

Excise Taxes THAILAND



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เสนอแนะอย่างมีหลักการ
ศึกษาโดยไม่หยุดนิ่ง
คนคลังที่มีคุณภาพ



The Seventh IMF-Japan High-Level Tax Conference
For Asian Countries in Tokyo
5 – 7 April 2016
Tokyo, Japan



I. Overview: Excise Tax in Thailand

II. Structure of Government Incomes & Excise Revenue

III. Main Taxable Goods & Services

IV. Way Forward: Excise Tax Reform

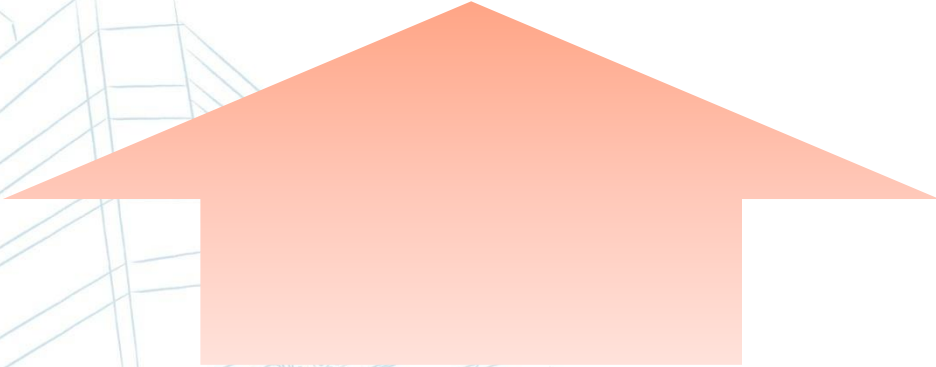
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Excise Levy Principal



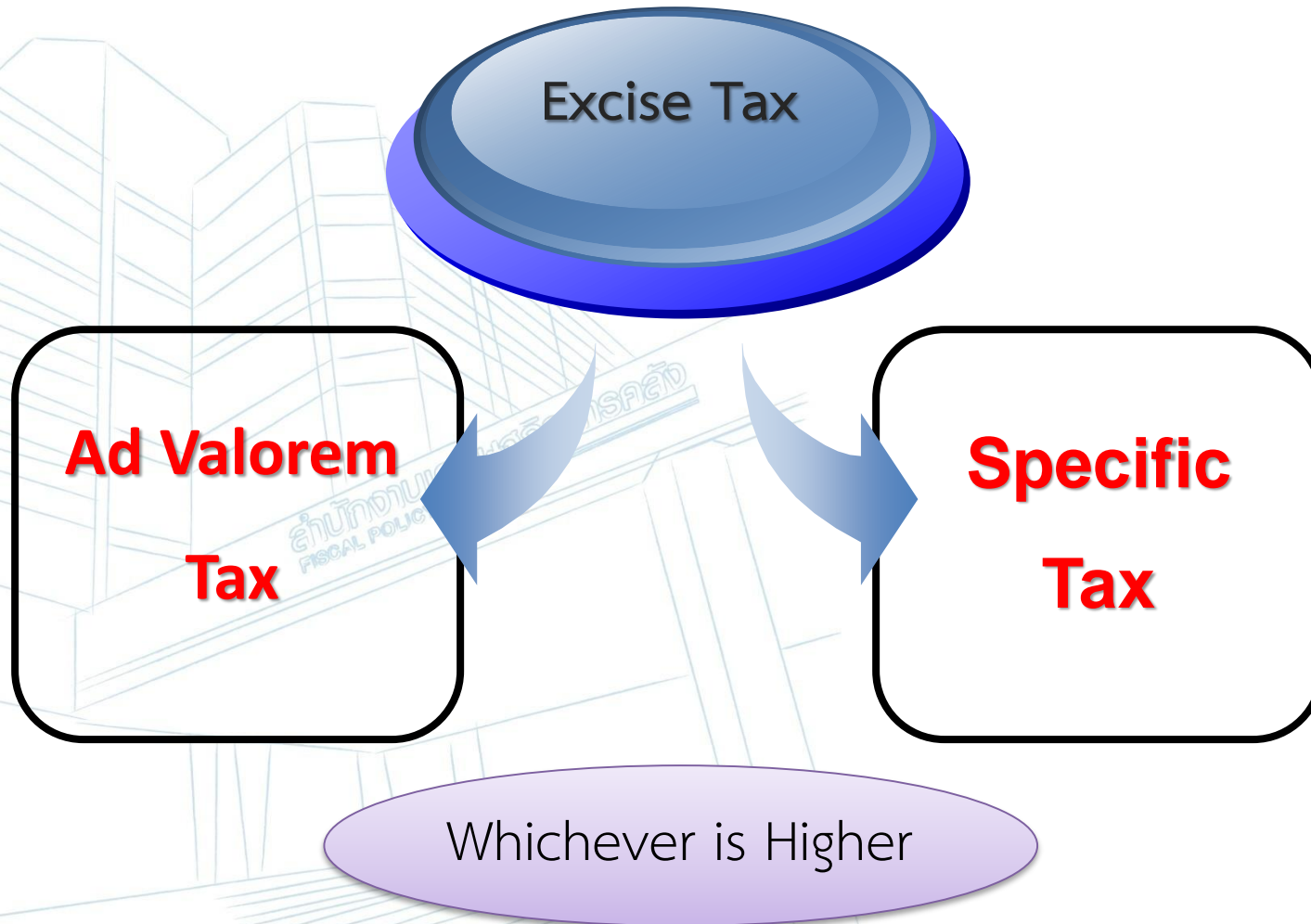
Health Concern
Alcoholic Beverage,
Tobacco

