



Grant Thornton

Newflash

Update on employment stock ownership plan ("ESOP")

2024 November

In this newsletter, Grant Thornton Vietnam would like to update the highlights of Circular 23/2024/TT-NHNN (effective from August 12, 2024), which regulates indirect overseas investments, specifically concerning offshore-issued bonus share program.

Principles of Implementation



Only be implemented through an organization implementing the offshore-issued ESOP



Foreign currency earned from dividends and other legal income must be transferred via a separate account serving execution of ESOP.



Compliance with regulations on foreign exchange management, income tax obligations, and other legal requirements.

Rights of employees with Vietnamese nationality

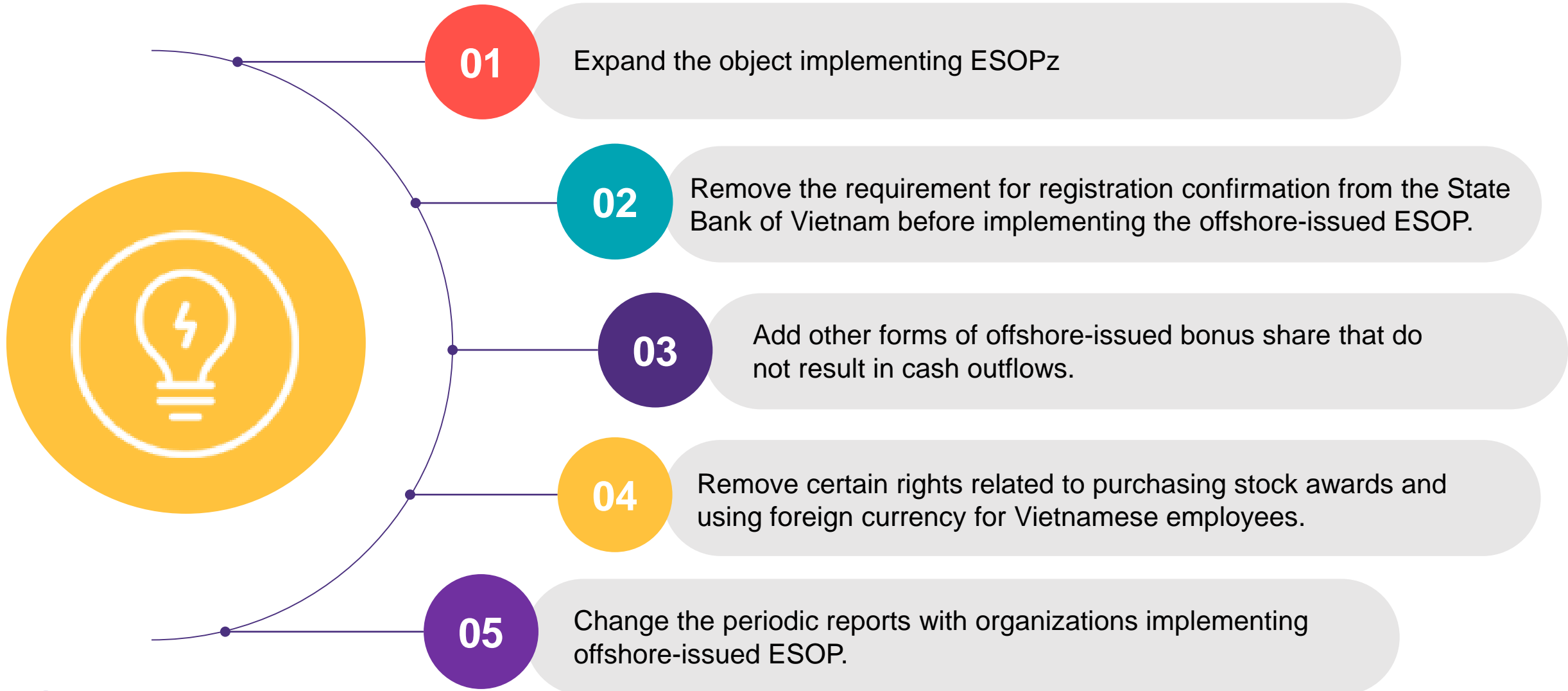


Participate in ESOP under the conditions set by foreign organization and in compliance with Vietnamese law



