

# Guide to

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## Allowance(s) and Exemption(s) after Deduction of Expense(s) Attachment (Tax year 2020)

*Legal Affairs Division, The Revenue Department, Bangkok, Thailand*

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## Allowance(s) and Exemption(s) after Deduction of Expense(s) Attachment

### **Taxpayer's Details**

In the Taxpayer Identification section, fill in the following information:

- Your 13-digit Taxpayer Identification Number
- Your title and first name (in capital letters)
- Your surname (in capital letters)

### **Spouse's Details**

If you have a spouse, please provide your spouse's details in this part of the form:

- Spouse's 13-digit Taxpayer Identification Number
- Spouse's date of birth, title and first name (in capital letters)
- Spouse's surname (in capital letters)

### **Item 1. Personal allowance**

Each individual taxpayer is entitled to a personal allowance of 60,000 baht. Enter 60,000 on this line.

If, however, you are a non-registered ordinary partnership or a non-juristic body of persons, the allowance is as follows:

- (1) Where only one of the partners/members is a Thai resident, enter 60,000 on this line.
- (2) Where 2 or more partners/members are Thai residents, enter 120,000 on this line.

### **Item 2. Spouse allowance**

You are entitled to an allowance of 60,000 baht for your spouse if he/she has no income in the tax year or you and your spouse are filing jointly. Enter 60,000 on this line.

If you are deemed a Thai resident, you are entitled to the above allowance for your spouse, regardless of whether he/she is a Thai resident.

If, however, you are not deemed a Thai resident, you are entitled to the above allowance for your spouse only if he/she is deemed a Thai resident.

### **Item 3. Child allowance**

If you have children, you may be entitled to child allowance when the following conditions are met:

1. Status of the child: The child must be
  - (1) your or your spouse's legitimate child, or
  - (2) your adopted child, but not exceeding 3 adopted childrenIn a case where you have children both under (1) and (2), you shall first deduct allowance for the children under (1), followed by the children under (2). Except where you have 3 or more living children under (1), you shall not deduct allowances for children under (2). If you have fewer than 3 children under (1), you may deduct allowances for the children under (2); however, the total number of children shall not exceed 3.
2. Age of the child: At the end of the year, the child was:
  - (1) an adjudged incompetent/quasi-incompetent person, or
  - (2) 20 years old or under and was not married, or
  - (3) 25 years old or under and was studying in a university level (or any equivalent educational institution).
3. Other conditions:
  - (1) The child must be under your care and financial support, and
  - (2) The child had assessable income under 30,000 baht in the tax year.

**Note:** If you have a child born before B.E. 2523 (1980) or adopted since B.E. 2522 (1979), and the child is adjudged incompetent or quasi-incompetent person, the limitation does not apply.

To arrive at the number of qualified children, you only have to count living children in their birth order. The number shall also **include children who are not qualified**.

If you have determined that you are entitled to child allowance, please fill in the following boxes applicable:

For each qualified child you are claiming, please enter the child's Personal Identification Number and the amount of the allowance in the provided boxes.

Line 1 (30,000 baht per child): Enter the number of qualified children.

If you and your spouse both have income, each of you can claim 30,000 baht per child.

For each additional legitimate child born in 2018 onwards, you can claim an additional 30,000 baht per child.

#### **Item 4. Parental Care**

If you and your spouse (who has no income) support dependent parents, you may be entitled to parental care allowance of 30,000 baht for each qualified parent under the following conditions:

1. You or your spouse is a legitimate child (not an adopted child) of the parent.
2. At the end of the tax year, the parent (father / mother) was at least 60 years old and must be under taxpayer's care and financial support, and
3. The qualified parent must not have assessable income (including exempted income) exceeding 30,000 baht in the tax year.

Line 1. Enter your father's personal identification number in the first column. Then, enter 30,000 in the second column.

Line 2. Enter your mother's personal identification number in the first column. Then, enter 30,000 in the second column.

Line 3. Enter the personal identification number of your spouse's father in the first column. Then, enter 30,000 in the second column.

Line 4. Enter the personal identification number of your spouse's mother in the first column. Then, enter 30,000 in the second column.

For each qualified parent you are claiming, please enter the parent's Personal Identification Number and the amount of the allowance in the provided boxes.