Luxurious
Crystal,
Perfume

Environmental
Automobile,
Fuel, Battery,
Golf Course

Morality
Playing Cards,
Massage Parlour,
Horse Racecourse,

Type of Excise Tax



except Alcohol Beverage

7 Different Excise Acts:

- Excise Tax Act
- Playing Cards Act
- Liquor Act
- Tobacco Act
- Excise Tax Code Act
- Excise Tax Allocation Act
- Liquor Tax Allocation Act

- Collector: Excise Department
- Current Taxable Goods & Services:

Goods & Services	
Alcoholic Beverages	Processed Marble & Grannite*
Playing Cards	Petrol & Petroleum Product
Ozone Depleting Substance	Chandelier
Glass & Glassware	Automobile
Yacht*	Lottery*
Capet & Other Covering Material	Motorcycle
Tobacco	Battery
Beverages	Horse Racecourse
Golf Course	Telecommunication Business*
Night Club & Discotheque	Massage Parlour
Perfume and Cosmetics	

**Tax Exempted*

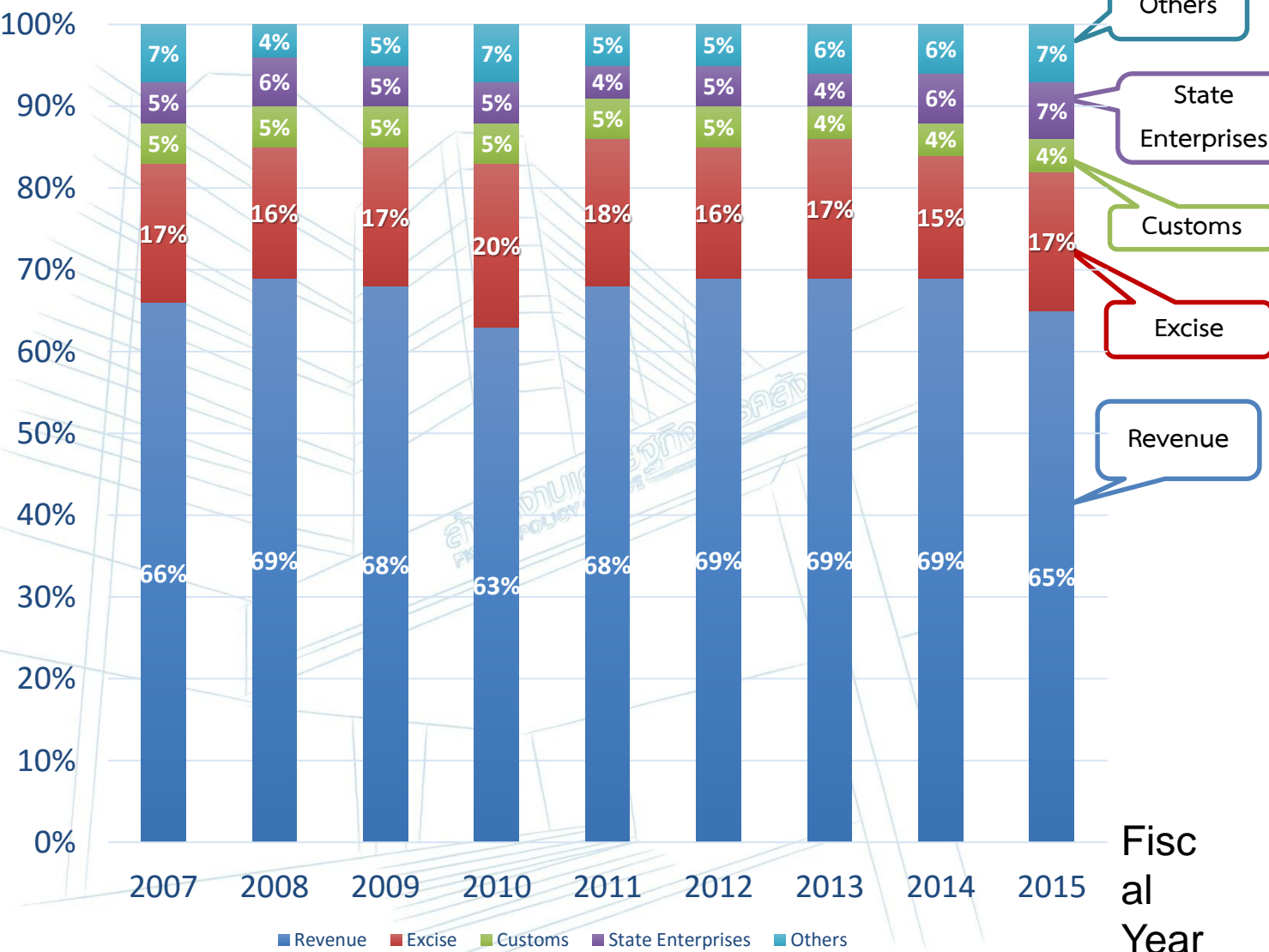
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II. Structure of Government Income