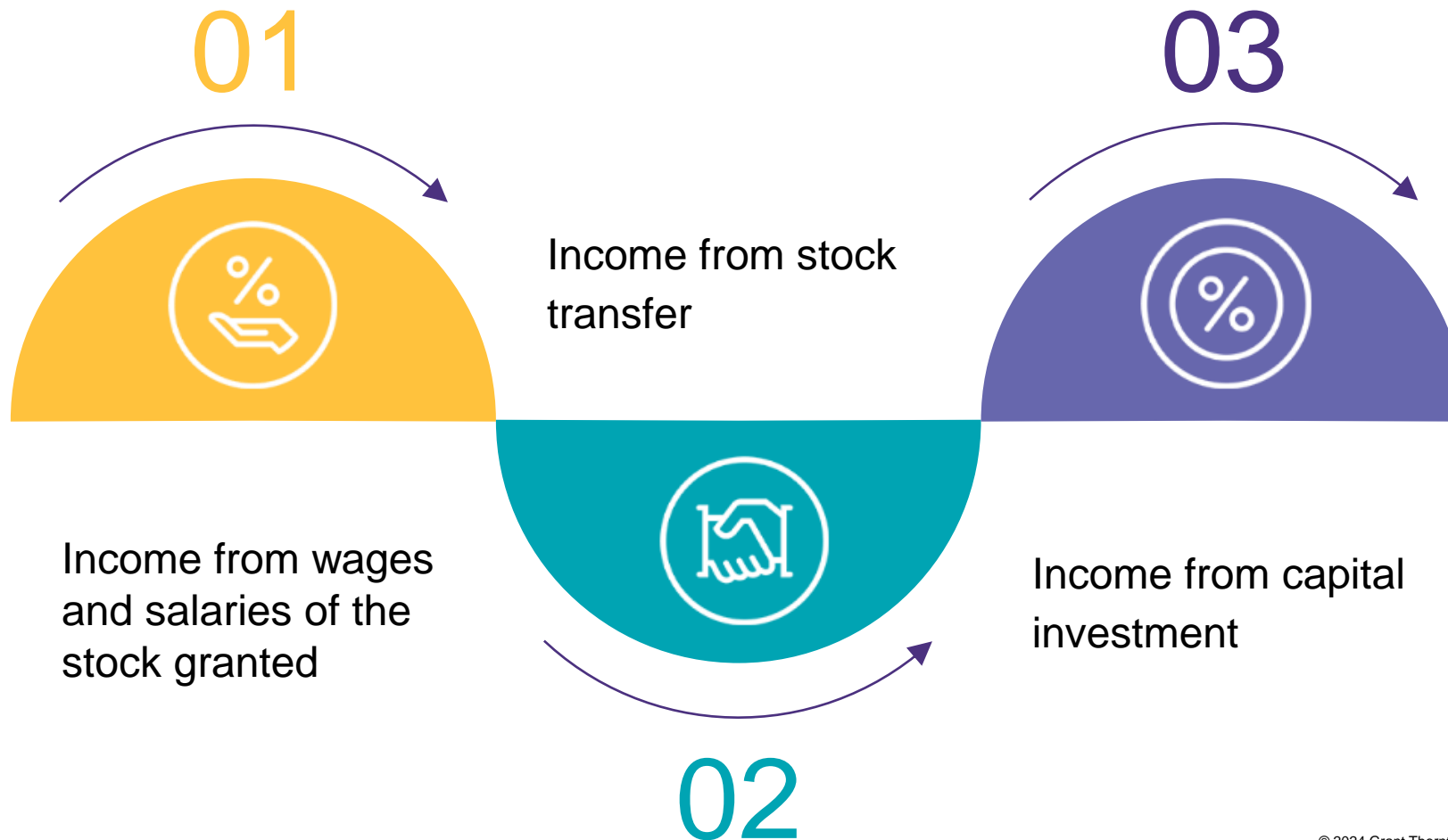
Receive foreign currencies earned from stock dividends and other legal income as per regulations

