

Rödl & Partner

PAVING WAYS

OVERVIEW OF VISA, WORK PERMITS AND
TEMPORARY RESIDENCE IN VIETNAM



“In Vietnam, a visa and a work permit are two separate documents that are used for different purposes. A visa is an official endorsement allowing a foreigner to enter and to remain within Vietnam, while a work permit is the permission for a foreign worker to take a job in Vietnam.

A visa can be replaced by a temporary residence card “TRC” which grants a foreign worker the right to stay in Vietnam for a certain length of time.

If a foreigner wants to stay and to work in Vietnam, a work permit and a visa or a TRC shall be required.”

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1. Visa

TYPES OF VISA

Type of Visa	Requirements and conditions	Procedure
E-Visa	<ul style="list-style-type: none">- This type of visa is issued online by Immigration Department;- The e-visa is only valid for 30 days with single entry regardless of type of passports, purpose of entry.	https://evisa.xuatnhapcanh.gov.vn/en_US/web/guest/khai-thi-thuc-dien-tu/cap-thi-thuc-dien-tu
Visa Exemption	<ul style="list-style-type: none">- The citizens of some countries, including Germany, are allowed to enter Vietnam without visas regardless of type of passports or purpose of entry;- The duration of stay is limited to 15 days.	
Tourist Visa	<ul style="list-style-type: none">- This type of visa is for foreigners intending to enter Vietnam for tourism purpose. A multiple-entry tourist visa is valid within 3 months;- A tourist visa must be sponsored by a travel company.	<ul style="list-style-type: none">- The authority receiving the application is the Immigration Department in Vietnam;- After obtaining the visa approval, the visa can be picked up at the Embassy / Consulate of Vietnam in the country of residence or at Vietnamese airports.
Business Visa	<ul style="list-style-type: none">- This type of visa is for foreigners intending to enter Vietnam for business purposes. The common validity of a multiple-entry business visa is 3 months.	<ul style="list-style-type: none">- The authority receiving the application is Immigration Department in Vietnam;- After obtaining the visa approval, the visa can be picked up at the Embassy / Consulate of Vietnam in the country of residence or at Vietnamese airports.

<p>Family Visa</p>	<ul style="list-style-type: none"> - This type of visa is for direct family members of a foreigner working in Vietnam. The family members must have the adequate evidence of dependency; - The maximum validity of a multiple-entry family visa is 12 months on a case by case basis. 	<ul style="list-style-type: none"> - The authority receiving the application is Immigration Department in Vietnam; - After obtaining the visa approval, the visa can be picked up at the Embassy / Consulate of Vietnam in the country of residence or at Vietnamese airports.
<p>Working Visa</p>	<ul style="list-style-type: none"> - This type of visa shall be issued when a foreigner obtains a work permit; - The validity of a multiple-entry working visa is a maximum of 1 year and can be extended until the expiry date of the work permit, limited to 1 year of extension. 	<ul style="list-style-type: none"> - The authority receiving the application is the Immigration Department in Vietnam; - Currently, foreigners are allowed to obtain the working visa after entering Vietnam with a business visa and receiving a work permit.
<p>Investment Visa / Lawyer Visa</p>	<ul style="list-style-type: none"> - DT visa is for foreign investors mentioned in the Enterprise Registration Certificate and the Investment Registration Certificate; - LS visa is for Lawyers having the Foreign Registered Lawyer Licenses, - The maximum validity of a multiple-entry investment / LS visa is 5 years on a case by case basis; <p>The DT visa is currently separated into DT1, DT2, DT3, DT4:</p>	<ul style="list-style-type: none"> - The authority receiving the application is the Immigration Department in Vietnam; - Overseas Vietnamese embassies, or overseas Vietnamese Consulates