If you were married before or on the 1<sup>st</sup> January of the tax year, you are entitled to an additional parental care allowance of 30,000 baht for each of your spouse's qualified parent

if your spouse has no income (30,000 baht for your spouse's qualified father and 30,000 baht for your spouse's qualified mother).

However, if you got married after the 1<sup>st</sup> January the tax year, you and your spouse can each claim parental care allowance, regardless of whether you and your spouse are filing separately or not.

If the qualified parents have more than one child, only one child could claim for a parental care allowance. The child must provide Parental Care Certificate (ภ.ย. 03) to claim the parental care allowance. The parents' Personal Identification Numbers must be filled in the ภ.ย.03.

If you are a non-resident, you may still claim a parental care allowance if the qualified parent is a resident.

#### **Item 5. Disabled person or incompetent person support**

If you and your spouse who has income and is filing jointly take care of a disabled or an incompetent person, you and your spouse may be entitled to an allowance of 60,000 baht per each qualified disabled/incompetent person.

An allowance for a qualified disabled/incompetent person is under the following conditions:

1. A qualified disabled/incompetent person must be:

- your spouse, or
- your parent, or
- your spouse's parent, or
- your legitimate child, or
- your spouse's legitimate child, or
- your adopted child, and/or
- any additional dependent disabled/incompetent person (limited to 1 person)

2. A qualified disabled person must have a disabled person ID card issued under the law governing disabled persons' life quality promotion and development. You are entitled to the allowance only if your name is specified as a guardian in the disabled person ID card. If there is more than one guardian on the ID card in the tax year, all the guardians have to make a written agreement on who will be entitled to the allowance.

3. If there is a change of the guardian on the disabled person ID card during the tax year, the last guardian is entitled to the allowance.

4. If your spouse who has no income is the only guardian on your child's disabled person ID card, you are entitled to the allowance.

5. If the person you support is a qualified disabled person and also a qualified incompetent person, you are entitled to an allowance of only 60,000 baht for dependent disabled person care.

6. A qualified disabled/ incompetent person must not have assessable income exceeding 30,000 baht in the tax year. This amount of assessable income does not include exempted income.

7. If you are a non-resident in the tax year, the qualified disabled/ incompetent person must be a resident of Thailand.

If you have determined that you are eligible for a dependent disabled/incompetent care allowance, you must attach a Disabled or Incompetent Person Care Allowance Certificate (ร.ย.04) with ร.ง.ด.90 or ร.ง.ด.91 whichever is applicable to you.

In addition to the ร.ย.04, if you are claiming for a disabled person care allowance, you must provide a photocopy of a disabled person ID card of the qualified disabled person issued under the law governing disabled persons' life quality promotion and development to the Revenue Department.

On the other hand, if you have determined that you are eligible for a dependent incompetent person care allowance, you must also provide the following documents in addition to the ร.ย.04:

1. A medical certificate (issued in the tax year) issued by a licensed medical doctor stating that the person has limited capacity or inability to engage in normal daily activities due to health problems or illness. Additionally, the medical certificate must also state that the person had either health problems/illness or incompetency for at least 180 days.

If, in addition to you, there is any other person having such medical certificate, you must present a letter of consent which was signed by all of the persons who have such medical certificates to the Revenue Department.

2. An Incompetent Person Care Certificate (ภ.ย .04-1) certifies that the qualified incompetent person is under your care and financial support. It must be signed in the tax year. The person who signs the form must be at least 20 years old and must be:

(1) A spouse, a legitimate child, an adopted child, a grandchild, a parent, a sibling, a grandparent, an uncle, or an aunt of the qualified incompetent person's; or

(2) A sub-district head, a village head, or a member of a local administration where the qualified incompetent person lives.

Please note that the person signing the form must not sign the form for more than one guardian of the same qualified incompetent person.

#### **Item 6. Health Insurance Premium for Parent(s)**

If you paid health insurance premium for your parents or your spouse's parents, you may be eligible for a health insurance premium allowance. The eligible amount is the amount you actually paid but not exceeding 15,000 baht in total.

An allowance for health insurance premium for parents is subject to the following conditions:

1. The insured must be:

(1) Your father/mother, or

(2) Your spouse's father/mother.

2. The parent must not have assessable income exceeding 30,000 baht in the tax year.

3. You or your spouse is a legitimate child (not an adopted child) of the parent in order to be entitled to the allowance.

