



CIRCULAR NO. 78/2021/TT-BTC DATED SEPTEMBER 17, 2021 PROVIDING GUIDANCE ON THE IMPLEMENTATION OF A NUMBER OF ARTICLES OF THE LAW ON TAX ADMINISTRATION NO. 38/2019/QH14 AND DECREE NO. 123/2020/ND-CP OF THE GOVERNMENT ON PRESCRIBING INVOICES AND DOCUMENTATION

Using E-invoices not only helps enterprises overcome the situation of counterfeiting invoices, using illegal invoices, bring reliability to creating peace of mind for buyers, but also brings many benefits to businesses and tax authorities.

To implement the Law on Tax Administration No. 38/2019/QH14, on October 19, 2020, the Government issued Decree No. 123/2020/ND-CP ("Decree 123") prescribing invoices and records. The most important new point of this Decree is the regulation on the management and usage of E-invoices: from July 1, 2022, all enterprises, economic organizations, household business and individual business shall implement E-invoices (except for some regulated cases). In order to strengthen the implementation of E-invoices, on September 17, 2021, the Ministry of Finance issued Circular 78/2021/TT-BTC ("Circular 78") providing guidance on the implementation of a number of articles of the tax administration law No. 38 /2019/QH14, Decree No. 123/2020/ND-CP.

Key points

In Circular 78, a number of regulations of E-invoices are mentioned, including: mandate to issue e-invoices; display form of e-invoices types; reference number and form number of the e-invoices; change in the application of e-invoices with the tax authority's authentication code; apply e-invoices for other cases; the e-invoices with the tax authority's authentication code is generated by POS cash registers that are digitally connected to tax authorities; criteria for selection of entrust e-invoice service providers to sign a contract of providing e-invoice services with the tax authority's authentication code and services for receipt, transmission and storage of invoice data and other related services.

E-invoices are also applied to household business and individual business from July 1, 2022. Particularly, if they do not have electronic transactions with tax authorities, IT infrastructure, accounting software systems or e-invoicing software functioning as the tools of using E-invoices and transmitting e-invoice data to buyers and tax authorities, they shall use invoice issued by the tax authority up to 12 months while tax authorities must have solutions for gradually converting to the use of e-invoices. The maximum period of 12 months is counted once from July 1, 2022 for household business and individual business operating before July 1, 2022; or from the time of registration, start using invoices for new household business and individual business established after July 1, 2022. Circular 78 also stipulates a number of contents about paper invoices, including: name of the type of invoice, reference number and form number of the E-invoice, name of invoice printed by the Tax Department; The use of receipts of taxes, fees and charges by tax authorities for individuals; and forward processing instructions.

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In addition, according to Circular 78, enterprises and economic organizations have announced the issuance of ordered invoices, self-printed invoices, E-invoices without tax authority's code or registered to apply E-invoices with tax authority's code, have purchased invoices from tax authorities before this Circular issued, they are allowed to continue to use their current invoices from the date this Circular is issued until the end of June 30, 2022 and carry out the procedures for invoices as prescribed in Decrees: No. 51/2010/ND-CP dated May 14, 2010 and No. 04/2014/ND-CP dated January 17, 2014 of the Government stipulated invoices for the sale of goods and provision of services.

Although Circular 78 takes effect from July 1, 2022, it encourages businesses, organizations and individuals that meet the requirements of IT infrastructure to apply regulations on E-invoices and documents under the guidance of Circular and Decree No. 123/2020/ND-CP before July 1, 2022. For organizations and individuals demand to deploy E-invoices before July 1, 2022, the General Department of Taxation is responsible for utilizing all available resources on the existing technical and IT infrastructure to implementation.

To deploy E-invoices in accordance with Decree 123 and Circular 78, The General Department of Taxation requires the Tax Departments of provinces and cities to focus on reviewing and classifying taxpayers as enterprises, economic organizations, households and individuals business using E-invoices as prescribed to notify each subject about the plan of deploying E-invoices and to be ready to prepare IT infrastructure and solutions in order to make and transfer e-invoice data to tax authorities, send E-invoices to buyers and other contents about management and use of E-invoices.

Currently, Circular 78/2021/TT-BTC is under final review stage and has not been officially issued yet. We will update to you immediately as soon as it is issued. Kindly follow us on RSM Hanoi's official website and fanpage at:



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Should you have any concerns during the process of implementing the regulations, please contact us.

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