



Tax for Small and Medium Enterprises (SMEs)



Tax benefits

Related laws/regulations

1. Reduce corporate income tax rate for Thai companies and partnerships with paid-up capital of 5 million baht and below with an annual turnover of not more than 30 million baht.

These companies are subject to the following rates :

Net Profit (baht)	Rate
1 - 300,000	nil
300,001 - 1,000,000	15%
over 1,000,000	20%

(Effective from accounting period starting on or after 1st January 2013)

Royal decree 564 B.E. 2556



Tax benefits

Related laws/regulations

2. Personal Income Tax exemption on assessable income not exceeding 1.8 million baht per annum earning from 1st January 2009 to 31st December 2013. Such exemption shall only be granted for Community Enterprises that are ordinary partnerships or non-juristic body of persons.

*** Community Enterprises must be established under the Community Enterprise Promotion Act B.E.2548.**

**Ministerial regulation
no.126 clause 78**



Tax benefits

Related laws/regulations

3. Corporate Income Tax exemption on income deriving from sales of old machines for the purpose of purchasing new machine since 1st January 2013 to 31st December 2013. Such exemption shall be granted to companies or juristic partnerships with registered capital not more than 5 million baht and income from sales of goods or provisions of services not exceeding 30 million baht per annum.

Royal decree 561 B.E. 2556



Tax benefits

Related laws/regulations

4. Thai company with durable assets (excluding land) less than 200 million baht and hiring employee less than 200 people grant an initial allowance on assets as follows :

- ◉ Computer hardware and peripheral can depreciate on the acquisition date at 40% of its total cost. The remaining will be depreciated at a regular rate for at least 3 accounting periods.

- ◉ Durable building and plant can depreciate on the acquisition date at 25% of its total cost. The remaining will be depreciated at a regular rate not exceeding 5% of the total cost per annum.

(Effective on or after 31st January 2002)

- ◉ Machinery and equipment can depreciate on the acquisition date at 40% of its total cost. The remaining will be depreciated at a regular rate not exceeding 20% of the total cost per annum.

(Effective for assets which are acquired on or after 31st January 2002)

**Royal decree 473 B.E.2551,
Royal decree 395 B.E.2545**



Tax benefits

5. Companies or juristic partnerships with registered capital not more than 5 million baht and income from sales of goods or provisions of services not exceeding 30 million baht per annual shall be allowed to deduct depreciation and depletion of new machine used in production of goods or provisions of services at the rate of 100 percent of the value of the machine at the date of receiving. This tax benefit will be available only from 1st January 2012 to 31st December 2013.

Related laws/regulations

Royal decree 563 B.E. 2556



Tax benefits

Related laws/regulations

6. Individuals, earning assessable income as described in Section 40(5)-(8) at the amount not more than 30 million baht per annum before deducting any expenses and allowances and paying personal income tax in accordance with Section 48(1) of the Revenue Code, and companies or juristic partnerships, with registered capital not more than 5 million baht and income from sales of goods or provisions of services not exceeding 30 million baht per annum, shall be allowed to deduct expense at the rate of 1.5 of the total of the difference between the wages but only for the amount not exceeding 300 baht and the minimum wage in accordance with the Notification of the National Wage Committee on the Minimum Wage (No. 6) dated 2nd November 2011 or the existing wage which ever amount is higher. This tax benefit will be available only from 1st January 2013 to 31st December 2013.

Royal decree 562 B.E. 2556