

(For translation purpose only)

Royal Decree

Issued under the Revenue Code

Governing Reduction of Tax Rates and Exemption of Taxes (No. 743)

B.E. 2565 (2022)

His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua

Given on 21st May B.E. 2565 (2022);

Being 7th Year of the Present Reign.

His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua is graciously pleased to proclaim that:

Whereas it is expedient to reduce tax rates and exempt personal income taxes in certain cases;

By virtue of section 175 of the Constitution of the Kingdom of Thailand and section 3 (1) of the Revenue Code as amended by the Revenue Code Amendment Act (No. 10), B.E. 2496 (1953), a Royal Decree is hereby enacted as follows:

Section 1 This Royal Decree is called the “Royal Decree issued under the Revenue Code governing reduction of tax rates and exemption of taxes (No. 743) B.E. 2565 (2022).”

Section 2 This Royal Decree shall come into force as from the day following the date of its publication in the Royal Gazette.

Section 3 A withholding income tax rate shall be reduced and charged at 17 percent of income for assessable income that a foreigner categorised as High-Skilled Professional who is granted a Long-Term Resident Visa under immigration law, receives from an employment of a company or juristic partnership carrying on targeted industries under national competitiveness enhancement for targeted industries law, investment promotion law, or eastern special development zone law in accordance with rules, procedures, and conditions prescribed by the Director-General of the Revenue Department, which, when computed in accordance with section 50 (1) of the Revenue Code, is subject to withholding income tax at the rate specified in

the Schedule of Income Tax Rates annexed to Chapter 3 in Title 2 of the Revenue Code of more than 17 percent of income.

In cases where the assessable income in paragraph one, when computed in accordance with section 50 (1) of the Revenue Code, is subject to withholding income tax at the rate lower than 17 percent of income, the foreigner who receives the income shall be exempted from having to include such income in computation of income tax in accordance with section 4 if such foreigner allows the payer of the income to withhold income tax at the rate of 17 percent of such income.

Section 4 A foreigner whose income is withheld for income tax at the rate of 17 percent of assessable income under section 3 shall, when a tax return is due for filing, be exempted from having to include such income in computation of income tax, provided that such foreigner does not claim a refund or credit for the tax withheld, whether in whole or in part.

In cases where a foreigner has assessable income under section 40 (4) and (8) of the Revenue Code of which income tax is withheld under section 50 of the Revenue Code and is entitled to choose to pay tax under section 48 (3) and (4) of the Revenue Code, such foreigner shall be entitled to exemption in paragraph one if such foreigner does not include such assessable income under section 40 (4) and (8) of the Revenue Code and the assessable income of which income tax is withheld under section 3 in computation of income tax when filing a tax return, and does not claim a refund or credit for the tax withheld, whether in whole or in part.

In order to be granted exemption under paragraph one and two, the foreigner shall file a tax return reporting assessable income which is exempted from having to be included in computation of income tax.

Section 5 Income tax under Part 2 of Chapter 3 in Title 2 of the Revenue Code shall be exempted for a foreigner categorised as Wealthy Global Citizen, Wealthy Pensioner, or Work-from-Thailand Professional who is granted a Long-Term Resident Visa under immigration law for assessable income under section 40 of the Revenue Code derived in the previous tax year from an employment, or from business carried on abroad, or from a property situated abroad, and brought into Thailand.

Section 6 A foreigner who is entitled to benefits under Section 3, Section 4, and Section 5 must meet qualifications and comply with rules, procedures, and conditions as prescribed by the Director-General of the Revenue Department.

Section 7 In the case that a foreigner has applied tax reduction or exemption under this Royal Decree, and later does not comply with rules prescribed in Section 3, Section 4, Section 5, and Section 6 in any tax year, benefits will be suspended in that tax year.

Section 8 The Minister of Finance shall have charge and control over the execution of this Royal Decree.

Countersigned by

General Prayut Chan-o-cha
Prime Minister

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