



# IMMIGRATION AND EMPLOYMENT SERVICES IN VIETNAM

With increased globalization, companies are facing greater challenges in managing their workforce across many jurisdictions, each with their own unique sets of requirements, or in rapid mobilization of personnel to markets where they are needed most, often times on short notice. Talent retention, labour unions and work councils, mass layoffs or redundant employees post Mergers and Acquisitions (M&A) transaction or internal reorganization all require companies to stay abreast of international best practices and domestic labour regulations to understand the real and anticipated impact on their operations.

For Vietnam, a decade on its path to integration with the world market via membership in the WTO, buttressed further with regional bilateral and multilateral free-trade agreements, such as the European Union-Vietnam Free Trade Agreement (EVFTA), has served as the impetus for recent dramatic labour reforms to meet international standards.

The establishment of the ASEAN Economic Community (AEC) in 2015 is a major milestone in the regional economic integration agenda for ASEAN, of which Vietnam is a member. The AEC, while a boon to the members generally, will exert competitive pressure on Vietnam's workforce.

## **How we can help?**

Through KPMG's integrated approach to immigration and employment services, KPMG in Vietnam is able to bring knowledge, experience, and resources from across our Legal, Tax, Mobility, and People & Change Consulting teams to address our clients' specific labour requirements and issues.

# Labour/employment law and immigration services



## General

- Labour contract drafting and negotiations
- Workforce restructuring
- Advising on Employee Stock Ownership Plans (ESOPs) and other employment rewards programs
- Key employee retention and workforce integration post M&A transaction



## Compliance

- Advising on the contents of Internal Labour Rules and Employee Handbooks to ensure compliance with Vietnamese law and if required to attend to subsequent registration with the relevant labour authorities
- Preparing of performance management policy
- Preparing wage and salary scales and attendant periodical reports
- Advising on the procedure to address breaches of labour rules, suspension or termination of employment
- Advising on establishment and operation of trade unions
- Labour compliance health check
- Support during labour inspection



## Labour disputes

Reaching a negotiated settlement is our preferred approach. Where the situation necessitates, we can assist client with:

- Providing assistance in communicating with employees
- Drafting documentation to settle the dispute or terminate the employee
- Individual or collective action
- Working with the trade union representative and labour administration authorities
- Arbitration or mediation processes and procedures
- Labour courts, working in conjunction with designated local counsel

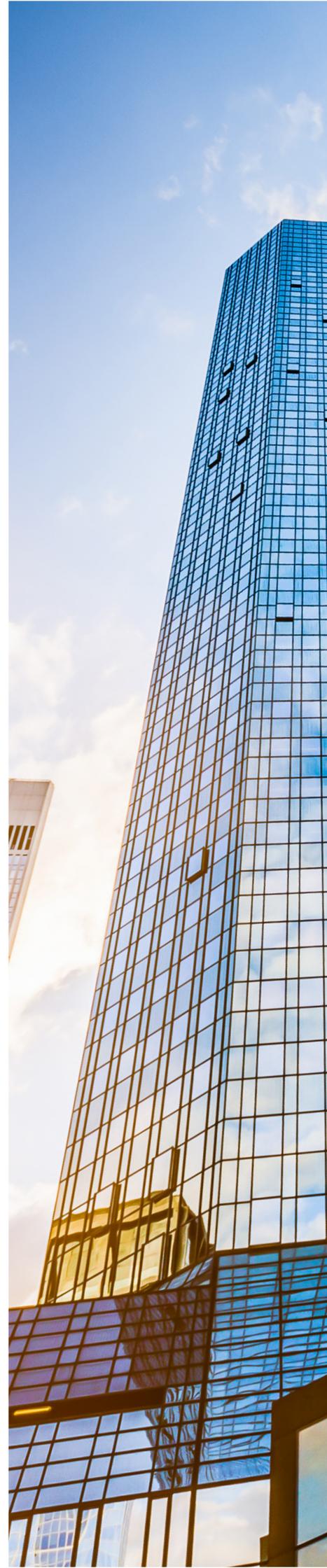


## Immigration for expatriate employees

- work permits
- visas
- temporary residence cards

In addition, KPMG Legal can efficiently assist in the management of your global workforce via preparation or review of documents relating to expatriate employment in Vietnam, such as:

- Appointment letter for a foreign employee transferring internally within a company
- Offer letters, labour contracts, nondisclosure agreement and non-compete agreements
- Expatriate contract or commercial, financial, banking, insurance, technical, educational, vocational training and medical healthcare contracts, etc. relating to expatriate employees
- Confirmation letters to managers, executive operators, experts and technicians
- Exemption letter for expatriate employees who are not required to obtain work permits



# Personal Income Tax compliance and dispute resolution



## Personal income tax (PIT) compliance services – Managing tax compliance obligations

- Assistance with monthly/ quarterly/ annual employer/ employee compliance in accordance with assignment letter/ local employment contract
- Shadow payroll calculations for employees remaining on home country payroll
- Compulsory insurance calculations for employees with local employment contracts
- Providing tax returns/ payment instructions



## PIT review

- Reviewing the tax calculations and statutory documents prepared by your personnel prior to the submission of the documents to the Tax Authorities
- Identifying any omissions and non-compliance in the determination of taxable income, tax position of benefits and deductible items
- Providing recommendations and rectification guidance for your personnel



## PIT Advisory Services – Strategic tax planning and maximising tax savings

- Outlining a number of strategies that you may wish to adopt when restructuring income packages, in order to achieve the maximum in tax and statutory compliance benefits
- Implementing ideas and methodologies which you choose to adopt
- Helping develop policies, procedures and documents to help establish recommended tax and employment cost efficient structures
- Applying for tax exemption and/or claims as tax non-residents of Vietnam under Double Tax Agreements, by reviewing an individual's tax residency and the statutory conditions for tax exemption and/or treatment of the individual as tax non-resident



## Dispute resolution and controversy services

Dealing with tax audit, tax dispute can mean uncertainty and complexity. KPMG has the experience to help you take control of the tax audit/dispute resolution process with the following services:

- Pre-tax audit preparation (tax audit strategy, tax compliance health check)
- On-site tax audit support
- Post tax audit review
- Tax dispute resolution



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