

Hanoi, October 15, 2026

DECISION
On Administrative Penalties for Tax and Invoice Violations

THE HEAD OF THE HANOI CITY TAX DEPARTMENT

Pursuant to the Law on Handling of Administrative Violations dated 20 June 2012;

Pursuant to the Law on Tax Administration, the law amending and supplementing a number of articles of the Law on Tax Administration, and their implementing documents;

Pursuant to the tax laws and documents amending, supplementing and guiding their implementation;

Pursuant to Government Decree No. 125/2020/ND-CP dated 20 October 2020 prescribing administrative penalties for tax and invoice violations;

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

Pursuant to Government Decree No. 310/2025/ND-CP dated 2 December 2025 amending and supplementing a number of articles of Decree No. 125/2020/ND-CP dated 20 October 2020 prescribing administrative penalties for tax and invoice violations;

Pursuant to Decision No. 3736/QĐ-CT dated 31 December 2025 of the Director General of the Tax Department prescribing the functions, duties, powers and organizational structure of provincial and municipal Tax Departments under the Tax Department;

Pursuant to Decision No. 13204/QĐ-HAN dated 6 August 2026 of the Head of the Hanoi City Tax Department authorizing the imposition of administrative penalties for tax and invoice violations;

Pursuant to the tax inspection minutes signed on 12 October 2026 by Dong Anh Licogi Mechanical Joint Stock Company and the tax inspection team under Decision No. 11420/QĐ-HAN-KTr3 dated 10 July 2026 of the Head of the Hanoi City Tax Department regarding a tax inspection at Dong Anh Licogi Mechanical Joint Stock Company;

At the proposal of the Head of Inspection Division No. 3, Hanoi City Tax Department;

DECIDES:

Article 1. To impose administrative penalties on the following organization:

1. Dong Anh Licogi Mechanical Joint Stock Company.

Address: Km 12+800, National Highway 3, Group 6, Dong Anh Commune, Hanoi City.

Tax identification number: 0100106391.

The Company operates under the Enterprise Registration Certificate for a joint stock company, enterprise code 0100106391, first registered on 30 June 2006 by the Hanoi Department of Planning and Investment, with the 10th amendment registered on 12 May 2026 by the Business Registration and Corporate Finance Division of the Hanoi Department of Finance.

Legal representative: Mr. La Quy Duan. Gender: Male. Position: General Director.

2. Administrative violations committed:

- Value Added Tax (VAT): Improper VAT credit claimed in violation of Clause 10, Article 1 of Circular No. 26/2015/TT-BTC dated 27 February 2015 of the Ministry of Finance; Article 13 and Clause 3, Article 14 of the VAT Law No. 48/2024/QH15 dated 26 November 2024 of the National Assembly (invoices issued by sellers that were operating, not operating at their registered addresses, or temporarily suspending business for a definite period and flagged as risky by the tax authority). Incorrect declarations were made for January, February, March, April, May, August, September, October, November and December 2024; and February, March, May, June, July and September 2025.

- Corporate Income Tax (CIT):

+ Deductible expenses were determined contrary to Article 4 of Circular No. 96/2015/TT-BTC dated 22 June 2015 of the Ministry of Finance (invoices issued by sellers that were operating, not operating at their registered addresses, or temporarily suspending business for a definite period and flagged as risky by the tax authority; expenses without invoices or supporting documents).

+ Other income was under-declared, contrary to Clause 3, Article 3 of Government Decree No. 320/2025/ND-CP dated 15 December 2025 (payables to sellers, advance payments from buyers for which the payer could not be identified, and short-term and long-term warranty provisions remaining unused after the warranty period expired).

- Outgoing invoices for goods and services: The taxpayer issued invoices at an incorrect time for exported goods, contrary to Point c, Clause 3, Article 13 of Government Decree No. 123/2020/ND-CP dated 19 October 2020.

3. Aggravating circumstances: Repeated violations.

4. Mitigating circumstances: None.

5. Penalties and remedial measures imposed:

a) Principal penalties:

- A fine at 1.5 times the additional tax identified through inspection (CIT tax period 2025 and VAT for September 2025), pursuant to Clause 2, Article 138 of the Law on Tax Administration No. 38/2019/QH14 dated 13 June 2019 and Clause 2, Article 17 of Government Decree No. 125/2020/ND-CP dated 19 October 2020, for using unlawful invoices resulting in an underpayment of tax: VND 21,669,900 – State Budget Item 4254.

- A fine for incorrect tax declaration at 20% of the additional tax identified through inspection, pursuant to Point c, Clause 2, Article 138 of the Law on Tax Administration No. 38/2019/QH14 dated 13 June 2019 and Clause 1, Article 16 of Government Decree No. 125/2020/ND-CP dated 19 October 2020, for incorrect declarations resulting in an underpayment of tax: VND 65,866,798 – State Budget Item 4254.

- A fine for issuing invoices at an incorrect time without delaying the fulfillment of tax obligations (2 invoices), pursuant to Clause 3, Article 24 and Point d, Clause 4, Article 7 of Government Decree No. 125/2020/ND-CP dated 19 October 2020: VND 8,400,000 – State Budget Item 4254.

b) Additional penalties: None.

c) Remedial measures:

- Pay in full the additional tax assessed through inspection:

+ VAT: VND 36,591,280 – State Budget Item 1701.

+ CIT: VND 307,189,312 (2024: VND 39,387,297; 2025: VND 267,802,015) – State Budget Item 1052.

- Late-payment interest: VND 26,257,005, pursuant to Point a, Clause 2, Article 59 of Law No. 38/2019/QH14 dated 13 June 2019 on Tax Administration; Clause 3, Article 10 of Decree No. 129/2013/ND-CP dated 16 October 2013; and Clause 2, Article 16 of Government Decree No. 125/2020/ND-CP dated 19 October 2020, for late payment of tax, comprising:

+ VAT late-payment interest: VND 5,467,794 – State Budget Item 4931.

+ CIT late-payment interest: VND 20,789,211 – State Budget Item 4918.

The total amount of additional tax, penalties and late-payment interest is VND 465,974,295 (in words: Four hundred sixty-five million nine hundred seventy-four thousand two hundred ninety-five Vietnamese dong).

Article 2. This Decision takes effect from the date of signing.

Article 3. This Decision shall be:

1. Delivered to Mr. La Quy Duan, as the representative of the violating organization named in Article 1, for compliance.

The organization named in Article 1 must strictly comply with this penalty decision. If Dong Anh Licogi Mechanical Joint Stock Company fails to voluntarily comply within the prescribed time limit, enforcement shall be carried out in accordance with law. For each day of late payment of the fine, the violating organization must pay an additional amount equal to 0.05% of the total unpaid fine.

Dong Anh Licogi Mechanical Joint Stock Company shall pay the fine and amounts required for remedial measures into Account No. 7111 of Transaction Office No. 11 – Regional State Treasury I (tax administration authority: Hanoi City Tax Department (Dong Anh Commune)) within 10 days from receipt of this penalty decision.

Dong Anh Licogi Mechanical Joint Stock Company has the right to lodge a complaint or initiate administrative court proceedings against this Decision in accordance with law.

2. Sent to Transaction Office No. 11 – Regional State Treasury I for collection of the fine.

3. Sent to Inspection Division No. 3 and Division No. 5 for Business Management and Support for implementation of this Decision.

Recipients:

- As stated in Article 3;
- Filed: Case file; Office; Inspection Division No. 3

**For the Head of the Hanoi City Tax Department
Deputy Head**

Nguyen Tien Minh