

DECISION

Penalties for administrative violations related to taxes and invoices

HEAD OF HANOI CITY TAX DEPARTMENT

Based on the Law on Handling Administrative Violations dated June 20, 2012 (amended and supplemented in 2020);

Based on the Law on Tax Administration No. 38/2019/QH14 dated June 13, 2019, of the National Assembly and its implementing guidelines;

Based on Government Decree No. 125/2020/ND-CP dated October 19, 2021, regulating administrative penalties for violations related to taxes and invoices;

Based on Government Decree No. 68/2025/ND-CP dated March 18, 2025, amending and supplementing a number of articles of Government Decree No. 118/2021/ND-CP dated December 23, 2021, detailing a number of articles and measures for the implementation of the Law on Handling Administrative Violations;

Based on Government Decree 310/2025/ND-CP dated December 2, 2025, amending and supplementing a number of articles of Government Decree 125/2020/ND-CP dated October 19, 2021, regulating administrative sanctions for violations related to taxes and invoices;

Based on Decision No. 3736/QD-CT dated December 31, 2025, of the Director of the Tax Department, promulgating regulations on the functions, tasks, and powers of the Office and departments under the Provincial/City Tax Department;

Based on Decision No. 41891/QD-HAN dated December 31, 2025, of the Hanoi City Tax Department regarding the delegation of authority to impose administrative penalties for tax and invoice violations;

Based on the Tax Inspection Report signed on July 8, 2026, between Hanoi Textile and Garment Corporation and the Inspection Team pursuant to Decision No. 5528/QD-HAN-KTR3 dated April 20, 2026, of the Head of Hanoi City Tax Department regarding tax inspection at the taxpayer's premises;

Considering the proposal of the Head of Inspection Department No. 3 - Hanoi City Tax Department.

DECISION:

Article 1. Administrative penalties shall be imposed on the following organization:

1. Name of the violating organization: Hanoi Textile and Garment Joint Stock Corporation;

Tax identification number: 0100100826;

Address: No. 25, Lane 13, Linh Nam Street, Hoang Mai Ward, Hanoi City

Business registration certificate No. 0100100826 issued by the Hanoi Department of Planning and Investment on January 22, 2008; amended for the 12th time on November 24, 2025.

Legal representative: Mr. Nguyen Tri Son

Gender: Male

Title: General Director

2. Administrative violations have been committed:

Administrative violations:

2.1. The company made false declarations but these did not result in a shortfall in tax payable as stipulated in Clause 3, Article 12 of Government Decree 125/2020/ND-CP dated October 19, 2020; specifically:

- Declare input VAT deductions for invoices for goods and services purchased that do not meet the tax deduction conditions in tax returns from June to December 2025, as stipulated in Article 9, Chapter 3 of Government Decree No. 209/2013/ND-CP dated December 18, 2013;
- Under-declaring taxable sales revenue for VAT purposes in December 2025 as stipulated in Article 5, Chapter 2 of Government Decree No. 209/2013/ND-CP dated December 18, 2013;
- Under-accounting for taxable corporate income as stipulated in Article 8 of Government Decree No. 218/2013/ND-CP dated December 26, 2013;
- Accounting for certain production and business expenses and other expenses that are unreasonable or invalid, violating the provisions of Clauses 1 and 2, Article 9 of Government Decree No. 218/2013/ND-CP dated December 26, 2013;

2.2. The company committed tax evasion by providing false information, resulting in an underpayment of taxes, specifically:

- Declare input VAT deductions for invoices for goods and services purchased that do not meet the conditions for VAT deduction in the VAT return for 2024 and the first six months of 2025 as stipulated in Article 9, Chapter 3 of Government Decree No. 209/2013/ND-CP dated December 18, 2013;

- Under-declaring taxable sales revenue for VAT purposes in November 2024 and December 2024, as stipulated in Article 5, Chapter 2 of Government Decree No. 209/2013/ND-CP dated December 18, 2013;

3. Administrative violations as stipulated in:

Clause 4d of Article 7; Clause 3 of Article 12; Clauses 1 and 2 of Article 16 of Government Decree 125/2020/ND-CP dated October 19, 2020.

Clause 14 of Article 1, and Clause 2 of Article 3 of Government Decree 310/2025/ND-CP dated December 2, 2025.

4. Aggravating circumstances: Repeated administrative violations for incorrectly declaring indicators on tax returns, as stipulated in Clause 1.b, Article 10 of the Law on Handling Administrative Violations No. 15/2012/QH13 dated June 20, 2013.

