

An Australian company has recently opened a representative office in Vietnam. The Company is a foreign contractor who signed a consulting & engineering supervision contract with HCMC Urban Management Committee. In this case, is the Australian company considered a legal entity in Vietnam? Can the Company's representative office pay foreign contractor tax (FCT) in accordance with the FCT regulations on contractors that do not implement Vietnamese Accounting System?

Self tax registration, self tax compliance, self tax finalization of foreign contractors are to be accomplished just in case they have a managing office in Vietnam. Representative office is a foreign organization that is not a legal entity in Vietnam, then cannot carry out trading activities. Therefore, so it can not register, pay or finalize tax obligation for FCT.