Others

State Enterprises

Customs

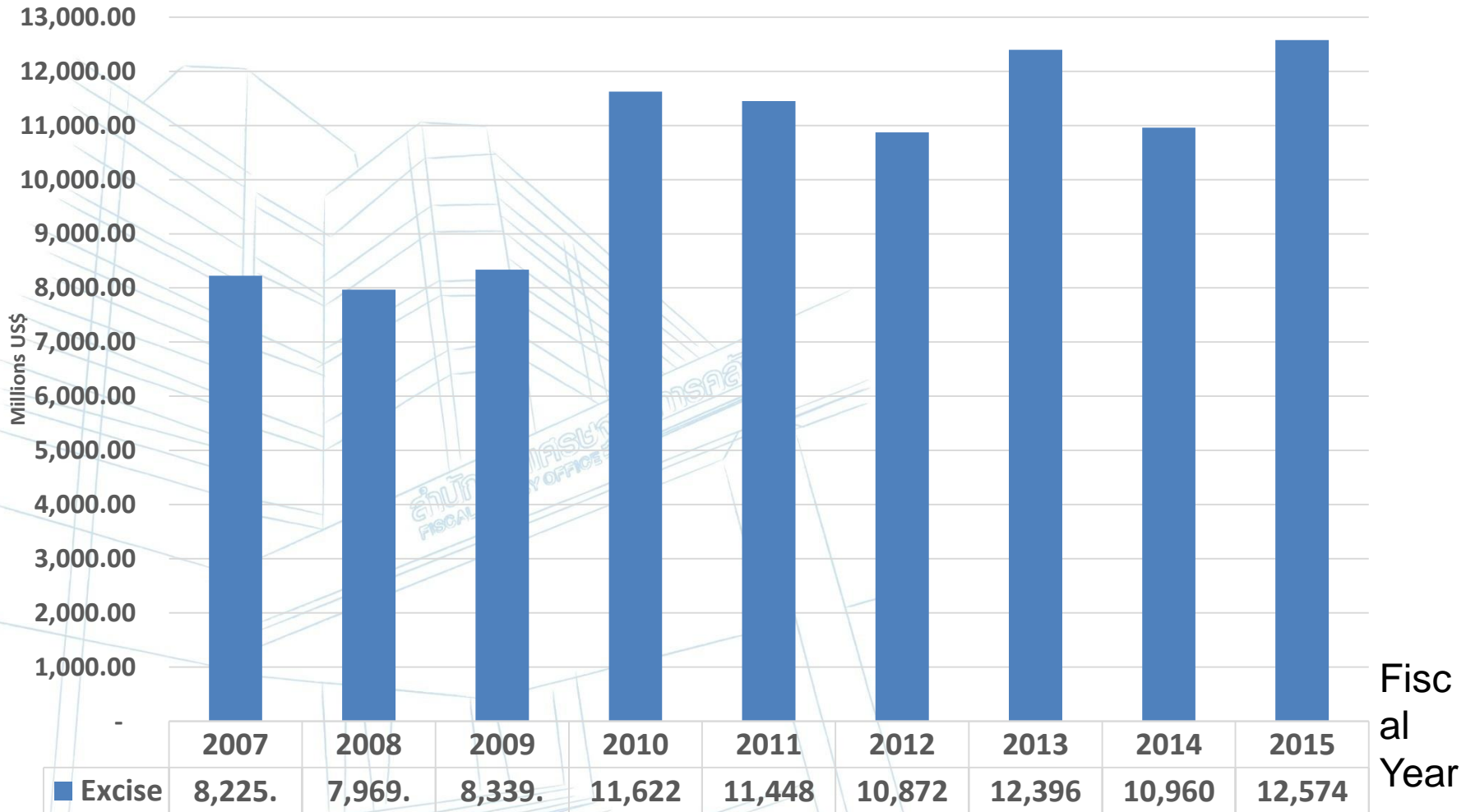
Excise

Revenue

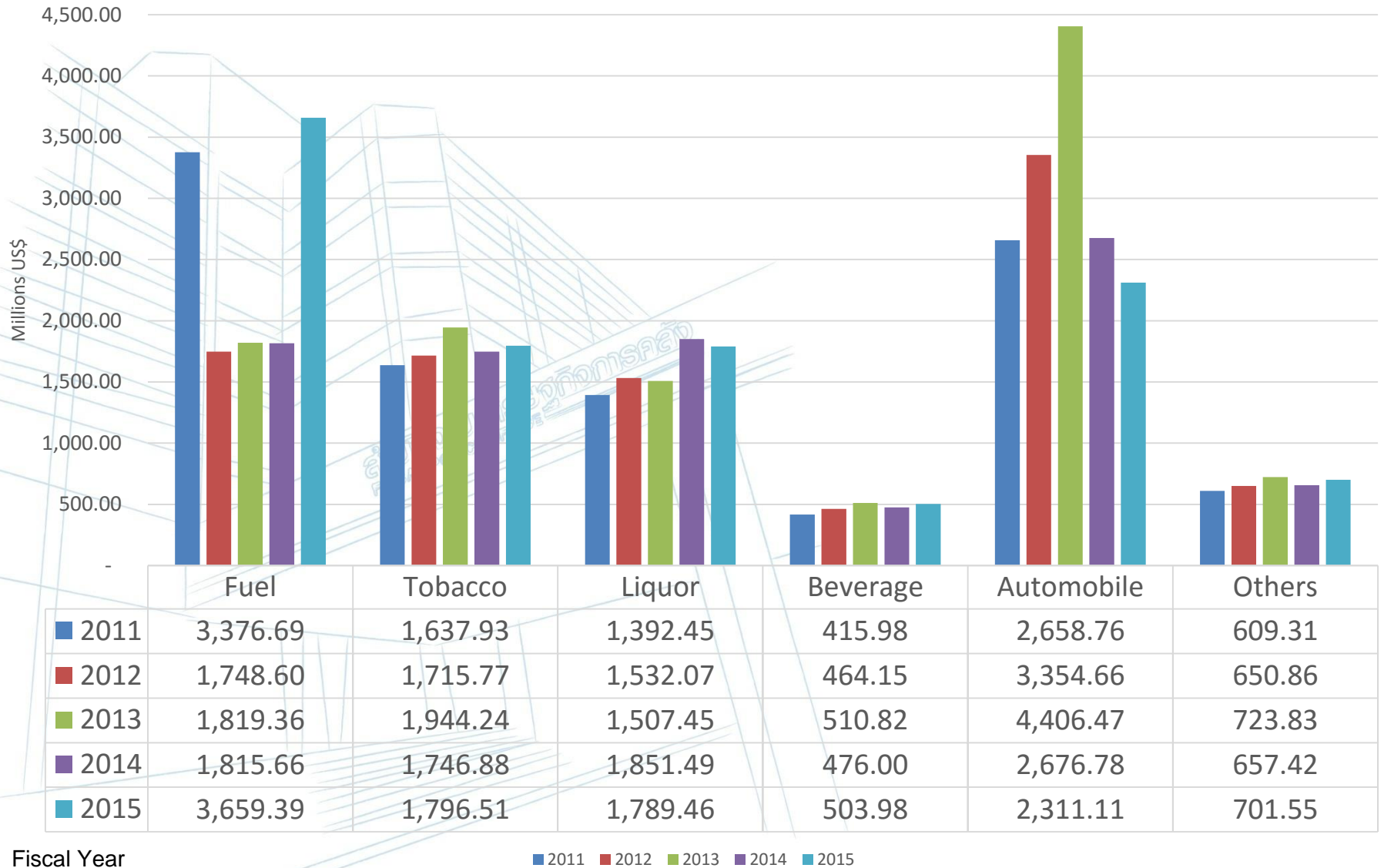
✓ In 2015, the revenue of Excise department is counted 17% of total government revenue.

