

Tax Incentives for Supporting Jewel Business

Jewel	→	Diamond, Gemstone, Ruby, Emerald, Topaz, Garnet, Opal, Jasper, Zircon, Chrysoberyl, Jade, Pearl, and any other kinds of jewel
-------	---	---

Value Added Tax Exemption (A1)

- Value added tax registrant, who imports or sells jewel which is not yet formed into accessories shall be exempted from VAT.

Conditions:

1. VAT registrant must be a member of the Thai Gem & Jewelry Traders Association, the Thai Chamber of Commerce, the Board of Trade of Thailand, or the Federation of Thai Industries.
2. VAT registrant's business is constant and trustworthy.
3. VAT registrant informed his or her corporation to the Director-General.

Value Added Tax Exemption (A2)

- VAT registrant, who imports or sells gold white gold, platinum, or palladium, which is not yet formed into accessories, shall be exempted from VAT.

Conditions:

1. VAT registrant informed his or her corporation to the Director-General.
2. VAT registrant is a gold importer or seller. The gold must be gold which is not yet formed into accessories and its weight must not be lower than 96.5 percent.
3. Proof:
 - 3.1 Importer: a proof of import and a proof from foreign seller confirming that the VAT registrant is a gold importer.
 - 3.2 Seller: a proof of a membership of the organizations, which is relevant to gold or jewel trading associations.

- Royal Decree No. 311

Personal Income Tax Exemption (A3)

1. He or she must be an individual, not including an ordinary partnership or a non-juristic body of persons.
2. He or she gains taxable income from uncut jewel sale, but excludes diamond, pearl, and artificial or remade jewel.
3. He or she has a withholding tax certificate from jewel sale, which was issued by the payer of income; who is not a consumer.
4. When personal income tax was deducted, the income from jewel sale shall no longer be subjected to tax at the year-end tax computation.
5. He or she must not claim A1 tax incentives.

Withholding Tax Deduction

1. The payer of income, not including consumer, shall deduct 1 percent of the personal income tax.
2. The payer of income shall issue 3 copies of withholding tax certificate.
3. Only for the payment from January 11, 2013 to December 31, 2014.

- Royal Decree No. 557
- Ministerial Regulation No. 144
- Revenue Department Order No. Tor Por 4/2528
- Notification of the Director-General of Revenue Department on Income Tax No. 239 and No. 240

Value Added Tax Exemption (B)

- Only individual is exempted.
- Only import or sale of uncut jewel, but not including diamond and pearl, and artificial or remake jewel.
- Only for the import or sale from December 27, 2012 to December 31, 2014.

- Royal Decree No. 556
- Notification of the Director-General of Revenue Department on Value Added Tax No. 191