New points compared to Circular 10/2016/TT-NHNN

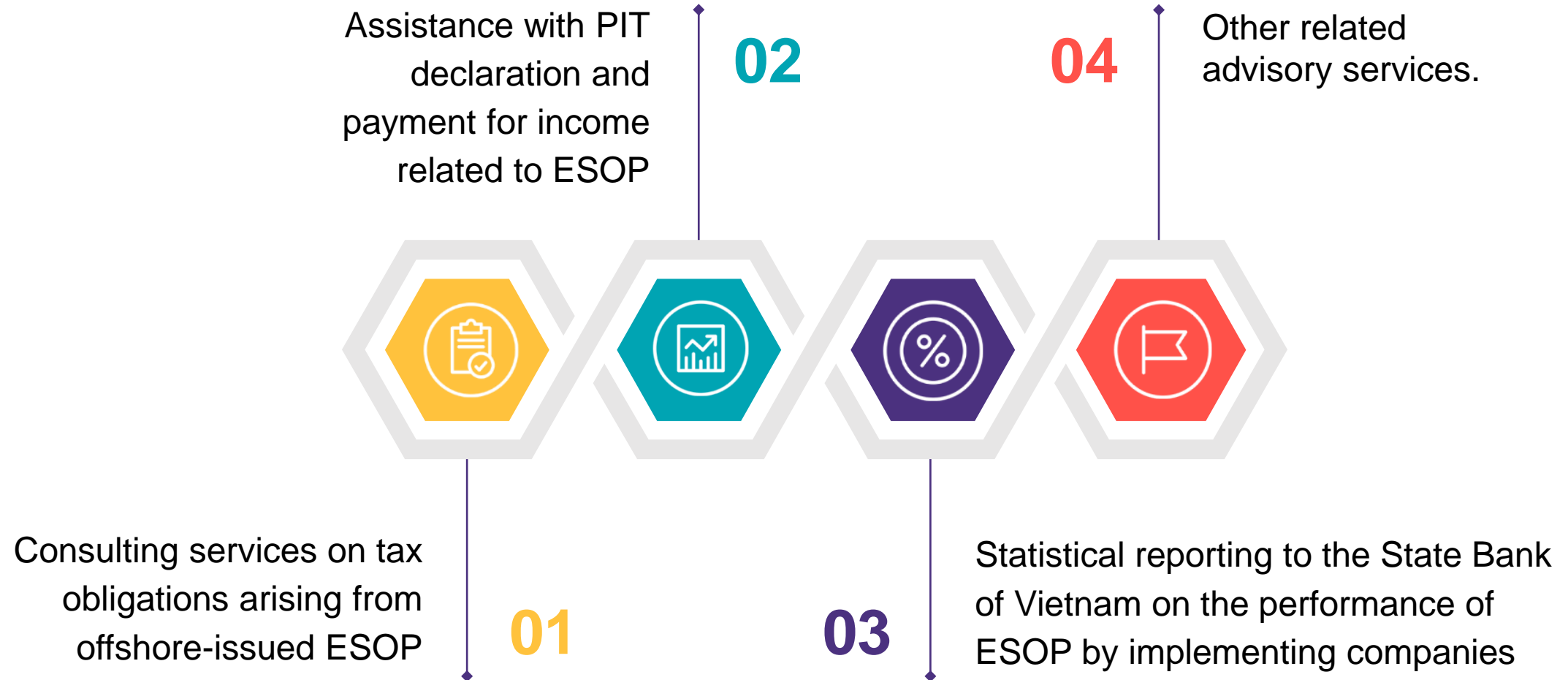


Obligations of employees receiving offshore-issued bonus share

Employees receiving stock bonuses through offshore-issued ESOP are required to declare personal income tax (PIT) for:



Services related to offshore-issued bonus share that GT can provide



Contact

Please study the newly issued regulations and review the internal compliance procedures in order to comply with the regulations on customs tax as well as reduce errors in the process of filing and preparing documents that could lead to additional tax obligations or administrative penalty.

Please contact the experts of Grant Thornton Vietnam for in-depth advice if you have any inquiries during the implementation of tax and customs compliance.

Please visit our [Tax Hub](#) to view more information

Head Office in Hanoi

18th Floor, Hoa Binh International Office Building
106 Hoang Quoc Viet Street, Cau Giay District, Hanoi, Vietnam

T + 84 24 3850 1686

F + 84 24 3850 1688

grantthornton.com.vn

Hoang Khoi

National Head of Tax Services

D +84 24 3850 1618

E khoi.hoang@vn.gt.com

Bui Kim Ngan

Tax Director

D +84 24 3850 1716

E ngan.bui@vn.gt.com

Hoang Viet Dung

Tax and Customs Director

D +84 24 3850 1687

E dung.hoang@vn.gt.com

Ho Chi Minh City Office

14th Floor, Pearl Plaza, 561A Dien Bien Phu Street
Binh Thanh District, Ho Chi Minh City, Vietnam

T + 84 28 3910 9100

F + 84 28 3910 9101

Valerie – Teo Liang Tuan

Tax Partner

D +84 28 3910 9235

E Valerie.teo@vn.gt.com

Nguyen Thu Phuong

Tax Director

D +84 28 3910 9237

E thuphuong.nguyen@vn.gt.com

Dang Hai Ha My

Tax Director

D +84 28 3910 9241

E my.dang@vn.gt.com

Lac Boi Tho

Tax Director

D +84 28 3910 9240

E tho.lac@vn.gt.com

Do Vu Bao Khanh

Tax and Transfer Pricing Director

D +84 28 3910 9277

E khanh.do@vn.gt.com

© 2024 Grant Thornton (Vietnam) Limited - All rights reserved.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.