



Revenue Department News

News No. : 37/2020
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Subject : The Revenue Department is expanding its cross-border exchange of information network to prevent cross-border tax avoidance

The Revenue Department has signed a convention to become a party of Multilateral Convention on Mutual Administrative Assistance in Tax Matters (MAC) with other 130 countries in order to enhance transparency on tax matters, create fairness in the tax administration and cross-border tax avoidance, which is in line with the commitment that Thailand has previously become a member of. On 3rd June 2020, Mr. Sarun Charoensuwan, the Thai ambassador at Paris, France, was authorized to be a representative of attend the signing Thailand to ceremony.

Dr. Ekniti Nitithanprapas, the Director-General of the Revenue Department, revealed that “MAC is considered as a significant tool for tax administrators to cooperate under a cooperation under Organisation for Economic Co-operation and Development (OECD) and the G20 on Inclusive Framework on Base Erosion and Profit Shifting (Inclusive Framework on BEPS), which aims to prevent base erosion and profit shifting of multinational enterprise and Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum), which sets up the standard of all forms of the exchange of information for the purposes of tax collection, so that tax administrators can effectively use information from the exchange of information under MAC to collect taxes. By joining MAC, Thailand is expanding its network in exchanging information on tax matters from 60 countries under bilateral agreements Double Tax Agreement (DTA) to over 130 countries under MAC, which will also reflect Thailand determination in cooperating with other countries.”

The Director-General further addressed that the Revenue Department was in the progress to submit the convention draft on MAC which had been signed for the parliament’s approval and to be enacted. The exchange of information under MAC would enable the Revenue Department to have information to analyze the behavior and tax risk of multinational enterprise, to support the enforcement of the Revenue Department which would enhance the fairness in tax collection, e.g. e-Service law, which would increase the ability to compete of domestic entrepreneurs and expand tax base which would provide the greatest benefits to Thailand in the future.
