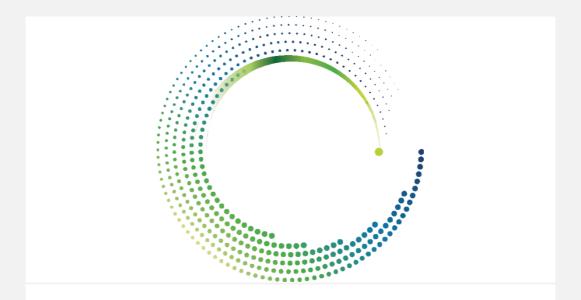


Thailand | Tax & Legal | 7 January 2022



### TP Alert

# Thailand's Country-by-Country Reporting Filing Deadline Extended

The Thai Ministry of Finance has issued a Notification to extend the filing deadline for the Country-by-Country Reporting (CbCR) for multinational enterprise groups ("MNE groups") headquartered and/or operating in Thailand. This follows the release of Notification of the Director-General of the Revenue Department on Income Tax (No. 408) ("Notification 408") which sets out Country-by-Country Reporting (CbCR) obligations.

The extension of the filing deadline recognizes the suggested lodgement timeline provided in the OECD guidance on CbCR. Notification 408 provided that the CbCR must be submitted in English, together with the annual corporate tax return (Form PND 50), which is due 150 days after the end of the accounting period. This was, however, a tight deadline for companies to comply with.

There are now two filing deadlines depending on which type of entity is responsible for filing the CbCR.

#### Ultimate Parent Entity and Surrogate Parent Entity

The following entities are required to file the CbCR with the Thai Revenue Department within 12 months after the end of the accounting period:

• The ultimate parent entity (UPE) of a MNE group, which is tax resident in Thailand, or

- A Thai entity of the MNE group (with its UPE outside Thailand) which is nominated as the Surrogate Parent Entity (SPE) to file the CbCR on behalf of the UPE in the following circumstances:
  - The country of tax residence of the UPE does not have applicable CbCR filing requirements;
  - The UPE has appointed the Thai entity as the SPE in writing and notified the appointment to the Thai Revenue Department; and
  - The accounting period of the SPE is the same as the UPE

This 12 month deadline is therefore a substantial relaxation from the 150 days indicated in Notification 408.

#### Other Entities Carrying on Business in Thailand

An entity carrying on business in Thailand, which is neither the UPE or SPE, and satisfies the following conditions is required to file the CbCR with the Thai Revenue Department within 60 days of receipt of a written request from the Thai Revenue Department tax assessment officer:

- The UPE is not required to file a CbCR in its country of tax residence;
- The UPE is a tax resident of a country that does not have a competent authority agreement on exchange of information with Thailand effective for the relevant accounting period; or
- There is an obstacle to the exchange of the CbCR between the countries.

Such an entity may be exempt from lodging the CbCR with the Thai Revenue Department if the following conditions are satisfied:

- The UPE has appointed a SPE to file the CbCR under the laws in the SPE's country of tax residence;
- The SPE's country of tax residence has a competent authority agreement on exchange of information with Thailand which was in force at the time of the last prescribed date for submitting the CbCR;
- o The SPE's country of tax residence has not notified any obstacle to the exchange of the CbCR to the Thai Revenue Department;
- The SPE has notified the competent authority of the country it is a tax resident regarding its surrogate status; and
- The Thai entity has notified the Thai Revenue Department regarding an appointment of the SPE.

This 60 day deadline is also potentially a significant relaxation from the 150 days indicated in Notification 408 wherein it is possible that the officer may not request the CbCR or, if they do, it may be longer than 12 months after the end of the accounting period.

Please find an unofficial translation of the Notification attached <u>here</u>.

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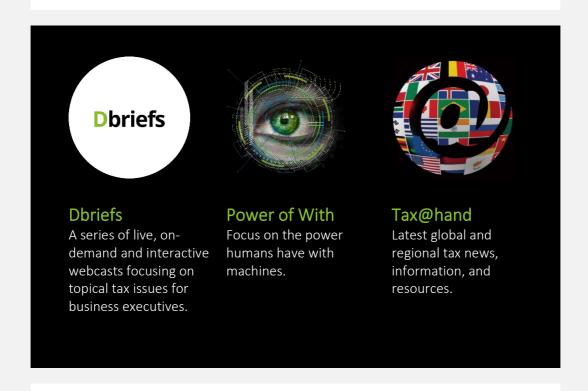
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