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LEGAL UPDATE

May 2026

(01/05/2026 – 31/05/2026)

News in focus

Policies taking effect in June 2026

New legal documents

Remarkable among documents:

Decree No. 147/2026/ND-CP of the Government provides guidance on implementing specific mechanisms and policies to address difficulties and obstacles for stalled and prolonged projects as stipulated in Resolution No. 29/2026/QH16 dated April 24, 2026, of the National Assembly.

A – News in focus

Several policies taking effect in June 2026

In June 2026, many prominent new policies in taxation, forestry, finance and energy will officially come into effect.

In this legal update, **WIKI LEGAL** reveals several highlights on these remarkable policies.

1. ADDING SUBJECTS EXEMPTED FROM VALUE ADDED TAX

From June 20, 2026, Decree 144/2026/ND-CP of the Government amending and supplementing several articles of Decree 181/2025/ND-CP on the implementation of the Value Added Tax Law, officially comes into effect. Specifically, Articles 1 and 2 of Decree 144/2026/ND-CP add products and services exempt from value added tax as stipulated in Clause 4 of Decree 181/2025/ND-CP, including:

- Life insurance, health insurance, student insurance, and other insurance services related to people; livestock insurance, crop insurance, and other agricultural insurance services;
- Insurance for ships, boats, equipment, and other necessary tools directly used for fishing;
- Reinsurance as prescribed by the law on insurance business. Insurance for oil and gas facilities, equipment, and oil tankers of foreign nationality leased by foreign oil and gas contractors or subcontractors to operate in Vietnamese waters, overlapping waters where Vietnam and neighboring or opposite coastal countries have agreed to place them under a joint exploitation regime;
- Brokerage commission revenue from insurance services is not subject to value-added tax.

2. NEW REGULATIONS ON PENALTIES FOR ADMINISTRATIVE VIOLATIONS IN THE FIELD OF FORESTRY

From June 25, 2026, Decree No. 146/2026/ND-CP of the Government on administrative penalties in the forestry sector officially came into effect. Of particular note are the regulations on penalties related to encroachment, illegal occupation, and unauthorized use of forest environments.

This Decree stipulates administrative violations, forms of penalties, and remedial measures in the forestry sector, including: encroachment on forests; illegal use of forest environments; violations of regulations on payment for forest environmental services; sustainable forest management; documentation and procedures for exploiting legally sourced forest products; illegal exploitation of forest products in planted forests; illegal exploitation of natural forests; management of forestry plant varieties; afforestation; forest protection; forest fire prevention and control; control of forest pests; destruction of forest protection and development works; deforestation; protection of forest animals; illegal transportation of forest products; Illegal storage, trading, export, import, and processing of forest products; management of forest product records in the transportation, trading, storage, and processing of forest products.

This Decree applies to domestic and foreign organizations and individuals who commit administrative violations in the field of forestry within the territory of Vietnam. The maximum fine in the field of forestry for individuals is 500 million VND and for organizations is 1 billion VND.

3. MINISTRY OF CONSTRUCTION TIGHTENS EXPORT STANDARDS FOR MINERALS

From June 1, 2026, Circular No. 11/2026/TT-BXD of the Minister of Construction, stipulating the list, specifications, and technical standards of construction materials permitted for export, will officially come into effect. Accordingly:

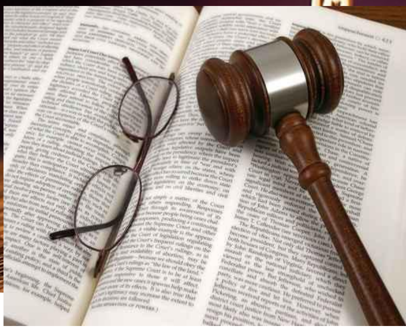
- Minerals such as silica sand, block stone for cladding, ornamental stone, kaolin, feldspar, etc., must undergo deep processing (sorting, washing, drying, crushing, screening, and classification) and meet the precise chemical content and geometric dimensions specified, preventing the export of low-value raw resources, protecting domestic mineral resources, and increasing the export value for Vietnamese businesses;
- Besides technical standards, the legal framework has also been tightened by requiring 100% of exported minerals to have a legal origin (from mining licenses or recovery), minimizing tax revenue losses, combating smuggling, and thereby creating a fair and healthy competitive environment for construction material businesses.

