



International Tax Development in Thailand

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APRIL 2015

7TH IMF-JAPAN HIGH LEVEL TAX CONFERENCE FOR ASIAN COUNTRIES



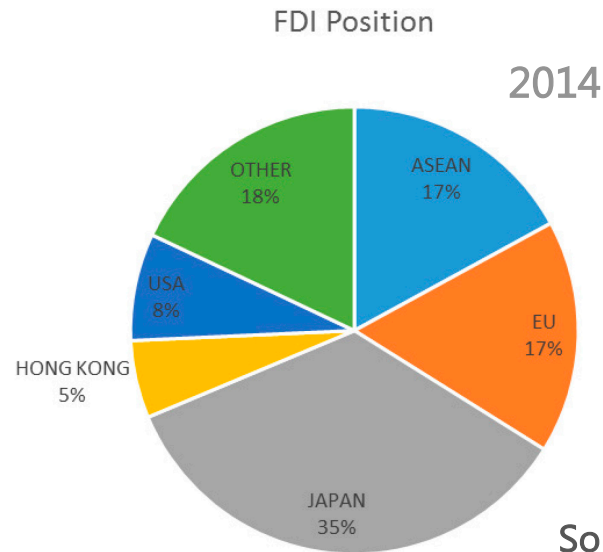
Contents

- ❖ FDI in Thailand and Current Promotion Schemes
- ❖ Transfer Pricing Laws
- ❖ Exchange of Information
- ❖ National e-Payment Master Plan

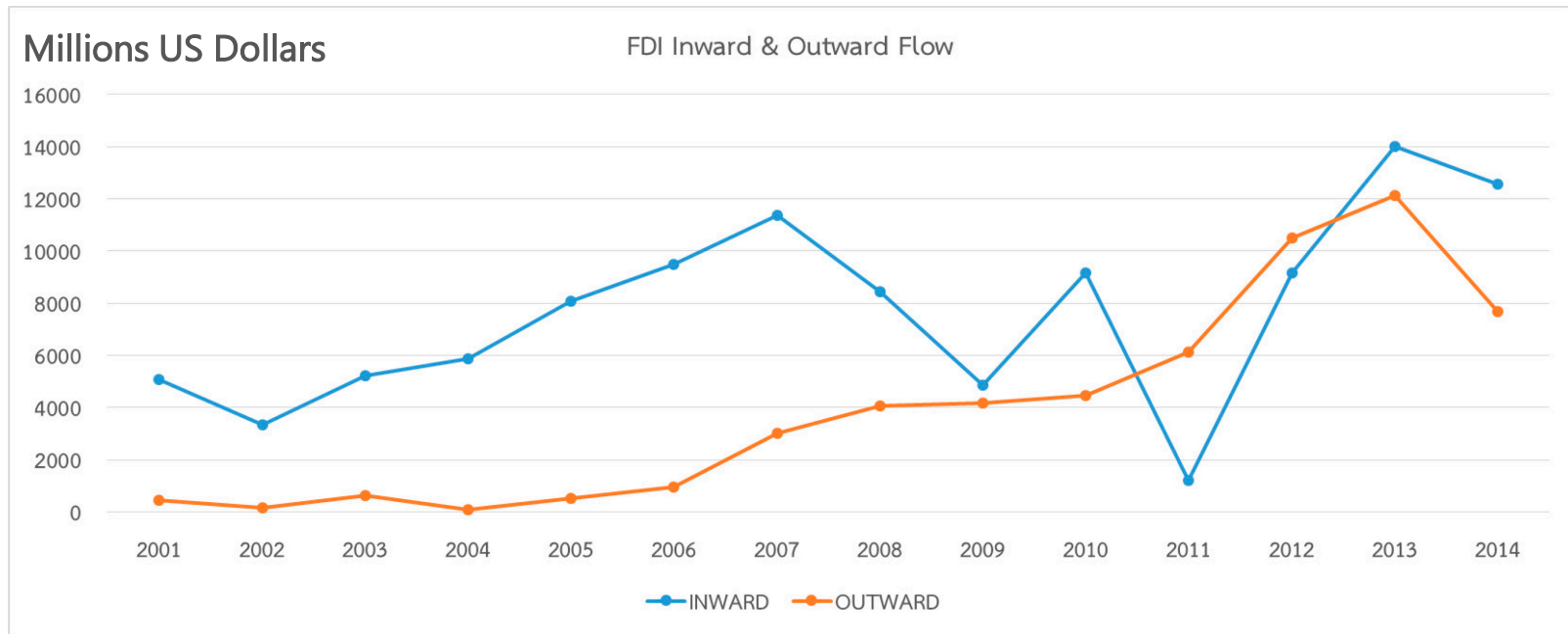




FDI in Thailand



Source: Bank of Thailand



Source: UNCTADSTAT



Current Promotion Schemes

- BOI Promotional Scheme
- International Headquarters (IHQ) & International Trading Centers (ITC)

Goal :

To attract both foreign and Thai companies to establish headquarters in Thailand



Our Challenges

International trends affecting tax base: Base Erosion and Profit Shifting (BEPS)

- Digital Economy
- Permanent Establishment
- Transfer Pricing
- Treaty Abuse
- Interest/Royalties Deduction
- Outdated Domestic Laws



Transfer Pricing Laws

- Define the concept of arm's length principle
- Determine transfer pricing methodologies to meet the global standards
- Determine the requirement of transfer pricing documentation



Exchange of Information

Current situation

- 60 DTAs have an EOI article
- Reservation in OECD model : EOI covers only for direct taxes
- No TIEAs (Tax Information Exchange Agreement)
- Currently mostly cover EOI on request / AEOI / Spontaneous EOI.

What are we doing?

- Organizing seminars/workshops in DTA and EOI for regional officers.
- Revising and implementing domestic laws concerning EOI & AEOI.
- Treaty policy to include paragraph 4&5 (domestic interest & information held by FIs).
- EOI mostly on request and inbound more than outbound.
- Implementing EOI Format nationwide.
- Intend to apply the Global Forum within this year.



National e-Payment Master Plan

Last December, the cabinet has approved a national e-payment master plan in order to promote electronic payment with a view to creating a cashless society to ease financial transactions and business activity

The plan also consists of tax aspect such as;

- Mandatory e-Tax Invoice/ Receipt with auto-generated electronic VAT report
- Mandatory e-Filing
- Automated transfer of payment and VAT data from bank and non-bank (3rd party information) to RD

Thank you

