



# Revenue Department News

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**Subject** : The Revenue Department has enhanced VAT refund for tourists (VRT) service by Blockchain technology

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The Revenue Department and eight organizations under Ministry of Finance which include the Comptroller General's Department, the Customs Department, the Excise Department, the Public Debt Management Office, the Fiscal Policy Office, the Treasury Department, the Office of the Permanent Secretary, the State Enterprise Policy Office and Krung Thai Bank Public Company Limited have jointly signed a memorandum of agreement to implement the use of Blockchain technology project in order to enhance the infra structure of architecture to serve missions of the government organizations on Friday 27<sup>th</sup> September 2019 at Vayupak 4 room, Ministry of Finance.

**Dr. Ekniti Nitithanprapas, Director-General of the Revenue Department,** said that at present, the revenue from tourism is an important revenue collection which stimulates the velocity of the economy in Thailand. Therefore, the government has imposed a number of measures to encourage tourism in various aspects. The VAT Refund for Tourists of the Revenue Department is a policy which would encourage tourism via offering special tax privileges. These privileges stimulate consumption resulting in the higher velocity of money within the country. The Revenue Department also have additional VAT refund policy for tourists via representatives in Downtown and takes advantages of the use of digital platform to provide convenience for tourists who need to submit VAT refund form. In the recent period, there is an increase in the number of tourists who submit VAT refund form at least 2 million persons each year, the total value of transactions is approximately 50 thousand million BAHT and the number of tourists who summit VAT refund form has an average of 200 thousand persons per month.

According to Ministry of Finance, Blockchain technology has been employed to enhance an efficiency of the system structure of organizations in Ministry of Finance. Blockchain technology would increase the efficiency of various systems that have to jointly provide services to support the missions in Ministry of Finance.

**Director-General of the Revenue Department,** further stated that the Revenue Department cooperates with the government's organizations, private sector and state enterprises which are the Customs Department, the Immigration Bureau, VRT shop and Krung Thai Bank Public Company Limited to develop the Blockchain technology system so that all

relevant participants can access to data conveniently. The system is developed to be suitable and relevant to real work experience in all aspects which will lead to the following benefits:

1. Tourists would receive convenience service which allow them to acquire VAT refund via using Mobile Application where they can choose desirable channels to receive VAT refund and efficiently track the status of VAT refund process.

2. VRT shops' entrepreneurs can efficiently manage to generate VAT refund for tourist applications (form P.P.10) and to use the relevant systems via the electronic system.

3. Help reducing workload of officers at the Revenue Department and the Customs Department by reducing the work steps for issuing VAT refund, which can decrease the amount of paper usage, and allow for tax refund review at each steps which can help reducing officers' errors in approving VAT refund. The executives can benefit from accessing to updated information and can use the information for tax collection management.

4. The Revenue Department has a modern VAT refund system that is responsive to the government's policies under Thailand's 20-Year National Strategy. The system helps reducing the budget for printing and storing VAT refund for tourists forms (P.P.10) which will improve the quality of the VAT refund service for tourists in Thailand to the international standard.

5. The system supports and drives the strategy by  $D^2$ RIVE of the Revenue Department explicitly. Furthermore, the system is relevant to Thailand's 20-Year National Strategy by integrating the innovation of Big Data technology and the digital system in order to conveniently and transparently meet the needs of citizens.

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