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**MANAGING ELECTRONIC INVOICES OF  
TAX AUTHORITIES FOR BUSINESSES IN  
VIETNAM**

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**SUMMARY OF DOCTORAL THESIS**

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## **PREFACE**

### **1. The urgency of the topic**

Invoices are of particular importance because they are original documents reflecting economic transactions, representing the transaction value between sellers of goods and service providers, and buyers of goods and/or services. Not only that, but invoices are also an important basis for accounting and determining taxpayers' tax liabilities. Therefore, invoice management is one of the very important aspects of tax management. Facing the trend of expansion and development, agreements, and commitments between countries on free trade, Vietnam aims to apply information technology to economic activities, implement the national digitalization policy, promote the integration of science and technology into public administration and production and business activities, etc. Deploying e-invoices is an important measure in transforming tax administration methods, a premise for Vietnam's financial sector to achieve national goals on digital transformation.

E-invoices were first applied in Vietnam in 2011 with the introduction of Decree No. 51/2010/ND-CP and Circular No. 32/2011/TT-BTC stipulating guidelines on the deployment and use of e-invoices. However, at this stage, the deployment of e-invoices has not yet been expanded. The form of e-invoice at this time is still in its infancy, and there are no regulations on connecting and transferring e-invoice data to tax authorities, so it has not served tax administration. Facing inadequacies from the old method of invoice management according to Circular No. 32/2011/TT-BTC, e-invoices have been prescribed a standard format and data transfer connection to tax authorities for tax administration and applied nationwide according to the Law on Tax Administration No. 38/2019/QH14. Since July 1, 2022, electronic invoices have been deployed throughout the territory of Vietnam, completely replacing printed invoices ordered by enterprises and self-printed invoices of enterprises. Tax authorities now have in hand database information of billions of used invoices of enterprises. Basically, after the successful implementation of e-invoices across the country, it gradually revealed limitations in the operation and management process. In the early years of implementation and

expansion of e-invoices, some theoretical contents need to be developed to supplement and complete, and many practical issues need satisfactory solutions. Difficulties and limitations in the process of deploying e-invoices, and new issues that have arisen and will arise are always concerns for management agencies to be able to complete the management of e-invoices for businesses. E-invoice management is a new content and often gives rise to many problems that published scientific works have not thoroughly solved. It is necessary to continue to study and improve both theoretically and practically so that the invoice management of tax authorities is effective in a comprehensive implementation process. The operation and resolution of arising problems, difficulties, and risks in revenue management that tax authorities need to focus on controlling. Stemming from the aforementioned issues, the PhD student chose the topic: "*Managing electronic invoices of tax authorities for businesses in Vietnam*" as their research topic.

## **2. Research objectives and tasks**

The overall objective of the thesis is to develop and supplement some theoretical issues on e-invoice management and propose solutions to complete the management of electronic invoices by tax authorities for businesses in Vietnam. Based on the general objectives, the thesis proposes the following 4 research tasks: First, provide an overview of research works on e-invoice management by tax authorities for enterprises, thereby identifying gaps, research objectives, and research questions, and thereby clearly defining the subject, scope of research, as well as choosing appropriate research methods.

Second, systematize and complete theoretical issues regarding e-invoices and e-invoice management by tax authorities for enterprises. Third, assess the current situation of e-invoice management by tax authorities for enterprises in Vietnam, and simultaneously specify the shortcomings and causes in the management of e-invoices by tax authorities in Vietnam. Fourth, propose solutions to improve the management of e-invoices by tax authorities for businesses in Vietnam by 2030.

### **3. Object and scope of research**

The research object of the thesis is the management of electronic invoices by tax authorities for enterprises in Vietnam:

+ About time: The research thesis focuses on e-invoice management by tax authorities for enterprises in Vietnam from 2010 (the time of issuance of Decree No. 51/2010/ND-CP) to the present. However, during the period from 2010 to 2017, the deployment of e-invoices was only in the pilot phase, and it had not been widely implemented. Data on e-invoice management was still limited and unsystematic. It was only since the issuance of Decree No. 119/2018/ND-CP that e-invoices began to be expanded. Therefore, the figures on e-invoice management in the thesis focus on the period from 2018 to 2023 and propose a vision up to 2030. The timing of the survey methodology is set for 2023.

+ About space: This study only focuses on e-invoice management activities of tax authorities for businesses in Vietnam, without mentioning other subjects.

