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Personal Income Tax Law on Digital Assets: International Experiences and Recommendations for Vietnamese Law

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Abstract

In recent years, the rapid advancement of core technologies such as Blockchain, Artificial Intelligence (AI), Big Data, the Internet of Things (IoT), and Cloud Computing has driven the emergence and expansion of digital assets. These assets have become an integral part of the global digital economy, generating substantial income and fundamentally transforming traditional methods of investment, exchange, and wealth accumulation. The growing income derived from digital asset transactions has created an urgent need to establish an appropriate personal income tax framework to ensure fairness and efficiency in managing state budget revenues. In Vietnam, the 2025 Law on the Digital Technology Industry officially recognizes digital assets as a type of property under civil law, providing an important

legal foundation for their regulation. Building on this, the Personal Income Tax Law 2025 introduced significant amendments to govern income arising from the business, investment, and transfer of digital assets, gradually addressing previous legal gaps. Nevertheless, several issues remain to be refined, particularly regarding the determination of the tax base, methods for calculating taxable income, and the management of cross-border transactions. Based on a comparative analysis of the international experiences of the United States, Singapore, and France, this article proposes recommendations to further improve Vietnam's personal income tax law in the current context.

Keywords: Digital Assets, Personal Income Tax Law, International Experiences, Vietnam's Personal Income Tax Law

Introduction

With the rapid development of digital technologies, the process of digital transformation has fundamentally reshaped the structure of the global economy. The rapid development of digital infrastructure and online trading platforms has created a new economic space in which value is primarily created, stored, and transferred in the form of digital data. In this context, digital assets have emerged as a new category of property, reflecting the shift from a material-based economy to one driven by data and technology. Popular forms of digital assets, such as cryptocurrencies, tokens, NFTs, and other virtual assets, are increasingly traded on a large scale, generating substantial income for individuals through investment, business activities, and transfers. The rapid growth of such income poses direct challenges to personal income tax systems, which were originally designed around traditional types of assets and income sources. This development creates an urgent need to refine the legal framework on personal income tax (PIT) in order to ensure fairness, transparency, and efficiency in managing state budget revenues.

At present, the 2025 Personal Income Tax Law has taken an initial step by introducing provisions on income derived from the transfer of digital assets, subject to a tax rate of 0.1% on each transfer value. However, key issues including the determination of taxable income, the tax base, declaration mechanisms, the management of cross-border transactions, and the principle of tax neutrality-remain insufficiently regulated. Although a number of domestic and international studies have addressed digital assets or taxation policies in this field, most have been limited to conceptual clarification, general regulatory analysis, or country-specific studies. To date, no research has systematically examined personal income tax law on digital assets in the context of the significant legislative reforms introduced in Vietnam in 2025. Meanwhile, countries such as the United States, Singapore, and France have developed personal income tax regimes for digital assets that align with their respective market conditions and policy orientations. Despite differences in approaches-particularly in defining the legal nature of digital assets, determining tax calculation methods, and designing administrative mechanisms - these models provide valuable legal

experience for Vietnam. Based on an analysis of international practice, this article compares such experience with Vietnam's current personal income tax law, identifies existing shortcomings, and proposes recommendations aimed at enhancing transparency, fairness, and administrative feasibility in the context of the digital economy.

Materials and Methods

Comparative legal methodology and analysis and synthesis of legal texts.

A comparative legal methodology is applied to identify similarities and differences between personal income tax law on digital assets in Vietnam and personal income tax laws on digital assets in several other countries. The goal of this process is to explain the differences and advantages in personal income tax laws on digital assets in several countries compared to Vietnamese law, and proposes several legal suggestions to improve personal income tax laws on digital assets in Vietnam.

Additionally, the method of analysis and synthesis will be applied throughout the parts of the study to evaluate personal income tax law concerning digital assets in Vietnam and in several other countries. Moreover, identifying legal gaps or shortcomings will serve as a foundation for proposing improvement solutions, thereby contributing to enhancing the effectiveness of law enforcement.

