



Revenue Department News

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Subject : 2% e-Withholding tax rate has been extended to the end of 2022, with double tax deduction on expenses incurred from investment of developing system

Dr. Ekniti Nitithanprapas, Director-General of the Revenue Department, revealed that the Cabinet meeting, on 12th January 2021, has agreed to promote the use of e-Withholding Tax System by reducing the withholding tax rate from 5% and 3% to 2% for paying assessable income through the e-Withholding Tax System during 1st October 2020 – 31st December 2022. Such tax measure will enhance financial liquidity to individuals and entrepreneurs. As a consequence, there will be a cash flow of over 24,840 million baht in the Thai economy.

Dr. Ekniti Nitithanprapas, Director-General of the Revenue Department, further stated that the Cabinet has also approved on the tax measure to promote the investment in electronic tax system. The tax measure allows companies or juristic partnerships to claim double the amount paid for investing and using the e-Withholding Tax System or the e-Tax Invoice & e-Receipt System as expenses from 1st January 2020 to 31st December 2022. This tax measure aims to decrease the cost and burden of preparing and collecting documents including cost of performing tax duty in accordance with the tax law of private sector. Furthermore, this tax incentive can support a digital economy and digitalization of public and private sectors, encourage Thailand 4.0 scheme, boost Thailand's competitiveness and prevent the spread of COVID-19.

Dr. Ekniti Nitithanprapas, Director-General of the Revenue Department, concluded that e-withholding tax is a part of "Tax From Home" policy. The Revenue Department has applied a digital transformation to accelerate efficiency in work processes. The purposes are to simplify tax operation and payment via electronic system and enable to perform transactions anywhere. Additionally, this is corresponding to the current situation where most entrepreneurs invest more in electronic system in order to continuingly conduct the business, drive national economy and prevent the spread of COVID-19.

For more information, please contact the Revenue Department Offices nationwide or RD Intelligence Center: dial 1161.
