT-BTC as amended by Circular No. 20/2026/TT-BTC.
- Since 12 March 2026 the CIT element is computed on revenue including VAT and the deduction method has been abolished; a tax treaty can reduce the CIT element if the treaty procedure is followed.
- Inbound technology transfer contracts remain subject to registration under the Law on Technology Transfer as amended by Law No. 115/2025/QH15 from 1 April 2026, unless the technology is restricted and needs a licence instead.
- Management fees, service charges and recharges to related parties must be at arm's length and supported by evidence of benefit under Decree No. 255/2026/ND-CP, and intercompany interest is deductible only within the 30% of EBITDA cap.

Payments abroad are current transactions

Most money that a Vietnamese company sends abroad is not capital but payment: for imported goods, for services, for the right to use intellectual property, for interest on loans, and for charges from group companies. Under the Ordinance on Foreign Exchange these are current transactions, and the company may buy foreign currency from its authorised bank and pay without any State Bank approval (The [foreign exchange control framework](#)). The control lies in the bank's duty to check that each payment corresponds to a real, lawful transaction. A company that understands what its bank needs, and has its tax position settled before it pays, can run cross-border payments routinely; one that does not will find payments queried, delayed or returned.

Payments go from the company's payment accounts, in dong converted at the bank or from its foreign-currency account. The investment capital account is not used for trading payments; interest and principal on a registered foreign loan move through the loan account or the investment capital account as described in [Offshore loans and State Bank registration](#).

What the bank will ask for

The circulars require banks to verify that a payment is supported by documents and to apply anti-money-laundering checks, and each bank publishes or provides its own list. For **imported goods**, expect the contract or purchase order, the commercial invoice and, once goods have arrived, the customs declaration; an advance payment before import is usually accepted against the contract, with the customs declaration supplied later. For **services**, expect the contract, the invoice or debit note, and often evidence that the service was delivered, such as acceptance minutes or reports. For **royalties and technology fees**, expect the licence or technology transfer contract, the royalty statement and, where the law requires registration, the registration certificate. For **interest and loan repayments**, the State Bank registration confirmation and a repayment notice. For **group charges**, the intra-group agreement, the allocation basis and the invoice.

Banks commonly also look at tax. Many banks ask to see the foreign contractor tax declaration and evidence of payment, or a written statement of how the company has dealt with foreign contractor tax, before remitting a service fee or royalty, and practice differs between banks and between payment types. Preparing the tax position before instructing the payment avoids most delays.

Foreign contractor tax

A payment to a foreign organisation that does not have a permanent establishment in Vietnam for Vietnam-sourced income is generally subject to foreign contractor tax (FCT). FCT is not a separate tax but a method of collecting VAT and corporate income tax from the foreign party, normally by withholding by the Vietnamese payer, which declares and pays it within ten days of each payment. Under Circular No. 103/2014/TT-BTC, as amended by Circular No. 20/2026/TT-BTC with effect from 12 March 2026 to guide Law No. 67/2025/QH15 on Corporate Income Tax, the deemed CIT element is 5% for services generally, 5% for interest, 10% for royalties and 2% for construction, with a VAT element for services at the deemed rate for the activity. Circular No. 20/2026/TT-BTC abolished the deduction method and now computes the CIT element on revenue including VAT.

Pure supplies of goods delivered at or before the Vietnamese border, with no associated services in Vietnam, are generally outside FCT; goods supplied with installation, training or other services in Vietnam bring the service element within it. Contracts are usually priced net of Vietnamese tax for the foreign party, in which case the Vietnamese payer bears the tax and must gross up the payment to compute it; a contract that is silent invites disputes about who bears the tax. A double tax treaty can reduce or eliminate the CIT element, for example where the foreign party has no permanent establishment and the treaty allocates taxing rights on the income to its home state, but only if the treaty procedure is followed. No treaty is in force with the United States. The detailed rules, treaty relief and the declaration mechanics are in [Foreign contractor tax and tax treaties](#).