4. The qualified parent must have a Personal Identification Number. Please fill in the number of the qualified parent in the boxes as applicable.

5. If you are a non-resident, a qualified parent must be a resident of Thailand.



The eligible amount of insurance premium deduction is:

1. The amount you actually paid but not exceeding 15,000 baht in total.
2. If more than one child of a qualified parent paid for a health insurance policy together, all of the children are entitled to the deduction pro rata to the total amount paid (but the total amount of deduction must not exceed 15,000 baht per a qualified parent).

If you are single or you are married with spouse who has no income in the tax year, you can deduct as an allowance the qualified amount of insurance premium paid for your qualified parents and your spouse's qualified parents.

If you are married with a person who has earned income in the tax year, you and your spouse can each claim an allowance equal to the insurance premium paid, but not exceeding 15,000 baht, regardless of whether you and your spouse are filing separately or not. Enter such qualified amount in the provided box.

If you are claiming the allowance, you are required to present to the Revenue Department a receipt or a letter of certification issued by the insurance company carrying on business in Thailand.

## **Item 7. Life Insurance Premium Paid, Health Insurance Premium Paid & Pension Insurance Premium Paid**

### **Line 1. Life Insurance Premium Paid**

If you have a life insurance, the premium that you pay may be deducted from your assessable income. A qualified life insurance policy starting 1 January 2009 is subject to the following conditions:

- (1) The insurance policy is issued by an insurer who carries on insurance business in Thailand.
- (2) Life and Family Secure Insurance Policies of the Government Savings Bank are also a qualified life insurance policy.
- (3) The duration of the insurance policy is at least 10 years.
- (4) If the coverage of your insurance policy includes coverage in addition to life, the amount paid for such additional coverage is not a qualified amount.

In the case of life insurance policies that return money or other benefits to insured person during the duration of the insurance policy, additional requirements are as follows:

- If you received the money/benefit annually, the amount you received must not exceed 20 percent of the annual premium paid for the life insurance.
- If you received money/ benefit in accordance to terms of the policy (but not annually) e.g. every 2 years, every 3 years, or every 5 years, the amount you receive must not exceed 20 percent of the accumulated amount of premium paid for the life insurance during the period.
- If you received money/benefit otherwise stated above, the accumulated amount of return/benefit received from the first year to the year it is received again must not exceed 20 percent of the premium paid for the life insurance during the period.

**Note:** The term “money/benefit” above does not include a dividend according to your life insurance policy, money or benefit that you received in the tax year which you do not have to pay an insurance premium, even if the coverage period continues, and money/benefit received at the end of the life insurance policy.

The qualified premium is the amount you paid but not exceeding 100,000 baht. Additional amount may be deducted if the insurance policy is a qualified pension insurance policy.

If your spouse has income and is filing tax return jointly with you, he/she can also claim the qualified life insurance premium paid, under the same conditions above.

If you are claiming a life insurance premium allowance, you must present the following documents to the Revenue Department:

- Evidence issued by your insurer proving that the life insurance premium is paid, for the insurance policy issued before 1 January 2020 whose you opted not to notify your intention to the insurer regarding claiming of the deduction benefit. Whereas, for insurance policy issued from 1 January 2020, you shall notify your insurer as such and be exempted from presenting such evidence.

- If the coverage of your insurance policy includes coverage in addition to life, the premium for such additional coverage must be stated explicitly and separately from the premium for life insurance.

- If you received money/benefits from your life insurance policy during the coverage of the policy, the evidence must provide adequate information to prove that the life insurance policy is qualified.

**Note:** 1. If you claim the allowance, and later the life insurance policy is not qualified, the allowance is void. You will have to recalculate your income tax for the years that you claimed the allowance and file an additional tax return. You have to pay tax retroactively plus a surcharge of 1.5% per month (fraction of a month equals a month).

2. If you have a deposit with banks in the type similar to life insurance, the amount that you deposit may be deducted from your assessable income. A deposit living policy is subject to the following conditions:

- (1) The deposit policy is issued by an insurer who is established by Thai law in taxable year.

- (2) The duration of the deposit policy is at least 10 years.

The qualified amount is the amount you deposit but not exceeding 100,000 baht.