5. Mitigating circumstances: None.

6. The following penalties and remedial measures will be applied:

a) Main forms of punishment (sub-item 4254)

a.1. Administrative penalty for tax violations; amount: 85,112,416 VND

- A fine equal to 20% of the incorrectly declared tax amount, as stipulated in Clause 1, Article 16 of Government Decree No. 125/2020/ND-CP dated October 19, 2020, will be imposed for the act of incorrectly declaring tax resulting in a shortfall in tax payable, amounting to VND 21,412,416.

- A monetary penalty is imposed because the Company incorrectly declared indicators in its tax return related to determining tax obligations as stipulated in Clause 3, Article 12 of Government Decree No. 125/2020/ND-CP dated October 19, 2020, with aggravating circumstances due to repeated violations as stipulated in Clause 4d, Article 7 of Government Decree No. 125/2020/ND-CP dated October 19, 2020 (VAT declarations from June to December 2025, Corporate Income Tax declarations for 2024 and 2025); Penalty amount: VND 63,700,000 ($= 6,500,000 * 9 + (6,500,000 * 8 * 10\%)$).

a.2. Administrative penalty for invoice violations; amount: 6,000,000 VND

- A monetary penalty will be imposed for the act of not issuing VAT invoices (less than 10 invoices) as stipulated in Clause 14, Article 1 and Clause 2, Article 3 of Government Decree 310/2025/ND-CP dated December 2, 2025, amending and supplementing some articles of Government Decree 125/2020/ND-CP dated October 19, 2020; the penalty amount is VND 6,000,000.

b) Additional penalties: None

c) Remedial measures:

c.1. The company is required to pay the full amount of outstanding VAT into the State budget as stipulated in Clause 2, Article 16 of Government Decree 125/2020/ND-CP dated October 19, 2020; the amount is VND 107,062,079 (VND 97,353,305 in 2024; VND 9,708,774 in 2025).

c.2. Late payment penalty for Value Added Tax (VAT) as stipulated in Clause 2, Article 16 of Government Decree No. 125/2020/ND-CP dated October 19, 2020; and Point a, Clause 2, Article 59 of the National Assembly's Law on Tax Administration No. 38/2019/QH14 dated June 13, 2019, due to late payment of tax beyond the prescribed deadline; Amount: VND 18,291,684 (Sub-item 4931)

The aforementioned late payment penalty for taxes is calculated up to July 6, 2026. The Hanoi Textile and Garment Joint Stock Corporation is required to calculate and pay the late payment penalty from July 7, 2026, until the day immediately preceding the date of full payment of the additional tax amount to the State budget.

The total amount of back taxes, fines, and late payment penalties is: 216,466,180 VND (Two hundred sixteen million, four hundred sixty-six thousand, one hundred eighty Vietnamese Dong)

c.3) Other remedial measures:

Mandatory adjustment to reduce losses: VND 34,763,284,890; input value-added tax deductible and carried forward to the next period: VND 10,633,867 as stipulated in Clause 4b, Article 12 of Government Decree No. 125/2020/ND-CP dated October 19, 2020;

Article 2. This Decision shall take effect from the date of signing.

Article 3. This decision is:

1. Mr. Nguyen Tri Son is hereby appointed as the legal representative of the violating organization named in Article 1 of this Decision to comply with this decision.

Within 10 days, Hanoi Textile and Garment Joint Stock Corporation must strictly comply with this penalty decision.

The amount of back taxes, fines, and late payment penalties stipulated in Article 1 must be deposited into account number 7111 at Transaction Office No. 8 - State Treasury Region 1 (Collection authority: Hanoi City Tax Department).

If the Hanoi Textile and Garment Joint Stock Corporation does not voluntarily comply with the penalty decision within the specified timeframe, enforcement measures will be taken in accordance with the law.

Hanoi Textile and Garment Joint Stock Corporation has the right to appeal or initiate administrative litigation against this Decision in accordance with the law.

2. Send to Transaction Office No. 8 - State Treasury Region 1 for collection of funds.
3. Send to Management Department, Business Support Department No. 1; Inspection Department No. 3 for implementation.

Recipient:

- As per Article 3;
- Archived: Office; KTr3(03).

**O/B. HEAD OF THE CITY TAX
DEPARTMENT
DEPUTY HEAD OF THE CITY TAX
DEPARTMENT**

(signed)

Nguyen Tien Minh