

Tax Alert

31 March 2020

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เอกสารนี้ไม่ได้มีการจัดทำเป็นฉบับภาษาไทย หากมีข้อสงสัยกรุณาติดต่อผู้แต่งตามที่อยู่ติดต่อในปกหลัง

Ministerial regulation on withholding tax rate reduction for domestic fee payments

On 30 March 2020, the Ministerial Regulation No. 361 (B.E. 2020) issued under the Revenue Code was published in the Royal Gazette granting temporary reductions of the withholding tax (“WHT”) rates for domestic payments of certain types of income.

This WHT reduction is part of the government’s liquidity stimulus package to mitigate the impact of the COVID-19 outbreak.

The types of income and recipients, reduced WHT rates and applicable periods are set out below.

Type of income entitled to reduced WHT rate	Eligible recipient
(a) Income under Section 40(2), e.g. commission and brokerage fees	Company or registered partnership
(b) Income under Section 40(3), i.e. payment for goodwill, copyrights or any other similar rights	Company or registered partnership
(c) Income under Section 40(6), e.g. payment for professional services such as law, art, medicine, engineering, architecture or accounting, or Section 40(7), i.e. income derived from a contract of work where a contractor provides essential materials other than tools	Individual, company or registered partnership
(d) Income under Section 40(8), i.e. payment for hire of work, awards, discounts or any other benefits due to sales promotion and other services	

- ▶ Reduced from 3% to 1.5% for payments made between 1 April 2020 to 30 September 2020;
- ▶ Reduced from 3% to 2% for payments made between 1 October 2020 to 31 December 2021 provided the WHT remitted via the method prescribed by the Revenue Department (further details to be announced, but expected to be via the e-withholding tax system).

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