However, when you add up this deduction with life insurance premium paid, the amount must not exceed 100,000 baht

## **Line 2. Health Insurance Premium Paid**

If you have a health insurance, the premium that you pay may be deducted from your assessable income subject to the following conditions:

- (1) the premium is paid to an insurance company operating in Thailand

- (2) the qualified amount is the amount you pay, but not exceeding 25,000 baht.

- (3) when add up this deduction with life insurance premium paid and deposits made to banks set up under specific laws, the amount must not exceed 100,000 baht.

## **Line 3. Annuity Insurance Premium Paid**

If you paid an insurance premium and the policy is an “annuity insurance”, you are entitled to an additional deduction. The eligible deduction for pension insurance premium paid is the following amount:

1. The actual amount you paid.
2. This amount must not exceed 15% of your assessable income.
3. The maximum amount is 200,000 baht.
4. When you add up this deduction with the following items, the amount must not exceed 500,000 baht:
  - (1) Provident fund contribution, government pension fund contribution, or private teacher aid fund contribution; and
  - (2) The amount paid for investment units in Retirement Mutual Fund (RMF)
  - (3) The amount of premium paid for pension insurance policy; and
  - (4) National Savings Fund contribution

If your spouse has income and is filing tax return jointly with you, he/she can also claim the qualified pension insurance premium paid, under the same conditions above.

#### **Item 8. Provident Fund Contribution**

If you made a provident fund contribution during the tax year, you can deduct from your assessable income the first 10,000 baht that you paid. The part exceeding 10,000 baht must be filled on ภ.ง.ด.90 No. 1 item 2. or ภ.ง.ด.91 B. item 1. as applicable.

If your spouse has income, he/she can also claim the amount of provident fund contribution if he/she is filing jointly with you.

#### **Item 9. National Savings Fund Contribution**

Income which member of National Savings Fund contributes to National Savings Fund according to the law of National Savings Fund is deductible according to actual amount paid but not exceeding 500,000 Baht for the tax year according to rule and condition prescribed by the Notification of Director-General.

Income which is deductible must not exceed 500,000 baht when includes income contribute to provident fund, government provident fund and teacher aid fund and income paid for RMF.

## Item 10. Retirement Mutual Fund (RMF)

If you purchased investment units in RMF, you may be entitled to an allowance. However, you must meet the following requirements:

1. You must purchase an investment unit at least once a year. However, if you decide to discontinue the purchase, the law provides that you can discontinue for only one calendar year from the year of the previous purchase. It should be noted that you must purchase at least 5 units in total.

2. The total combined amount paid for the unit in a calendar year must be at least 3% of your assessable income or 5,000 baht.

3. Counting from your first purchase of the investment unit to the redemption, the holding period must be at least 5 years starting from the date of your first purchase.

4. You must not redeem the investment unit when your age is under 55 years old (except redemption due to incompetence or death). This rule is only applicable to RMF investment units purchased on 1 March 2008 or later.

5. You must not receive any dividend or money of any kind from the RMF during your holding period. You can only receive benefits or return from the RMF upon redemption of the investment units.

6. You must not take out a loan or withdraw money of any kind from the RMF.

**Note:** If you purchase more than one RMF(s), you must comply with all of the above requirements for each RMF.

If you are an incompetent person **OR** you are 55 years old and the holding period is at least 5 years, you are exempted from some of the requirements above. You may:

1. Stop purchasing RMF investment units temporarily or permanently

2. Continue to purchase RMF investment units without subjecting to the minimum purchase value (3% of assessable income or 5,000 baht).

Investment units in an RMF can be transferred to another RMF. If you transfer all/some of your investment units to other RMF(s), the transfer must be done within 5 business days counting from the day following the date the underlying RMF received your transfer order.

It is required that the RMF that received your transfer order prepares documentary evidence of the transfer. The new RMF(s) must retain the evidence for an inspection by the assessment officer.

If you have made a qualified purchase of RMF investment units, you are entitled to an allowance. The qualified amount of allowance is as follows:

1. The actual amount you paid.
2. This amount must not exceed 30% of your taxable income.
3. The maximum amount is 500,000 baht.
4. When you add up this deduction with the following items, the amount of RMF purchasing must not exceed 500,000 baht:
  - Provident fund contribution, Government Pension Fund contribution, or private teacher aid fund contribution; and
  - The amount paid for investment units in Retirement Mutual Fund (RMF); and
  - The amount of premium paid for annuity life insurance policy; and
  - National Savings Fund contribution

When you add up this allowance with provident fund contribution, Government Pension Fund contribution, or private teacher aid fund contribution, the amount must not exceed 500,000 baht. You must have evidence from the RMF to prove the amount of RMF investment unit purchase.