Royalties and technology transfer

Royalties for the use of trade marks, patents, software, know-how and other intellectual property bear FCT with a 10% CIT element. Where the arrangement transfers technology, the Law on Technology Transfer adds its own requirements. Law No. 115/2025/QH15, which amended the law with effect from 1 April 2026, narrowed some of the mandatory registration categories, but the transfer of technology from abroad into Vietnam remains a case in which the contract must be registered with the science and technology authority, unless the technology is on the restricted list, in which case a licence is needed instead. Registration certificates are commonly requested by banks before technology fees are remitted and support the deductibility of the fee. Whether a given licence is a technology transfer, a trade mark licence or a software licence, and what each requires, is covered in [Chapter 7](#).

Management fees and service charges

Group management fees and shared-service charges are among the most scrutinised payments in Vietnam. For the Vietnamese company to deduct them, the charge must relate to services actually provided that benefit the company, at an arm's-length price, supported by a contract, an invoice and evidence of the services. Decree No. 255/2026/ND-CP, which replaced Decree No. 132/2020/ND-CP from 1 July 2026 and applies to the 2026 tax year, governs related-party transactions; parties are generally related through 25% ownership or significant financing or control. The tax authority looks for duplication (a charge for something the company already does itself), shareholder activities (services that benefit the parent as owner rather than the subsidiary), and allocation keys that bear no relation to benefit. A management fee that fails these tests is non-deductible, yet FCT is still due on the payment. The documentation rules are in [Transfer pricing, interest and global minimum tax](#).

Intercompany interest and cost recharges

Interest on a shareholder loan is paid only on a loan that is registered with the State Bank where registration is required, at an arm's-length rate. It bears FCT with a 5% CIT element unless a treaty reduces it, and on the Vietnamese side net interest of a borrower with related-party transactions is deductible only up to 30% of EBITDA, with a five-year carry-forward, under Decree No. 255/2026/ND-CP.

Recharges of costs that a group company incurred for the Vietnamese company, such as travel of seconded staff, insurance premiums under a group policy or software subscriptions, need care. A recharge is a payment for something; if it is in substance a service, FCT applies to it, and a pure disbursement claimed to be outside FCT must be supported by third-party invoices in the Vietnamese company's name or clear evidence of the pass-through. Secondment arrangements, where a foreign group company bills the Vietnamese company for an expatriate's salary, can create a permanent establishment risk for the foreign company and personal income tax and work-permit consequences for the individual, and should be structured with those in mind ([Work permits for foreign staff](#)).

Running a monthly cross-border payment cycle

1 Collect and check the invoices

Match each foreign invoice or debit note to its contract and to evidence of delivery: customs declaration for goods, acceptance minutes or reports for services, royalty statements for licences.

2 Classify each payment for FCT

Goods delivered at the border (generally outside FCT), services (VAT and 5% CIT elements), royalties (10% CIT element), interest (5% CIT element); check whether a treaty applies and whether its procedure has been followed.

3 Compute the tax and the net payment

Gross up where the contract is net of Vietnamese tax; compute the CIT element on revenue including VAT under Circular No. 20/2026/TT-BTC.

4 Check transfer pricing and registrations

Related-party charges consistent with the intra-group agreement and the arm's-length analysis; technology transfer registration and State Bank loan registration in place where required.

5 Prepare the bank pack

Contract, invoice, delivery evidence, registration certificates and, where the bank asks, the FCT position.

6 Instruct the bank

Payment orders stating amount and purpose; purchase foreign currency from the bank or pay from the foreign-currency account.

7 Declare and pay FCT

Within ten days of each payment, through the e-tax portal; keep the payment receipts with the bank advices.

8 Record for year end

File the documents for the CIT finalisation, the related-party disclosure and the transfer pricing file.

Common payments abroad and their treatment

Payment	Bank documents	FCT (CIT element)	Other points
Imported goods delivered at the border	Contract, invoice, customs declaration	Generally none	Import duties and import VAT at customs
Goods with installation or training in Vietnam	Contract, invoice, customs declaration, acceptance	On the service element	Split the contract value clearly

Payment	Bank documents	FCT (CIT element)	Other points
Services (consulting, IT, marketing)	Contract, invoice, delivery evidence	5% generally, plus VAT element	Treaty relief if procedure followed
Royalties and technology fees	Licence or transfer contract, royalty statement, registration certificate where required	10%	Technology transfer registration; transfer pricing if related
Interest on a foreign loan	State Bank registration, interest notice	5%	30% of EBITDA cap for related-party borrowers
Group management fee	Intra-group agreement, allocation, invoice, evidence of services	5% generally, plus VAT element	Benefit test and arm's length under Decree No. 255/2026/ND-CP
Cost recharge	Agreement, third-party invoices, allocation	Depends on substance	Pure disbursements need clear evidence
Construction services	Contract, invoice, acceptance	2%	Permanent establishment risk for long projects

