

Topics January 2021

Prescribing Forbidden Diseases for aliens entering The Kingdom, or take up residency in the King.

The Government Gazette has published the Ministerial Regulation Prescribing Forbidden Diseases for aliens entering The Kingdom, or take up residency in the Kingdom, B.E. 2563 (2020) on 25 December B.E. 2563 (2020). Due to current situation of Coronavirus Disease 2019 (COVID -19) and the Ministry of Public Health has notified the such disease as dangerous communicable disease No. 14 according to of the Notification of Ministry of Public Health Subject: Name and Important Symptoms of the Disease B.E. 2559 (2016) as amended by the Notification of Ministry of Public Health Subject: Name and Important Symptoms of the Disease (No. 3), B.E. 2563 (2020) . So, it should be revised the Ministerial Regulation to be in line with the current situation and add the Coronavirus Disease 2019 or COVID-19 is a that are forbid the aliens who have such diseases to enter the kingdom under the Immigration Act 2522, Section 12 (4) or take up residency in the Kingdom under Section 44 (2). This Ministerial Regulation in force from 24 January B.E. 2564 (2021) onwards.

Draft legislation on tax measures to promote the electronic tax system.

The Cabinet approved the principle of extending the period for tax incentives under tax measures to promote and support the electronic tax system, in terms of investment in developing e - Tax Invoice & e-Receipt system and e - Withholding Tax system and using of the e - Tax Invoice & e - Receipt service provided by service providers but it does not include investment in the installation of a Point of Sale: POS which is not directly related to such system and additional tax benefits to cover the use of the service provider's e-Withholding Tax system from 1 January B.E. 2563 (2020) to 31 December B.E. 2565 (2022), such principle will be drafted into the Royal Decree.

In addition, the Cabinet approved the principle of extending the period for tax measures under the return liquidity for domestic operators measure (Phase 2), which reduce the withholding tax rate from the rate of 3% to 2% for payment of assessable income through e - Withholding Tax system according to the Ministerial Regulation No. 361 (B.E. 2563 (2020)) issued under the Revenue Code on income tax and add the said reduction in the withholding tax rate to cover the portion with the rate of 5% to 2% for the payment of assessable income through the e - Withholding Tax system from 1 October B.E.2563 (2020) to 31 December B.E. 2565 (2022) as well, the principle will be drafted as the Ministerial Regulation.

Prescribing fee rates, rate reduction and exemption of the registration fee, request for document inspection, requesting a copy of the document with certification and other fees for partnership and limited company.

The Government Gazette has published the Ministerial Regulation prescribing fee rates, rate reduction and exemption of the registration fee, request for document inspection, requesting a copy of the document with certification and other fees for partnership and limited company B.E. 2563 (2020) on 29 December B.E. 2563 (2020), in order to improve the details of fee collection to be in line with the current situation, as well as to reduce the fee rates for partnerships and limited companies which submit the application for juristic person registration through the electronic system to 50 percent from the original 30 percent by extending the period of reduction of the such fee until 31 December B.E. 2566 (2023), effective from the date of 1 January B.E. 2564 (2021) onwards.

The draft of Ministerial Regulation No. (B.E.) Issue under the Revenue Code Regarding writing off bad debts from debtors' account.

The Cabinet approved the draft of Ministerial Regulation No. (B.E.) Issue under the Revenue Code Regarding writing off bad debts from debtors' account and submit to the Office of the Council of State for examination as urgent, with the details as follows:

1. Revised the rule for writing off bad debts in Clause 4 of the Ministerial Regulation No. 186 by increasing the credit limit for the enforcement of writing off bad debt rule in the event that the debt of each debtor exceeds 2,000,000 baht (previously specified that the debts to be written off of each debtor has an amount exceeding 500,000 baht). And specify a procedure to take action such as reasonable action shall be taken for the recovery of debt and there must be clear evidence but the debt is not paid, or a civil lawsuit has been taken against the debtor, or an application for participation in debt servicing has been filed in the case where the debtor has been sued by other creditors for civil action, and a decree or order of the court has already been given but the debtor has no property to repay the debt.

2. Revised the rule for writing off bad debts in Clause 5 of the Ministerial Regulation No. 186 by increasing the credit limit for the enforcement of writing off bad debt rule in the event that the debt of each debtor not exceeds 2,000,000 baht (previously specified that the debts to be written off of each debtor has an amount not exceeding 500,000 baht). And specify a procedure to take action such as reasonable action shall be taken for the recovery of debt and there must be clear evidence but the debt is not paid, action has been taken against the debtor in a civil case and endorsed by the court or an application for participation in debt servicing has been filed in the case where the debtor has been sued by other creditors for civil action and such application has already been endorsed by the court, a bankruptcy action has been taken against the debtor and endorsed by the court, or an application for participation in debt servicing has been filed in the case where the debtor has been sued by other creditors for bankruptcy action and such application has already been endorsed by the court.

3. Revised the rules for writing off in Clause 6 of the Ministerial Regulation No. 186 states as follows:

3.1 Prescribe the credit limit for the rule for writing off bad debts of minor bad debts of a company or general juristic partnership in case the debt of each debtor is not exceeding 200,000 baht (previously specified that the debts to be written off of each debtor has an amount not exceeding 100,000 baht).

3.2 Prescribe that writing off bad debts in the amount not exceeding 200,000 baht is not required according to the Clause 1 or 2, if it appears that there is evidence that reasonable action for the recovery of debt has been taken but the debt is not paid and that the expenses in taking a lawsuit against the debtor would not commensurate with the debt that will be paid.

4. Prescribe the rules for writing off bad debts from debtors' account of financial institutions in part of credit debt that has been reserved for 100 percent in accordance with the regulations prescribed by the Bank of Thailand and having any of the following characteristics such as being an outstanding debtor, principal or interest for a total period of not less than 360 days or 12 months, or being a debtor that meets the criteria for asset write off from the account which announced by the Bank of Thailand.

5. The Ministerial Regulations come into force for the writing off bad debts in accounting periods beginning on or after 1 January B.E.2563 (2020) onwards.

The Cabinet meeting approved the reduce contribution which remit to the social security fund measures.

The Cabinet meeting approved the measures to assist insured persons under Section 33 of the Social Security Act, B.E. 2533 (1997). By reduce contribution which remit to the social security fund for employees from 3% or remit contribution up to 450 baht, reduced to 0.5% or remit contributions up to 75 baht for a period of 2 months (February - March). For the employers, continue to remit 3% contribution or remit up to 450 baht for a period of 3 months (January - March).

The Cabinet meeting approved 3 tax measures.

The Cabinet meeting (held on 26 January 2021) approved 3 tax measures as follows:

1. Extend the period of personal income tax returns filing and tax payment for the year 2020 with the Revenue Department for another 3 months, from originally scheduled for the last date of submission on 31 March 2021, to 30 June 2021.

2. Reduction of the land and buildings tax rate of year 2021 by 90% and only 10% of the actual collection, covering all types of land and buildings, whether it is used for resident, agriculture, waste land, commercial or industry or others.

3. Extend measures to reduce real estate transfer fees for a house price not more than 3 million baht to help the real estate business, and reduce the expenses of people who want to buy housing by reducing the registration fee for real estate and apartment transfers from 2% of the appraisal value to 0.01%, and also reducing the mortgage registration fee for real estate and apartments from the original 1% of the mortgage value to 0.01%.