If you have claimed for an RMF unit purchase allowance in a tax return and afterwards fail to comply with the above requirements, you are required to file an additional tax return to recalculate your tax burden for the year(s) you claimed such allowance and pay an additional amount of tax. You are also required to pay a surcharge of 1.5% per month (fraction of a month equals a month) of the total tax due. However, if you file the additional tax return within 31<sup>st</sup> March of the year following the year of non-compliance, you are exempted from the surcharge.

If you have filed an additional return while you hold the RMF units, and then you once again continue to purchase qualified investment RMF units, the counting of the holding period will continue from the date you first claimed for an allowance.

## Item 11. Super Savings Fund unit purchase (SSF)

If you purchased investment unit(s) in SSF under the law governing Securities and Exchange, you may be entitled to an allowance. However, you must meet the following requirements:

1. The total value of SSF unit(s) that you can purchase must not exceed 30% of your taxable income in that tax year and not exceed 200,000 Baht. The purchase must be made during 1 January 2020 to 31 December 2024.

2. The holding period of the SSF unit(s) must be at least 10 years from the purchase date, except in the case that you became incompetence or death.

In the case that you became incompetence, such incompetence must be to the extent that you will not be able to work nor generate any income. This incompetence must also be verified by credible doctor that the government approved.

**Note:** If you purchase more than one SSF(s), you must comply with all of the above requirements for each SSF. However, the total value of all SSF units that you can purchase must not exceed 30% of taxable income and not exceed 200,000 Baht.

The equivalent of purchasing price can be used as the allowance; however, such allowance must not exceed 30% of taxable income in that tax year and not exceed 200,000 Baht. You must be natural person in order to claim this allowance. The allowance is not claimable by ordinary partnerships, non-juristic body of persons or an undivided estate of the deceased.

The combined amount of SSF allowance and the following allowances must not exceed 500,000 Baht in the same tax year:

- Provident fund contribution, Government Pension Fund contribution, or Private teacher aid fund contribution; and
- The amount paid for investment units in Retirement Mutual Fund (RMF); and
- The amount of premium paid for annuity life insurance policy.
- National Savings Fund contribution

The right to claim for the allowance will be ceased, if you have claimed for an SSF unit purchase allowance in a tax return and afterwards fail to comply with the above requirements, excluding the case where the redemption of the SSF units was made on the

ground of incompetence or death. You are then required to file an additional tax return to recalculate your tax burden for the year(s) you claimed such allowance. However, the recalculation period must not exceed 5 years before the filing of such additional tax return. Moreover, you must pay a surcharge in accordance with Section 27 of Thai Revenue Code.

The calculation for tax return of any capital gain arising from the sale of SSF units that is not complied with the above requirement must be calculated using the FIFO method.

In order to claim the SSF allowance, you must have a certified letter from asset management company verifying your purchase and payment to the SSF.

SSF investment units can be transferred to another SSF. The counting of your holding period will continue if you transfer all/some of your investment units to other SSF(s) within 5 business days from the day following the date the underlying SSF received your transfer order.

It is required that the SSF that received your transfer order prepares documentary evidence of the transfer and delivers to the new SSF(s). The new SSF(s) must retain the evidence for an inspection by the assessment officer.

Any letter or document for the purpose of this section must be in Thai or English. However, any other languages can also be used if a Thai translation is provided. Any number on the document must be in Thai or Arabic style. The letter or document must have a minimum content as depicted in the Announcement of the Director-General of the Revenue Department about Income Tax (Issue 369, on 13 March 2020). Signatures are acceptable even in the form of rubber stamp or SCAN.

You must deduct this SSF allowance from your taxable income under Section 40 of the Revenue Code after deducting any expense under Section 42 Bis to Section 46. This rule is used for taxable income received from 1 January 2020 onwards.