WORKED EXAMPLE

A monthly payment run for an automotive parts subsidiary

A Vietnamese subsidiary of a German group, in Hai Duong, makes the following payments abroad in one month. The contracts are priced net of Vietnamese tax. Figures are illustrative; the CIT element is shown at the deemed rate on the gross amount for simplicity, and the VAT element is not computed, so the actual figures under Circular No. 20/2026/TT-BTC will differ.

Steel components from a Korean supplier	USD 150,000, delivered CIF Hai Phong; customs declaration and invoice to the bank; no FCT; import VAT paid at customs.
IT support from a group company in Germany	USD 20,000 net. Service FCT: CIT element 5% after gross-up (about USD 1,053) plus the VAT element; bank sees the intra-group agreement, monthly service report and invoice.
Royalty to the German parent for patents	3% of net sales, USD 15,000 net. CIT element 10% after gross-up (about USD 1,667); technology transfer registration certificate on file; the treaty rate on royalties is checked against the domestic rate.
Interest on a registered shareholder loan	USD 6,000 net. CIT element 5% (about USD 316 after gross-up); State Bank registration confirmation and interest notice to the bank; loan account used.
Regional management fee from the Singapore hub	USD 12,000. Allocation by headcount under the intra-group agreement; evidence of HR and finance services kept; FCT on the service; deductibility reviewed under Decree No. 255/2026/ND-CP.

Recharge of a seconded engineer's flights	USD 2,500 supported by airline invoices; treated as a disbursement only because the invoices name the Vietnamese company and the amount is passed through without mark-up.
Timing	Payments instructed on the 5th; FCT declared and paid by the 15th, within ten days of payment; documents filed for the annual related-party disclosure.

Had the IT support contract been silent on tax, the German group company would have expected the full USD 20,000 and the Vietnamese company would have been left arguing about who bears roughly USD 1,000 a month.

Had the regional management fee lacked evidence of services, it would have been non-deductible for CIT, while the FCT on it would still have been payable.

Questions investors ask about paying abroad

What tax is withheld when a Vietnamese company pays its parent's management fee?

Foreign contractor tax, generally a 5% CIT element plus a VAT element, withheld by the Vietnamese company and declared within ten days of payment under Circular No. 103/2014/TT-BTC as amended by Circular No. 20/2026/TT-BTC. A treaty may reduce the CIT element. The fee must also meet the benefit and arm's-length tests to be deductible.

Is foreign contractor tax due on imported goods?

Generally not where the goods are delivered at or before the Vietnamese border and no services are performed in Vietnam. Import duty and import VAT are paid at customs instead. If the supplier also installs, commissions or trains in Vietnam, FCT applies to the service element.

What documents does a bank need to pay a foreign service provider?

Typically the contract, the invoice or debit note and evidence that the service was delivered, and many banks also ask how foreign contractor tax has been handled. For royalties or technology fees, the licence and any technology transfer registration certificate; for interest, the State Bank loan registration. Ask the bank for its checklist.

Do technology licence fees paid abroad need registration in Vietnam?

If the arrangement transfers technology from abroad into Vietnam, the contract must generally be registered under the Law on Technology Transfer, as amended by Law No. 115/2025/QH15 from 1 April 2026, or licensed if the technology is restricted. Trade mark and software licences have their own rules, covered in Chapter 7.

Can the Vietnamese subsidiary deduct group recharges for corporate income tax?

Only if they relate to services or costs that benefit the subsidiary, are at arm's length, and are supported by contracts, invoices and evidence. Decree No. 255/2026/ND-CP governs related-party pricing. Duplicated services and shareholder activities are not deductible, but FCT may still be payable on the amounts paid.

THE 2027 HORIZON

- Circular No. 20/2026/TT-BTC changed the FCT computation from 12 March 2026; the 2026 annual finalisations will be the first full test of the new base and may produce further guidance from the Ministry of Finance.
- Decree No. 255/2026/ND-CP applies to the 2026 tax year; tax audits in 2027 are likely to focus on intra-group service charges documented under the new decree.
- Implementing guidance under Law No. 115/2025/QH15 on technology transfer may refine which licences must be registered; check Chapter 7 before relying on an older practice.

