THE GOVERNMENT	THE SOCIALIST REPUBLIC OF VIETNAM
_____	**Independence - Freedom - Happiness**
No. 20/2025/ND-CP	_____
	Hanoi, February 10, 2025

DECREE

Amending and supplementing a number of articles of the Government's Decree No. 132/2020/ND-CP dated November 5, 2020, on prescribing tax administration of enterprises having transactions with related parties

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Pursuant to the Law on Organization of the Government dated June 19, 2015; the Law Amending and Supplementing a Number of Articles of the Law on Organization of the Government and the Law on Organization of Local Administration dated November 22, 2019;

Pursuant to the Law on Tax Administration dated June 13, 2019;

Pursuant to the Law on Enterprise Income Tax dated June 03, 2008 and the Law Amending and Supplementing a Number of Articles of the Law on Enterprise Income Tax dated June 19, 2013;

Pursuant to the Law Amending and Supplementing a Number of Articles of the Tax Laws dated November 26, 2014;

Pursuant to the Law on Credit Institutions dated January 18, 2024;

At the proposal of the Minister of Finance;

The Government hereby promulgates the Decree amending and supplementing a number of articles of the Government's Decree No. 132/2020/ND-CP dated November 5, 2020, on prescribing tax administration of enterprises having transactions with related parties.

Article 1. Amending and supplementing a number of articles of the Government's Decree No. 132/2020/ND-CP dated November 5, 2020, on prescribing tax administration of enterprises having transactions with related parties

1. To amend and supplement Point d, Point k and add Point m Clause 2 Article 5 as follows:

a) To amend and supplement Point d as follows:

"d) An enterprise guarantees or grants another enterprise a loan in any form (even including third-party loans secured with financial sources of the related party and financial transactions of similar nature), provided that the total outstanding loans of the borrowing enterprise with the lending enterprise or guarantor equals at least 25% of equity capital and accounts for over 50% of the total outstanding loans of medium- and long-term debts of the borrowing

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enterprise.

Provisions of Point d does not apply to the following cases:

d.1) The guarantor or lender is an economic institution operating under the Law on Credit Institutions that does not directly or indirectly participate in the management, control, capital contribution, or investment in the borrowing enterprise or the guaranteed enterprise as prescribed at Points a, c, dd, e, g, h, k, l, and m of this Clause.

d.2) The guarantor or lender is an economic institution operating under the Law on Credit Institutions and the borrowing or guaranteed enterprise is not directly or indirectly subject to the management, control, capital contribution or investment of another party as prescribed at Points b, e and i of this Clause."

b) To amend and supplement Point k as follows:

"k) In other cases in which an enterprise (including an independent accounting branch that declares and pays enterprise income tax) is under the de facto management, control or decision of its production and business activities by the other enterprise;"

c) To add Point m as follows:

"m) Credit institutions with subsidiaries or with controlling companies or with affiliates of credit institutions as prescribed in the Law on Credit Institutions and amending, supplementing or replacing documents (if any);"

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2. To amend and supplement Clause 2 Article 21 as follows:

"2. The State Bank, within the ambit of its tasks and powers, shall:

Coordinate in the provision of information and data on borrowing of foreign loans and repayment of foreign debts of each specific enterprise having related-party transactions on the basis of the list requested by the tax agencies, including data on loan amounts, interest rate, periods of interest and principal payment, actual fund withdrawal, loan (principal and interest) repayment and other relevant information (if any).

Coordinate the provision of information reported in accordance with the law on related persons of members of the Board of Directors, members of the Members' Council, members of the Board of Supervisors, General Director (Director), Deputy General Director (Deputy Director) and equivalent positions as prescribed in the Charter of the credit institution; related persons of shareholders owning 1% or more of the charter capital of the credit institution; affiliated companies of the credit institution according to the management data information system of the State Bank when requested by the tax office."

Article 2. To replace Appendix I - Information about related-party relationships and transactions to the Government's Decree No. 132/2020/ND-CP dated November 5, 2020, on prescribing tax administration of enterprises having transactions with related parties, with Appendix I to this Decree.

Article 3. Transitional provisions

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In the case that, in the enterprise income tax calculation periods of 2020, 2021, 2022 and 2023, the borrowing enterprise only has a related-party relationship with an economic institution operating under the Law on Credit Institutions prescribed at Point d Clause 2, Article 5 of Decree No. 132/2020/ND-C, and the borrowing enterprise with the lender or guarantor falling under the cases prescribed at Point d.1 and Point d.2 Clause 2 Article 5 of Decree No. 132/2020/ND-CP, which was amended and supplemented under Article 1 of this Decree, has related-party transactions within the scope of regulation in Clause 2 Article 1 of Decree No. 132/2020/ND-CP and has non-deductible interest expenses as prescribed at Point a Clause 3 Article 16 of Decree No. 132/2020/ND-CP, then from the tax calculation period of 2024, the following shall apply:

1. In case the enterprise has no related-party relationship and does not have related-party transactions as prescribed in Decree No. 132/2020/ND-CP and this Decree, the non-deductible interest expense that has not been transferred to the following tax periods up to the end of the 2023 tax period shall be evenly distributed to the following tax periods for the remaining period according to regulations on the time for transferring interest expenses specified at Point b Clause 3 Article 16 of Decree No. 132/2020/ND-CP.

2. In case the enterprise has related-party relationship and related-party transactions as prescribed in Decree No. 132/2020/ND-CP and this Decree, the non-deductible interest expense that has not been transferred to the following tax periods shall be implemented in accordance with Point b Clause 3 Article 16 of Decree No. 132/2020/ND-CP.

Article 4. Implementation organization and effect

1. This Decree takes effect from March 27, 2025, and applies for the enterprise income tax periods of 2024.

2. Ministers, heads of ministerial-level agencies, heads of government-attached agencies, chairpersons of People's Committees of provinces and centrally-run cities, and related organizations and individuals shall implement this Decree./.

ON BEHALF OF THE GOVERNMENT
FOR THE PRIME MINISTER
THE DEPUTY PRIME MINISTER

Ho Duc Phoc

** All Appendices are not translated herein.*

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