SOME AMENDMENTS IN THE USE OF INVOICES AND RECORDS FOR BUSINESSES

LE MAI PHUONG

On March 20, 2025, the Government issued Decree 70/2025/ND-CP amending and supplementing a number of articles of Decree 123/2020/ND-CP regulating invoices and records (**Decree 70**). The Decree was developed and issued to address difficulties faced by businesses, ensure transparency, and facilitate taxpayers and organizations in the use of electronic invoices and records. Decree 70 will take effect from June 1, 2025 with some notable contents as follows:

Firstly, Decree 70 has amended and supplemented some regulations related to **handling incorrect invoices**, specifically:

(i). *Repealing the regulation that allows the cancellation of electronic invoices* that have been assigned a code by the tax authority and have not been sent to the buyer if any errors are detected: According to Decree 123/2020/ND-CP (**Decree 123**), in the case that a seller discovers any error in an electronic invoice (which has been assigned a code by the tax authority) that has not been sent to the buyer, the seller shall notify the tax authority of the cancellation of electronic invoices (according to Form No. 04/SS-HDDT) and cancel the invoice. According to Decree 70, depending on the case, the seller may *notify the buyer* about the error in the invoice issued and does not have to issue a new invoice; or choose to issue adjustment invoice or invoice to replace the incorrect electronic invoice.

(ii). *Supplementing some obligations before adjustment or replacement of issued electronic invoices with error(s)*: If the buyer is an enterprise, economic organization, other organization, business household, or business individual, the seller and the buyer must make *a written agreement* that clearly states the incorrect content(s) of the invoice. If the buyer is an individual, the seller must *notify* the buyer or notify the incorrect invoice on its website. This provision is supplemented to avoid sellers' self-cancellation/ adjustment/replacement of invoices without making any agreement/notifying buyers while the parties have already declared taxes, which affects the buyers' rights.

(iii). Supplementing the provision that *allows sellers to create one invoice to replace or adjust multiple invoices in a month* in the case that a seller has created multiple invoices with the same incorrect information about the buyer, product name, unit price, and tax rate for the same buyer in the same month.

It should be noted that according to Decree 70, cases of replacing and adjusting electronic invoices will be recognized as one of the cases in which *sellers must issue an invoice to deliver to buyers*.

Secondly, Decree 70 has amended and supplemented a number of regulations on **the content of invoices**, specifically:

(i). Amending and supplementing the recording method for the criterion of "*quantity of goods and services*" in case of promotional goods and services or giving away goods and services according to the law: The seller is entitled to *issue an invoice for the total value of promotion and giving away*, along with a list of the goods/services promoted, or given away; in case that customers request an invoice for each transaction, the seller is required to issue separate invoices for each transaction accordingly.

(ii). Amending and supplementing specific instructions in cases where the digital signature date on an issued electronic invoice differs from the invoice issuance date. Decree 123 currently stipulates that "*In the case where an issued electronic invoice has a digital signature date different from the invoice issuance date, the latter will be the tax declaration date*". Decree 70 stipulates:

- The time of digital signature and the time of sending invoices to the tax authority for granting a code (for invoices with tax authority codes) or the time of transferring electronic invoice data to the tax authority (for electronic invoices without tax authority codes) *is no later than the next business day following the invoice issuance date* (except for the case of sending data according to the summary table specified in point a.1, clause 3, Article 22 of Decree 123).
- Sellers *declare tax according to the invoice issuance date*; the time of tax declaration for buyers is *the time of receiving invoices with correct and complete form and content* as prescribed in Article 10 (Content of invoice), Decree 123.

Thirdly, Decree 70 amends and supplements the regulations on **the time of invoice issuance** for exported goods (including export processing): According to Decree 70, the time of issuance of e-commerce invoices, electronic value-added invoices or electronic sales invoices *is determined by the seller but no later than the next business day following the clearance of the goods through customs* under the law on customs. According to Decree 123, the time of issuance of value-added invoices for exported goods is "*after completing the procedures for exported goods*". According to NHQuang's experience, the amendment of this regulation will enhance the flexibility and pro-activeness of export enterprises in issuing invoices.

In addition, Decree 70 has amended and supplemented other regulations on electronic records of personal income tax deduction, supplemented regulations on e-commerce invoices, as well as amended and supplemented several forms, such as supplementing Form No. 01/BK-DCTT (List of incorrect e-invoices), amending Form No. 04/SS-HDDT (Notification of incorrect electronic invoices). Enterprises need to update and study the regulations of Decree 70 to use invoices and records in accordance with the legal regulations. Should you need more information about the relevant regulations and the use of invoices and records, kindly contact NHQuang&Associates for legal support and advice.