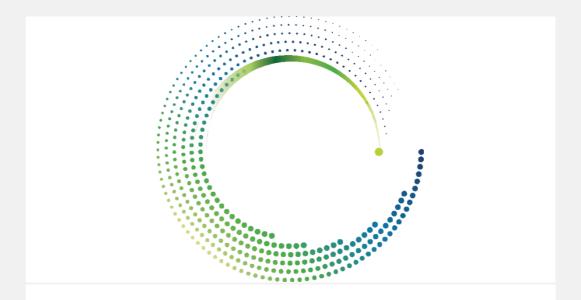


Thailand | Tax & Legal | 25 August 2021



VAT Alerts

VAT reduced rate extended and VES

VAT reduced rate extended for another 2 years

On 24 August 2021, the Cabinet extended the reduced 7% VAT rate for another two years i.e. until 30 September 2023, to support the economy affected by the COVID-19 pandemic.

VAT on Electronic Services (VES)

On 16 August 2021, the Revenue Department (TRD) launched the official website (the Simplified VAT System for e-service: SVE) for e-Service registration.

Foreign service providers / platforms that are expected to fall within the scope of the VES can now start registering themselves with the TRD. Services that fall within the scope of the VES include:

- Online downloading or streaming services of content such as music, concerts, games, movies, and pre-recorded online courses
- Advertisement services on websites or applications
- Support services performed via electronic means.

Foreign service providers / platforms providing such services to non-VAT registered customers and meeting the 1.8 million THB threshold amount, are recommended to start the registration process as soon as possible before the law enters into force on <u>1 September 2021</u>.

Note that certain online services are not covered by the VES, including the following:

- Live teaching services
- Payment channels or money transfer services
- Electronic publications / books which are generally exempt from VAT e.g., e-Books, digital magazines.

For more details on the scope of the VES and how to prepare for it, please refer to our previous alerts here.

Contacts

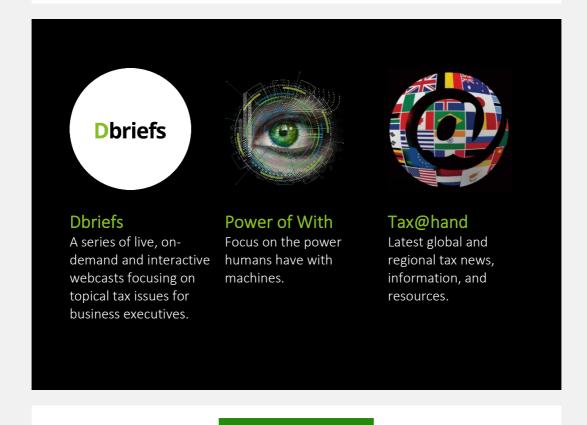
Should you have any comments or questions arising from this newsletter, please contact the listed contacts below.

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