



## Customs Alert

# Extension Period for Customs Duty Surcharge Reduction in Case of Self-disclosure

### Introduction

The Ministry of Finance recently introduced Ministerial Regulation re: Criteria on Duty Surcharge Reduction no. 3 B.E. 2564, which extends the eligibility to obtain a duty surcharge reduction for importers who self-disclose underpaid duties on past import shipments. Business operators who perform a self-disclosure of duty shortfalls (without fraud intention) to Customs and pay the additional duties within 31 March 2022 will be eligible to enjoy the reduced monthly duty surcharge at the rate of 0.25%

### What to know

On 8 December 2021, the Ministerial Regulation re: Criteria on Duty Surcharge Reduction no. 3 B.E. 2564 has been published in the Royal Gazette. The regulation extends the period of the duty surcharge reduction scheme, which expired at the end of September 2021, in accordance with the previous version of the Ministerial Regulation (i.e., Ministerial Regulation no.2).

The regulation encourages importers who unintentionally underpaid import duties and had no intention to avoid duty payments to self-disclose their error(s) to Customs and voluntarily pay the duty shortfall. In return, the normally applicable duty surcharges (maximum 1%) will be temporarily reduced and capped at 0.25% per month, if the underpaid duty is self-disclosed and paid to Customs within 31 March 2022.

Since COVID-19 is still negatively affecting the Thai economy, the new regulation was released to help business operators. At the same time, the measure aims to create incentives for importers to voluntarily pay duties at a time when it remains difficult for Customs to perform audits.

The duty surcharge percentage is calculated monthly on the amount of duty shortfall starting from the date of import until the date of payment (but always capped at the total amount of duty shortfall).

### What can you do?

Importers who have underpaid duties on past imports have the opportunity to use the duty surcharge reduction scheme in combination with the One-Stop Service for Additional Duty Payments (OSS) to self-disclose this to Customs and pay the additional

duties, whilst mitigating the costs of duty surcharges and customs fines/VAT penalties that would normally apply in case the underpayments are detected during audits.

For that reason, importers are encouraged to:

- 1) Conduct an internal review of their company's import activities to determine whether the company has complied with customs rules and regulations or not and identify potential duty/VAT exposure.
- 2) Consider to self-disclose any non-compliance to Customs and pay outstanding duties within the specified time frame (31 March 2022) in order to be eligible for the temporary duty surcharge reduction (0.25% of duty payable per month) and potential waiver of the duty fine.

## Contacts

Nu To Van, Partner Customs & Global Trade,  
[ntovan@deloitte.com](mailto:ntovan@deloitte.com)

Sujitra Sukpanich, Director Customs & Global Trade,  
[ssukpanich@deloitte.com](mailto:ssukpanich@deloitte.com)

Tom Cachet, Senior Manager Customs & Global Trade,  
[tocachet@deloitte.com](mailto:tocachet@deloitte.com)



### Dbriefs

A series of live, on-demand and interactive webcasts focusing on topical tax issues for business executives.



### Power of With

Focus on the power humans have with machines.



### Tax@hand

Latest global and regional tax news, information, and resources.

[Get in touch](#)



**Deloitte Thailand** | [Add as safe sender](#)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect

of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

**About Deloitte Thailand**

In Thailand, services are provided by Deloitte Touche Tohmatsu Jaiyos Co., Ltd. and its subsidiaries and affiliates.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organisation”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2022 Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.