+ In terms of content: The thesis approaches the concept of management in a broad sense, encompassing the study of both policy aspects and policy implementation organization. However, from the perspective of the Tax Authority for e-invoice management, the thesis focuses on advising on the development and completion of policy documents related to invoice management and the process of organizing the implementation of e-invoice management, surveillance inspections, and handling invoice violations.

### **4. Research Methodology**

The thesis uses mainly the table-based research method on the basis of combining the following research methods: Analytical methods, synthetic methods; Comparative and contrasting methods; Expert methods; Survey methods, data collection; Statistical methods; Quantitative methods (multivariate regression).

### **5. Scientific and practical significance of the thesis**

#### **5.1. Scientific contributions:**

Firstly, the thesis systematized relevant research findings on e-invoicing and e-invoice management. From there, it points out gaps that need further study.

Secondly, from a theoretical perspective, the thesis has generalized and systematized theoretical issues about invoices, electronic invoices, and electronic invoice management for tax authorities and enterprises, such as invoice concepts, invoice classification, requirements for invoices, the concept of e-invoice, the concept of e-invoice management, the content of e-invoice management, the principles of e-invoice management, and factors affecting e-invoice management. The new contribution of the thesis in terms of theory is reflected in the fact that it has developed and clarified several theoretical issues for e-invoice management, such as requirements for e-invoice management and factors affecting e-invoice management

## **5.2. Contributions in practice**

Firstly, the thesis introduced the experiences of countries such as Portugal, China, Taiwan, Korea, and Latin American countries. This provides a valuable lesson for Vietnamese tax policy issuing agencies to learn and apply to e-invoice management by tax authorities for businesses. This represents a valuable new contribution to the thesis.

Secondly, the thesis assessed the current situation of e-invoice management by tax authorities for enterprises in Vietnam from 2018 to 2023 in the following aspects: the current status of developing and completing legal documents on e-invoice management and organizing the implementation of e-invoice management. The thesis clearly outlined the achieved results, limitations, and causes of limitations in e-invoice management in Vietnam. These assessments are based on objective and comprehensive practices derived from appropriate research approaches. This creates coherence between the theoretical framework and the implementation of practical research.

Thirdly, the study has proposed solutions to manage e-invoices by tax authorities for businesses, which include: completing legal documents on e-invoice management; a group of solutions for organizing the implementation of e-invoice management; a group of solutions for inspection and supervision in e-invoice

management; and a group of solutions for handling administrative violations in e-invoice management. The thesis also proposes 4 recommendations to support the management of e-invoices by tax authorities for businesses in Vietnam.

## **6. Research Questions**

Firstly, what should e-invoice management focus on?

Second, what are the issues that need attention in e-invoice management in Vietnam?

Third, what are the factors affecting the management of e-invoices by tax authorities? How influential are these factors?

Fourth, what are the key solutions put in place to strengthen e-invoice management in Vietnam?

## **7. Structure of the thesis**

In addition to the introduction, conclusion, and appendices, the thesis is divided into 4 chapters, specifically as follows

Chapter 1: Overview of research works on e-invoice management of tax authorities for enterprises

Chapter 2: Theoretical basis of e-invoice management of tax authorities

Chapter 3: Current status of e-invoice management of tax authorities for enterprises in Vietnam

Chapter 4: Complete Managing electronic invoices of tax authorities for businesses in Vietnam

## **CHAPTER 1: OVERVIEW OF RESEARCH WORKS ON E-INVOICE MANAGEMENT OF TAX AUTHORITIES FOR ENTERPRISES**

### **1.1. Foreign scientific works related to the topic**

#### **1.1.1. Group of joint research works related to e-invoice management**

Notable foreign research works include those by Jaap Jan Nienhuis (Innopay), Charles Bryant (EBA) (2010), Groznik (2015), Bruno Koch Billentis (2016), Carlos Redondo (2018), EY (2018), Bruno Koch (2019), Annex A (2019), Afandy Bahari, Abdul Rahman Mus<sup>2</sup> Mursalim<sup>3</sup> Perceived Ease (2020), Qi, Y and che Azmi, A (2021), Lele Liu (2021).