Results and Discussion

1. Overview of Personal Income Tax Law on Digital Assets

Personal income tax law is understood as the body of legal norms governing social relations arising in the process by which the State establishes, implements, and administers tax obligations on individuals' income.¹

These provisions include the determination of taxpayers, taxable income categories, tax bases and calculation methods, as well as mechanisms for tax declaration, payment, and administration. In the context of the rapid development of the digital economy, many new forms of assets and sources of income have emerged, including income generated from the ownership, trading, and exploitation of digital assets. This development creates the need to expand the scope of personal income tax law to cover this new type of asset. Accordingly, personal income tax law on digital assets may be understood as the system of legal provisions governing the determination, declaration, payment, and administration of taxes on income earned by individuals from activities related to digital assets.

On that basis, the content of personal income tax law on digital assets mainly focuses on determining tax obligations based on the economic nature of income arising from transactions involving digital assets. Such regulations primarily include provisions on identifying taxpayers and taxable income, clarifying the scope of income derived from the trading, transfer, or exploitation of digital assets that are subject to taxation. In addition, they include provisions relating to the tax base and methods for determining taxable income, including the determination of transaction value, applicable tax rates, and the timing at which tax obligations

arise. At the same time, personal income tax law also regulates issues concerning tax declaration, tax payment, and tax administration for income derived from digital assets, as well as mechanisms for inspection, supervision, and the handling of violations to ensure that tax obligations are fulfilled in a transparent and effective manner.

In the context of the increasingly rapid development of digital assets, personal income tax law on digital assets plays a crucial role in determining tax obligations for income generated from this type of asset, thereby gradually addressing the legal gaps associated with new economic activities in the digital environment. At the same time, these regulations contribute to establishing a legal basis for generating state budget revenues from digital asset transactions, ensuring fairness in the fulfillment of tax obligations among economic actors, and strengthening the State's capacity to supervise activities in the digital asset market.

2. Personal Income Tax Law on Digital Assets in Several Countries Around the World

In the United States, personal income tax on digital assets is governed by the Internal Revenue Code and the guidance issued by the Internal Revenue Service (IRS).² Taxpayers include U.S. citizens, resident individuals, and non-resident individuals. U.S. citizens and resident individuals are subject to tax on their worldwide income, while non-resident individuals are taxed only on income derived from sources within the United States.³ Taxable income is determined when taxable events related to digital assets occur, such as the transfer or receipt of digital assets. Such income may arise from wages paid in digital assets, mining, staking, or airdrops.⁴ In cases where these activities are conducted in the nature of a business, individuals are also required to pay self-employment tax. Regarding tax rates, the United States applies a progressive tax rate schedule for personal income tax, ranging from 10% to 37%⁵ depending on the individual's total taxable income for the year. In addition, for self-employment income related to digital assets, individuals are subject to a tax rate of 15.3%.⁶ In addition, the IRS supervises and issues tax forms as well as software to support tax filing for digital asset transactions. Taxpayers are required to report all digital asset transactions in their

² Internal Revenue Code in 1986, Article 61.

³ Internal Revenue Service. Taxation of nonresident aliens. US; 2026 [cited 2026 Jan. 28]. Retrieved from: <https://www.irs.gov/individuals/international-taxpayers/taxation-of-nonresident-aliens>

⁴ Internal Revenue Service. Notice 2014-21. United States: Internal Revenue Service; 2014 [cited 2026 Jan. 28]. Retrieved from: <https://www.irs.gov/pub/irs-drop/n-14-21.pdf>

⁵ Internal Revenue Service. Federal income tax rates and brackets. United States: Internal Revenue Service; 2024 [cited 2026 Jan. 28]. Retrieved from: <https://www.irs.gov/filing/federal-income-tax-rates-and-brackets>

⁶ Internal Revenue Service. Self-employment tax (Social Security and Medicare taxes). United States: Internal Revenue Service; 2025 [cited 2026 Jan. 28]. Retrieved from: <https://www.irs.gov/vi/businesses/small-businesses-self-employed/self-employment-tax-social-security-and-medicare-taxes>

¹ Hanoi Law University. Vietnamese Tax Law Textbook. Hanoi, Judicial Publishing House, 2024, 260.

annual tax returns, including income, capital gains or losses, and transfers. In particular, Form 1040 for personal income tax filing includes a specific section dedicated to digital asset transactions, where taxpayers must select “yes” or “no” to indicate whether they have engaged in any digital asset transactions.⁷

