

Document No. 7403/CT-TMĐT: Tax obligations for individuals creating digital content and engaging in affiliate marketing on e-commerce platforms

I. OVERVIEW OF THE DOCUMENT

Reference number: 7403/CT-TMĐT
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SUMMARY

In response to the Department of E-commerce and Digital Economy (Ministry of Industry and Trade) and TikTok Shop Vietnam Co., Ltd., the Tax Department has clarified the method for determining tax liabilities on income from affiliate marketing and digital content creation: non-salary income is classified as **business income**, subject to a personal income tax rate of **5%**; platforms with order placement and payment functions must **withhold, declare and pay tax on behalf of the payees**. The circular also specifies the documentation required for businesses and brands to deduct affiliate commission expenses as allowable costs when calculating corporate income tax.

Note: Target audience: businesses and brands that pay affiliate marketing commissions to individuals; operators of e-commerce and digital platforms; content creators (KOLs/KOCs, affiliates). The official response relates to a specific case but has been circulated to provincial and municipal tax authorities.

II. KEY NEW PROVISIONS

Point 1: Classification of income: salary or business income

Content	Issue	Guidance
Criteria for classifying income	Is an individual's income from creating digital content, promoting products or affiliate marketing classified as wages, salaries or business income?	- Income received under an employment contract or a collective labour agreement: income from wages or salaries; the payer is responsible for withholding, declaring and paying personal income tax. - Income received from a platform or brand arising from business activities, other than wages: business income. Households and self-employed individuals must register for tax, file tax returns and pay tax in accordance with Decree 68/2026/NĐ-CP and Decree 141/2026/NĐ-CP.

Point 2: Personal Income Tax rates for affiliate marketing when determining business income

Content	Issues	Guidance
Personal income tax rates for affiliate marketing activities	What personal income tax rate applies to affiliate marketing activities on e-commerce platforms?	Under the E-Commerce Law No. 122/2025/QH15, affiliate marketing is the promotion of merchandise and services via links, referral codes or similar methods linked to a platform. Consequently, a tax rate of 5% applies in accordance with Point d, Clause 3, Article 7 of the Personal Income Tax Law No. 109/2025/QH15. Note: this tax rate is higher than the 2% rate applicable to standard services.

Point 3: The platform operator is responsible for withholding, filing on behalf of, and paying on behalf of

Content	Issues	Guidance
Tax declaration and payment for income from affiliate marketing	Which entity is responsible for filing, withholding and paying tax on income from affiliate marketing generated on e-commerce platforms?	Pursuant to Article 43 of Decree 252/2026/NĐ-CP, the operator of an e-commerce platform with online ordering and payment functions is responsible for withholding, declaring on behalf of, and remitting the tax withheld in respect of the business activities of business households and self-employed individuals on its platform.

Point 4: Documents required for calculating deductible expenses when calculating corporate income tax

Content	Issues	Guidance
Documentation for recording expenses incurred by households and individuals providing affiliate marketing services	What documentation is required for businesses paying for affiliate marketing services provided by business households or sole traders in order for these payments to be recognised as deductible expenses?	- Households and individuals with an annual turnover exceeding VND 1 billion must register to use invoices; businesses must use invoices issued by households and individuals. - Households and individuals with turnover below the VAT threshold: proof of payment to the seller (purchases on any given day by each household or individual totalling VND 5 million or more must be settled by non-cash means) and a statement of purchases of merchandise and services signed by the legal representative or an Authorized Signatory, who shall be liable in accordance with point b of paragraph 1 of Article 9 of Decree 320/2025/NĐ-CP. Note: In addition to the documents mentioned above, businesses must prepare relevant supporting documents to prove that the transactions actually took place, that they serve production and business operations, and that they comply with corporate income tax regulations.

Point 5: Transaction data from the platform serves as the basis for issuing electronic invoices

Content	Issues	Guidance
The obligation of e-commerce platform operators to provide information	Where do sellers of merchandise and service providers on the platform obtain buyer details and order status information from in order to issue electronic invoices?	- Sellers are entitled to request that the platform operator provide information on the buyer, transaction details, the time of delivery and confirmation of the order's completion status (point c of paragraph 1 of Article 17 of Decree 254/2026/NĐ-CP). - The operator of an e-commerce platform or digital platform is responsible for providing this information (paragraph 2 of Article 19 of Decree 254/2026/ND-CP).

III. RECOMMENDATIONS FOR BUSINESSES

01 Classification of commission recipients

Compile a list of KOLs/KOCs and affiliates with whom the company is currently collaborating, and divide them into two groups: those on employment contracts (salaried) and those operating as business entities, to ensure the appropriate personal income tax deduction mechanism is applied.

02 Standardise affiliate expense documentation

Invoices must be obtained from households and individuals with annual turnover exceeding VND 1 billion; for groups below the VAT threshold, prepare a purchase schedule accompanied by payment documentation in accordance with regulations.

03 Transfer all payments of 5 million VND or more

Review the commission payment process to ensure there is no cash on hand of 5 million VND per day for individual households or individuals.

04 Request the platform to provide invoicing information

Organisations and individuals selling merchandise or providing services via a platform are entitled to request that the platform operator provide details of the purchaser, transaction information, the time of delivery and confirmation that the order has been completed, in order to issue electronic invoices in accordance with the regulations.

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