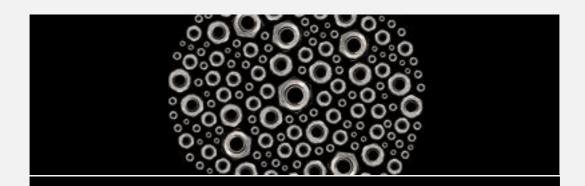
Deloitte.



Thailand | Tax & Legal | August 2024



Tax & Legal Newsletter August 2024

Modification of personal income tax incentives with respect to investments in Thai ESG funds

On 30 July 2024, the Thai cabinet approved a draft ministerial regulation that would modify certain personal income tax incentives for investments in Thai environmental, social, and governance (ESG) funds, with the aim of promoting and encouraging investments that improve factors relating to ESG. The modifications would apply to investment units purchased from 1 January 2024 through 31 December 2026.

Currently, a personal income tax deduction is available with respect to certain payments made to purchase investment units in Thai ESG funds. The deduction is capped at THB 100,000 per tax year and the total deduction may not exceed 30% of the taxpayer's assessable income. In addition, a personal income tax exemption is available for certain capital gains derived from the redemption of investment units in Thai ESG funds. To qualify for the tax incentives, the investment units generally must be held for at least eight years from the date of purchase.

The modifications to the tax incentives include an increase in the personal income tax deduction cap from THB 100,000 per tax year to THB 300,000 per tax year, with the total deduction continuing to be limited to 30% of the taxpayer's assessable income. Additionally, the holding period requirement for investment units to qualify for the personal income tax incentives would be reduced from a minimum of eight years to a minimum of five years.

For the regulation to become effective, a final version of the regulation must be published in the government gazette.

Contacts

Should you have any comments or questions arising from this newsletter, please contact either the listed contacts below, or any member of the Thailand Tax & Legal team.

Anthony Visate Loh

International Tax & Legal

Tel: +66 (0) 2034 0000 ext 40112 Email: aloh@deloitte.com

Alisa Arechawapongsawat

Transfer Pricing

Tel: +66 (0) 2034 0000 ext 40171 Email:

aarechawapongsawat@deloitte.com

Chairak Trakhulmontri

Transfer Pricing

Tel: +66 (0) 2034 0000 ext 40157 Email: ctrakhulmontri@deloitte.com

Darika Soponawat

Business Tax (Tax Compliance)

Tel: +66 (0) 2034 0000 ext 40115 Email: dsoponawat@deloitte.com

Dr. Kancharat Thaidamri

Transfer Pricing

Tel: +66 (0) 2034 0000 ext 40118 Email: kthaidamri@deloitte.com

Korneeka Koonachoak

Business Tax (Value Chain Alignment)

Tel: +66 (0) 2034 0000 ext 40122 Email: kkoonachoak@deloitte.com

Mark Kuratana

Global Employer Services

Tel: +66 (0) 2034 0000 ext 40125 Email: mkuratana@deloitte.com

Nu To Van

Indirect Tax (Customs & VAT)

Tel: +66 (0) 2034 0000 ext 40163 Email: ntovan@deloitte.com

Patcharaporn Pootranon

Legal - Corporate

Tel: +66 (0) 2034 0000 ext 40173 Email: ppootranon@deloitte.com

Pornpun Niyomthai

Global Employer Services – Immigration

Tel: +66 (0) 2034 0000 ext 40175 Email: pniyomthai@deloitte.com

Stuart Simons

Transfer Pricing

Tel: +66 (0) 2034 0000 ext 40135 Email: ssimons@deloitte.com

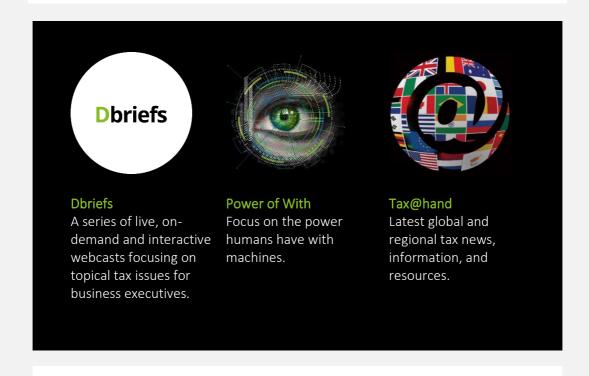
Wanna Suteerapornchai

Business Tax (M&A)

Tel: +66 (0) 2034 0000 ext 40144

Email:

wsuteerapornchai@deloitte.com



Get in touch









Deloitte Thailand

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which is a separate and independent legal entity, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

About Deloitte Thailand

In Thailand, services are provided by Deloitte Touche Tohmatsu Jaiyos Co., Ltd. and its subsidiaries and affiliates.

This communication contains general information only, and none of DTTL, its global network of member firms or their related entities is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.

© 2024 Deloitte Touche Tohmatsu Jaiyos Co., Ltd.

To no longer receive emails about this topic please send a return email to the sender with the word "Unsubscribe" in the subject line.