In Singapore, personal income tax on income derived from digital tokens is governed by the Income Tax Act 1947 and the guidance issued by the Inland Revenue Authority of Singapore (IRAS). Taxpayers include resident individuals and non-resident individuals. An individual is considered a tax resident if they have a place of residence in Singapore or are present in Singapore for 183 days or more in the year preceding the year of assessment.⁸ Taxable income is determined based on the purpose and use of each type of token, including payment tokens, utility tokens, and security tokens. Accordingly, taxable income may arise from activities such as the transfer of payment tokens, wages paid in tokens, mining, providing mining services, receiving tokens through airdrops or hard forks, and the disposal of security tokens.⁹ However, Singapore distinguishes between business income and capital gains. If token transactions are conducted merely as long-term investments and are not frequent, they are not subject to tax. Regarding tax rates, Singapore applies a progressive tax schedule for resident individuals, ranging from 0% to 22%, and up to 24% from the Year of Assessment 2024.¹⁰ For non-resident individuals, personal income tax is applied at a fixed tax rate of approximately 24%.¹¹ In particular, the IRAS and the Monetary Authority of Singapore (MAS) oversee the online filing of personal income tax through an electronic portal. Individuals are required to submit their tax returns before mid-April each year for income earned in the preceding year, using forms that depend on their residency status and sources of income.

In France, personal income tax on digital assets is regulated under the French General Tax Code (Code général des impôts - CGI). The law determines tax obligations based on an individual's tax residency status.¹² Accordingly, an individual is considered a tax resident in France if they have their principal residence in France, carry out their main professional activity in France, or have their center of economic interests in France.¹³ These individuals are required to pay tax on income arising from the transfer of digital assets, whether the transactions are conducted within

or outside the territory of France.¹⁴ Taxable income is primarily determined in the form of capital gains arising from the transfer of digital assets.¹⁵ However, French law distinguishes between occasional investment activities and regular investment activities. For occasional investment transactions conducted by individuals, taxable income is determined as the difference between the transfer value and the initial acquisition value when the profit has been realized. Conversely, if activities related to digital assets are conducted regularly, in an organized manner, and for profit, they are considered income from business activities and may be classified as industrial and commercial profits (Bénéfices industriels et commerciaux - BIC) or non-commercial profits (Bénéfices non commerciaux - BNC). Regarding tax rates, for occasional investment activities, France applies a flat tax rate of 30%.¹⁶ Meanwhile, activities of a regular business nature are taxed according to the progressive personal income tax schedule, with tax rates ranging from 0% to 45%.¹⁷ In addition, the French Public Finance Directorate General (Direction générale des Finances publiques - DGFIP) directly administers and collects taxes on income derived from digital assets through a mandatory self-declaration mechanism and an electronic tax filing system for digital assets. Specifically, taxpayers must declare gains or losses from digital asset transactions together with their personal income tax return and comply with the EU's DAC8 information exchange mechanism to enhance monitoring and prevent tax evasion.

3. The Current Legal Framework Governing Personal Income Tax on Digital Assets in Vietnam

In Vietnam, the promulgation of the Digital Technology Industry Law in 2025¹⁸ has marked an important step in the process of completing the legal framework for digital assets. For the first time, Vietnamese law has officially recognized and defined digital assets as assets that exist in the form of digital data and are created, verified, and transferred through digital technologies. On that basis, the legal system has initially identified several basic categories of digital assets, including: (i) Virtual assets; (ii) Crypto-assets; and (iii) Other types of digital assets.¹⁹ The codification of this concept has established a legal foundation for the regulation of digital assets, particularly in the field of taxation on digital assets in Vietnam. However, current legal provisions on digital assets remain relatively ambiguous, and the lack of specific guiding documents on the classification of digital assets may create difficulties for tax administration of this type of asset in Vietnam.

In addition, Resolution No. 05/2025/NQ-CP on the pilot implementation of the crypto-asset market in Vietnam further specifies the regulatory orientation for this sector. The Resolution officially permits the application of tax

⁷ Internal Revenue Service. About Form 1040, U.S. Individual Income Tax Return. United States: U.S. Department of the Treasury; 2024 [cited 2026 Jan. 28]. Retrieved from: <https://www.irs.gov/vi/forms-pubs/about-form-1040>

⁸ Income Tax Act in 1947 of Singapore, Article 2(1a).

