



# Revenue Department News

News No. : 5/2021

Date : 27<sup>th</sup> October 2020

Subject : The Revenue Department promotes innovation to make "taxes" easy by cooperating with The Thai Bankers Association to push forward the electronic withholding tax system (e-Withholding Tax)

---

The Revenue Department launched electronic withholding tax system (e-Withholding Tax) on 27<sup>th</sup> October 2020 at the Revenue Department Building, Phra Uthen Room 1, 2<sup>nd</sup> Floor, 8:00 a.m. - 11:00 a.m., in collaboration with 11 banks to bring innovation for the convenience of large, medium, small businesses, and taxpayers. This system will reduce the burden of preparing and filing withholding tax returns to the Revenue Department. This system can also reduce the cost of preparing a withholding tax certificate and the need of the storage of relevant documents. In addition, taxpayers are also entitled to the reduction of the withholding tax rate from 3% to 2% from 1<sup>st</sup> October 2020 to 31<sup>st</sup> December 2021.

**Dr. Ekniti Nitithanprapas, Director-General of the Revenue Department,** informed that "The electronic withholding tax system innovation (e-Withholding Tax) is one of the tax systems that the Revenue Department has developed in digital transformation, by giving taxpayers a center to make tax management easy. Originally, payers had to file returns and submit the withholding tax to the Revenue Department, and prepare the withholding tax certificates for payees themselves. Switching to financial institutions or banks as an intermediary to carry out withholding tax will reduce procedures, costs and taxes, and comply with international safety standards. Moreover, this system ensures of security and disclosure of information. This service will be launched starting from 1<sup>st</sup> October 2020.

The e-Withholding Tax system consists of 4 parties: Payer, Bank providing service, Payee, and the Revenue Department. The payer will pay via the bank and provide the specified information. Once the bank receives the money, it will issue electronic evidence to the payer and the payee, along with paying after-tax to the recipient. Then submit the information and tax withheld to the Revenue Department within 4 working days following the date the bank receives the money. After that, the Revenue Department will issue an electronic receipt to the payer. In case of the underpayment of withholding tax, the payer can submit additional tax through this system as well. Users can check the information of withholding certificate at any time at the Revenue Department website [www.rd.go.th](http://www.rd.go.th).

There are 11 banks that provide e-Withholding Tax services: 1. Krung Thai Bank Public Company Limited 2. Kasikorn Bank Public Company Limited 3. Bank for Agriculture and Agricultural Cooperatives 4. Bangkok Bank Public Company Limited 5. Mizuho Bank Limited, Bangkok Branch 6. Bank of Ayudhya Public Company Limited 7. Siam Commercial Bank Public Company Limited 8. Sumitomo Mitsui Banking Corporation 9. Standard Chartered Bank 10. TMB Bank Public Company Limited 11. Land and Houses Bank Public Company Limited”

**Mr. Phayong Sriwanich, President of the Thai Bankers Association**, stated that “The financial sector has become one of the key mechanisms to drive the national electronic payment infrastructure development policy in order to push the country's payment systems toward digital era for the public and private sectors, and individuals. This will develop and optimize the payment infrastructure, promote access to e-Payment via PromptPay to reduce the use of cash and checks, develop a payment system for both receipts and payments, and promote the use of debit and credit cards. These are in line with the Revenue Department tax payment system, such as tax refund through PromptPay system, that cover from individual to juristic person, which helps tax refund fast, accurate, and efficient.

The Revenue Department and the Thai Bankers Association have jointly expanded the tax structure of the business sector to connect with the e-Withholding Tax payment via an electronic system. The system will help operators to reduce operating and document storage costs. They can also check information 24 hours a day via 9 member banks and 2 foreign banks with branches in Thailand participating in this system. Besides, the two agencies will work together to develop various infrastructures to expand this system to cover other types of taxes for the best interest of the people.”

Interested persons can register to use the e-Withholding Tax system with participating financial institutions. If you have any questions, please contact the Revenue Department Offices nationwide or RD Intelligence Center, Tel. 1161.

.....