#### **1.1.2. Group of practical research works related to e-invoice management:**

Practical research works related to e-invoice management include: Hyung Chul Lee (2016), Chao Yueting, Yu Xiao, Huang Yadong (2018), Marta Andrade Posvoa (2018), Matthieu Bellon, Jillie Chang, Era Dabla-Norris, Salma Khalid, Frederico Lima, Enrique Rojas and Pilar Villena (2019), Alessia Melasecche GERMINI (2019), Paying Taxes 2020 Pwc (2020).

### **1.2. Domestic scientific works related to the topic**

#### **1.2.1. Group of general research works on e-invoice management**

Prominent domestic studies are those of Le Xuan Truong (2013), Vuong Thi Thu Hien (2015), Nguyen Thi Thanh Hoai (2016), Le Xuan Truong (2016), Phan Thanh Hai (2018), Anh Huu Nguyen, Thao Phuong Nguyen, Giang Tra Thi Dang (2020).

#### **1.2.2. Group of practical research works on e-invoice management**

Typical domestic projects on e-invoice management: Nguyen Thi Hong Liem (2016), Nguyen Van Thuy (2017), Nguyen Thanh Trung (2017), Nguyen Dai Tri (2018), Pham Thi Thu Hong (2018), Nguyen Nhu Quynh and Pham Thi Thu Hong (2021).

### **1.3. Research gaps**

Basically, the research works have mentioned a number of theoretical and practical issues related to e-invoice management, but the above studies still have some limitations as follows:

#### About reasoning

Firstly, foreign and domestic research works have not comprehensively and fully systematized the theory of e-invoices and e-invoice management. The contents have not been mentioned or studied fully, and there are some new issues arising on e-invoice management that have not been addressed. This is the research gap that the author will explore in the thesis.

Secondly, there has not been any research work that fully generalizes and systematizes theoretical issues about invoices, e-invoices, and e-invoice management by tax authorities for enterprises. Previous research works have not developed to clarify some theoretical issues of e-invoice management, such as requirements for e-invoice management and factors affecting e-invoice management. These contents will be developed, supplemented, and clarified by the Ph.D. Candidate in the thesis.

#### About practice

Previous studies in other specific countries are not entirely similar to Vietnam. The starting point and conditions are also not suitable, so the ability to apply in Vietnam is still limited. Therefore, the thesis will introduce experiences of other countries on e-invoice management by tax authorities for businesses and draw lessons for Vietnam. This is a valuable research gap for the Ph.D. Candidate to explore in the thesis.

Studies in Vietnam only deal with each problem depending on the perspective of research. Moreover, the research landscape also undergoes many changes that give rise to new problems that need to be solved, especially those of a technical nature. This is a gap for the Ph.D. Candidate to make assessments on the current status of e-invoice management by tax authorities for businesses in

Vietnam and point out the achievements, limitations, and causes of e-invoice management limitations in Vietnam.

The approaches of previous scientific research works are also different, leading to different perspectives in the research process and problem findings. Proposing solutions and conditions for implementing solutions are also different. Therefore, the gap for the Ph.D. Candidate to continue research in the thesis is to propose 4 groups of solutions to strengthen the management of e-invoices by tax authorities for businesses. At the same time, make 4 recommendations to support the management of e-invoices by tax authorities for businesses in Vietnam.

## **CHAPTER 1 CONCLUSION**

Through researching representative works, including domestic and foreign works related to the topic of e-invoice management, the author has found research gaps, thereby identifying the research problems of the thesis. These are the problems that this thesis focuses on solving. Some basic theoretical issues about e-invoicing and e-invoice management have been well studied, and an agreement has been reached between the research results that the author will inherit and develop in the thesis. In addition, there are still some unstudied contents, and some contents that have not reached an agreement between the research results, which will be clarified by the author in the thesis.

## **CHAPTER 2: THEORETICAL BASIS OF E-INVOICE MANAGEMENT OF TAX AUTHORITIES**

### **2.1. General rationale for invoices and e-invoices**

#### **2.1.1. Rationale for invoices**

##### **2.1.1.1. Invoice concept**

An invoice is a document prepared by a seller sent to a buyer recording information of each transaction of selling goods or providing services.

##### **2.1.1.2. Invoice contents**

An invoice is an accounting document, so the content of the prepared invoice must contain the essential information of an accounting document. As an

accounting document, the invoice must contain contents confirming information of the seller, buyer, contents of arising economic operations. As a special accounting document for tax purposes. As an accounting document that serves the purpose of defining the duties of the subjects

### **2.1.1.3. Classification of invoices**

Invoices can be classified into different categories according to different criteria. Here are some ways to categorize invoices:

+ Based on the object of using the invoice: Invoices can include 6 types: Standard invoices, sales invoices, value-added invoices, special invoices, commercial invoices, bills of lading.

