



Tax & Legal Services Newsletter

[Tax Measures to Boost Year-End Economy](#)

Ministerial Regulation No. 333, which was issued on 10 November 2017, grants a personal income tax deduction to individuals for the value of goods or services supplied to them by VAT registrants between 11 November 2017 and 3 December 2017, up to a maximum of THB 15,000. The deduction is aimed at boosting the year-end economy and is subject to the following conditions:

- The goods or services must be purchased during the above period. The individual must retain a full tax invoice as evidence that he/she has actually paid for the goods/services; and
- Purchases of goods or services eligible for the deduction must be intended only for domestic consumption; be subject to the 7% VAT (except for liquor, beer, wine, tobacco, automobiles, motorcycles, watercraft, gasoline, natural gas to fill vehicles, service fees paid to tour operators under the laws governing the business of tour operators and tour guides and accommodation fees paid to hotel operators under the laws governing the hotel business); and the purchase must be in compliance with the rules, procedures and conditions set forth by the Director-General of the Revenue Department.

Enforcement of FATCA Regulation

Following the conclusion of the exchange of information agreement between Thailand and the US on 4 March 2016 to implement the US Foreign Account Tax Compliance Act (FATCA), an Act has been issued to enable FATCA enforcement effective as from 19 October 2017 with an aim to improve the international tax compliance between the two governments. The Act provides that certain entities (e.g. financial institutions, securities companies, insurance businesses, etc.) will be required to report financial information in accordance with conditions set forth under a subsequent ministerial regulation to the Thai competent authority. The information then would be shared with the competent authority of the US government.

Tax Measures for Targeted Industries

The Thai Cabinet has approved a draft royal decree that provides for a corporate income tax exemption for the subsidy received from the Fund for National Competitive Enhancement for Targeted Industries. The exemption would apply retroactively to income derived as from 14 February 2017.

One-Year Extension of 7% VAT Rate

Royal Decree No. 646, issued on 2 October 2017 and that applies retroactively as from 1 October 2017, extends the 7% VAT rate for an additional year, so that the reduction from the standard 10% rate will apply until 30 September 2018.

Donations for Flood Victims

Royal Decree No. 645, issued on 2 October 2017 and that applies as from 3 October 2017, grants a 150% deduction for donations for flood victims made during the period 5 July 2017 to 31 October 2017 to government agencies, charitable organizations, public charities or companies or other juristic persons that act as representatives for the donations. The deduction is available for individual donors liable to personal income tax and companies or juristic partnerships, provided all relevant conditions are fulfilled.

Anthony Visate Loh

**Business Tax & Indirect Tax,
Legal Services**

Tel: +66 (0) 2034 0000 ext 40112
Email: aloh@deloitte.com

Darika Soponawat

**Business Tax (Japanese Services Group)
& Indirect Tax**

Tel: +66 (0) 2034 0000 ext 40115
Email: dsoponawat@deloitte.com

Dr. Kancharat Thaidamri

Transfer Pricing & Business Tax

Tel: +66 (0) 2034 0000 ext 40118
Email: kthaidamri@deloitte.com

Korneeka Koonachoak

**Business Tax (Business
Model Optimization)**

Tel: +66 (0) 2034 0000 ext 40122
Email: kkoonachoak@deloitte.com

Mark Kuratana

Global Employer Services

Tel: +66 (0) 2034 0000 ext 40125
Email: mkuratana@deloitte.com

Stuart Simons

Transfer Pricing & Customs Services

Tel: +66 (0) 2034 0000 ext 40135
Email: ssimons@deloitte.com

Wanna Suteerapornchai

Business Tax (M&A) & FSI

Tel: +66 (0) 2034 0000 ext 40144
Email: wsuteerapornchai@deloitte.com

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 225,000 professionals make an impact that matters, please connect with us on Facebook, LinkedIn, or Twitter.

About Deloitte Southeast Asia

Deloitte Southeast Asia Ltd – a member firm of Deloitte Touche Tohmatsu Limited comprising Deloitte practices operating in Brunei, Cambodia, Guam, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam – was established to deliver measurable value to the particular demands of increasingly intra-regional and fast growing companies and enterprises.

Comprising 270 partners and over 7,300 professionals in 25 office locations, the subsidiaries and affiliates of Deloitte Southeast Asia Ltd combine their technical expertise and deep industry knowledge to deliver consistent high quality services to companies in the region.

All services are provided through the individual country practices, their subsidiaries and affiliates which are separate and independent legal entities.

About Deloitte Thailand

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