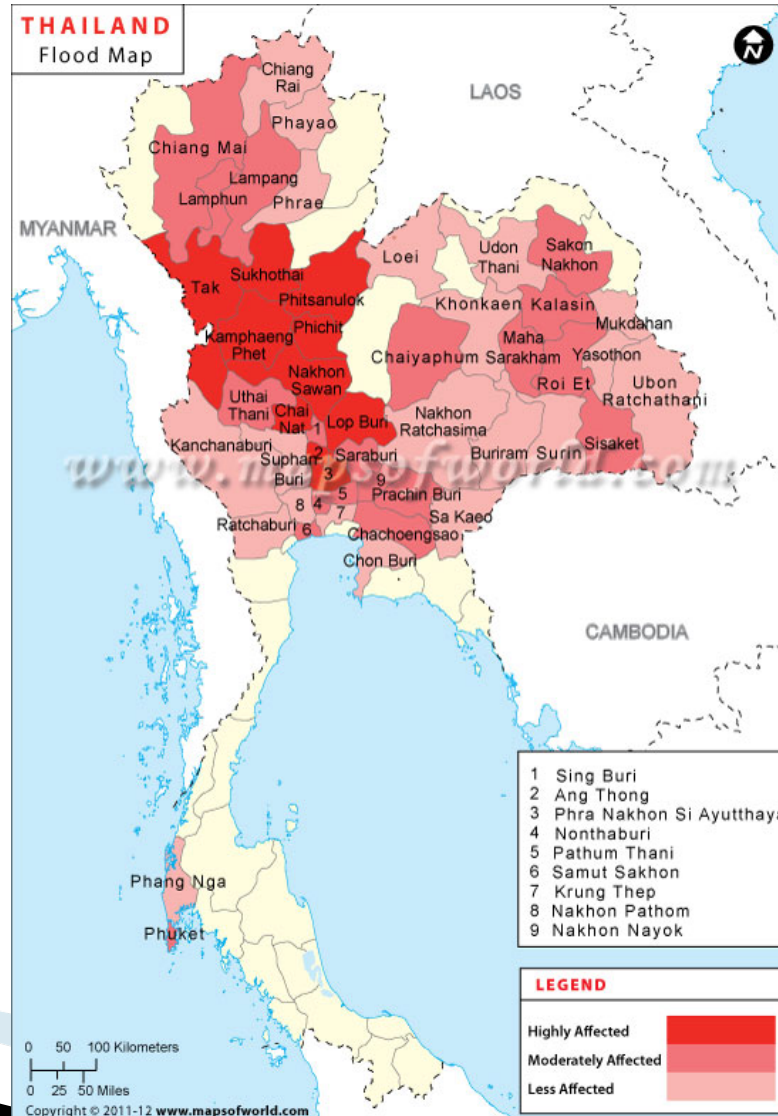


IMF–Japan High Level Tax Conference
for Asian and Pacific Countries
January 31, 2012

