



THE REVENUE DEPARTMENT

News No. : 31/2022

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Subject : The Revenue Department exempts VAT to promote data centre investment

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Mr. Arkhom Termpittayapaisith, Minister of Finance, has announced that the Cabinet of Thailand has today approved in principle tax measure to promote data centre investment which provides Value Added Tax (VAT) exemption on data hosting service in order to attract data centre investment to Thailand and increase the country's competitiveness in data hosting service pricing.

Mr. Lavaron Sangsnit, Director-General of the Revenue Department, has said that the Revenue Department, Ministry of Finance has recognised the importance of the data centre industry and data hosting service which are growing rapidly. He has added that with an effort to spur hyperscale data centre investment for Thailand to become a regional digital hub, the Revenue Department has proposed the draft Royal Decree issued under the Revenue Code Regarding Value Added Tax Exemption (No. ..) B.E. to provide VAT exemption on the following services:

(1) Server and related equipment services for storing, computing, and connecting electronic data over the internet;

(2) Supporting services of the above services which are disaster recovery site, connection with internet service provider or cloud service provider, and system management and security services.

A VAT registrant applying for the exemption shall be a data centre business operator which meets eligibility requirements and complies with regulations prescribed by the Director-General of the Revenue Department as well as notifies the Director-General of its application for the exemption within 5 years from the day that the Royal Decree comes into force.

For further inquiries, please contact Area Revenue Offices nationwide or RD Intelligence Center, dial 1161.

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