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AGENDA

01 THAILAND TAX POLICY

02 THAILAND TAX ADMINISTRATION POLICY

03 DATA-DRIVEN TAX ADMINISTRATION

THAILAND TAX POLICY

PILLAR TWO [1]

OBJECTIVE
To establish a global minimum tax rate for large MNEs and prevent tax avoidance through base erosion and profit shifting.

METHOD
Imposing a Global Minimum Tax (GMT) of 15% on large MNEs through the use of the QDMTT, IIR and UTPR methods.

PIT ON FOREIGN-SOURCED INCOME (NO. POR. 161/2566)

OBJECTIVE
To close loopholes in tax planning by bringing income in the subsequent year.

METHOD
- For short run measure, taxing individuals who reside in Thailand for one or more periods totaling at least 180 days in the tax year and have foreign-sourced income brought into Thailand as of 2024. [1]
- For long term measure, moving Thailand PIT policy toward Worldwide Income basis. [2]

INHERITANCE TAX [2]

OBJECTIVE
To promote fairness by imposing taxes on individuals who acquire wealth through inheritance on an estate of a deceased person.

METHOD
- Inheritance value exceeding 100 million Baht will be taxed, 5% for parents and descendants, and 10% for other heirs.
- Currently in the process of studying the adjustment of the threshold and the rates.

LOW VALUE GOODS (LVG) [1]

OBJECTIVE
To ensure fairness in tax treatment between domestic goods and imported goods.

METHOD
Collecting VAT on sale of LVG by foreign sellers for B2C transactions with a vendor collection scheme.

INVESTMENT TOKEN [1]

OBJECTIVE
To Improve tax treatment related to investment token to have similar tax treatment as investment in securities.

METHOD
Imposing 15% final withholding tax on profit-sharing or other benefits from holding or possessing the Investment Token.

THAILAND TAX ADMINISTRATIVE POLICY

NOTE : (1) on process
(2) in effect

REVERSE CHARGE [1]

OBJECTIVE

To improve VAT collection efficiency for businesses involved in the supply of used material which cannot be reused in the same state and recyclable waste.

METHOD

The registered buyer is required to remit 7% VAT to the Thai Revenue Department on the purchase when the liability to pay VAT arises.

DIGITAL PLATFORM [2]

OBJECTIVE

To integrate online income earners into the formal tax system.

METHOD

Electronic platforms with income exceeding 1 billion Baht from e-commerce businesses must submit income information of the sellers on the platforms.

E-DONATION [2]

OBJECTIVE

To reduce the risk of false tax deduction on donating funds that cannot be verified.

METHOD

Special incentive for donations using mobile banking platforms to educational institutions, religious institutions, hospitals, and public welfare organizations.

E-TAX INVOICE AND E-RECEIPT [2]

OBJECTIVE

The e-Tax invoice system aims to ensure the receipt of accurate, complete and reliable tax invoice issuance data. The Easy e-Receipt project encourages VAT registrants to participate in this system.

METHOD

Extra deductions are allowed in PIT calculation under the Shopping Tax Allowance incentive in case of buying from businesses that issue e-tax invoices & e-receipts.

DATA-DRIVEN TAX ADMINISTRATION

ENHANCING TAX ADMINISTRATION THROUGH NLP AND LLMS

01 **PAIN POINT**
- High complexity in processing text-based transaction descriptions.
- High demand for manpower due to complex text classifications.

02 **ACTION TAKEN**
- Transformer Models excel in processing sequential text data using Attention mechanisms, enabling dynamic, context-aware interpretations.
- Enhanced ability to parse and categorize complex transaction texts.
- Shift from Exact Match to dynamic, LLMs-powered ISIC search system.

03 **RESULTS**
- Improved accuracy and efficiency in data processing.
- Reduced manual labor with automated classifications.
- Increased tax compliance and expanded tax base.

04 **KEY TAKEAWAY**
- Advanced AI technologies significantly enhance operational efficiency and data management in tax administration.

THANK YOU