Natural Disaster and Taxation

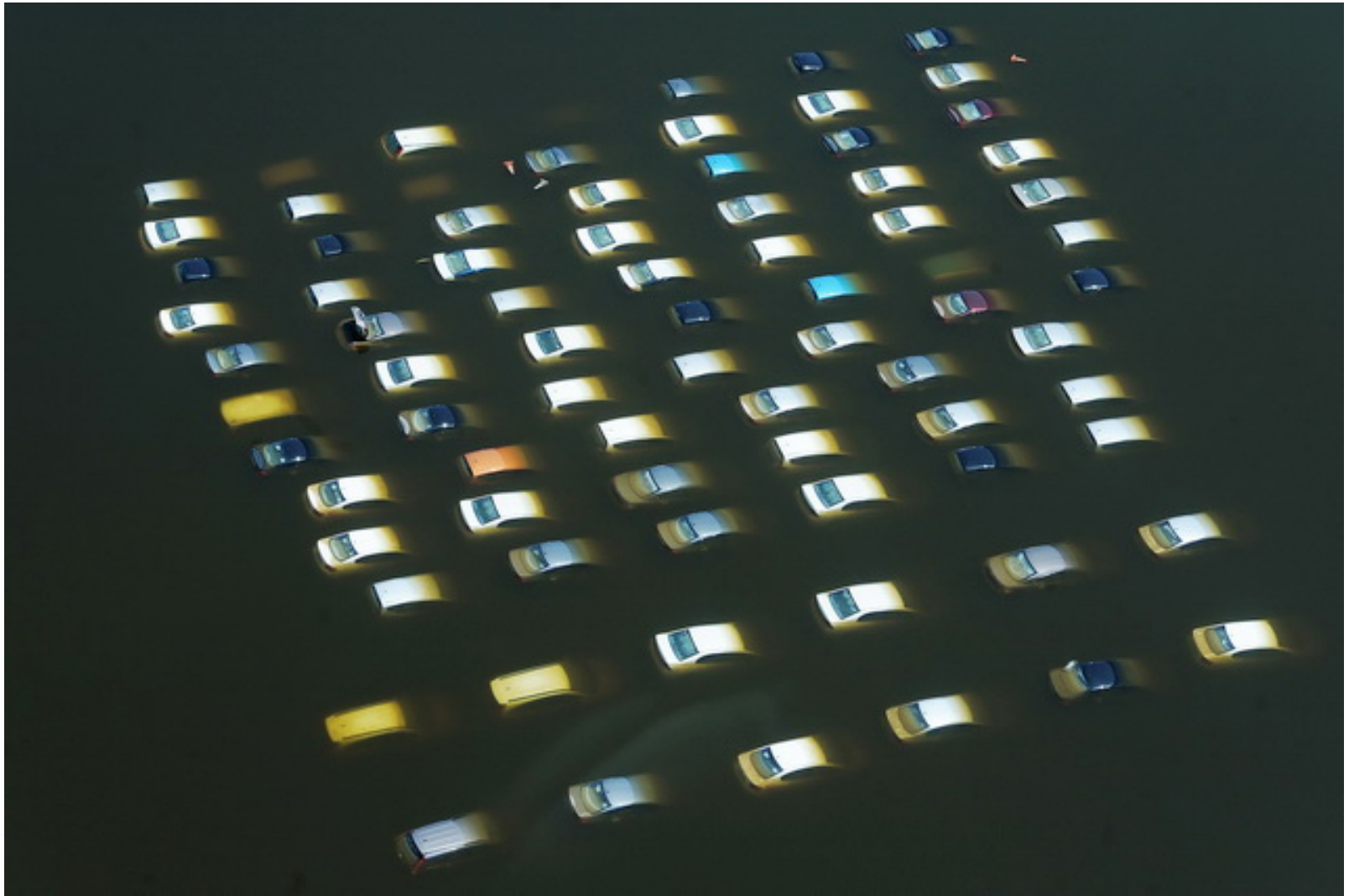
By
Manit Nitiprateep and Patricia Mongkhonvanit
Revenue Department of Thailand

What happened in 2011 ?





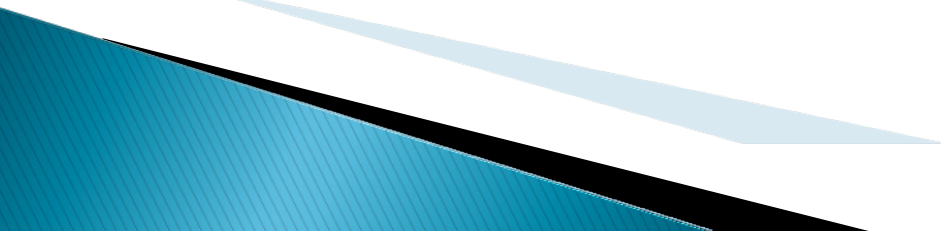








Aftermath....