## **Item 12. Super Savings Fund Extra (SSF-Extra)**

If you purchased investment unit(s) in SSF-Extra under the law governing Securities and Exchange, you may be entitled to an allowance. However, you must meet the following requirements:

1. The unit(s) must be from SSF-Extra, a Saving Fund that has a policy to invest at least 65% of its net asset value in Thai securities market. The total value of SSF-Extra unit(s)



that you can purchase must not exceed 200,000 Baht in that tax year and the purchase must be made during 1 April 2020 to 30 June 2020.

2. The holding period of the SSF-Extra unit(s) must be at least 10 years from the purchase date, except in the case that you became incompetence or death.

In the case that you became incompetence, such incompetence must be to the extent that you will not be able to work nor generate any income. This incompetence must also be verified by credible doctor that the government approved.

**Note:** If you purchase more than one SSF-Extra(s), you must comply with all of the above requirements for each SSF-Extra. However, the total value of all SSF-Extra units that you can purchase must not exceed 200,000 Baht.

The equivalent of purchasing price can be used as the allowance; however, such allowance must not 200,000 Baht. You must be natural person in order to claim this allowance. The allowance is not claimable by ordinary partnerships, non-juristic body of persons or an undivided estate of the deceased.

The right to claim for the allowance will be ceased, if you have claimed for an SSF-Extra unit purchase allowance in a tax return and afterwards fail to comply with the above requirements, excluding the case where the redemption of the SSF-Extra units was made on the ground of incompetence or death. You are then required to file an additional tax return to recalculate your tax burden for the year(s) you claimed such allowance. However, the recalculation period must not exceed 5 years before the filing of such additional tax return. Moreover, you must pay a surcharge in accordance with Section 27 of Thai Revenue Code.

The calculation for tax return of any capital gain arising from the sale of SSF-Extra units that is not complied with the above requirement must be calculated using the FIFO method.

In order to claim the SSF-Extra allowance, you must have a certified letter from asset management company verifying your purchase and payment to the SSF-Extra.

SSF-Extra investment units can be transferred to another SSF-Extra. The counting of your holding period will continue if you transfer all/some of your investment units to other SSF-Extra(s) within 5 business days from the day following the date the underlying SSF-Extra received your transfer order.

It is required that the SSF-Extra that received your transfer order prepares documentary evidence of the transfer and delivers to the new SSF-Extra (s). The new SSF-Extra(s) must retain the evidence for an inspection by the assessment officer.

Any letter or document for the purpose of this section must be in Thai or English. However, any other languages can also be used if a Thai translation is provided. Any number on the document must be in Thai or Arabic style. The letter or document must have a minimum content as depicted in the Announcement of the Director-General of the Revenue Department about Income Tax (Issue 376, on 11 June 2020). Signatures are acceptable even in the form of rubber stamp or SCAN.

The allowance in this segment will nullify your right to use the allowance under Article 2 (102) paragraph 1 of Ministerial Regulation No.26 (B.E.2509) on the same taxable income.

You must deduct this SSF-Extra allowance from your taxable income under Section 40 of the Revenue Code after deducting any expense under Section 42 Bis to Section 46. This rule is used for taxable income received from 1 January 2020 onwards.

### **Item 13. Interest paid on mortgage loan for purchase, hire-purchase, or construction of residence**

If you have paid residence mortgage loan interest, you may be entitled to a deduction. In order to be eligible for the deduction, the following requirements must be met:

1. The interest on loan that is taken out from any of the following institutions:
  - Banks which carry on business in Thailand
  - Companies, under the law governing the undertaking of finance/ securities business and credit foncier business, which carry on business in Thailand,
    - Insurance companies which carry on business in Thailand
    - Cooperatives under Thai law
    - Employers, having regulations related to funds allocated as welfare for employees, who carry on business in Thailand
  - The Secondary Mortgage Corporations, under the law governing the Secondary Mortgage Corporation, which carry on business in Thailand

- Property fund for resolving financial institution problems, under the law governing securities and exchange

- Mutual fund for resolving financial Institution problems, under the law governing securities and exchange

- Government Pension Fund, under the law governing government pension fund

2. According to your mortgage loan agreement, the purpose of the mortgage loan is:

- To purchase or hire-purchase a building, a building with land or a condominium, or

- To build a residential building on your own land or on a land that you have a possessory right, or

- To refinance a residential loan which was made for the purpose of purchasing, hire-purchasing or constructing a residential building/ condominium. The interest shall be deductible only on the amount of the refinancing loan which does not exceed the outstanding debt.