+ Based on the nature of information recorded on the invoice: Invoices can be divided into: Provisional invoices; consolidated invoices; interest bills; internal consumption bills; bill payment

+ Based on the method of creating invoices and the form of invoices Invoices can be divided into: Print order invoice, self-printed invoice, electronic invoice.

**2.1.1.4. The role of invoices Invoices play an important role: For sellers of goods and services; For buyers of goods and/or services; For state agencies**

### **2.1.2. Rationale for e-invoices**

#### **2.1.2.1. Concept**

**2.1.2.2. Some of the basic characteristics of specific e-invoices are as follows:**

#### **2.1.2.3. The role of e-invoices**

For tax authorities: E-invoices meet tax administration requirements in the context of the 4.0 technology era; E-invoices meet risk management requirements; E-invoices help save tax administration costs

For businesses: E-invoices help businesses save compliance costs; E-invoices support risk management in enterprises; E-invoices help improve business efficiency

For the economy: E-invoices create a healthy and transparent business environment; E-invoices contribute to environmental protection by saving printing paper costs.

#### **2.1.2.4. Basic requirements of e-invoices**

Requirements on the content of e-invoices; on the format of electronic invoices; about the form of e-invoices

### **2.2. Theoretical basis for e-invoice management of tax authorities for enterprises**

#### **2.2.1. The concept of electronic invoice management**

##### **2.2.1.1. Concept**

E-invoice management of tax authorities for enterprises is the coordination, supervision and inspection of tax authorities on the receipt and processing of use registration; receiving, handling and managing risks; Check and exploit information about e-invoices.

##### **2.2.1.2. E-invoice management entity**

The entity managing e-invoices is the State, namely state agencies with certain powers and tasks, including the legislature as a researcher and builder of the tax legal system; executive agencies as executives and organizations implementing the law on e-invoices; The system of specialized agencies (in particular tax authorities) assists the executive agencies on behalf of the State to organize and implement the management of e-invoices.

##### **2.2.1.3. Subjects of e-invoice management**

The subjects of e-invoice management are taxpayers who choose to use e-invoices when buying and selling goods or providing services. Besides, intermediary organizations providing e-invoice solutions are organizations providing solutions to support the creation, transmission, receipt, storage and recovery of data messages of e-invoices between sellers and buyers. Organizations providing e-invoice solutions; service-providing organizations receiving, transmitting and storing e-invoice data and other services related to e-invoices. Tax

administration agencies at all levels and organizations and individuals involved in the creation, issuance and use of e-invoices.

#### **2.2.1.4. Objectives of e-invoice management**

Invoice management is an important content of tax management; Organize the good implementation of the provisions of the Tax Law and fulfill tax obligations to the State of taxpayers; Create equality between enterprises in production and business and in the implementation of tax laws

#### **2.2.1.5. Principles of e-invoice management**

In order to ensure the set e-invoice management goals, in the management it is necessary to comply with the following basic principles of invoice management: Uniform principle; Principles of legal compliance; The principle of openness and transparency; The principle of caution; The principle of centralized management according to a unified database; Automatic electronic invoice generation; E-invoices can be checked online.

#### **2.2.2. Request for e-invoice management**

Firstly, e-invoice management meets the problem of saving tax administration costs, administrative costs how to better and effectively manage than traditional invoice management methods

Second, e-invoice management must meet the problem of invoice fraud control.

Third, e-invoice management serves risk management requirements.

Fourth, invoice management meets the requirements of modernizing tax administration.