✓ In 2010, increasing of Excise revenue proportion was from rising excise tax rates on Fuel, Liquor and Tobacco.

Excise Revenues



Excise Revenues



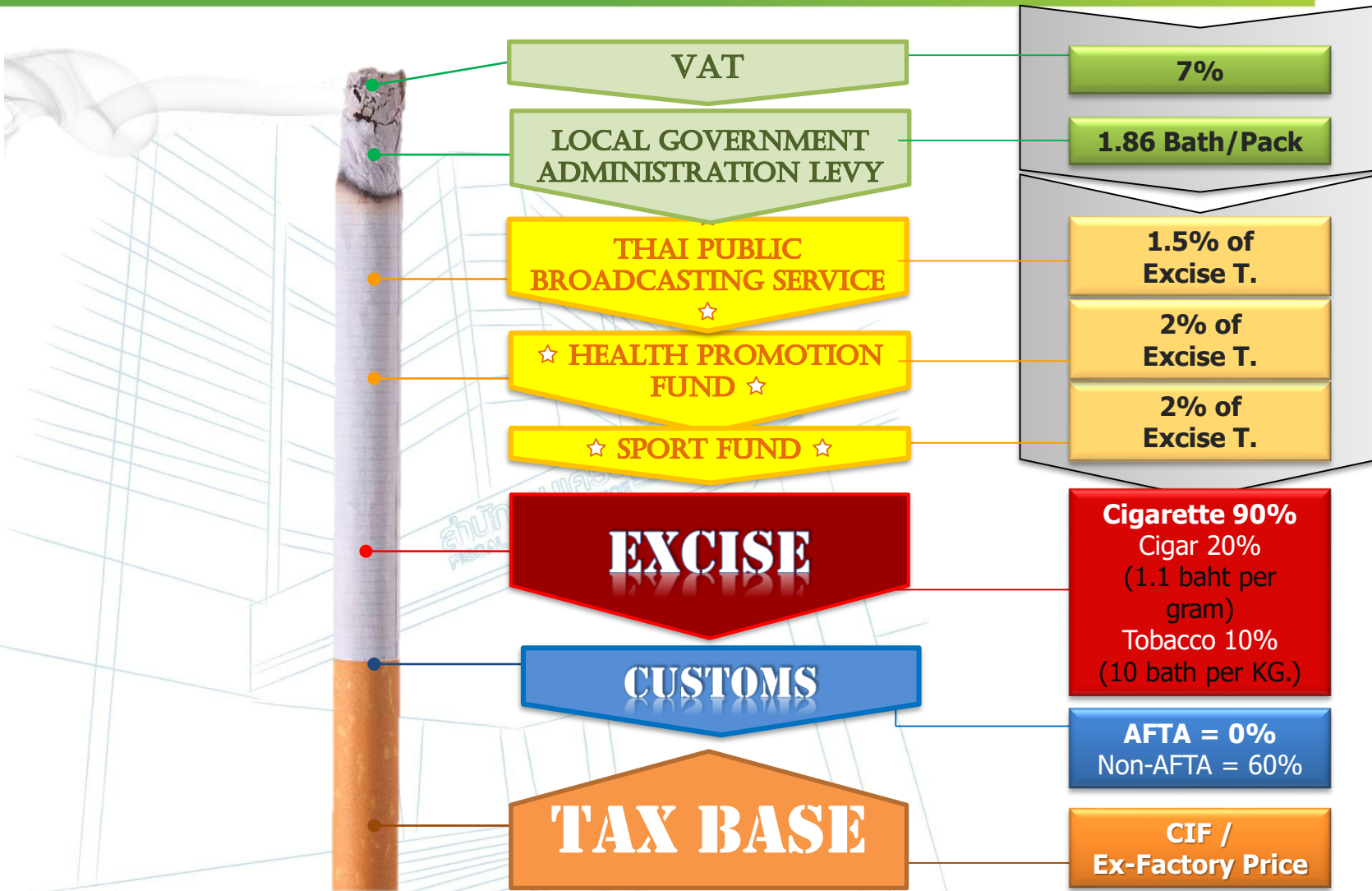
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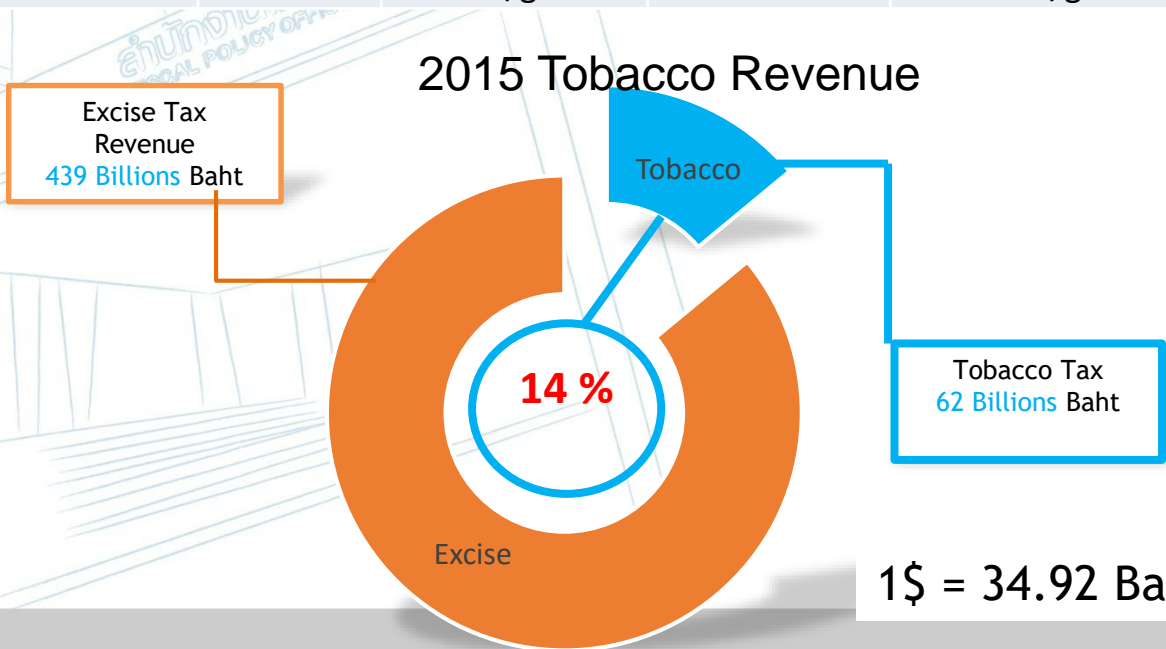
IV. Way Forward: Excise Tax Reform