3. The mortgage loan must be a secured debt. You must put your building/building with land/condominium up as collateral for the whole term of your mortgage loan.

4. The residence mortgage loan interests must be paid for a qualified residence. A qualified residence is a building/ a condominium that you use as a residence in the calendar year in which you claim the deduction. You may have more than one qualified residence. Your building/condominium is still a qualified residence even if you do not use it as a residence if the following cases apply:

- You are an employee and you are commanded to perform your employer's work in another locality on a regular basis, or

- The building/condominium cannot be used as a residence because it has suffered from fire, natural disaster or peril arising from any other cause. You must not be the person who has caused such incident.

If you have paid for qualified residence mortgage loan interests, you are entitled to a deduction. The eligible amount of deduction is as follows:

1. The total combined amount you paid for qualified residence mortgage loan interests.

2. The maximum amount is 100,000 baht.

3. If you, along with other persons, jointly take out a loan, each person is entitled to a deduction equally. Please divide the amount paid as qualified residence mortgage loan interests by number of persons. The total combined amount allowed as a deduction is 100,000 baht. If the loan is transferred to a new creditor according to a loan novation agreement, you are still entitled to a deduction.

You must provide evidence from the creditor to prove that interest has been paid for such loan.

If you are married, the following rules apply:

- If you have taken out the loan but your spouse does not have assessable income in the tax year, you are only entitled for the interests you paid up to 100,000 baht.

- If, before your marriage, you and your spouse are already entitled to deduction, after you get married, each of you and your spouse is still entitled for the same amount of deduction up to 100,000 baht per person.

- If, during your marriage, you and your spouse separately took out the loan and both of you have assessable income, each of you and your spouse is entitled for the actual interests paid up to 100,000 baht per person.

- If you and your spouse have jointly taken out the loan but your spouse does not have assessable income in the tax year, the person who has assessable income shall deduct the combined amount of interests paid up to 100,000 baht.

- If you and your spouse have jointly taken out the loan and both of you have assessable income, you and your spouse shall divide the qualified amount equally. However, the combined amount must not exceed 100,000 baht.

#### **Item 14. First time home buyer expense (Ministerial Regulation No. 313 (B.E. 2559))**

1. A payment made by a person who purchases a residence for the first time may be deductible up to 20% of the purchase price, subject to the following conditions:

- The purchaser must not have owned any residence before claiming this allowance.

▪ A qualified residence must be a premise attached to land or a condominium only. It may be a new residence (first hand) or have been owned by another person (second hand).

2. The purchase price must not exceed 3,000,000 baht.

3. The transfer of ownership and payment must be completed from 13<sup>th</sup> October 2015 to 31<sup>st</sup> December 2016.

4. The deductible amount must be used for 5 consecutive years, starting from the year in which the transfer of ownership to the purchaser is completed.

Example: You made a qualified purchase of a condominium for the price of 3,000,000 baht on 20 October 2016. You are entitled to claim 120,000 baht  $((3,000,000 \times 20\%)/5)$  from your assessable income for the tax year, 2016, 2017, 2018, 2019, and 2020.

5. The title/ownership of the residence must vest in the purchaser for at least 5 years from the year that he/she purchases the residence. That means he/she must not sell or transfer the ownership to another person within 5 years from the date of purchase.

6. In case that the purchaser fails to comply with the above requirements or sells the residence before the end of the restricted period (fifth year) in which the title/ownership must be held, he must submit an additional tax return to adjust his tax payable from the tax year that he claims the expense onward, plus paying a surcharge of 1.5% per month (fraction of a month equals a month) of the total tax due.

#### **Item 15. Social Security Fund Contribution**

If you have made a contribution to Social Security Fund under the law on social security, you are entitled to an allowance. The qualified amount is equal to the actual amount of contribution, but not exceeding the amount specified by the law on social security. A person who has made contributions to social security of his/her spouse may also deduct such contribution from his/her assessable income.

#### **Item 16. Purchase and installation of a Closed-Circuited Television (CCTV)**

If you are a taxpayer in a special development zone and you purchased and installed a closed-circuited television (CCTV) at an enterprise located in the special development zone,

and the payment was made from 1<sup>st</sup> January 2017 to 31<sup>st</sup> December 2020, the taxpayer is entitled to a double deduction for such payment (only for actual expense deduction).

