

COVID-19 Relief Measures in Thailand

The Thai government has announced the following relief measures to alleviate the impact of the COVID-19 pandemic:

I. Social Security (pending official regulation)

1. Reduce contribution for 6 months from March-May 2020 as follows:
 - a) Contribution paid by employers from 5% to 4% and (maximum contribution reduced to THB 600 from THB 750)
 - b) Contribution paid by employees from 5% to 1% each (maximum contribution reduced to THB 150 from THB 750)
2. Extend the due date for contribution payment for March-May 2020 as follows:
 - a) Contribution for March can be paid by 15 July 2020
 - b) Contribution for April can be paid by 15 August 2020
 - c) Contribution for May can be paid by 15 September 2020

II. Revenue Department (Tax)

Measures	Conditions	Status
1. Deduct 300% expenses on employment cost paid between 1 April and 31 July 2020 <i>(for companies that do not terminate or reduce the number of employees since 31 December 2019; exact criteria will be defined at a later stage)</i>	a) Maximum salary of THB 15,000/person/month b) Maximum 200 employees c) The employees must be registered in the social security system d) Annual revenue must not exceed THB 500 million e) Must have operated for a complete 12 months before 30 September 2020	Pending official regulation
2. Extend the due date for corporate income tax	For companies whose fiscal year ended between November 2019 and March 2020	Pending official regulation

return (PND.50) to 31 August 2020		
3. Extend the due date for half-year corporate income tax return (PND.51) to 30 September 2020	For companies whose fiscal year ended between November 2019 and January 2020	Pending official regulation
4. Speed up the VAT refund process for business operators (online: within 15 days; offline: within 45 days)	a) Must be registered as a good exporter with the Revenue Department b) Must have paid-up capital of at least THB 10 million	Pending official regulation
5. Lower the withholding tax rate Payment on 1 April – 30 September 2020 : The withholding tax rate will be reduced from 3% to 1.5%. Payment on 1 October 2020 – 31 December 2021 : The withholding tax rate will be reduced from 3% to 2% <u>for payments through e-Withholding Tax only</u> .	For the following types of payment: a) Hire of work/service fee/commission fee (<i>RD Code Section 40(20)</i>) b) License fee/royalty fee/goodwill (<i>RD Code Section 40(3)</i>) c) Professional fee (<i>RD Code Section 40(6)</i>) d) Contract of work (<i>RD Code Section 40(7)</i>) e) Hire-of-work that is not under section 40(2), award, discount, or other benefits from sales promotion and service but not including hotel service, restaurant service, and life insurance premium (<i>RD Code Section 40(8)</i>)	Official regulation announced on 30 March 2020 as per the Ministerial Regulation No. 361 (B.E. 2563)
6. Deduct 150% expenses on the interest from soft loan	a) Only for companies that joined in the government soft loan program b) Annual revenue does not exceed THB 500 million c) Maximum 200 employees d) Must have operated for a complete 12 months before 30 September 2020	Pending official regulation

III. Other support measures

1. Provide low-interest loans (soft loan) to small business operators in the tourism-related industry with a soft loan of maximum THB 3 million with an interest rate of 3% for the first 2 years. The Thai Government Savings Bank will be the leading bank to support this measure.
2. Refund on water/electrical security deposit
 - a) Return of the electrical security deposit will be offered to the following consumer groups: 1. Households and 2. Small business operators. The application for refund can be submitted online since 25 March 2020 and the consumer can check eligibility online.
 - b) Return of water consumption security deposit will be offered only to household consumers.
3. Reduce the electricity rate by 3% from April – June 2020 which will be granted to all types of consumers. Additionally, the relaxation of payment due date will be granted to specific industries such as hotel and apartment rental.
4. Reduce the water rate by 3% from April – June 2020 which will be granted to all types of consumers. Additionally, the relaxation of payment due date will be granted to specific industries such as hotel and apartment rental.
5. Visa amnesty: Foreigners whose visa expired from 26 March 2020 will be granted an automatic extension until 30 April 2020.

If you have any questions or need further information, please feel free to contact us.



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