III. Main List: (1) Tobacco



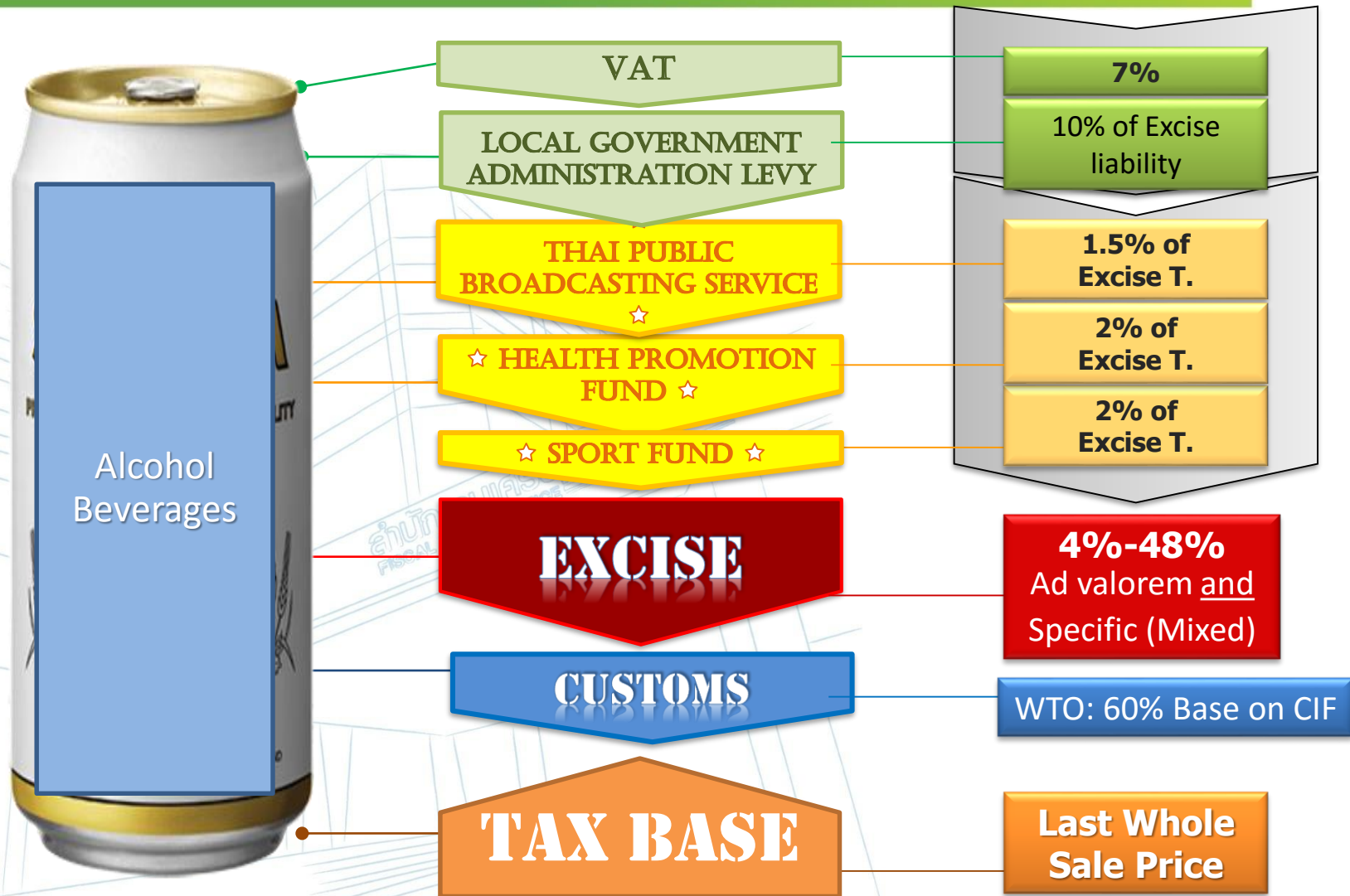
Tax Structure: Tobacco

Tobacco	Ceiling Rate		Effective Rate	
	Ad Valorem	Specific (Unit)	Ad Valorem	Specific (Unit)
	(%)		(%)	
1 Shredded Tobacco	90	3 baht/gramme	10	0.01 baht/gramme
2 Tobacco				
(2.1) Cigarettes	90	3 baht/gramme	90	1.10 baht/gramme
(2.2) Cigars	90	3 baht/gramme	20	1 baht/gramme
(2.3) Other rolled tobacco	90	3 baht/gramme	10	0.1 baht/gramme
(2.4) Blended Shredded Tobacco	90	3 baht/gramme	20	1 baht/gramme
(2.5) Chewing Tobacco	90	3 baht/gramme	10	0.1 baht/gramme



1\$ = 34.92 Baht

III. Main List: (2) Alcohol Beverages

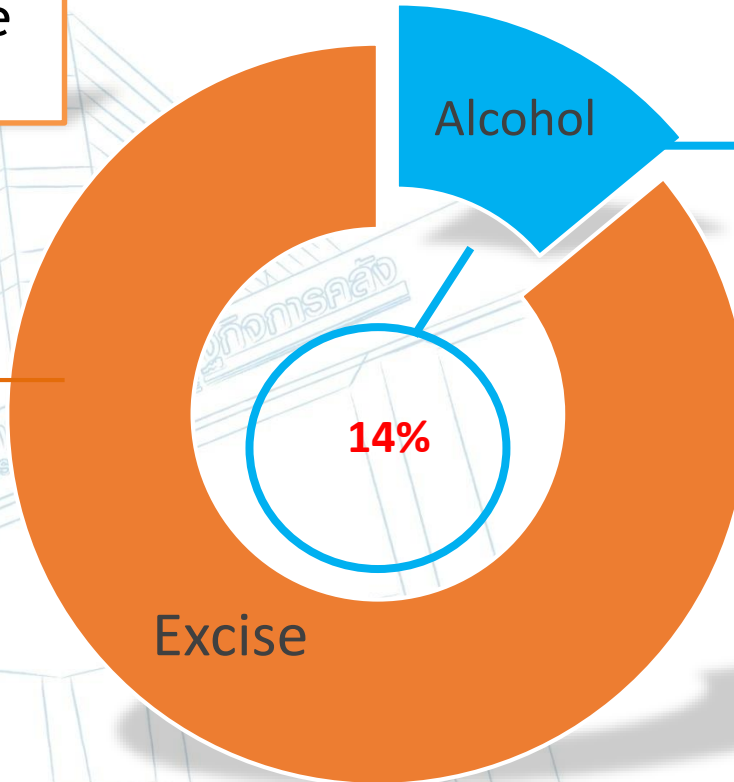


Tax Structure: Alcohol Beverages

Item	Conditions	Ad Valorem (1)	Specific (2) or (3) *		Excess Degree of alcohol (4)	
		Last Wholesale	THB/Litre	THB/Litre	Conditions	THB/Litre
		Price (ex VAT)	/100 degree (2)	3	if excess	
