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Official language is Thai language

Ministerial Regulation

No. 143 (B.E. 2522)

Issued under the Revenue Code

Governing Income Tax

In exercise of power under Section 4 of the Revenue Code as amended by the Revenue Code Amendment Act (No.20) B.E. 2513 and Section 65 ter (4) of the Revenue Code as amended by the Revenue Code Amendment Act (No.5) B.E. 2521, the Minister of Finance issued a Ministerial Regulation, as follows:

Clause 1 Entertainment or service expenses considered deductible expenses in computation of net profits shall be in accordance with the rule under Clause 1, 2, 3, 4 and 5.

Clause 2 Entertainment or service expenses shall be the expenses in necessary course of general business practice and persons who are entertained or to whom services are rendered shall not be employees of a juristic company or partnership except where such employees are obligated by their duty to participate in the entertainment or the rendering of services.

Clause 3 Entertainment or service expenses shall be;

(1) expenses directly-related to entertainment or service expenses being beneficial to business, such as expense on accommodation, meal, beverages, amusements, sports, or

(2) expense for gifts made to persons who are entertained or to whom services are rendered not exceeding 2,000 Baht per person on each occasion of entertainment or rendering services.

Clause 4 The amount of entertainment or service expenses shall be deducted in equal to amount actually paid but not exceed 0.3 percent of amount of gross income or gross sale for computing net profit before deducted any expense for the accounting period, or of the amount of paid-up capital at the closing date of the accounting period, whichever is greater; however, such expenses to be deducted shall not exceed 10 million Baht

Clause 5 Entertainment or service expenses shall be approved or authorized by a director, partner or manager or his delegate, and shall have a receipt or evidence issued by recipients for the payment of entertainment or service expenses except where the recipients are not required to issue receipts under the Revenue Code.

Clause 6 This Ministerial Regulation shall be effective for the accounting period beginning on or after the 1st Day of January B.E 2522.

Given on the 5th Day of September B.E. 2521

Chanchai Leetavorn

Deputy Minister, Acting as Minister of Finance

Remark :- The reason for the promulgation of this Ministerial Regulation is for the rules and procedures of taking entertainment or service expenses as deductible expense for computation of net income for corporate tax payment under Section 65 Ter (5) of the Revenue Code, amended by emergency decree amended the Revenue Code (No. 5) B.E. 2521. Therefore, it hereby enacts this Ministerial Regulation
(Government Gazette, Decree Issue, Volume 95, Part 156, dated 13 September B.E. 2522)