#### **2.2.3. Contents of e-invoice management**

##### **2.2.3.1. Advising on the development and completion of legal documents on e-invoice management**

Tax authorities act as consultants to develop and complete legal documents on e-invoices, the responsibility of tax authorities here is to advise the Ministry of Finance, the Government and the National Assembly. Tax authorities play an

important role in building and completing the legal corridor for e-invoice management. Tax authorities propose the Ministry of Finance to promulgate legal documents to strictly manage the invoice management process. By advising the Government to promulgate alternative decrees on invoice management, the Finance sector has made a fundamental innovation in invoice management methods

### **2.2.3.2. Organize the implementation of legal regulations on e-invoice management**

Tax authorities and relevant state agencies have a role in organizing the implementation of the law on e-invoice management. Accordingly, the organization implements the legal provisions on e-invoice management, including: Manage users of e-invoices, coordinate the process of creating e-invoices of entities in the economy, inspect and supervise the observance of regulations on registration and use of e-invoices, create e-invoicing and other regulations on e-invoices; handling violations on e-invoices. As follows:

- + Manage e-invoice users:
- + Coordinating the process of registering the use of e-invoices, making e-invoices of entities in the economy: Manage registration for using e-invoices; Manage receipt and processing of e-invoices; Manage and provide information about e-invoices; Risk management and data mining on e-invoices

### **2.2.3.3. Inspect and supervise the observance of legal provisions on e-invoices**

This is one of the most important contents of e-invoice management. The objective of this content is to ensure that the compliance with legal regulations on invoice management of relevant organizations and individuals is captured. The specific tasks of this content include:

- Monitor and capture information on the use of e-invoices of relevant organizations and individuals.

- Inspect and supervise the compliance with the law on invoice creation: whether the right subjects are met, whether the conditions are met, whether the procedures on e-invoice creation are complied with.

- Check and supervise the compliance with the law on registration and use of e-invoices: whether the conditions are met...

- Check and supervise the compliance with specific principles and regulations on e-invoices, invoice retention, etc.

- Check and compare the prepared contents of e-invoices and e-invoice recipients

#### **2.2.3.4. Handling violations of the law on e-invoices**

Handling violations of the law through the e-invoice management method helps to quickly detect violations, promptly prevent acts to help tax authorities strengthen invoice management as well as tax management, prevent budget revenue loss and increase taxpayers' compliance. Through the method of managing e-invoices, tax authorities can strengthen quality control and supervision to ensure rigor in the management process of the e-invoice system, supplementing and fully exploiting tools, warning applications, data analysis, Trace cases with signs of high risk of invoices.

#### **2.2.4. Factors affecting e-invoice management**

##### **2.2.4.1. Objective factors:**

Objective factors include: demand for e-invoices in the economy; taxpayers' sense of legal compliance; international economic integration; legal document system on invoice management; sanctions on invoices; coordination among relevant agencies in invoice management; the level of awareness of taxpayers, of consumers.

##### **2.2.4.2. Subjective factors:**

Subjective factors include: legal basis for e-invoice implementation; database of e-invoices; technological and technical infrastructure; Human resources

## **2.3. International experience in e-invoice management and lessons for Vietnam**

### **2.3.1. International experience**

E-invoices have been widely applied in the world in most developed countries, e-invoices are an inevitable trend in the digitization process in tax administration. Although it has been widely applied in many countries, each place has different ways and methods of application. Some typical experiences in countries: Portugal; China; Taiwan; South Korea; Latin American countries

### **2.3.2. Lessons learned for Vietnam**

Firstly, it is necessary to develop and perfect the legal framework for e-invoices

Secondly, tax authorities need to have a clear roadmap and detailed instructions in deploying e-invoices for businesses

Third, the technology infrastructure must be complete to be ready to receive invoice information and data sent by enterprises to ensure the connection to receive information about e-invoices of enterprises

Fourth, it is necessary to build a complete database of e-invoices.

Finally, it is necessary to raise social awareness about e-invoices.

## **CHAPTER 2 CONCLUSION**

Chapter 2 presented the basic theoretical framework of research on e-invoicing and e-invoice management. At the same time, it also provides factors affecting e-invoice management, thereby identifying the focus to focus on in e-invoice management. In addition, this chapter also introduces lessons learned by countries around the world that have implemented and managed e-invoices, industries that have implemented electronic management systems to draw lessons and models on effective invoice management.

## **CHAPTER 3: CURRENT SITUATION OF E-INVOICE MANAGEMENT OF TAX AUTHORITIES FOR ENTERPRISES IN VIETNAM**

### **3.1. Context of e-invoice implementation in Vietnam and organizational structure and functions of tax authorities for e-invoice management of enterprises in Vietnam**

Vietnam began implementing e-invoices in 2011; however, at that time, the format of e-invoices was still in its infancy, and there were no mandatory regulations on data transfer connections to tax authorities. Consequently, data on e-invoices did not significantly serve tax administration purposes.