- ▶ 2011 GDP was cut to 1.5% from 3.5–4% (NESDB)
 - ▶ Total damage of 1,440 Billion Baht (USD 45 Billion) (World Bank)
 - ▶ 12.8 Million people affected
 - ▶ 7,548 factories affected
 - ▶ Damaged sectors : Automobile, Electronics, Electrical appliances and Agricultural products
- 

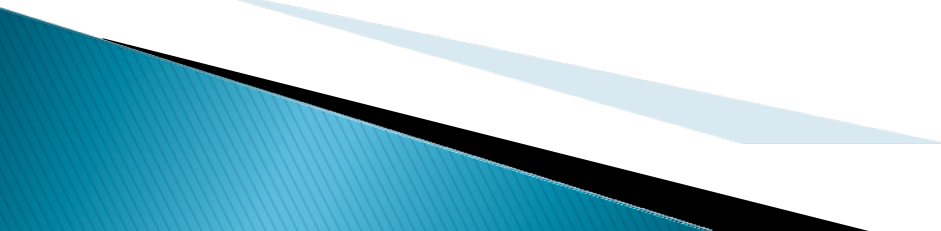
Tax measures : Flood victims

▶ Individuals :

- Income Tax exemption for subsidies or donations received from government and from other sources;
- Income Tax deductible for housing renovation not exceeding 100,000 Baht (USD 3,200) ;
- Income Tax deductible for car repair not exceeding 30,000 Baht (USD 940).

Tax measures : Flood victims

▶ Corporate

- Income Tax exemption for subsidies or donations received from government and from other sources;
 - Income Tax exemption for claim received under insurance in excess of the cost of assets after deducting depreciation;
 - 125% depreciation of all replaced machinery
- 

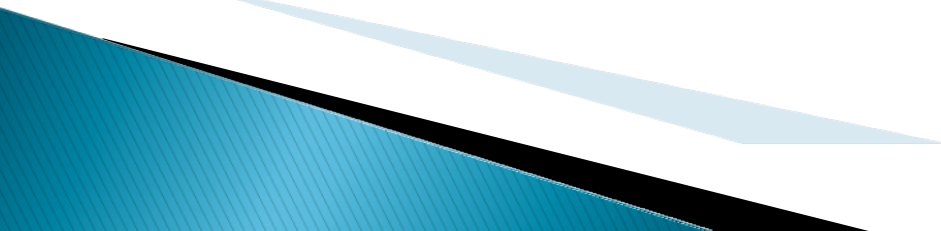
Tax measures : Flood victims

- ▶ Corporate with investment promotion
 - Income Tax exemption for all promoted projects up to 8 years;
 - Income Tax exemption for 8 years with limit of 200% of the capital invested for all industrial zones which construct flood prevention infrastructures.

Tax measures : Donation

- ▶ Donation made to flood victims can be tax deductible
 - Individual : 150% of the donation made but not exceeding 10% of net income (cash only)
 - Corporate : 150% of the donation made but not exceeding 2% of net profits
 - Donation period : 1 September – 31 December 2011
- ▶ VAT exemption for all donated assets

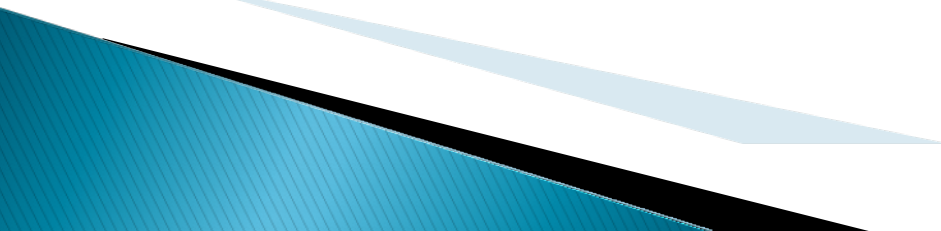
Tax measures : local taxes

- ▶ Exemption of property taxes for flood victims until full renovation is made;
 - ▶ Reduction or exemption of local maintenance tax for agriculture land:
 - Damage area more than $2/3$: Full exemption
 - Damage area more than $1/3$ but less than $2/3$: Partial Exemption
- 

Tax measures : Customs duty

- ▶ Exemption of import duties for machines and equipment imported to replace or repair the damaged machinery certified by Ministry of Industry until 30 June 2012
 - ▶ Exemption of import duties for imported cars or spare parts used for assembly for the car manufacturers and their OEMs until 30 June 2012
- 

Tax measures : Filing extension

- ▶ Extend filing period for all types of tax returns to affected taxpayers to 30th December 2011;
 - ▶ Extend filing period for Corporate income tax due during August–December 2011 to end of February 2012;
 - ▶ Extend filing period for affected excise taxpayers to 15 December 2011
- 

Thank you...