⁹ Inland Revenue Authority of Singapore. Income Tax Treatment of Digital Tokens. Singapore: Inland Revenue Authority of Singapore; 2026 [2020 Oct 9; cited 2026 Jan. 28]. Retrieved from: https://www.iras.gov.sg/media/docs/default-source/e-tax/etaxguide_cit_income-tax-treatment-of-digital-tokens_091020.pdf

¹⁰ Income Tax Act in 1947 of Singapore, Article 42.

¹¹ Income Tax Act in 1947 of Singapore, Article 43.1b.

¹² Code général des impôts, Article 150 VH bis.

¹³ Code général des impôts, Article 4B.

¹⁴ Code général des impôts, Article 150 VH bis.

¹⁵ Code général des impôts, Article 150 VH bis.

¹⁶ Code général des impôts, Article 150 VH bis.

¹⁷ Service Public. Tax scale: What is the income tax? France: Direction de l'information légale et administrative; 2025 [cited 2026 Jan. 28]. Retrieved from: <https://www.service-public.gouv.fr/particuliers/vosdroits/F1419?lang=en>.

¹⁸ Digital Technology Industry Law 2025 will take effect from January 1, 2026.

¹⁹ Digital Technology Industry Law 2025, Article 47, Clause 2.

policies on the trading, transfer, and business of crypto-assets in accordance with the tax regulations applicable to securities, until specific tax policies for the crypto-asset market in Vietnam are promulgated.²⁰ The establishment of tax policy under this orientation stems from the economic similarities between crypto-assets and securities, particularly in terms of their primary purpose of profit-oriented investment, as well as their high price volatility, rapid transaction speed, and high level of risk.²¹ However, Resolution No. 05/2025/NQ-CP currently regulates tax policies only for crypto-assets and does not cover the entire category of digital assets. At the same time, the Resolution mainly refers to a management mechanism similar to that applied to the securities market, while in terms of legal nature and technical characteristics, digital assets differ in many respects. Although this approach may be appropriate during the pilot phase, it carries the potential risk of overlap and inconsistency within the legal framework governing digital assets.

Currently, the Vietnam Personal Income Tax Law 2025, promulgated on 10 December 2025 and officially effective from 1 July 2026, has amended and supplemented provisions concerning income arising from the business, investment, and transfer of digital assets, thereby gradually addressing the legal gaps that existed in previous versions of the law.

First, regarding taxpayers. Under Article 2 of Vietnam Personal Income Tax Law 2025, two main groups of subjects are required to fulfill personal income tax obligations: resident individuals and non-resident individuals. Resident individuals are those who meet the conditions to be recognized as tax residents in Vietnam in accordance with the provisions of tax law.²² This group is required to fulfill personal income tax obligations on taxable income arising both within and outside the territory of Vietnam. Non-resident individuals are those who do not meet the conditions to be considered resident individuals under the provisions of Vietnamese tax law.²³ This group is only required to pay tax on income arising within the territory of Vietnam, while income derived from sources outside the territory of Vietnam is not subject to personal income tax.

However, Vietnamese tax law currently lacks clear and consistent criteria to determine when income from digital assets is considered to arise “within” the territory of Vietnam. Meanwhile, most digital asset transactions take place on cross-border digital platforms, many of which do not have a legal presence in Vietnam, thereby creating difficulties in establishing personal income tax obligations.

Second, regarding taxable income. The Vietnam Personal Income Tax Law 2025 has expanded the scope of taxable

income by including certain activities related to digital assets within taxable income under different income categories. According to Article 3 of the Vietnam Personal Income Tax Law 2025, ten basic categories of personal income subject to tax are identified. Among these, the categories of taxable income that may arise from activities related to digital assets include:

(1) Business income. Under Point d, Clause 1, Article 3 of the Vietnam Personal Income Tax Law 2025, e-commerce activities and business conducted on digital platforms are determined to fall within the scope of personal income tax. Activities related to digital assets carried out by individuals for profit-making purposes, such as buying, selling, exchanging, providing services, or exploiting the commercial value of digital assets through digital platforms in the electronic environment, are not merely isolated civil transactions but possess the full characteristics of business activities. Therefore, business activities involving digital assets may be considered a form of business conducted on digital platforms. Accordingly, income derived from the business of digital assets may be classified as business income subject to personal income tax in accordance with the provisions of the Vietnam Personal Income Tax Law 2025.

