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Official language is Thai language

Royal Decree

Issued under The Revenue Code
Governing the Exemption of Taxes and Duties
(No. 437)
B.E. 2548 (2005)

Bhumibol Adulyadej, Rex.

Given on 15th day of October B.E. 2548 (2005);
Being the 60th Year of the Present Reign.

His Majesty King Bhumibol Adulyadej is graciously pleased to proclaim that,
Whereas it is deemed proper to exempt income tax on the income of the company or juristic partnership paid as expenses in sending the employees to attend a training course or in training its own employees, and the income tax on the income of the trainer paid as expenses in making preparation of training for work for the benefit of the business of the trainer,

By virtue of Section 221 of the Constitution of the Kingdom of Thailand, and Section 3 (1) of the Revenue Code, amended by the Revenue Code Amendment Act (No.10) B.E. 2496 (1953), which is a law containing certain provisions relating to the restriction of personal rights and freedom, for which Section 29 incorporating Section 35 and Section 48 of the Constitution of the Kingdom of Thailand provide that such can be made by virtue of the provisions of a law, is therefore graciously pleased to direct the enactment of a Royal Decree, as follows:

Section 1 This Royal Decree is called “Royal Decree Issued Under Revenue Code Governing Exemption of Taxes and Duties (No. 437) B.E. 2548 (2005)”.

Section 2 This Royal Decree shall come into force on as from the day following the date of its publication in the Government Gazette onwards.

Section 3 The following shall be repealed:

(1) Section 5 of the Royal Decree Issued under the Revenue Code Governing Exemption of Taxes and Duties (No. 284) B.E. 2538 (1995);

(2) Royal Decree Issued under the Revenue Code Governing Exemption of Taxes and Duties (No. 288) B.E. 2538 (1995);

(3) Royal Decree Issued under the Revenue Code Governing Exemption of Taxes and Duties (No. 298) B.E. 2539 (1996).

Section 4 The income tax under Division 3, Chapter 3, in Title 2 of the Revenue Code shall be exempted for the company or juristic partnership as follows:

(1) For the income at one hundred percent of the expenditure paid as expenses in sending the employees of the said company or juristic partnership to receive education or training in an education institute or a skilled labour training institute established by the Government sectors or announced by the Minister of Finance as published in the Government Gazette;

(2) For the income at one hundred percent of the expenditure paid as expenses in training the employees of the said company or juristic partnership, however, it shall be in accordance with the bases, procedures and conditions prescribed by the Director-General of the Revenue Department.

Section 5 The income tax under Division 2 and Division 3 of Chapter 3 in Title 2 of the Revenue Code shall be exempted for the trainer under the law governing skilled labour development promotion as follows:

(1) For the income at fifty percent of the expenditure paid as expenses in making preparation of training for work for the benefit of the business of the trainer as from 29th January 2003 until the day before the enforcement date of this Royal Decree;

(2) For the income at one hundred percent of the expenditure paid as expenses in making preparation for work for the benefit of the business of the trainer as from the date of enforcement of this Royal Decree.

Section 6 The provisions of Section 5 of the Royal Decree Issued under the Revenue Code Governing the Exemption of Taxes and Duties (No. 284) B.E. 2538 (1995) and the provisions of Section 3 of the Royal Decree Issued under the Revenue Code Governing the Exemption of Taxes and Duties (No. 288) B.E. 2538 (1995) shall still be enforced, specifically in the collection of income tax outstanding or payable prior to the enforcement date of this Royal Decree.

Section 7 The provisions of Section 3 of the Royal Decree Issued under the Revenue Code Governing the Exemption of Taxes and Duties (No. 298) B.E. 2539 (1996) shall still be enforced, specifically in the collection of income tax outstanding or payable prior to 29th January 2003.

Section 8 The Minister of Finance shall have charge and control of the execution of

this Royal Decree.

Countersigned by:

Police Lieutenant Colonel Thaksin Shinnawatra

Prime Minister

Remarks :- This Royal Decree is enacted because it is deemed proper to exempt income tax for the company or juristic partnership that has sent its employees to receive education or training or has trained his own employees, and also to exempt income tax for the trainer under the law governing skilled labour development promotion in making preparation of the training for work for the benefit of his own business, in order to promote the development of skilled labour increasingly.

[Ref.: Government Gazette, Legislation Issue, Volume 122, Part 97 Kor., 18th October 2005]