Vietnam Legislation for Sage X3

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DOCUMENT OBJECTIVES AND INSTRUCTIONS

- This document, created by Ekino's development team, details the legislative requirements to ensure compliance with market standards.

- Ekino Vietnam retains intellectual property rights for the Vietnam legislation package, which includes but is not limited to all settings, configurations, and report templates within this package.

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INTRODUCTION

- This legislation package ensures compliance with major financial legislative requirements in Vietnam, updated in accordance with Circular 200/2014/TT-BTC from the Ministry of Finance.

- The Vietnam legislation package is fully integrated with the native Sage X3 application platform, enabling seamless operation across multiple countries within a single Sage X3 solution.

- It addresses mandatory Vietnam-specific legal requirements related to financial operations.

- Developed, implemented, and maintained by Ekino, Sage X3's official partner in Vietnam, this package ensures full compliance with Vietnam's financial laws and allows for ongoing customization upon client demand.

Vietnam Legislation package components

Legal pre-setting's	Value added Tax	Fixed assets compliance
• The basic accounting core model • Basic COA • Local parameters mostly use in Vietnam	• VAT setup • VAT report	• Depreciation rules setup in Vietnam

Financials report	Additional regular software
• Legal and Fiscal reporting follow VAS (Vietnam Accounting Standards)	• Sage X3 add-on developed by Ekino Vietnam able to connect with 3rd-party eInvoice API regulated by tax law (*)

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

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PACKAGE COMPONENTS

1. Legal Pre-settings

Financial structure setup

- Unit, text, number, and currency setup.
- Account setup: 9 classes classified by code.
- Account configuration must adhere to Circular 200/2014/TT-BTC from the Ministry of Finance of Vietnam and be classified according to the classes mentioned. Additional sub-accounts may be added depending on business operations.

Accounting setup

- Ledgers
- Journals
- Automatic journals

2. Value Added Tax (VAT) Setup

- VAT basis is on taxable prices and tax rates determined for goods and services.
- VAT report includes listings of invoices In (deductible purchases, fixed assets, expenses) and invoices Out (collected sales).

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3. Fixed Assets Compliance
- Management and depreciation of fixed assets.
- Straight-line depreciation method (commonly used) aligns with LE Spanish straight-line month.
- Adjusted reducing balance method is similar to DB Belgian declining, with the option for Prorata temporis in months applied (*).
- Depreciation method based on volume (*).

4. Financial Reports
- Financial Statements by VAS (Vietnam Accounting Standards) adhere to the VAS chart of accounts and standard financial statement format prescribed by Circular 200/2014 from the Ministry of Finance.
- Complete financial statements include:
  Statement of financial position (balance sheet) at the end of the period.
  Statement of income.
  Statement of cash flows.

5. Additional Regulatory Software
- Since July 2022, E-invoice usage is mandatory for all companies in Vietnam for selling goods or services.
- Post-invoice posting on the ERP system, it must be transferred to a third party authorized by the Vietnam Tax Authority for customers/business partners to download.

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