Terms you will meet in the documents

English	Vietnamese	Meaning
Foreign contractor tax (FCT)	<i>Thuế nhà thầu nước ngoài</i>	VAT and CIT collected from foreign suppliers, usually by withholding.
Foreign contractor	<i>Nhà thầu nước ngoài</i>	A foreign organisation earning Vietnam-sourced income under a contract.
Royalty	<i>Tiền bản quyền</i>	Payment for the use of intellectual property; 10% CIT element.
Technology transfer	<i>Chuyển giao công nghệ</i>	A transfer regulated by the Law on Technology Transfer, with registration for inbound transfers.
Related-party transaction	<i>Giao dịch liên kết</i>	A transaction between related parties, priced at arm's length under Decree No. 255/2026/ND-CP.
Management fee	<i>Phí quản lý</i>	A group charge for management or shared services.
Interest expense	<i>Chi phí lãi vay</i>	Interest cost, subject to the 30% of EBITDA cap for related-party borrowers.
Customs declaration	<i>Tờ khai hải quan</i>	The import declaration supporting payment for goods.

FOREIGN V VIETNAMESE INVESTOR

Foreign contractor tax, the bank's document checks and the technology transfer rules apply to any Vietnamese payer, whether foreign-invested or domestic. What distinguishes the foreign-invested company is the volume of related-party payments to its own group, which brings management fees, royalties and interest within the transfer pricing rules and the 30% of EBITDA cap, and makes the arm's-length and benefit evidence central to its tax position.

WATCH OUT FOR

- Contracts silent on who bears Vietnamese tax: agree net or gross pricing expressly.
- Management fees without evidence of services: non-deductible, but FCT still due.
- Technology fees paid without the required registration: banks may refuse, and deductibility is at risk.
- Interest paid on an unregistered loan, or above the registered terms.
- Treating every recharge as a disbursement outside FCT without third-party invoices in the company's name.
- Missing the ten-day FCT declaration after each payment.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Circular No. 103/2014/TT-BTC as amended by Circular No. 20/2026/TT-BTC; Law No. 115/2025/QH15 amending the Law on Technology Transfer — <https://vbpl.vn>
- Government portal: Decree No. 255/2026/ND-CP on related-party transactions — <https://chinhphu.vn>
- Tax Department (Cuc Thue): foreign contractor tax declarations and e-tax portal — <https://gdt.gov.vn>
- Customs Department, Ministry of Finance: import procedures — <https://www.customs.gov.vn>

Project finance, security and the financial centre: taking security in Vietnam, registration, the bar on land mortgages to offshore lenders, security agents and guarantees, and the Vietnam International Financial Centre and its court

Reviewed 10 October 2026 · Prepared by a foreign investment lawyer (now retired) with 20 years' experience advising on Vietnamese investment law · Legal and tax information, not legal advice · [How we check](#) · [Open in the app](#)

WHAT YOU NEED TO KNOW

- Security is created under the Civil Code 2015 (Law No. 91/2015/QH13) and Decree No. 21/2021/ND-CP, and becomes effective against third parties on registration, with priority generally following the order of registration.
- Security over movables and other assets is registered online with the Ministry of Justice's Department of Secured Transaction Registration and State Compensation under Decree No. 99/2022/ND-CP; mortgages of land use rights and attached assets are registered with the land registration office.
- The Land Law 2024 does not allow land use rights to be mortgaged to foreign lenders, so offshore lenders hold land security through an onshore credit institution acting as security agent; repayments from enforcement now need only an online notification to the State Bank under Circular No. 80/2025/TT-NHNN.
- The Vietnam International Financial Centre, a single centre with hubs in Ho Chi Minh City and Da Nang, was created by Resolution No. 222/2025/QH15 and launched on 21 December 2025; Decree No. 329/2025/ND-CP and Circular No. 72/2025/TT-NHNN let members price and settle in foreign currency with each other and offshore.
- Law No. 150/2025/QH15, in force from 1 January 2026, created a specialised court at the centre in Ho Chi Minh City, with English as a working language and foreign judges, for business disputes involving at least one member; its procedural rules are still awaited.