<p>Investment Visa</p>	<ul style="list-style-type: none"> - DT1 (no longer than 5 yrs.): contributing capital of VND 100 billion or more or investing in business lines benefitting from investment incentives, in administrative divisions benefitting from investment incentives decided by the Government. - DT2 (no longer than 5 yrs.): contributing capital of VND 50 billion to less than VND 100 billion or investing in business lines benefitting from investment incentives treatment decided by the Government. - DT3 (no longer than 3 yrs.): contributing capital of VND 3 billion to less than VND 50 billion. - DT4 (no longer than 12 months): contributing capital of less than VND 3 billion. (Spouses, and children under 18 years of age are not allowed to issue family visas). 	<ul style="list-style-type: none"> - Overseas Vietnamese embassies, or overseas Vietnamese Consulates
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Note: In practice, the authorities only issue visas with the maximum validity of a maximum of 1 year. Moreover, although the laws state that a multiple-entry business visa can be valid for a maximum of 12 months, it is in practice not possible to transparently receive a 12-month business visa. Normally, the authorities only issue the business visa with the validity of 3 months. It is advised not to accept offers of consultants promising 1 year business visa as these visas are gained in dubious manners and the risk of deportation due to an illegal visa is immanent. To stay in Vietnam for more than 1 year, a foreigner must have a TRC.

VISA APPLICATION

Required documents	Timeline	Application result
<ul style="list-style-type: none">- Application forms- Enterprise Registration Certificate- Copy of passport- Statement of VAT tax of the latest quarter (this document will be required, if the sponsoring company has undertaken less than 3 billion VND capital investments)	5 working days	A visa approval letter for a foreigner to receive the visa at an overseas Embassy or Consulate of Vietnam.

2. Work Permit

WORK PERMIT EXEMPTION

Exemption Cases	Requirements and conditions
Short term assignment	<ul style="list-style-type: none"> - If the stay in Vietnam does not exceed three times a year, and no more than 30 days at a time; - An application for a confirmation on work permit exemption is not required; - The report on foreign employees being subject to work permit exemption needs to be submitted 3 days before the expected working day in Vietnam.
Internal transferees working for the companies that operate in one of the 11 service industries	<ul style="list-style-type: none"> - The employees must work for their parent companies for at least 12 months prior to entering Vietnam; - The employing companies must operate in one of the 11 service sectors stipulated in Vietnam's WTO Commitments on Services. Details of the CPC codes of these 11 service industries can be found in the relevant legislation and guidance; - The application for a confirmation on work permit exemption is required.
Investors or members of Board of Directors (BOD)	<ul style="list-style-type: none"> - The foreign investor must be mentioned in the Enterprise Registration Certificate and the Investment Registration Certificate; - The foreigner must be an owner or a member of the BoD of the Vietnamese entities contributing VND 3 billion and more. - The application for a confirmation on work permit exemption is not required; - The report on foreign employees being subject to work permit exemption needs to be submitted 3 days before the expected working day in Vietnam. - While an application for a Work Permit exemption is not required, the employer has to submit the report on foreign employees being subject to work permit exemption to the authorities for DT1, DT2 and DT3.
Lawyers	<ul style="list-style-type: none"> - Lawyers must have a Foreign Registered Lawyer Licenses; - The application for a confirmation on work permit exemption is not required.

Foreign interns	<ul style="list-style-type: none"> - The foreign interns must be international students seconded from their university in their home country to a local university; - The application for a confirmation on work permit exemption is required.
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VISA APPLICATION

Application process	Required documents	Timeline	Application results
STEP 1: Registration of the need to engage foreign workforce	<ul style="list-style-type: none"> - Report on the need of engaging foreign workforce 	10 working days	Approval letter on the need to engage foreign workforce
STEP 2: Application for a work permit	<ul style="list-style-type: none"> - Application form; - Approval letter on the need to engage foreign workforce; - criminal record from overseas or in Vietnam; - health check from overseas or in Vietnam; - documents confirming their experience and educational qualifications 	5 working days	Work permit with the maximum duration of 2 years
STEP 3: Submission of labor contract (in case of recruitment)	<ul style="list-style-type: none"> - A copy of the signed labor contract between the foreigner and the company 	The signed labor contract must be submitted to the labor authority.	

3. Temporary Residence with TRC

A TRC shall replace a visa and it shall be issued when a foreign worker has a work permit or a Law Practice Registration Certificate or an Investment Certificate. Family members can then get their TRCs as well, as long as they provide the adequate evidence of dependency.