During the pilot period, the legal framework for e-invoices underwent significant changes, including regulations on data format standards, connection requirements, and data transfer to tax authorities. Tax authorities also began issuing codes for invoices to enhance management practices.

E-invoices have since been successfully deployed in Vietnam under the provisions of the Law on Tax Administration No. 38/2019/QH14. Accordingly, as of July 1, 2022, 100% of enterprises must adopt e-invoices.

However, the implementation of e-invoices has also presented numerous challenges for tax authorities. These challenges range from formulating effective management policies on invoices to investing in information technology infrastructure capable of handling tasks such as code issuance, data reception, storage, and utilization. Additionally, tax authorities face the task of preventing various fraudulent activities related to e-invoices, such as micro-fraud and illicit purchase and sale transactions.

### **3.2. Current situation of e-invoice management**

#### **3.2.1. Current status of development and completion of legal documents on e-invoice management**

##### **3.2.1.1. Legal basis for e-invoice management in Vietnam**

First stage

Decree No. 51/2010/ND-CP, dated 14/5/2010, stipulates invoices for the sale of goods and services with the basic content of issuing and using paper invoices. However, provisions on electronic invoices are included in Article 7 of this Decree. Legal regulations on e-invoices became clearer and more specific to help enterprises have orientations in the implementation process in Circular No. 32/2011/TT-BTC, dated March 14, 3 of the Ministry of Finance, which promulgates guidelines on the creation, issuance, and use of e-invoices for the sale of goods and service provision.

During the pilot phase, to pilot the conversion of e-invoice data to serve invoice management and tax administration, the Ministry of Finance issued Decision No. 1209/QD-BTC, dated 23/6/2015, on piloting the use of electronic invoices with authentication codes of tax authorities, accompanied by regulations on this pilot. On 14/12/2016, the Ministry of Finance issued Decision No. 2660/QD-BTC, extending the implementation time of Decision No. 1209/QD-BCT, dated 23/06/2015.

In the expansion phase, on 12/09/2018, the Government issued Decree No. 119/2018/ND-CP, which is an important legal corridor in the implementation of e-invoices. On September 30, 2019, the Ministry of Finance issued Circular No. 68/2019/TT-BTC, guiding the implementation of a number of articles of the Government's Decree No. 119/2018/ND-CP, dated September 12, 2018, regulating electronic invoices when selling goods and providing services. Circular 88/2020/TT-BTC of the Ministry of Finance amends and supplements Article 26 of Circular 68/2019/TT-BTC on e-invoices. The Law on Tax Administration No. 38/2019/QH14 has dedicated Chapter X to e-invoices, which represents a significant transformation in invoice management. In Chapter X, this Law codifies many regulations on e-invoices in Decree No. 119/2018/ND-CP. However, Decree No. 119/2018/ND-CP has not been implemented in practice but has been legislated. In Decree No. 123/2020/ND-CP, the Government stipulates invoices and vouchers, clearly and specifically stipulating the concept and standards of

electronic invoice formats, invoice data transmission, invoice storage and preservation, forms of electronic invoices with authentication codes and without authentication codes of tax authorities, electronic invoices from cash registers with data connection with tax authorities.

### **3.1.1.2. Current status of formulation and completion of legal documents on e-invoices**

Currently, the application of e-invoices has fully complied with the provisions of the Law on Tax Administration No. 38/2019/QH14, Decree No. 123/2020/ND-CP, and Circular No. 78/2021/TT-BTC. However, the nationwide implementation of e-invoices initially raised some legal problems in the implementation process

### **3.2.2. Current status of organization and deployment of e-invoices**

Tax authorities have a roadmap to apply e-invoices, progressing from organization and implementation in the initial stage, through the pilot phase, to nationwide deployment of e-invoices. This includes the current status of organization and implementation of e-invoice management as prescribed in Circular No. 32/2011/TT-BTC, the organizational aspects and implementation of e-invoice management outlined in Decision No. 2660/QD-BTC and Decision No. 1209/QD-BCT, and the current status of organization and implementation of e-invoices as stipulated in the Law on Tax Administration No. 38/2019/QH14, Decree No. 123/2020/ND-CP, and Circular No. 78/2021/TT-BTC. Additionally, various challenges have been encountered during the initial deployment of e-invoices at some tax offices, including issues related to the e-invoice system, challenges with the e-invoice management process, and human resource-related issues in e-invoice management

### **3.2.3. Current status of inspection and supervision of compliance in e-invoice management**

Basically, e-invoices have been deployed nationwide, and tax authorities have data on the usage of e-invoices by all registered businesses. This constitutes

an important database within the tax industry that requires analysis and exploitation in the management process.