(2) Income from wages and salaries. According to Point b, Clause 2, Article 3 of the Vietnam Personal Income Tax Law 2025, income from remuneration and economic benefits in cash or in non-cash forms of any kind is considered taxable personal income. Therefore, income in the form of remuneration or economic benefits received by an individual in digital assets may be subject to personal income tax under this provision.

(3) Income from capital investment. According to Clause 3, Article 3 of the Vietnam Personal Income Tax Law 2025, income from capital investment includes forms such as interest from lending, dividends, and income from capital investment in other forms, which may fall within the scope of taxable personal income. Therefore, income arising from investment activities involving digital assets may be considered as belonging to the category of “income from capital investment in other forms.”

(4) Income from prizes and winnings. According to Clause 6, Article 3 of the Vietnam Personal Income Tax Law 2025, income from prizes includes lottery winnings; prizes from promotional programs; winnings from betting activities; prizes from games and competitions; and other forms of winnings. Therefore, in cases where promotional programs, prize-based games, or competitions award digital assets as prizes, the economic benefit that an individual receives in the form of such digital assets may be considered income from prizes and winnings and may be subject to personal income tax.

(5) Income from royalties. According to Clause 7, Article 3 of the Vietnam Personal Income Tax Law 2025, income from royalties includes the transfer or licensing of intellectual property rights and the transfer of technology. For example, NFTs (Non-Fungible Tokens) are a type of digital asset that exists on blockchain technology and may be used as a means of representing rights or interests associated with a particular asset. Therefore, in cases where the transfer of an NFT simultaneously results in the transfer or licensing of property rights under copyright (such as the rights of reproduction, distribution, or communication of a work to the public), the income obtained by an individual

²⁰ Resolution No. 05/2025/NQ-CP dated September 9, 2025, of the Government stipulates the pilot implementation of the cryptocurrency market in Vietnam, Article 4, Clause 9.

²¹ Hanoi Law University. Vietnamese Securities Law Textbook. Hanoi, People’s Public Security Publishing House, 2021, 9-10.

²² Le Thi Huyen. Tax laws on digital assets - International experience and suggestions for Vietnamese law. Hanoi: Hanoi Law University, 2025, 51.

²³ Le Thi Huyen. Tax laws on digital assets - International experience and suggestions for Vietnamese law. Hanoi: Hanoi Law University, 2025, 51.

from such a transaction may be considered royalty income and may be subject to personal income tax.

(6) Income from inheritance and gifts includes securities, capital contributions in economic organizations or business establishments, real estate, and other assets that are required to be registered for ownership or use rights. In cases where an individual receives digital assets as a gift or inheritance, such income may be considered taxable personal income in accordance with Clause 6, Article 3 of Vietnam Personal Income Tax Law 2025. However, Vietnamese law currently lacks specific and consistent provisions on whether digital assets fall within the category of assets that must be registered for ownership or use rights, and it has not yet clearly established mechanisms for the registration, recognition, and establishment of rights over digital assets. The absence of such regulations creates difficulties and ambiguities in determining the legal basis for applying personal income tax in cases where individuals receive digital assets as inheritance or gifts.

(7) Other income, which includes income arising from transactions involving the transfer of digital assets under Point d, Clause 10, Article 3 of the Vietnam Personal Income Tax Law 2025. The first-time recognition of income from the transfer of digital assets as an independent type of income under the category of “other income” reflects an important advancement in Vietnam’s legislative thinking on taxation.

In addition, Clause 11, Article 3 of the Vietnam Personal Income Tax Law 2025 clearly states: “The Government shall provide detailed regulations for this Article and for the conversion of taxable income received not in cash and not in Vietnamese Dong.” This provision can be seen as an open-ended rule, reflecting the State’s orientation toward proactively developing legal regulations to govern new forms of income arising in the context of the digital economy. This regulation demonstrates that Vietnamese tax law does not limit its scope to income paid in fiat currency, but has also taken into account the possibility that individuals may receive income in other forms of economic value, including digital assets. On that basis, income arising from digital assets may be converted into monetary value to serve as the basis for determining taxable income.

