

# Vietnam Ushers in a New Era of Innovation with Incentives for Digital Tech, Data Centers, Semiconductors, and Tokenized Assets

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In June 2025, Vietnam reached a major milestone in its digital transformation with the enactment of its first-ever law on digital assets, including tokenized assets, together with a suite of other related legal reforms to drive digital innovation and attract high-tech investment. These include the Law on Digital Technology Industry, the Amendment Law amending eight existing investment-related laws, and a new Law on Corporate Income Tax (collectively, the “**New Laws**”).

The adoption of the New Laws is a key step in realizing Vietnam’s national digital strategy, as set forth in Resolution 57-NQ/TW of the Politburo and Resolution 71/NQ-CP of the Government. These Resolutions set ambitious targets for 2030, including:

- ranking among the top three in Southeast Asia for digital competitiveness and AI research and development (“**R&D**”),
- expanding 5G coverage to 99% of the population, and
- ensuring the digital economy accounts for at least 30% of national GDP.

This article highlights key developments under the New Laws, with a focus on the establishment of digital technology parks, new investment incentives for digital technology and semiconductor projects (including supporting industries), and the legal framework for recognition of digital assets for the first time in Vietnam.

## KEY TAKEAWAYS

- **A new chapter for innovation zones:** “Digital Technology Park” (“DTP”) takes the idea of the traditional “information technology (“IT”) park” to the next level, offering more dynamic and supportive environments where innovation, digital technologies, and related industries can thrive.
- **Compelling tax incentives and streamlined customs clearance for tech investments:**
  - a. Projects in cutting-edge sectors such as semiconductors, AI data centers, and key digital technology products may enjoy generous tax incentives, including corporate income tax (“CIT”) rates as low as 5% for qualifying large-scale projects. These sectors, regardless of scale, may also benefit from priority customs procedures, offering faster processing and simplified customs documentation.
  - b. Projects in DTPs and other digital technology projects not eligible for the above CIT incentives in terms of sector or scale may enjoy a CIT rate of 10% or 17%.
- **Accelerated project implementation:** A wide range of *strategic technology sectors* and *strategic technology products* - including digital infrastructure development, AI assistants, AI analytics tools, industry-specific AI applications, cloud computing, large-scale data centers, and digital assets - has been added to the scope of projects eligible for the “*special investment procedures*.” These procedures allow investors to begin construction 9 - 12 months earlier by bypassing numerous standard licensing and approval requirements.
- **AI and digital assets taking center stage:** For the first time, AI and digital assets (including tokenized assets) are formally recognized. The New Laws establish a foundation for forward-looking sub-law regulations, paving the way for the development of regulated markets for digital assets and AI-driven services.

## 1. Digital Technology Parks (DTPs)

### Overview of DTPs

While the concept is not entirely new, the New Laws significantly expand on the previous framework of “IT parks” by introducing the broader category of digital technology parks - DTPs. DTPs encompass a wider range of activities, such as the production of new digital technology products and services, and the provision of infrastructure and non-digital-technology services to businesses operating within the DTP.

A DTP is defined as a functional area dedicated to R&D, support, training, and innovation promotion, incubation of digital technologies and digital enterprises, production and trading of digital technology products and services, and provision of infrastructure and services to organizations, enterprises, and individuals operating in the DPT.

Under the repealed regulations, “IT parks” had a narrower scope, focused mainly on R&D, training, and production of IT products and services.

Existing IT parks will automatically be recognized as DTPs under the New Laws.

## Recognition of DTP's “digital infrastructure”

The Law on Digital Technology Industry formally acknowledges “digital infrastructure” as a component of DTPs’ infrastructure facilities. This encompasses the telecommunications network, the Internet, information systems, data centers, as well as surveillance and information security systems.

## Potential for conversion of existing functional zone to DTP

The relevant provincial People’s Committee may also approve the conversion of an existing digital technology-oriented functional zone into a DTP, provided it meets statutory criteria to be stipulated by the Government.

## Investment Models for DTPs

The New Laws explicitly allow for three types of DTP investment models: State-invested, privately invested, and public-private partnership (PPP).

## 2. Key Tax Incentives

The New Laws introduce robust tax incentives for projects in the digital and semiconductor sectors.

### Preferential Treatment

Exemption of import duties on goods imported to form fixed assets and a preferential CIT rate of 17% for 10 years, with up to 2 years of CIT exemption followed by up to 4 years of 50% CIT reduction, would apply to the production of digital technology products *other than* key digital technology products.

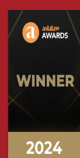
### Especially Preferential Treatment

Exemption of import duties on goods imported to form fixed assets and a preferential 10% CIT rate for 15 years, with up to 4 years of CIT exemption, followed by up to 9 years of 50% CIT reduction would apply to each of the following new investments:

- Investments within DTPs;
- Production of key digital technology products and services (those identified as “key” to be stipulated by sub-law regulations);
- R&D, design, production, packaging, and testing of semiconductor chip products;
- Establishment of AI data centers;
- Software development; and
- Production of supporting industrial products for the electronics and IT sector, including semiconductor design and manufacturing (per a priority list to be issued by the Government).

