

**LAW OF INFORMATION ENERGY  
PETROLEUM INCOME TAX ACT (No. 4) B.E. 2532**

**Bhumibol Adulyadej P.R.  
Given on the 4th Day of August, B.E. 2532.  
Being the 44th Year of the Present Reign.**

By Royal Command of His Majesty King Bhumibol Adulyadej, it is hereby proclaimed that:

Whereas it is deemed expedient to amend the law on petroleum income tax,

Be it, therefore, enacted by the King's most Excellent Majesty, by and with the advice and consent of the National Assembly, as follows:

**Section 1.** This Act shall be called the "Petroleum Income Tax Act (No.4), B.E. 2532".

**Section 2.** This Act shall come into force on the day following the date of its publication in the Government Gazette.

**Section 3.** The definition of "disposal" in Section 4 of the Petroleum Income Tax Act B.E. 2514 shall be repealed and replaced by the following:

"disposal" means the delivery of crude oil to a refinery or a storage place for the purpose of refining the company's petroleum the delivery of natural gas to a gas separation plant, gas liquefied plant, gas compression plant or a storage place for such activities, or the appropriation of petroleum subject to royalty for use in any activity of the company other than for sale, or transfer of petroleum subject to royalty without consideration."

**Section 4.** Section 20 of the Petroleum Income Tax Act B.E. 2514 shall be repealed and replaced by the following:

"Section 20. Subject to the provisions of Section 43 bis, a company shall pay income tax for each accounting period at the rate specified by the Royal Decree, that shall not be lower than 50 per cent and not be higher than 60 per cent of the net profit derived from the petroleum operation."

**Section 5.** The provision of (7) of Section 24 of the Petroleum Income Tax Act B.E. 2514 shall be repealed and replaced by the following:

"(7) royalty, whether in cash or in kind, for petroleum."

**Section 6.** The following provision shall be added as (10) of Section 24 of the Petroleum Income Tax Act B.E. 2514.

“(10) special remuneratory benefit under the petroleum law”

**Section 7.** The provision of (9) of Section 25 of the Petroleum Income Tax Act B.E. 2514 shall be hereby repealed.

**Section 8.** The following provision shall be added as provision (16) of Section 26 of the Petroleum Income Tax Act B.E. 2514.

“(16) In the case where the company has been awarded a concession for a number of exploration blocks, some of which are subject to the provisions of the Petroleum Income Tax Act B.E. 2514 prior to its amendment by the Petroleum Income Tax Act (No.4), B.E. 2532, and some of which are subject to the provisions of the Petroleum Income Tax Act B.E. 2514 as amended by the Petroleum Income Tax Act (No.4), B.E. 2532, such company shall compute the revenue, expenses and net profit for the exploration blocks subject to such Acts as if it were a separate company.

In computing the revenue and expenses for the exploration blocks under paragraph 1, the items of revenue and expenses which cannot be clearly apportioned shall be averaged in accordance with the conditions, rules and procedures as stipulated in the Ministerial Regulations.”

**Section 9.** The provision of Section 31 of the Petroleum Income Tax Act B.E. 2514 shall be hereby repealed.

**Section 10.** The provision of Section 34 of the Petroleum Income Tax Act B.E. 2514 shall be repealed and replaced by the following:

“Section 34. The company shall file an income return as follows: (1) for each mid accounting period,  
(2) for each accounting period.

In filing the income return under (1), the company shall provide an estimate of net profit or net loss derivable for such accounting period.

The provisions of paragraph 2 do not apply to the company’s first accounting period or last accounting period which is less than twelve months.

Each company having a joint interest in a concession shall file an income return only to the extent of its shares of income belonging to the company.

The company which has been awarded a concession for a number of exploration blocks under Section 26 (16) shall file an income return under (1) and (2) as if it were a separate company.”

**Section 11.** Paragraph 1 of Section 41 of the Petroleum Income Tax Act B.E. 2514 shall be repealed and replaced by the following:

“Section 41. Income return under Section 34(1) shall be filed within two months from the mid closing date of each accounting period, and income return under Section 34(2) shall be filed within five months from the closing date of each accounting period.”

**Section 12.** The following provision shall be added as Section 43 bis of the Petroleum Income Tax Act B.E. 2514:

“Section 43 bis. In filing an income return under Section 34(1), if there is any tax payable, the company shall compute and pay the tax based on half of the estimated net profit in accordance with Section 34, paragraph 2, when filing the income return.

The tax paid under paragraph 1 shall be considered as credit when computing tax payable under Section 43.”

**Section 13.** The provision of Section 62 of the Petroleum Income Tax Act B.E. 2514 shall be repealed and replaced by the following:

“Section 62. A company shall pay penalties in the cases and at the rates as follows:

(1) If it fails to file an income return under Section 34(1) within the time stipulated in Section 41, paragraph 1, or an income return under Section 34(1) is filed within the stipulated time but the net profit estimated under Section 34, paragraph 2, as declared is short by more than 25 per cent of the net profit in that accounting period without reasonable causes, the penalty shall be an additional 20 per cent of the tax payable under Section 43 bis, or of the shortfall in tax paid, as the case may be;

(2) If it fails to file an income return within the time limit under Section 41, paragraph 1, or within the time limit under Section 34(2), as extended or postponed under Section 5, the penalty shall be equal to the amount of tax;

(3) if it files an income return that is inaccurate or includes errors resulting in tax deficiency, the penalty shall be 20 per cent of the amount of the tax additionally assessed;

(4) if it fails to withhold tax or to file a tax-withholding return within the time limit under Division 5, or filed an inaccurate tax-withholding return which results in the tax remitted is less than the amount remittable, the penalty shall be 20 per cent of the tax not withheld, or not filed, or not included in the return, as the case may be.”

**Section 14.** No provision of the Petroleum Income Tax Act B.E. 2514 as amended by this Act shall apply to companies awarded concessions for petroleum concessions issued prior to the date this Act comes into force; and the petroleum Income Tax Act B.E. 2514, prior to its amendment by this Act, shall remain in force for those companies, unless such companies file application and obtain the consent of the Minister of Industry in accordance with Section 36 of the petroleum Act (No.4),

B.E. 2532 to enforce the Petroleum Act B.E. 2514 as amended by the Petroleum Act (No.4), B.E. 2532 on such concessions of the companies.

**Section 15.** The Minister of Finance shall have the charge and control of this Act.

**Countersigned General Chatichai Choonhavan  
Prime Minister**