The legal basis of security

Security for obligations is governed by the Civil Code 2015 (Law No. 91/2015/QH13) and by Decree No. 21/2021/ND-CP, which details the Civil Code's provisions on the performance of obligations. The Civil Code recognises the pledge (cầm cố), in which the asset is delivered to the secured party; the mortgage (thế chấp), in which the security provider keeps the asset; deposits and escrow arrangements; retention of title; the guarantee (bảo lãnh); and other forms. Banks also operate under Law No. 32/2024/QH15 on Credit Institutions, which contains specific rules on collateral and on the enforcement rights of credit institutions.

Security becomes effective against third parties when it is registered or, for a pledge, when the secured party takes possession, and priority between competing secured creditors generally follows the order in which their security became effective. Registration is governed by Decree No. 99/2022/ND-CP. Security over movables, receivables, rights under contracts and most other assets is registered online with the Ministry of Justice's Department of Secured Transaction Registration and State Compensation (formerly the National Registration Agency for Secured Transactions). Mortgages over land use rights and assets attached to land are registered with the land registration office, and some assets such as aircraft and seagoing vessels have their own registers. A new decree to replace Decree No. 99/2022/ND-CP is being drafted.

What a lender can take

A typical project or corporate financing in Vietnam takes security over the following. **Land and buildings:** a mortgage over the land use rights or the lease rights and the buildings and attached assets, where the land regime allows; what can be mortgaged depends on how the land is held, including whether rent is paid annually or for the whole term ([Title due diligence and security over land](#)).

Machinery, equipment and inventory: a mortgage of movables, registered with the Ministry of Justice.

Receivables and contract rights: security over sales receivables, offtake revenues, insurance proceeds and rights under the construction and supply contracts. **Bank accounts:** security over the balances of the borrower's accounts at the onshore bank, usually with an account control arrangement. **Shares or capital contributions:** a pledge or mortgage of the sponsor's capital in the Vietnamese company,

registered, and supported by the company's charter. **Intellectual property,** where valuable.

Enforcement follows the methods the parties have agreed and the Civil Code permits, including sale by auction, sale by the secured party and the secured party taking the asset in satisfaction. Enforcement against land frequently becomes contested where the security provider does not cooperate, and enforcement against shares in a Vietnamese company has investment-law consequences: a foreign lender or buyer acquiring the shares may need the Article 21 registration and must satisfy the market-access conditions before the company's registration is amended ([Forms of investment](#)).

Land mortgages and offshore lenders

The Land Law 2024 does not allow land use rights to be mortgaged to foreign lenders; for a company's land the permitted mortgagee is, in practice, a credit institution licensed to operate in Vietnam. An offshore lender, whether a foreign bank, a development finance institution or the foreign parent, therefore cannot be the registered mortgagee of land use rights. The market solution is the **onshore security agent:** a credit institution licensed in Vietnam is appointed under a security agency agreement to take and hold the land mortgage, and usually the other onshore security, on behalf of the lenders, to enforce it on their instructions and to apply the proceeds to the offshore loan. Vietnam has no general law of trusts, so the arrangement rests on contract, and the security agent's role, its liability, its replacement and the order of application of proceeds should be drafted with care and with Vietnamese counsel.

Circular No. 80/2025/TT-NHNN, in force from 25 January 2026, removed one practical obstacle: repayment of principal of a registered foreign loan through enforcement of security or of a guarantee, carried out in accordance with the loan and security documents, no longer requires the loan registration

to be amended; the borrower files an online notification with the State Bank instead. The rule is borrower-centric, however, so lenders depend on the borrower's cooperation to make the notification, and should build that obligation into the documents ([Offshore loans and State Bank registration](#)).

Guarantees and offshore structures

Guarantees are common in both directions. A foreign parent may guarantee an onshore bank loan to its Vietnamese subsidiary; that raises no Vietnamese foreign exchange issue until the guarantee is called, when payment by the guarantor and any resulting claim against the subsidiary must follow the foreign loan rules. Where a foreign loan to a Vietnamese borrower is guaranteed, the 30-working-day registration period for a medium or long-term loan may run from the signing of the guarantee, under Circular No. 12/2022/TT-NHNN as amended. Onshore banks issue guarantees in favour of foreign lenders under the State Bank's bank guarantee rules. Payment under a guarantee or from enforcement may be received by permitted residents in foreign currency through the borrower's foreign loan account, which Circular No. 80/2025/TT-NHNN expressly accommodates.