<u>Fermented Liquor</u>						
Beer	Ceiling Rate	<u>60</u>	<u>300</u>	<u>30</u>	> 7 degree	3.00
	Effective Tax Rate	48	155	8		
Wine and Sparking Wine from Grape	Ceiling Rate	<u>60</u>	<u>2,000</u>	<u>300</u>	> 15 degree	3.00
	LWSP ≤ 600 THB	0	1,000	225		
	LWSP > 600 THB	36				
Other Fermented Liquor	Ceiling Rate	<u>25</u>	<u>150</u>	<u>30</u>	> 15 degree	3.00
	Effective Tax Rate	5	70	10		
<u>Distilled Liquor</u>						
White Spirit	Ceiling Rate	<u>50</u>	<u>400</u>	<u>60</u>	> 40 degree	3.00
	Effective Tax Rate	4	145	40		
Other Distilled Liquor	Ceiling Rate	<u>50</u>	<u>400</u>	<u>60</u>	> 45 degree	3.00
	Effective Tax Rate	25	250	50		
<u>Ethanol</u>						
(above 80 degree of alcohol)						
1) For industrial or being conversed purpose	Unconditional	0	0	1	Unconditional	
2) For medical or scientific purpose		0	0	0.05		
3) Other Ethanol		0	6	0		