Third, regarding tax rates. Currently, Vietnam applies a tax rate of 0.1% on the total transfer value of digital asset transactions. This provision indicates that Vietnamese law has adopted an approach of establishing a specific and separate tax rate for activities involving the transfer of digital assets. This tax rate is considered appropriate for the early stage of development of the digital asset market in Vietnam. However, when compared with the laws of some other countries, this regulation may still present certain limitations in the medium and long term. Specifically, not every digital asset transfer transaction generates profit; in practice, many individuals trade at a high frequency, yet their overall result may be a net loss. Taxation based on the transfer value, rather than net profit, may therefore result in taxpayers still being required to fulfill tax obligations even when they incur losses.²⁴ This not only contradicts the

²⁴ Thuy Nga. Tax collection on digital assets - A necessary step to ensure transparent management and prevent state budget revenue loss. Vietnam: Finance Magazine; 2025 [cited 2026 Jan. 28]. Retrieved from: <https://tapchitaichinh.vn/thu-thue-tai-san-so-buoc-di-can->

fundamental nature of income taxation but also risks reducing incentives to participate in the market, particularly for small individual investors.²⁵

Fourth, regarding cases of tax exemption. Currently, the Vietnam Personal Income Tax Law does not provide for tax exemptions or preferential treatment for income derived from digital assets. Existing tax exemption and reduction provisions mainly focus on certain situations, such as taxpayers facing difficulties due to natural disasters or epidemics, as well as preferential policies for income earned by high-tech and digital technology professionals, and certain types of income from financial investments as prescribed by law.

Fifth, regarding the tax administration mechanism. Taxpayers are responsible for accurately, truthfully, and fully declaring the contents of their tax returns, including revenues subject to each type of tax and other payable amounts. In addition, taxpayers must self-assess the amount of tax and other payable amounts, except in cases where the calculation of tax and other payable amounts, as well as tax notifications, are carried out by the tax administration authorities in accordance with regulations of the Government.²⁶ In addition, tax authorities have the authority to impose a tax assessment in cases where taxpayers fail to register for tax, fail to file tax declarations, fail to submit supplementary tax documentation as requested by the tax authorities, or submit tax declarations that are incomplete or inaccurate with respect to the tax base.²⁷

However, Vietnam has not yet established a system of tax declaration forms or issued guiding documents on the specific procedures for tax registration, declaration, and payment with respect to digital assets. The absence of detailed regulations on declaration methods, the timing of tax liability, and methods for determining the taxable value creates significant difficulties for both tax authorities and taxpayers in the course of implementation.

In addition, current Vietnamese law has not clearly designated a specific authority responsible for the administration of taxes related to digital asset transactions, while such assets are characterized by anonymity and cross-border features. The lack of a unified regulatory authority makes it difficult to collect information, identify taxpayers, and handle violations, thereby creating gaps in the tax administration of digital assets.

4. Recommendations for Improving Personal Income Tax Law for Digital Assets in Vietnam

First, it is necessary to refine the legal basis for determining “income arising within the territory of Vietnam” in order to establish tax obligations for non-resident individuals. As analyzed above, current tax law does not provide clear criteria for determining income arising “within” the territory

thiet-de-quan-ly-minh-bach-va-chong-that-thu-ngan-sach.htm

²⁵ Nguyen Giang. 0.1% tax on cryptocurrencies: Easy to collect but is it reasonable? Vietnam: Business Forum Magazine; 2025 [cited 2026 Jan. 28]. Retrieved from: <https://diendandoanhnghiep.vn/thue-0-1-voi-tien-so-de-thu-nhung-lieu-da-hop-ly-10160163.html>

²⁶ Vietnam’s Tax Registration Law 2025, Article 12, Clause 1.

²⁷ Vietnam’s Tax Registration Law 2025, Article 24, Clause 2, point a.

of Vietnam, which leads to difficulties in identifying tax obligations for income derived from digital assets of non-resident individuals. Drawing on the experiences of the United States, Singapore, and France, Vietnamese tax law should introduce provisions considering income from digital assets as arising in Vietnam in the following cases: (i) the individual performs income-generating activities while present in Vietnam; or (ii) digital asset transactions are conducted through platforms, exchanges, or intermediary organizations subject to Vietnamese law. This approach is consistent with the cross-border nature of digital assets and contributes to reducing the risk of uncollected tax obligations.