Lenders frequently add offshore elements: a pledge of the shares of the offshore holding company above the Vietnamese borrower, which can be enforced under foreign law without touching the Vietnamese registration; sponsor support and completion undertakings; and direct agreements with the key project counterparties. A Vietnamese borrower may not simply hold its revenues in an account abroad: residents need State Bank approval to open accounts outside Vietnam, save for limited cases, so offshore accounts in a financing require specific approval. The foreign borrowing conditions also limit what the borrower may do with the proceeds, and a holding-company structure in which an onshore entity borrows to fund its investee companies is not permitted for foreign loans.

Putting a security package in place for an offshore facility

- 1 Check the borrowing conditions and the IRC**
Purpose, loan capital headroom in the IRC and any cost ceiling in force; adjust the IRC first if needed.
- 2 Map the assets and the land regime**
Land held with annual or one-off rent, buildings, machinery, receivables, accounts, shares; identify what each security type requires.
- 3 Appoint the onshore security agent**
A credit institution licensed in Vietnam to hold the land mortgage and other onshore security for the lenders under a security agency agreement.
- 4 Sign the facility and security documents**
Facility agreement, mortgages, share pledge, account security, assignment of receivables and insurance, guarantees and direct agreements.
- 5 Register the loan with the State Bank**
Within 30 working days of signing (or of the guarantee or first drawdown agreement) and before drawdown, online through the National Public Service Portal.

6 Register the security

Movables, receivables and shares with the Ministry of Justice registration system under Decree No. 99/2022/ND-CP; land mortgages with the land registration office.

7 Satisfy conditions precedent and draw

State Bank confirmation, registration certificates for the security, corporate approvals and legal opinions; then first drawdown.

8 Maintain

Report to the State Bank, register amendments before changed terms apply, renew registrations where required and file the enforcement notification if security is enforced.

The Vietnam International Financial Centre

The Vietnam International Financial Centre (VIFC) is a single centre with hubs in Ho Chi Minh City and Da Nang, created by National Assembly Resolution No. 222/2025/QH15, adopted on 27 June 2025 and effective from 1 September 2025, and formally launched on 21 December 2025. Its special legal regime is set out in eight Government decrees issued on 18 December 2025: Decree No. 323/2025/ND-CP on establishment and the operating regulation; Decree No. 324/2025/ND-CP on financial policy, membership, tax, accounting and the fintech sandbox; Decree No. 325/2025/ND-CP on labour; Decree No. 326/2025/ND-CP on land and environment; Decree No. 327/2025/ND-CP on entry, exit and residence; Decree No. 328/2025/ND-CP on the centre's international arbitration centre; Decree No. 329/2025/ND-CP on bank licensing, foreign exchange management and anti-money laundering; and Decree No. 330/2025/ND-CP on commodity exchanges. Dedicated executive and supervisory bodies operate the centre. Online membership registration opened in August 2026 for non-financial businesses; banks and financial institutions follow separate licensing. Projects in the centre may also use the special investment procedure under Article 28 of the Law on Investment ([The Investment Registration Certificate](#)).

The foreign exchange regime inside the centre is markedly more liberal than onshore, and should be described with care because much of it is new and untested. Circular No. 72/2025/TT-NHNN, issued and in force on 31 December 2025 to implement Decree No. 329/2025/ND-CP, allows members to price, transact and settle in foreign currency with other members and with offshore counterparties; non-member residents remain subject to the general restrictions. Members use a designated foreign-currency capital account at a member bank for offshore borrowing, lending, outbound investment and investment into the rest of Vietnam, and ordinary foreign-currency payment accounts for other flows. Members' offshore borrowing is subject to declaration and reporting rather than the registration procedure, and wholly foreign-owned members may invest abroad without registration. Investment by a member into the rest of Vietnam passes through an investment capital account under Circular No. 38/2026/TT-NHNN in much the same way as foreign investment ([The investment capital account](#)).