Alcohol Tax Revenues 2015

Excise Tax Revenue
439 Billions Baht



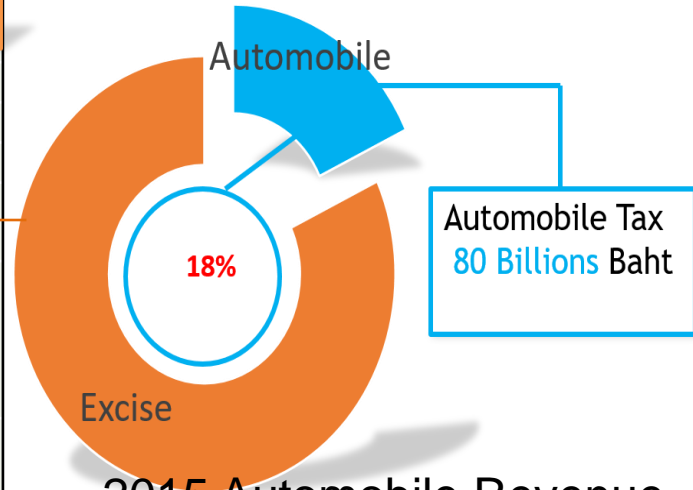
Liquor Tax
62 Billions Baht

1\$ = 34.92 Baht

Tax Structure: (3) Automobile

Categories of Vehicle	Engine Capacity no excess 3,000 CC				Engine Capacity excess 3,000 CC
	Tax Structure (Started on 1 Jan 2016)				
	≤ 100 g/km	> 100 -150 g/km	> 150 -200 g/km	> 200g/km	
Passenger Vehicles	30	30	35	40	50
E20	30	30	35	40	50
E85	25	25	30	35	50
NGV	25	25	30	35	50
Hybrid	10	20	25	30	50
Modified	3				50
ECO car ³	≤ 100 g/km (using E85)	≤ 100 g/km (not using E85)	> 100 - 120 g/km		Excise Tax Revenue 439 Billions Baht
	12	14	17		
Electric Vehicle		10			
Fuel Cell		10			
3 wheels not excess 250 CC		5			
	Engine Capacity not excess 3,250 CC				
Pick-up Double Cab			> 200g/km		Engine Capacity excess 3,250 CC
		≤ 200 g/km			
		12		15	
Pick-up Passenger Vehicle		25		30	50
	Engine Capacity not excess 3,250 CC				
Pick-up			> 200g/km		Engine Capacity excess 3,250 CC
		≤ 200 g/km			
Pick-up No Cab		3		5	50
Pick-up Space Cab		5		7	50

Automobile Tax rate and tax incentive are based on efficiency of CO2 emission



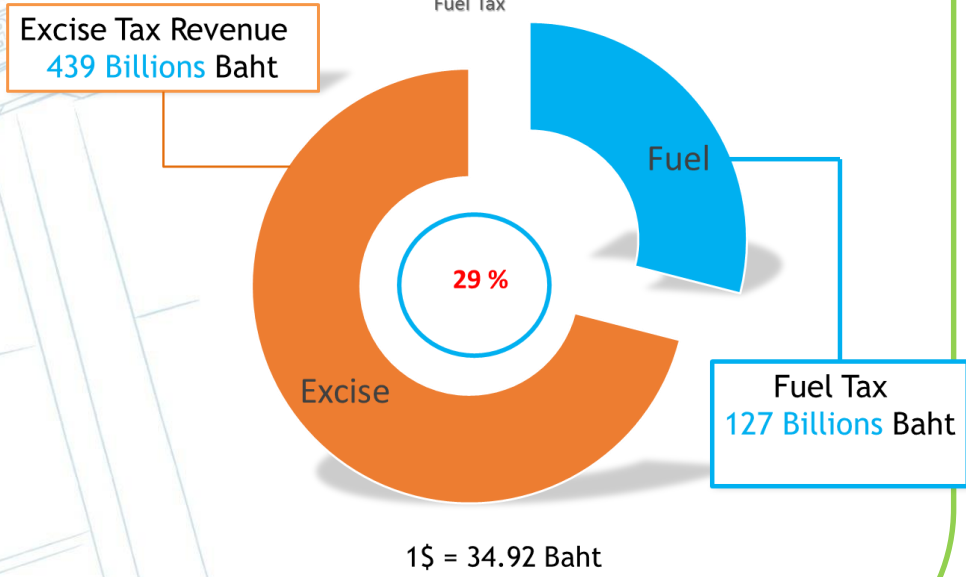
2015 Automobile Revenue

1\$ = 34.92 Baht

III. Main List: (4) Petroleum Product

- Taxable Petroleum Product: 9 different types
 - (1) Gasoline
 - (2) Kerosene
 - (3) Fuel for jet aircraft
 - (4) Diesel
 - (5) Natural Gas Liquid (NGL)
 - (6) Liquefied Petroleum Gas (LPG)
 - (7) Fuel Oil
 - (8) Bitumen Product
 - (9) Hydrocarbon Solvent

5 Mains Type of Petroleum	Excise Tax Rate (Baht per Litre)
Gasoline	6.00
Gasohol E10	5.40
Gasohol E20	4.80
Gasohol E85	0.9
Diesel	5.35