Second, it is necessary to issue guiding documents clarifying the scope of each category of taxable personal income. Vietnamese tax law should establish specific criteria to determine which types of income fall under the category of "other income" or other taxable income groups under Article 3 of the Law on Personal Income Tax. The use of broadly defined terms without clear classification criteria has created practical difficulties in application, particularly as activities related to digital assets generate many new forms of income. On that basis, certain types of income from digital assets may be classified into the existing personal income tax categories as follows:

1. Business income, where individuals engage in mining, trading, or providing services related to digital assets for profit.
2. Income from wages and salaries, when individuals receive remuneration in digital assets, with the value converted into Vietnamese dong at the time the income arises.
3. Income from capital investment, where individuals use digital assets to invest, contribute capital, or participate in profit-generating activities on digital platforms.
4. Income from prizes, where individuals receive rewards in digital assets from promotional programs or prize-winning games.
5. Income from gifts or inheritance, when individuals receive digital assets exceeding the taxable threshold prescribed by law.
6. Income from royalties, where NFT transactions simultaneously involve the transfer or licensing of copyright.
7. Income from the transfer of digital assets, which has been recognized by the Law on Personal Income Tax 2025 with a separate tax mechanism.

However, the classification of income arising from digital assets into the above-mentioned personal income tax categories is only indicative in nature, aimed at clarifying the possibility of a "compatible approach" within the current legal framework. Therefore, Vietnamese tax law should promptly issue specialized guidance to clearly determine the nature of income, the timing at which tax obligations arise, and valuation methods for activities such as mining, staking, airdrops, or the provision of services related to digital assets. Third, consideration should be given to adjusting the tax rate applicable to income from the transfer of digital assets in the long term. Such adjustment should only be considered when the digital asset market in Vietnam has reached a certain level of development and when the legal framework governing ownership, transactions, and supervision of digital assets has been completed. At that stage, Vietnam may draw on the experiences of the United States and

France to develop a tax mechanism that distinguishes between small-scale individual investors and professional investors. Under this approach, transactions of small value or conducted infrequently may be exempt from tax or subject to lower tax rates to reduce compliance burdens, while large-scale and frequent investment activities may be subject to progressive tax rates to ensure tax fairness.

Fourth, additional provisions on tax exemptions and tax incentives should be introduced for certain cases. Vietnam may adopt preferential tax mechanisms for long-term holdings of digital assets in order to encourage stable investment rather than short-term speculation. At the same time, a tax exemption threshold may be established for small-value gifts or rewards in digital assets. In addition, tax law should clearly distinguish between investment and business activities and non-profit activities such as donations or sponsorships in order to apply appropriate tax mechanisms.

Fifth, the mechanism for tax administration of income derived from digital assets should be further improved. International experience shows that tax administration for digital assets is typically assigned to a central tax authority, with coordination from financial and market regulatory agencies. Accordingly, Vietnam should clearly designate the tax authority under the Ministry of Finance as the leading body responsible for administering taxes on income derived from digital assets, while coordinating with the State Bank of Vietnam and other specialized regulatory authorities. In addition, Vietnam may establish a self-assessment tax mechanism for income from digital assets through appropriate tax declaration forms, while strengthening the application of digital technologies and blockchain data analysis tools to assist tax authorities in tracking, reconciling, and supervising digital asset transactions.

Conclusion

Through the study and comparison of personal income tax regulations on digital assets in the United States, Singapore, and France, as well as the analysis of the current legal framework governing personal income tax on digital assets in Vietnam, this study clarifies the limitations and challenges that Vietnamese tax law is facing in regulating this type of asset. The findings indicate that personal income tax on digital assets plays a significant role not only in preventing losses in state budget revenue but also in creating opportunities for the development of Vietnam's digital economy.

The research suggests that Vietnam should promptly improve its legal framework on personal income tax for digital assets in a comprehensive manner that is consistent with the country's current socio-economic conditions. Besides that, it is necessary to consider adjusting tax rates so that they accurately reflect the nature of income that generates real economic benefits, thereby ensuring fairness among taxpayers. In addition, Vietnam should strengthen the application of digital technologies in tax administration, develop effective mechanisms for collecting and processing transaction data, and promote international cooperation in the taxation of digital assets to ensure a coherent, feasible framework aligned with the requirements of digital economic development and international integration.

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