



NEW POINTS ON PERSONAL INCOME TAX DECLARATION AND PAYMENT

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To facilitate taxpayers in personal income tax (**PIT**) finalization, the tax authority has issued many regulations applicable from the PIT finalization period of 2020 (implemented in 2021). The followings are some highlights of PIT declaration and payment:

Firstly, extending the deadline for PIT finalization submission. Specifically, according to point b, clause 2, Article 44, Law on Tax Administration 2019, the new deadline for individuals to directly finalize PIT is April 30 (the last day of the fourth month from the end of a calendar year), instead of March 31 under the former regulation.

Secondly, permitting online declaration and submission of tax finalization records at the Portal of the General Department of Taxation (**GDT**)/via the National Public Service Portal. Thus, taxpayers will have 3 options to submit PIT finalization records, including:

- Declaring and submitting the documents online at the Portal of GDT/via the National Public Service Portal. In order to submit PIT finalization records and obtain approval electronically, individuals need an e-tax transaction account. Taxpayers can register their accounts via the National Public Service Portal, or register online on the GDT's Portal, then directly visit any tax agency to get the account approved and activated.
- Without an e-tax transaction account, taxpayers can use declaration support applications of tax agencies to declare and submit tax finalization records via Portal, but they have to submit the printed records directly/by post to tax agencies.

- Directly submitting the documents at the tax agencies/by post.

COMMENTS AND RECOMMENDATIONS

Firstly, the regulation on extending the deadline for PIT finalization submission is a remarkable point of the Law on Tax Administration 2019, which both gives taxpayers more time to prepare documents and reduce the pressure on tax agencies for receiving and processing documents. In addition, taxpayers should also notice the information related to family circumstance-based deduction, tax exemption, tax refund, etc. to avoid mistakes when declaring tax finalization.

Secondly, the electronicization of tax record declaration and submission also brings certain benefits to individuals directly submitting tax finalization records. Taxpayers can declare tax 24/7, including holidays, and search for information easily if they have e-tax transaction accounts. It consequently helps taxpayers save travel cost and transaction time. The renovation of tax declaration and submission method comes from the fact that the number of individuals registering e-tax transaction accounts is extremely low compared to the quantity of individual taxpayers managed by tax agencies. Explaining this situation, the GDT reveals that some tax sub-departments refuse to grant e-tax transaction accounts to individuals visiting the nearest tax agency, causing difficulties for taxpayers.

In addition, some opine that the software is hard to use and the procedure is quite complicated, leading to difficulties for taxpayers in online declaration and submission. In this regard, the GDT has taken measures to strengthen dissemination of the relevant purposes, benefits, ways to register e-transaction accounts and declare tax electronically to encourage and support people in proactively declaring and submitting tax electronically. To facilitate their declaration and submission of tax finalization records, taxpayers should follow and update information from online tax administration support programs 2020 on the GDT's Portal; and proactively submit their PIT finalization records early, avoiding the submission in the last days of the deadline since there may incur network errors and late submission.