2015 Petroleum Revenue

Tax Structure: Petroleum Products

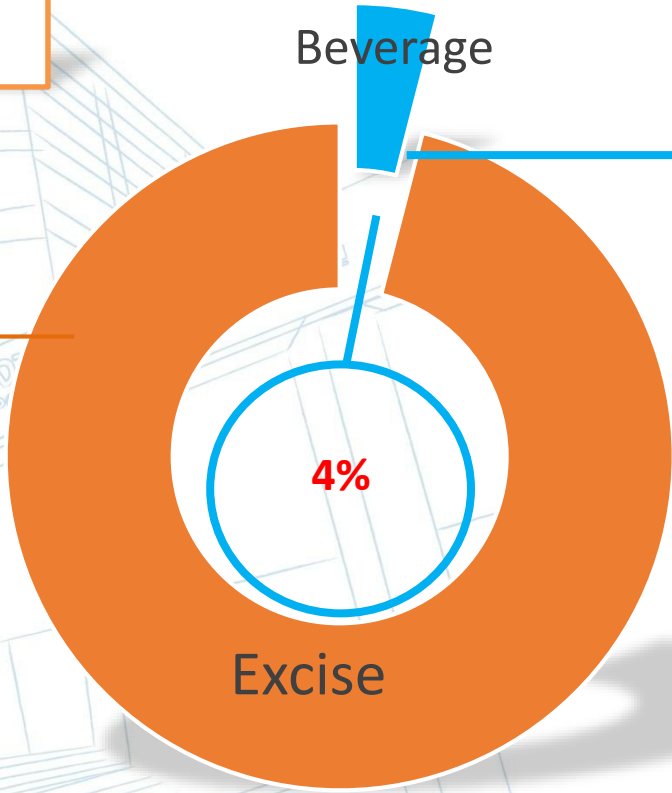
Categories	Ceiling Rate		Effective Rate	
	Ad Valorem (%)	Specific	Ad Valorem (%)	Specific
1. Petroleum and Petroleum Products				
1.1 Gasoline				
(1) Unleaded gasoline	42	10 baht/litre	0	5.60 baht/litre
(2) Other gasoline	42	10 baht/litre	0	5.60 baht/litre
(3) Gasohol with ethanol content not less than 10%	42	10 baht/litre	0	5.04 baht/litre
(4) Gasohol with ethanol content not less than 20%	42	10 baht/litre	0	4.48 baht/litre
(5) Gasohol with ethanol content not less than 85%	42	10 baht/litre	0	0.84 baht/litre
1.2 Kerosene	34	4 baht/litre	0	3.055 baht/litre
1.3 Fuel for jet aircraft				
(1) used directly in jet aircraft	34	4 baht/litre	1	0.200 baht/litre
(2) used for others	34	4 baht/litre	23	3.000 baht/litre
1.4 Diesel	34	10 baht/litre	0	5.35 baht/litre
1.5 Natural Gas Liquid (NGL)	42	10 baht/litre	36	5.310 baht/litre
1.6 Liquefied Petroleum Gas (LPG)	34	9 baht/kg.	0	2.170 baht/litre
1.7 Fuel Oil	42	10 baht/litre	5	-
1.8 Bitumen Product	42	10 baht/litre	12	-
1.9 Hydrocarbon Solvent	42	10 baht/litre	30	-

Tax Structure: (5) Non-alcohol Beverages

Categories	Ceiling Rate		Effective Rate	
	Ad Valorem (%)	Specific	Ad Valorem (%)	Specific
1. Soda water	25	0.77 baht/440 c.c.	25	0.77 baht/440 c.c.
2. Soft drink	20	0.45 baht/440 c.c.	20	0.37 baht/440 c.c.
3. Unfermented vegetable or fruit juices				
(1) In general	20	0.45 baht/440 c.c.	20	0.37 baht/440 c.c.
(2) When juice content is compiled with the Department Regulation	20	0.45 baht/440 c.c.	Exempt	Exempt



Excise Tax Revenue
439 Billions Baht



Beverage Tax
17 Billions Baht

1\$ = 34.92 Baht

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IV. Way Forward: Excise Tax Reform

Excise Tax Reform: combining 7 different tax acts which are

- (1) Excise Tax Act
- (2) Playing Cards Act
- (3) Liquor Act
- (4) Tobacco Act
- (5) Excise Tax Code Act
- (6) Excise Tax Allocation Act
- (7) Liquor Tax Allocation Act

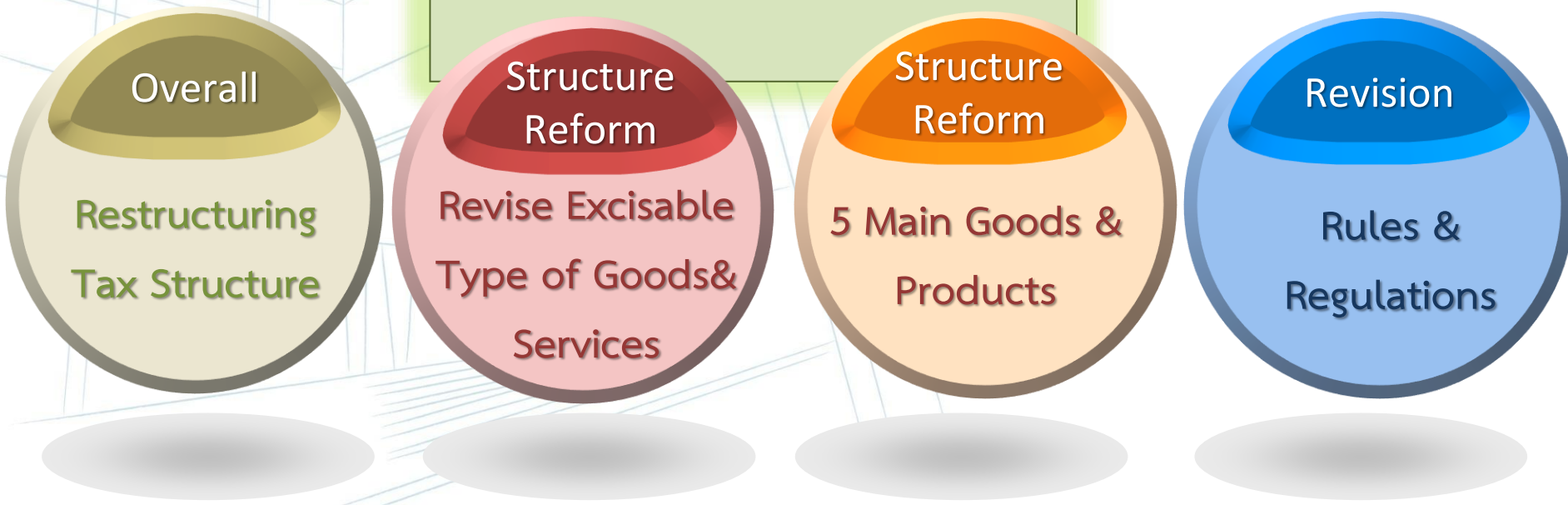


New Excise Tax Act.

IV. Way Forward: Excise Tax Reform

Equitable + Modernize + Increase Revenue

AIM TO





Thank you