



Revenue Department News

News No. : 1/2018
Date : 4th October 2017
Subject : The Revenue Department has extended the VAT rate reduction to 7% for another year

The Revenue Department would like to announce that VAT rate of 7% will remain until 30th September 2018. The main purpose of this extension is to stimulate the economy and reduce the cost of living, and to improve business confidence for the private sector. This will eventually lead to the stable and continuous growth of consumption and investment in Thailand.

Mrs. Patricia Mongkhonvanit, Deputy Director-General, acting as Spokesperson of the Revenue Department, revealed that, “The extension of the current VAT rate of 7% is prescribed by the Royal Decree issued under the Revenue Code regarding Value Added Tax rate reduction (No. 646) B.E. 2560. It states that VAT shall remain at 7% tax rate, inclusive of local tax (VAT 6.3% and local tax 0.7%) for all sales of goods, services, or imports, whose VAT liability is incurred from 1st October 2017 to 30th September 2018. It is referred to as VAT rate reduction as our current law prescribes the VAT rate of 10%, inclusive of local tax (VAT 9% and local tax 1%). Therefore, a Royal Decree is needed to reduce the VAT rate to 7%, inclusive of local tax, as mentioned above.”

The entrepreneur or taxpayer who needs more information can visit the Revenue Department’s website at www.rd.go.th or make an inquiry at any Area Revenue Office or the RD Intelligence Center, Tel. 1161.
