



Revenue Department News

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Subject : The Revenue Department with cooperation of other alliances has prepared to be the world's first nation to implement Blockchain technology in VAT refund for tourists (VRT) service

The Revenue Department and other alliances (the Customs Department, the Immigration Bureau, Krung Thai Bank Public Company Limited etc.) have announced to be the world's first nation to implement Blockchain technology in VAT refund for tourists (VRT) service via Mobile Application on Friday 17th January 2020 at Suvarnabhumi Airport by having Mr.Uttama Savanayana, Minister of Finance, presided over the opening ceremony.

Mr.Uttama Savanayana, Minister of Finance, stated that Ministry of Finance is driving towards digitalization. The implementation of Blockchain technology in VAT refund for tourists (VRT) service via Mobile Application of the Revenue Department and alliances is a project under cooperation of four organizations in Ministry of Finance and Krung Thai Bank Public Company Limited to initiate the use of Blockchain project for enhancing system's performance. In addition, the implementation of Blockchain project is a key success to provide a more convenient and efficient VRT service for tourists which can stimulate consumption and encourage a sustainable expansion of Thai economy.

Dr. Ekniti Nitithanprapas, Director-General of the Revenue Department, further stated that at the present, tourists can proceed to make VAT refund from all 10 national airports and local VRT representatives for outbound passengers which are verified by the Revenue Department. However, according to VRT statistic in the past ten years (2010 -2019), it has shown that the number of tourists who make VAT refund has increased over 6 times from 352,000 persons in 2010 to 2.6 million persons in 2019 and this trend has been steadily increasing. Moreover, the amount of tourists' expenditure from both goods and services has gone up to above 4 times from 10,900 million BAHT in 2010 to 46,000 million BAHT in 2019.

Therefore, to provide a more convenient, efficient, and safe VRT service for tourists, the Revenue Department has initiated Blockchain system in VRT service via Mobile Application called "Application Thailand VRT". This application is a fully digital system for VAT refund for tourists which provides convenience for tourists, and tourists can examine purchase history of goods and services and also VAT refund data in a single click at any time all 24 hours. In addition, the Revenue Department has cooperated with the Customs Department, the Immigration Bureau, and Krung Thai Bank Public Company Limited

to develop Web Application system in order to achieve Paperless work of inspection and verifying exported product status, and to open API for merchants to be able to send tourists' purchased goods and services information to VRT system which is a significantly digital improvement of VRT system.

Mr. Payong Srivanich, Chief Executive Officer of Krung Thai Bank Public Company Limited, revealed that according to a memorandum of agreement to implement the use of Blockchain technology project which the bank has jointly signed with organizations under Ministry of Finance, at the present, the implementation part of Blockchain technology with the Revenue Department via Application Thailand VRT is ready to use and the bank has cooperated with the Revenue Department to integrate the network of merchants which in the first quarter of this year, approximate 5,000 shops are expected to join VRT project and to be ready to achieve VRT system.

“Our Bank has been confident that the bank's VRT system would provide a more convenient service and increase tourists' satisfaction. The Blockchain technology of the bank is highly secured and tourists can inspect their VAT refund transactions from their chosen providers via various channels including Alipay, WeChat, VISA, Mastercard, JCB and UnionPay. Furthermore, the bank has jointly signed a memorandum with Airports of Thailand Public Company Limited (AOT), the Revenue Department and the Customs Department to increase the publication channels of VRT project under the mission of the Revenue Department to better reach the tourists.”

Dr. Ekniti Nitithanprapas, Director-General of the Revenue Department, concluded that the integrated cooperation of four organizations including the Revenue Department, the Customs Department, the Immigration Bureau and Krung Thai Bank Public Company Limited by Blockchain technology is a role model of a truly integrated work between government and private sectors which provides convenience, reduces operating time, limits cost of government services and is a crucial part to develop and support tourists that would encourage a sustainable expansion of Thai economy. In addition, if further details needed, please contact any local offices of the Revenue Department or RD Intelligence Center, call 1161.

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