#### **Item 17. Debit card processing Fees**

If you receive income under Section 40 (5) – (8) of the Revenue Code, which cumulatively, does not exceed 30,000,000 baht in the tax year, the amount that you paid for debit card processing fees from using Electronics Data Capture (EDC) can be deducted equal to the amount paid during the tax year.

17.1 Fees from accepting payment via Electronic Data Capture (EDC) which is exempted from income tax mean merchant discount rate which individuals or companies or juristic partnerships pay to an EDC provider for payment via debit card using such electronic data capture.

17.2 No Fees according to 17.1 can be charged to buyers of goods or services,

17.3 Proof of evidence that fees have been paid under 17.1 must be presented to assessment officers.

17.4 In case of an individual applying the tax exemption, he/she is subject to following conditions:

(a) you must have assessable income in accordance with Article 40 (5), (6), (7), or (8) of the Revenue Code;

(b) you must pay the fee mentioned in 17.1 to receive the assessable income stated in (a);

(c) if you wish to use income tax exemption for a fee paid in (b) in any assessable income stated in (a), in computing tax liability under section 48(1) of the Revenue Code, you should deduct the actual expenses related to assessable income under section 40 (5), (6), (7), or (8). In addition, you should provide all document of the fee payment for tax officer as it is necessary;

(d) you should file personal income tax return. In such return, after deduction of the expenses in accordance with Article 42 Bis to Article 46, he/she shall deduct the income exempted from the assessable income in accordance with Article 40 of the Revenue Code.

#### **Item 18. Antenatal care and delivery expense**

The amount paid by taxpayer or his/her spouse for the antenatal care and delivery expense can be deducted equal to the actual amount paid during the tax year up to 60,000 baht for

each pregnancy. In case that there is such amount paid in the different tax year, the deductible amount is only the amount paid during that tax year, up to 60,000 bath in total for the assessable income received from 1<sup>st</sup> January 2019 onwards according to Ministerial Regulations No. 338 (2018) and the Notification of Director-General concerning income tax (No.331) dated 25<sup>th</sup> September 2018

#### **Item 19. Political Parties Donation**

Money, property or any other benefit which are donated in order to support the fund-raising activities of political parties in accordance with Organic Law on Political Parties. The eligible amount is the amount you actually paid but not exceeding 10,000 baht in total in accordance with the rules, procedures and conditions as prescribed by the Director General of the Revenue Department.

#### **Item 20. Domestic purchase of goods or services expense (Shop-Dee-Mee-Kuen)**

While calculating Personal Income Tax, an expense from domestic purchase of goods or services may be deductible up to 30,000 baht under the conditions that it was made to a registered VAT vendor, the tax invoice issued under Section 86/4 of Thai Revenue Code is presented, and the expense was made during 23 October 2020 to 31 December 2020. All must be in accordance with terms and conditions announced by Director General.

Even though the purchase was made to a Non-registered VAT vendor, the expenses may still be used if it is for;

- (1) Books
- (2) e-Books
- (3) Registered One Tambon One Product (OTOP) Goods

The purchase of following goods and services cannot be used as a deductible expense;

- (1) Liquor, Beer and Wine
- (2) Cigarettes
- (3) Gasoline and Gas for Vehicles
- (4) Cars, Bicycles and Boats
- (5) Newspapers and Magazines
- (6) e-Newspapers and e-Magazines

(7) Tourist Guide Fees made to Tourist Agency under its govern laws.

(8) Hotel Fees made to Hotel under its govern laws.

The purchaser must meet the following conditions;

(1) must not be ordinary partnership or non-juristic body of persons.

(2) must not use his/her right under Cabinet Resolution dated 29 September 2020, a Kon-La-Kueng (You pay half, Gov pay half) Campaign.

(3) must not use his/her right under Cabinet Resolution dated 29 September 2020, a Boosting Purchasing Power for those who have State Welfare Card Campaign.

Terms and conditions are subject to Ministerial Regulation No. 368 (B.E. 2563) and Director General Announcement on Income Tax (No. 390) dated 30 October 2020.

#### **Item 21. Total**

Enter the sum of Item 1. to Item 20.. Fill the amount in No.11 item 2. of ภ.ง.ด.90 or in A item 6. of ภ.ง.ด.91 as applicable.