During the period of renewal of the TRC, the foreigner (and his family, if any) does not need to leave Vietnam, provided they still work at the same company sponsoring his TRC at the first time.

TRC APPLICATION

Required documents	Timeline	Application result
<ul style="list-style-type: none">- Request forms or information forms;- Work permit, or Law Practice Registration Certificate, or Investment Certificate, and (if applicable) Evidence of dependency;- Original passport with relevant visa;- Confirmation of residence letter issued by the local police (pink book or confirmation letter).	5 working days (the original passport must be submitted to the authorities during the timeline)	Issuance of the TRC with the maximum validity in compliance with the duration stated in the work permit, or in the Law Practice Registration Certificate, or in the Investment Certificate.

4. Taxation

Foreigners working in Vietnam have the duty to pay taxes. The duration of work is not relevant, the duty of declaration and submission of Personal Income tax – PIT – is applicable from the first day of work.

If the foreigner stays in Vietnam for less than 183 days in 12 consecutive months, they are considered a non-tax-resident, their income in Vietnam being taxed at a flat tax rate of 20 %;

If the foreigner stays in Vietnam for more than 183 days in 12 consecutive months, they are considered a tax resident and will be taxed at a progressive tax rate between 0 and 35 % on their world income. They are also subject to compulsory insurances.

For non-tax residents the PIT applies on the “income generated in Vietnam”. There are 2 possible ways to evaluate this income:

1. The days the foreigner has spent in Vietnam within 12 months in relation to 365 days, the percentage multiplied with his world income will then be the “income generated in Vietnam”.
2. Since it will be difficult to evaluate the world income, it is advisable for foreigners who stay in Vietnam more frequently, to have a designated income for their work in the country. The income needs to be appropriate in relation to the time they are designated to work in Vietnam.

The “income generated in Vietnam” as evaluated according to either 1 or 2 above, will then be taxed.

5. About us

As attorneys, tax advisers, management and IT consultants and auditors, we are present with more than 100 own offices in around 50 countries. Worldwide, our clients trust our more than 5,500 colleagues.

The history of Rödl & Partner goes back to its foundation as a solo practice in 1977 in Nuremberg. Our aspiration to be on hand wherever our internationally-active clients are led to the establishment of our first, own offices, commencing with Central and Eastern Europe in 1991. Alongside market entry in Asia in 1994, the opening of offices in further strategic locations followed, in Western and Northern Europe in 1998, USA in 2000, South America in 2005 and Africa in 2008.

Our success has always been based on the success of our German clients: Rödl & Partner is always there where its clients see the potential for their business engagement. Rather than create an artificial network of franchises or affiliates, we have chosen to set up our own offices and rely on close, multidisciplinary and cross-border collaboration among our colleagues. As a result, Rödl & Partner stands for international expertise from a single source.

Our conviction is driven by our entrepreneurial spirit that we share with many, but especially German family-owned companies. They appreciate personal service and value an advisor they see eye to eye with.

Our “one face to the client” approach sets us apart from the rest. Our clients have a designated contact person who ensures that the complete range of Rödl & Partner services is optimally employed to the client’s benefit. The ‘caring partner’ is always close at hand; they identify the client’s needs and points to be resolved. The ‘caring partner’ is naturally also the main contact person in critical situations.

We also stand out through our corporate philosophy and client care, which is based on mutual trust and long-term orientation. We rely on renowned specialists who think in an interdisciplinary manner, since the needs and projects of our clients cannot be confined to individual professional disciplines. Our one-stop-shop concept is based on a balance of expertise across the individual service lines, combining them seamlessly in multidisciplinary teams.

WHAT SETS US APART

Rödl & Partner is not a collection of accountants, auditors, attorneys, management and tax consultants working in parallel. We work together, closely interlinked across all service lines. We think from a market perspective, from a client's perspective, where a project team possesses all the capabilities to be successful and realise our client's goals.

Our interdisciplinary approach is not unique, nor is our global reach or our particularly strong presence among family businesses. It is the combination that cannot be found anywhere else – a firm that is devoted to comprehensively supporting German businesses, wherever in the world they might be.

6. Contact

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