#### **3.2.4. Current situation of handling violations in e-invoice management**

The handling of invoice violations and preventing such violations still face numerous challenges. Many instances of invoice violations have been discovered when exploiting the e-invoice database. Coordination with relevant authorities is necessary to strictly handle organizations and individuals using illegal invoices to legitimize costs, thus reducing the amount of tax payable, and addressing the legalization of purchased goods floating on the market. Additionally, the absence of an interconnected system between departments for transmitting information hampers efforts to prevent tax evasion manually and in a timely manner

#### **3.2.5. Coordination among state agencies in e-invoice management**

Tax authorities coordinate with relevant agencies such as the business registration agency (Department of Planning and Investment, Department of Justice), Public Security agency, Market management, Customs office, etc., in the management of e-invoices.

### **3.3. General assessment of the implementation of e-invoice management by tax authorities for enterprises in Vietnam**

#### **3.3.1. Achievements**

E-invoices have been successfully deployed nationwide since July 1, 2022, marking one of the highlights of the tax industry in 2022. E-invoices serve as a catalyst for reforming tax administration, aiding businesses in enhancing and developing the business environment, thus fostering a healthy and transparent financial system in the country.

#### **3.3.2. Limitations and causes of limitations**

The integration of information between different units in the state sector has not been completed; Issues of information security, e-invoice data; Competence level of officers; The infrastructure of e-invoices is not guaranteed...

## **CHAPTER 3 CONCLUSION**

The content of Chapter 3 presents the current situation of invoice management in Vietnam. This chapter addresses the current situation of invoice management, highlighting the shortcomings encountered in the process of deploying and managing e-invoices. Additionally, the chapter analyzes some of the causes leading to the current shortcomings in invoice management. These are important foundations for making recommendations in Chapter 4 on perfecting e-invoice management solutions in Vietnam.

## **CHAPTER 4: COMPLETE MANAGING ELECTRONIC INVOICES OF TAX AUTHORITIES FOR BUSINESSES IN VIETNAM**

### **4.1. Forecast and orientation of e-invoice management of tax authorities for enterprises in Vietnam, vision 2030**

#### **4.1.1. Forecast**

Firstly, The impact of the Covid-19 pandemic will slow down Vietnam's economic growth. Secondly, the digital economy is thriving. Thirdly, the strong development of science and technology brings effective support to the management of e-invoices in Vietnam.

#### **4.1.2. Orientation to complete e-invoice management of tax authorities for enterprises in Vietnam**

First, complete the management of e-invoices on the basis of building a system of legal documents, organizing implementation, inspection, supervision, and handling of violations in accordance with international practices.

Second, build an e-invoice management process in the direction of thorough scientific and technical application, applying risk management to e-invoice management.

Third, synchronously reform administrative procedures in the management of e-invoices along with the process of reforming the tax system and national administration.

Fourth, consider people as one of the important factors in the process of perfecting e-invoice management because people are the decisive factor for the success or failure of all management activities.

Fifth, e-invoice management is based on compliance management.

## **4.2. Solutions to strengthen e-invoice management of tax authorities for businesses in Vietnam**

### **4.2.1. Complete legal documents on e-invoice management**

Firstly, regularly organize survey and exploration activities to capture the needs and difficulties in the process of deploying e-invoices.

Secondly, advise on finalizing legal regulations in a clear and specific manner.

Thirdly, to solve the problems of invoice fraud.

### **4.2.2. Group of solutions on organizing the implementation of e-invoice management**

First, ensure effective propaganda and support for taxpayers.

Second, allocate adequate resources for implementing solutions.

### **4.2.3. Group of solutions for inspection and supervision in e-invoice management**

First, establish criteria for the risk classification of e-invoice users.

Second, implement data management measures to ensure data control.

Third, deploy technology infrastructure solutions.

Fourth, enhance the database of e-invoices and develop an intelligent database analysis system.

Fifth, improve businesses' level of tax compliance.

Sixth, strengthen risk management practices.