4. REVISIONS TO THE AVOIDABLE COST PRICING SCHEDULE FOR SMALL POWER PLANTS

From June 2, 2026, Circular No. 20/2026/TT-BCT of the Minister of Industry and Trade dated April 17, 2026, amends regulations on avoided cost tariffs and power purchase agreements for small renewable energy power plants. The Circular directly impacts the cash flow of businesses by redefining the rainy and dry seasons in the three regions, based on the boundaries of the power system under the control of the regional power system dispatch center. This time frame will determine the applicable price for electricity generated and fed into the grid at each point in time.

At the same time, the power purchase agreement term is set to terminate after 20 years from the date of commercial operation. To protect investors' finances against natural disasters (storms, floods, landslides), the Circular allows the buyer and seller to agree to extend the contract term corresponding to the number of days of power outage for repairs. The electricity price applied during the extension period will be based on the avoided cost tariff at the exact time the plant has to cease operations. The Electricity Authority will propose the optimal avoided cost tariff for each socio-economic period.

B – New legal documents



Remarkable new legal documents

(Enacted from May 1, 2026 – May 31, 2026)

No.	Legal Documents	
	ENTERPRISES	
1	Circular No. 08/2026/TT-BNV of the Minister of Home Affairs provides detailed regulations and guidance on the implementation of several articles of Government Decree 337/2025/ND-CP dated December 24, 2025, on electronic labor contracts	
	Enactment Date: 15/05/2026	Effective Date: 01/07/2026
2	Circular No. 58/2026/TT-BTC of the Minister of Finance guiding the accounting regime for micro-enterprises	
	Enanctment Date: 25/05/2026	Effective Date: 01/07/2026
	JUSTICE	
3	Law on Civil Status No. 03/2026/QH16 of the National Assembly	
	Enanctment Date: 23/04/2026	Effective Date: 01/03/2027
4	Law amending and supplementing a number of articles of the Law on Notarization No. 04/2026/QH16 of the National Assembly	
	Enanctment Date: 23/04/2026	Effective Date: 01/01/2027
	TAXATION	
5	Decree No. 144/2026/ND-CP of the Government amends and supplements several articles of Decree No. 181/2025/ND-CP of the Government dated July 1, 2025, detailing the implementation of several articles of the Value Added Tax Law, which was amended and supplemented by Decree No. 359/2025/ND-CP of the Government dated December 31, 2025	
	Enanctment Date: 05/05/2026	Effective Date: 20/06/2026
6	Circular No. 50/2026/TT-BTC of the Minister of Finance amends and supplements a number of articles of Circular No. 18/2026/TT-BTC dated March 5, 2026 of the Minister of Finance regulating the dossier and procedures for tax management for business households and individual businesses	
	Enanctment Date: 13/05/2026	Effective Date: 13/05/2026

No.	Legal Documents	
INVESTMENT		
7	Decree No. 147/2026/ND-CP of the Government provides guidance on implementing specific mechanisms and policies to address difficulties and obstacles for stalled and prolonged projects as stipulated in Resolution No. 29/2026/QH16 dated April 24, 2026, of the National Assembly.	
	Enactment Date: 07/05/2026	Effective Date: 07/05/2026
INTELLECTUAL PROPERTY		
8	Decree No. 142/2026/ND-CP of the Government provides detailed regulations on certain articles and measures for the implementation of the Law on Artificial Intelligence.	
	Enactment Date: 30/04/2026	Effective Date: 01/05/2026
9	Decree No. 186/2026/ND-CP of the Government amends and supplements several articles of Decree No. 99/2013/ND-CP of the Government dated August 29, 2013, regulating administrative sanctions in the field of industrial property, which has been amended and supplemented by Decree No. 126/2021/ND-CP of the Government dated December 30, 2021, and Decree No. 46/2024/ND-CP of the Government dated May 4, 2024.	
	Enactment Date: 26/05/2026	Effective Date: 15/07/2026
ENVIRONMENT		
10	Decree No. 180/2026/ND-CP of the Government regulates carbon sequestration and storage services of forests.	
	Enactment Date: 21/05/2026	Effective Date: 15/07/2026