### Special Investment Incentive Mechanism

Subject to the Prime Minister’s approval, the preferential CIT rate may be reduced to 5% for up to 22.5 years, and may be extended for an additional period of up to 15 years, with up to 6 years of CIT exemption followed by up to 13.5 years of 50% CIT reduction for the following projects, provided that they register a total investment capital of at least VND 6,000 billion, to be fully disbursed within five years from the date of issuance of the Investment registration certificate or in-principle investment approval:



- Production of key digital technology products;
- R&D, design, production, packaging, and testing of semiconductor chip products; and
- Establishment of AI data centers.

For reference, where a preferential CIT rate is not applicable, the current standard CIT rate in Vietnam is 20% of the taxable profits.

### 3. Eligibility for the Special Investment Procedures

The New Laws expand the scope of investment projects eligible for the “*special investment procedures*” introduced under the amended Investment Law, which came into effect earlier this year, to add:

- a. Development of infrastructure for large-scale data centers, cloud computing, and 5G or more advanced mobile networks;
- b. Other forms of digital infrastructure in *strategic technology* sectors, as designated by the Prime Minister; and
- c. Investment projects in *strategic technology sectors* and the production of *strategic technology products*, also as determined by the Prime Minister.

The lists of *strategic technology sectors* and *strategic technology products* have been provided in Decision No. 1131/QĐ-TTg of the Prime Minister, which was also issued in June 2025. The lists include, among others: AI assistants, AI analytical tools, industry-specific AI applications, cloud computing, large-scale data centers, digital assets, and blockchain infrastructure.

The term “*special investment procedures*” refers to a fast-track licensing regime that allows eligible projects located within industrial parks, export processing zones, high-tech parks, DTPs, or free economic zones, to bypass several standard approvals under Vietnamese law. This streamlined process enables investors to commence construction approximately 9 to 12 months earlier than under the conventional process.

Specifically, eligible projects are exempt from the following approvals and permits: investment in-principle approval; technology appraisal; appraisal of environmental impact assessment reports; detailed master planning approval; construction-related permits; and fire safety permits.

### 4. Priority Customs Procedures

Projects in the following sectors may benefit from priority customs procedures pursuant to the customs regulations:

- Production of key digital technology products;
- R&D, design, production, packaging, and testing of semiconductor chip products;
- Establishment of AI data centers; and
- Production of inputs directly supplied to projects involving the production, packaging, and testing of semiconductor chip products.



Under the customs regulations, such priority rights may include exemptions from document checks and physical inspections, customs clearance based on provisional declarations (subject to subsequent submission of complete documentation), and priority processing in tax-related procedures.

## 5. Artificial Intelligence (AI)

For the first time, AI is legally recognized and regulated under a specialized law. The followings are noteworthy provisions:

- a. High-risk or broad-impact AI systems: The Government is assigned to issue regulations for systems classified as high-risk or broad-impact, by sector.
- b. Transparency obligation: AI systems interacting directly with humans must disclose that the user is engaging with AI, unless it is already obvious.
- c. AI-generated products: Products listed under the forthcoming “List of Digital Technology Products Created by AI” must carry a visible identifier. This list will be issued by the Ministry of Science and Technology.

## 6. Digital Assets

The Law on Digital Technology Industry is Vietnam’s first legislative instrument to formally recognize and regulate digital assets. These are defined as assets in digital form created, issued, stored, transferred, and authenticated via digital technology.

This Law defines the following three categories of digital assets:

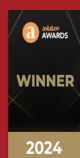
- a. Virtual assets: digital assets used for purpose of exchange or investment, excluding securities, digital forms of fiat money, and financial assets.
- b. Tokenized assets: digital asset that utilize encryption technology or equivalent digital technologies for authentication during their creation, issuance, storage, and transfer, excluding securities, digital forms of fiat money, and financial assets.
- c. Other digital assets.

The Government will issue regulations to govern the following matters concerning digital assets:

- Creation, issuance, ownership, and transfer of digital assets;
- Legal rights and obligations of involved parties;
- Cybersecurity and anti-money laundering measures;
- Regulatory inspections and enforcement; and
- Licensing conditions for service providers related to tokenized assets.

At this stage, relevant state authorities are working on the development of a proposed regulation on the pilot “tokenized assets” market.

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With the New Laws soon taking effect, Vietnam is signaling its strategic intent to become a competitive, innovation-driven economy. By laying the legal foundation for the regulation of AI, digital assets, and advanced technology investments, the New Laws demonstrate the Government's commitment to fostering a forward-looking and investor-friendly environment. It also sends a message to both domestic and international stakeholders that Vietnam is ready to engage in and shape the digital future.

*\*Note: The official version of the New Laws has not been released. This article is based on the final draft of the New Laws submitted to the National Assembly for passage.*

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