The specialised court

Law No. 150/2025/QH15 on the Specialised Court at the International Financial Centre was passed on 11 December 2025 and took effect on 1 January 2026. The court sits in Ho Chi Minh City and has exclusive jurisdiction over investment and business disputes in which at least one party is a member of the centre, provided the dispute does not involve State or public interests, together with the recognition and enforcement of foreign judgments and arbitral awards involving a member and court support for arbitration involving a member. English is a working language, and proceedings and judgments may be in English or in English with a Vietnamese translation. Foreign judges may sit, alongside Vietnamese judges, and all judges must have at least ten years' experience of investment and business disputes. Parties to transactions with a foreign element may choose foreign law, except for rights over real property, which follow the law of the place where the property is located. Appellate judgments are final, without cassation or retrial. Practical operation depends on specialised rules of procedure from the Supreme People's Court. Dispute resolution generally, including arbitration at the centre's arbitration centre, is covered in [Chapter 9](#).

The financial centre: in force and pending

Element	Instrument	Status at October 2026
Legal framework for the centre	Resolution No. 222/2025/QH15	In force from 1 September 2025; centre launched 21 December 2025
Establishment, operating regulation, priority sectors	Decree No. 323/2025/ND-CP	Issued 18 December 2025
Membership, tax, financial services, sandbox	Decree No. 324/2025/ND-CP	Issued 18 December 2025; online membership registration for non-financial businesses opened August 2026
Bank licensing, foreign exchange, AML	Decree No. 329/2025/ND-CP; Circular No. 72/2025/TT-NHNN	Circular in force 31 December 2025
Investment from the centre into the rest of Vietnam	Circular No. 38/2026/TT-NHNN	In force 18 August 2026
International arbitration centre	Decree No. 328/2025/ND-CP	Issued 18 December 2025
Specialised court	Law No. 150/2025/QH15	In force 1 January 2026; procedural rules from the Supreme People's Court awaited
Security registration reform	Replacement of Decree No. 99/2022/ND-CP	Draft in preparation
Land mortgages to foreign lenders	Land Law 2024	Not permitted; onshore security agent structure used

WORKED EXAMPLE

Financing a USD 60 million factory expansion

A Taiwanese-owned electronics company in Bac Giang expands its plant. The IRC is adjusted to total investment capital of USD 60 million: USD 20 million of contributed capital, a USD 35 million offshore syndicated loan and a dong loan equivalent to USD 5 million from a Vietnamese bank. Figures and dates are illustrative.

Headroom	Loan capital in the adjusted IRC: USD 40 million. Offshore USD 35 million plus onshore USD 5 million equivalent fits exactly; any further borrowing needs another IRC adjustment.
Security agent	The Vietnamese bank providing the dong loan is also appointed onshore security agent for the offshore syndicate under an intercreditor and security agency agreement.
Security package	Mortgage of the factory buildings and the land lease rights (one-off rent paid) to the security agent; mortgage of machinery; assignment of receivables from the main customer; account security over the onshore accounts; pledge of the sponsor's capital in the Vietnamese company; offshore pledge of the shares of the Hong Kong holding company; parent guarantee.
Week 0	Facility and security documents signed; the 30-working-day loan registration clock starts.
Weeks 1 to 3	Loan registration filed online; because the loan exceeds USD 20 million it goes to the State Bank's Foreign Exchange Management Department; confirmation within ten working days of the complete dossier.
Weeks 2 to 5	Machinery mortgage, receivables assignment and capital pledge registered online with the Ministry of Justice system; land and buildings mortgage registered with the land registration office.
Week 6	Conditions precedent satisfied; first drawdown into the foreign loan account.
Later	On a default, the security agent enforces the land and buildings mortgage; the borrower must notify the State Bank online of principal repaid from the enforcement proceeds, which the documents oblige it to do.

Had the offshore lenders tried to take the land mortgage directly, the land registration office would have refused to register it.

Had the IRC not been adjusted before signing, the loan would have exceeded the permitted loan capital and could not have been registered.

Questions investors ask about security and the financial centre

Can an offshore lender take a mortgage over land in Vietnam?

No. The Land Law 2024 does not allow land use rights to be mortgaged to foreign lenders; for a company's land the mortgagee is in practice a credit institution licensed to operate in Vietnam. Offshore lenders therefore appoint an onshore credit institution as security agent to take and hold the land mortgage for them, under a contractual security agency arrangement, since Vietnam has no general law of trusts.

Where is security registered in Vietnam?

Security over movables, receivables, contract rights and capital contributions is registered online with the Ministry of Justice's Department of Secured Transaction Registration and State Compensation under Decree No. 99/2022/ND-CP. Mortgages of land use rights and attached assets are registered with the land registration office. Registration makes the security effective against third parties.