C – Q&A

1. Under what circumstances do State agencies conduct impact assessments on artificial intelligence systems?

According to Article 20.1 of Decree 142/2026/ND-CP on Impact Assessment of the Use of Artificial Intelligence ("**AI**") Systems in State Agencies, state agencies shall conduct impact assessments of AI systems in one of the following cases:

- The system belongs to the group of high-risk AI systems as stipulated by law;
- The AI system is defined in Article 20.7 of Decree 142/2026/ND-CP, and the system's results are used as a direct basis for competent authorities to consider and decide on the issuance of administrative decisions.

According to Article 20.7 of Decree 142/2026/ND-CP, AI systems deployed by state agencies are considered relevant to human rights, social justice, or public interest when they fall under one of the following cases:

i. The system's results are used as a basis in the process of considering and deciding on matters in state management or providing public services;

ii. They are used to classify, score, evaluate, or rank organizations and individuals;

iii. They are used to allocate budgets and public resources or determine the level of benefits and beneficiaries of policies and regulations;

iv. They are used to detect, select, screen, or monitor organizations and individuals serving state management activities.

Note: In cases where the AI system stipulated in Article 20.1 of Decree 142/2026/ND-CP undergoes changes in its intended use, main functions, primary input data sources, or scope of application that give rise to new risks or alter the system's risk level, the implementing agency or unit must conduct an additional impact assessment before continuing to use the system.

2. What are the conditions for transferring investment capital abroad?

Article 32.1 of Decree 103/2026/ND-CP stipulates the conditions for transferring investment capital abroad to carry out investment activities as follows:

- The project shall have been granted a Certificate of Registration for Overseas Investment for projects subject to Certificate of Registration for Overseas Investment issuance;
- The investment activity shall have been approved or licensed (if any) by the competent authority of the host country. In cases where the laws of the host country do not provide for investment licensing or approval, or only grant licenses after the investor has fulfilled the commitment to transfer investment capital, the investor shall provide documents proving the right to conduct investment activities in the host country;

C – Q&A

2. What are the conditions for transferring investment capital abroad?

- There is an overseas investment capital account as stipulated in Article 31 of Decree 103/2026/ND-CP.

The transfer of overseas investment capital shall comply with the regulations of the law on foreign exchange management, export, technology transfer, and other relevant laws. Investors are allowed to transfer money, goods, machinery, and equipment abroad before being granted a Certificate of Registration for Overseas Investment or confirmation of foreign exchange transaction registration (for projects not requiring a Certificate of Registration for Overseas Investment) related to overseas investment activities to cover the costs of forming the investment project, including:

- Market research and investment opportunities;
- Field surveys;
- Document research;
- Collecting and purchasing documents and information related to the selection of investment projects;
- Compiling, evaluating, and appraising, including selecting and hiring consultants to evaluate and appraise investment projects;
- Organizing seminars and scientific conferences;
- Establishing and operating liaison offices abroad related to the formation of investment projects;
- Participating in international bidding, making deposits, escrows, or other forms of financial guarantees, paying costs and fees as required by the bidding party, the host country or territory related to the conditions for participating in the bidding, and the conditions for implementing the investment project;
- Participating in mergers and acquisitions, making deposits, escrows, or other forms of financial guarantees, paying costs and fees as required by the seller or as stipulated by the laws of the host country or territory;
- Negotiating contracts;
- Purchasing or leasing assets to support the formation of investment projects abroad.

The transfer limit stipulated in this regulation shall not exceed 5% of the total overseas investment capital and shall not exceed US$300,000 included in the total overseas investment capital, unless otherwise stipulated by the Government.