### **4.2.4. Group of solutions in handling e-invoice violations**

In handling violations related to e-invoices, tax authorities must ensure fairness, transparency, and compliance with regulations. It is crucial to enhance the use of technology in detecting violations promptly and improving objectivity in

their handling. Additionally, educating taxpayers extensively about the types and severity of penalties for invoice violations is essential. Evaluating the effectiveness of penalties for e-invoice violations serves as a basis for determining subsequent management steps accordingly.

### **4.3. Suggestions and recommendations**

#### **4.3.1. Completing the legal framework for e-invoice management is crucial**

It is necessary to establish a system of legal documents that strictly specify e-invoice management. Additionally, clear and specific regulations are essential as they provide the legal basis for applying risk management in invoice management.

#### **4.3.2. Close coordination among management agencies is vital**

Integration must be managed between different units in the state sector, including data on business registration, trade promotion, and trade and sale between enterprises. This coordination assists tax authorities in the reconciliation stage, enabling them to identify errors in managing revenue sources. Therefore, close coordination between relevant agencies such as Public Security, Ministry of Industry and Trade, Ministry of Information and Communications, State Bank, and Ministry of Planning and Investment is necessary.

#### **4.3.3. Development of electronic payment**

Firstly, the Government, the Ministry of Finance, and the State Bank need to complete the legal framework for e-payment. Secondly, strengthening linkages among credit institutions, including commercial banks, payment intermediaries, and companies providing electronic payment services, is essential. Thirdly, ensuring safety and security in e-payment processes is crucial.

#### **4.3.4. Balancing financial resources for implementation is necessary.**

To implement solutions for completing the management of e-invoices by tax authorities in Vietnam, adequate human and financial resources must be ensured. This includes investment in infrastructure systems, upgrading the e-invoice system,

and regularly upgrading transmission lines. These investments contribute to accelerating the modernization of the tax industry.

#### **CHAPTER 4 CONCLUSION**

The content of Chapter 4 presents the forecast of trends in the world as well as in the country on e-invoices, with the goal of implementing e-invoice management. This offers important solutions to improve invoice management activities and limit fraud in the current management and use of invoices in Vietnam. From there, these solutions can be applied in practice, enhancing management efficiency.

#### **CONCLUSION**

E-invoices represent a significant step forward in the process of tax administration reform. They not only help the state create an open, transparent, and effective business environment but also serve as a crucial tool in improving the efficiency of invoice management, particularly in tax administration. The main results achieved by the thesis are as follows:

Firstly, the thesis has synthesized, analyzed, and presented the main content of a number of domestic and foreign research works related to the topic of e-invoice management. It makes comments and briefly evaluates the research results of these works, thereby pointing out research gaps related to the thesis topic.

Secondly, the thesis presents the basic theoretical framework of the study of e-invoicing and e-invoice management. It also provides factors affecting e-invoice management, thereby identifying the focus to concentrate on in e-invoice management. Additionally, this chapter introduces lessons learned by countries around the world that have deployed and managed e-invoices to draw lessons and models on effective e-invoice management.

Thirdly, the thesis presents the current situation of invoice management in Vietnam. It addresses the current situation of invoice management, highlighting the shortcomings encountered in the process of implementing and managing e-

invoices. It also analyzes some of the causes leading to the current shortcomings in invoice management.

Fourthly, the thesis presents the context and trends in the world as well as in the country on e-invoices, along with orientations for the implementation of e-invoice management. This offers important solutions to improve invoice management activities and limit frauds in the current management and use of invoices in Vietnam. From there, these solutions can be applied in practice, improving management efficiency. In the process of research, the thesis cannot avoid limitations and defects. PhD students look forward to receiving comments from teachers, scientists, and managers so that this topic continues to be developed and improved. Thank you!

**LIST OF PUBLISHED AUTHOR'S WORKS RELATED TO THE TOPIC**

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3. Truong Thi Thu Ha (2021), *“Measures to prevent illegal use of invoices and use of illegal invoices”*, Proceedings the fourth international conference on sustainable economic development and business management in the context of globalisation (SEDBM-4), page 609-618
4. Truong Thi Thu Ha (2023), *“The application of Servqual model to assess the relationship between the quality of tax authorities e-invoice management and business satisfaction with the e-invoice management of tax authorities”*, *Journal of Finance & Accounting research*, No. 03 (22) – 2023, page 97-103