Does enforcing security against a foreign loan require amending the State Bank registration?

Not since 25 January 2026. Under Circular No. 80/2025/TT-NHNN, principal repaid through enforcement of security or a guarantee in accordance with the documents, or through the lender's write-off, needs only an online notification by the borrower. Lenders should oblige the borrower to make it.

What can a company do in the Vietnam International Financial Centre that it cannot do onshore?

Members may price, transact and settle in foreign currency with other members and offshore counterparties under Decree No. 329/2025/ND-CP and Circular No. 72/2025/TT-NHNN, borrow offshore on a declaration basis rather than registration, and use the centre's arbitration centre and specialised court. Non-members remain under the general rules.

Is the VIFC specialised court open for cases?

Law No. 150/2025/QH15 has been in force since 1 January 2026 and gives the court in Ho Chi Minh City jurisdiction over business disputes involving at least one member, with English proceedings and foreign judges. Its practical operation depends on specialised procedural rules from the Supreme People's Court, which should be checked before relying on it.

THE 2027 HORIZON

- A new decree on registration of security, to replace Decree No. 99/2022/ND-CP, is being drafted; its timing and content are not yet settled.
- The Supreme People's Court's specialised rules of procedure for the VIFC court are expected before the court hears cases; until they are issued, parties should treat the court as available in principle but untested.
- The amended Land Law before the National Assembly in October 2026 may touch the rules on land mortgages; no change to the bar on mortgages to foreign lenders has been confirmed, and lenders should assume the current position until a text is adopted (Chapter 5).
- As membership of the VIFC grows during 2027, the State Bank may refine the foreign exchange rules for flows between the centre and the rest of Vietnam.

Terms you will meet in the documents

English	Vietnamese	Meaning
Security for obligations	<i>Biện pháp bảo đảm thực hiện nghĩa vụ</i>	The forms of security recognised by the Civil Code.
Mortgage	<i>Thế chấp</i>	Security in which the provider keeps the asset.
Pledge	<i>Cầm cố</i>	Security in which the asset is delivered to the secured party.
Guarantee	<i>Bảo lãnh</i>	An undertaking by a third party to perform if the obligor does not.
Registration of security	<i>Đăng ký biện pháp bảo đảm</i>	Registration that makes security effective against third parties.
Secured party	<i>Bên nhận bảo đảm</i>	The lender or agent holding the security.
International Financial Centre	<i>Trung tâm tài chính quốc tế</i>	The VIFC in Ho Chi Minh City and Da Nang.
Specialised court	<i>Tòa án chuyên biệt</i>	The court at the centre under Law No. 150/2025/QH15.
Land registration office	<i>Văn phòng đăng ký đất đai</i>	The office that registers land mortgages.

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The security rules, the registration regime and the land mortgage restriction apply to every borrower; the restriction is on the lender, not the borrower, so a Vietnamese company borrowing from a foreign lender faces the same security agent structure as a foreign-invested one. Enforcement against shares is more complex where a foreign party would acquire them, because of the market-access and Article 21 rules. The financial centre is open to Vietnamese and foreign businesses that become members.

WATCH OUT FOR

- Offshore lenders named as land mortgagees: the registration will be refused; use an onshore security agent.
- Security registered late: priority follows the order of registration.
- Share pledges whose enforcement would breach market access or need Article 21 registration.
- Offshore revenue accounts opened without State Bank approval.
- Assuming the VIFC regime applies to dealings with non-members: onshore rules still govern them.
- Relying on the VIFC court before its procedural rules are in place.

OFFICIAL SOURCES

- National Legal Database (vbpl.vn): Civil Code 2015 (Law No. 91/2015/QH13); Decree No. 21/2021/ND-CP; Decree No. 99/2022/ND-CP; Law No. 150/2025/QH15 — <https://vbpl.vn>
- Ministry of Justice: registration of secured transactions — <https://moj.gov.vn>
- Government portal: Resolution No. 222/2025/QH15 and Decrees No. 323/2025/ND-CP to 330/2025/ND-CP on the International Financial Centre — <https://chinhphu.vn>
- State Bank of Vietnam: Circular No. 72/2025/TT-NHNN and Circular No. 80/2025/TT-NHNN — <https://www.sbv.gov.vn>