

VIETNAM LEGISLATION PACK

INTRODUCTION & GENERAL REQUIREMENT

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1 Circulation

1.1 Document Revision History

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20 Jan 2022	1.0	1.0	tam.nguyen@ekino.com

1.2 Owner & Contributors

Name	Role
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2 Document Objective and Instructions

- This document is written by the team owning the development and describes in detail the legislative requirements, in order to meet the market requirements.
- Ekino Vietnam maintain intellectual property rights of Vietnam legislation pack include but not limited to all settings, configurations, report templates in this pack

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3 Introduction / objectives

This legislation to ensure your compliance to Vietnam major financial legislative requirement update with Circular 200/2014/TT-BTC of the Ministry of Finance of Vietnam

The Vietnam legislation pack is fully integrated with native Sage X3 application platform where all legislation coexist with each other. Companies can operate in multiple countries in a single Sage X3 solution

Address mandatory Vietnam specific legal requirement on financial part

Fully integrated in Sage X3

Allow companies to run business with full compliance with Vietnam financial law, developed and implemented, update by official partner of Sage X3 in Vietnam

Vietnam Legislation pack component:

<p>Legal pre-setting's</p> <ul style="list-style-type: none"> • The basic accounting core model • Basic COA • Local parameters mostly use in Vietnam 	<p>Value added Tax -VAT-</p> <ul style="list-style-type: none"> • VAT setup • VAT report 	<p>Fixed assets compliance</p> <p>Setup to depreciation rules of Vietnam</p>
<p>Financials report</p> <p>Legal and Fiscal reporting follow VAS (Vietnam Accounting Standards)</p>	<p>Additional regular software</p> <p>Sage X3 add-on develop by Ekino Vietnam able to connect with 3rd-party e-invoice API regulated by tax law (*)</p>	

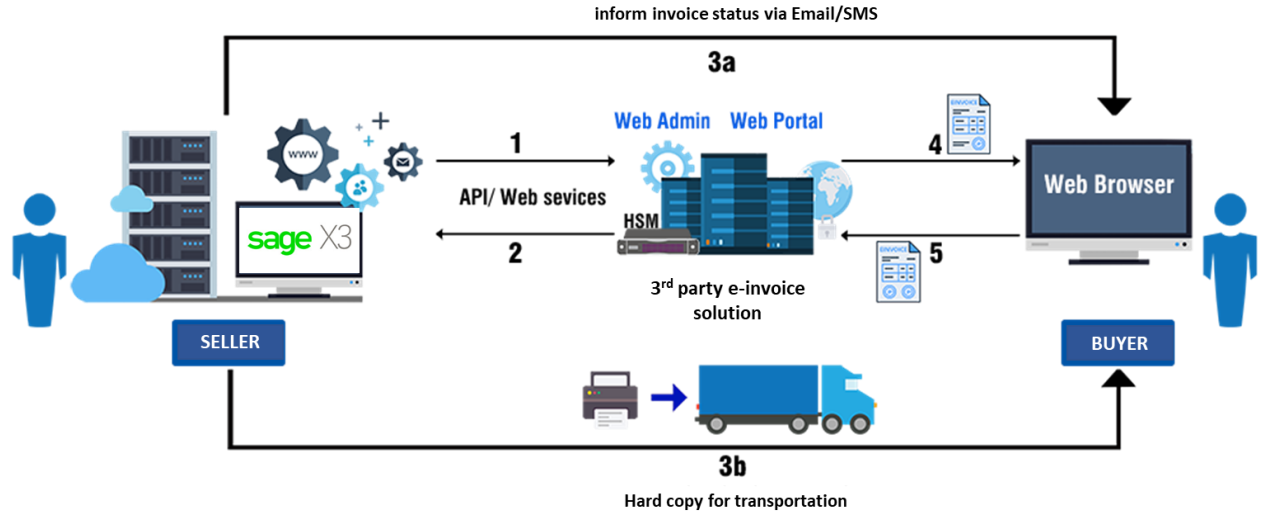
(*) there are various e-invoice solutions allowed by Vietnam tax authorities, Sage X3 add-on could have specific development up to which solution is selected.

4 General legal requirements

Category	Requirements	Description
Legal Pre-settings	Financial structure setup	<ul style="list-style-type: none"> • Unit, text, number, currency setting up • Set up charge of Account: 9 classes that are classified by code • Setup account: must be set up according to Circular 200/2014/TT-BTC of the Ministry of Finance of Vietnam and classified by accounts classed above. Otherwise, a sub-account can be added depending on the business operation.
	Accounting setup	<ul style="list-style-type: none"> • General ledgers • Ledgers • Journals • Automatic journals
VAT	VAT setup	<ul style="list-style-type: none"> • VAT basis is taxable prices and tax rates determined on goods and service. • VAT report to show a listing of invoices In (deductible purchases, fixed assets, expenses) and invoices Out (collected sales)
Fixed assets	Managing and setting depreciation fixed assets <i>(*) These depreciation methods will be developed depends on customer requirements</i>	Method of depreciation: <ul style="list-style-type: none"> • Straight-line depreciation method (most common using) is the same LE Spanish straight-line month • Adjusted reducing balance method is similar to DB Belgian declining and the option Prorata temporis in months is applied. (*) • Method of depreciation based on volume. (*)
Financial Reports	Financial Statements by VAS (Vietnam Accounting Standards) are also required to apply the VAS chart of accounts and standard financial statements format, prescribed by Circular 200/2014 of the MoF	A complete set of financial statements includes: <ul style="list-style-type: none"> • A statement of financial position (balance sheet) at the end of the period • A statement of income statement • A statement of cash flows.
Additional Regulatory software	Since July 2022, the use of E-invoice is mandatory for all companies in Vietnam when selling goods or services	After an invoice is posted on ERP system, it must be transferred to a third party authorized by the Vietnam Tax Authority for customers/ business partner to download it

5 E-invoice add-on

E-invoice flow, Sage X3 API development with E-invoice external solutions (for example: VNPT & Viettel)



1. E-invoice solution integrated with Sage X3 through web service/API
2. E-invoice solution issued electronic signature by HSM (Hardware securities module), update invoice status, send back to Seller database and post invoice to e-invoice portal
3. Inform and send invoices to Buyer by 2 ways:
 - a. Sending email or SMS to buyer
 - b. Seller print hardcopy and send to buyer
4. Buyer can check/download invoice on Web portal after receiving invoice issued notice
5. Buyer sends back with electronic signature if needed