



Revenue Department News

News No. : 40/2020
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Subject : Tax incentive to support SMEs to maintain employment of employees, up to 3 times of wage expenses can be deducted

The Revenue Department supports SMEs that maintain employment of their employees by allowing SMEs to deduct wage expenses from April to July 2020 up to 3 times in order to promote stability of SMEs during the COVID-19 pandemic as a measure to promote employment stability. Businesses can register via www.rd.go.th within 150 days from the last day of the accounting period.

Mrs. Sommai Siriudomset, Principal Adviser on Strategic Tax Administration (Energy Industry) and Spokesperson of the Revenue Department informed that "the Revenue Department foresaw that the COVID-19 pandemic may affect employment or may cause termination of employment. The Revenue Department then issued measures to support employment of the employees of SMEs. SMEs that maintain employment of their employees and pay wages can deduct wage expenses from April 2020 to July 2020 in tax calculation by 3 times. The following criteria must be met:

1. Must be a company or juristic partnership with complete 12-month incomes in the latest accounting period not exceeding 500 million baht and must have no more than 200 employees (for accounting period ending before or on 30th September 2019).
2. Must maintain employment of insured employees and wages must not be more than 15,000 baht/person/month.
3. Total number of insured employees from 1st April 2020 to 31st July 2020 must not be less than the total number of insured employees as of the last day of March 2020.

However, taxpayers who meet the above criteria can register at www.rd.go.th from the date the system becomes available to within 150 days from the last day of the accounting period of the year of exercise.

Spokesperson of the Revenue Department added that, "Such measure to promote employment stability is one of tax incentives that the Revenue Department has issued to support taxpayers who were affected the COVID-19 pandemic. These tax incentives were issued to support taxpayers in various activities such as VAT and corporate income tax exemption for importers of pharmaceuticals related to the treatment of COVID-19, an increase of deduction limit for health insurance premium for personal income tax purposes, from up to a maximum 15,000 baht to 25,000 baht etc."

For further queries, please contact the Area Revenue Offices nationwide or
RD Intelligence Call Center: 1161.

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