

In this issue:

**Income Tax Deductions For Flood Victims**

**Tax ID number changes to be 13 digits**

**Extension of deadlines for submitting tax returns online**

**Social Security Fund contribution rate changes**

**Changes in filing options for married couples**

**People to contact**

## GES NewsFlash

### Thailand — Tax update for 2012



January 29, 2013

#### Income Tax Deductions For Flood Victims

There are additional tax measures for flood victims to allow the deduction in computing net taxable income of expenses incurred for the repair of certain assets damaged by the flood. Allowable expenses are expenses incurred for the repair of a house, not exceeding THB100, 000 and expenses incurred for the repair of a car, not exceeding THB 30,000

- Expenses incurred for the repair of a house, condominium, or assets attached to a house or condominium, which the taxpayer owned, rented, or used as a residence or for business purposes. A deduction is granted for tax years 2011 and 2012 up to a total of THB 100,000 for the two-year period.
- Expenses incurred for the repair of a vehicle that the taxpayer owned or hire-purchased: A deduction is granted for tax years 2011 and 2012 up to a total of THB 30,000 for the two-year period.

#### Tax ID number changes to be 13 digits

From the 1st of February 2012 onwards, taxpayers are required to use a new 13-digit Tax ID, instead of the 10-digit number and is to be used for the Thai annual personal income tax return filing, tax payment, tax documentation and in all other contact with the Revenue department. Going forward, the Thai individual taxpayer must use the citizen ID provided under the Household Registration Act and foreigners must use the Tax ID that is issued by Revenue department.

An individual who has assessable income has to apply for the Tax ID number within 60 days after the date of income received (from a practical stand point for the foreign national; the revenue department considers 60 days from the date the work permit was issued). Failure to apply for the Tax ID No. at the prescribed time under the tax regulation is punishable with a fine not exceeding 2000 Baht. Currently the fine is 100 Baht per person. The fine is subject to change based on the revenue officer's discretion but should not exceed 2000 Baht.

#### Extension of deadlines for submitting tax returns online

The Thai Revenue department has granted an extension of time to file for submitting all types of online tax returns in order to encourage taxpayers to go paperless and help prevent global warming. The eight day extension of time to file is applicable for online tax filing from the 1st of February 2012 to the 31st of January 2014.

Example: normally the due date for the Thai annual personal income tax return is by the end of March of the following year but if the return was filed online the extended deadline is 8th April of the following year.

The extension also applies to the Thai monthly withholding personal income tax return (PND 1) filing which is normally due on the 7th of the following month. With the online submission the filing deadline is extended to the 15th of the following month.

## Social Security Fund contribution rate changes

The normal Social Security rates are computed at 5% of regular salary up to a maximum of 15,000 Baht per month. For the year 2012, The Social Security Office had lowered the contribution rate from January to June 2012 to 3% and from July to December 2012 to 4% of maximum monthly salary.

Effective from January 2013, the monthly contribution rate to the Social Security Fund will be resumed at 5% *according to a recent regulation. The Social Security Office is considering to continue the 4% contribution rate for the year 2013 but this rate is still pending official notification.*

## Changes in filing options for married couples

Previously, there was a requirement for married women to combine all of their income with their husband's income on the Thai annual personal income tax return (excluding income from employment income). This generally resulted in married couples paying more tax as a result of the Thai progressive personal income tax rates which are currently from 10-37%.

In September 2012. The Revenue department has allowed married couples to file separate tax returns from 2012 onwards. Therefore, a husband will not need to include his wife's income in his tax return and spouses can file separate tax returns.

Special note on Thai PIT rates: Proposals for reduction to the Thai personal income tax rates are pending official notification. With the approval of the new PIT rates, the highest top marginal rate would drop to 35% and the lower tax brackets would also see a reduction in tax rates and introduction of new tax bands (i.e. from 5 to 7).

## People to contact

If you have any questions concerning the issues in this *GES NewsFlash*, please contact one of the tax professionals at our Deloitte offices as follows:

Mark Kuratana  
Tax Partner  
Tel: +66 (0) 2676 5700 Ext. 11385  
[mkuratana@deloitte.com](mailto:mkuratana@deloitte.com)

Manjula Jarugumilli  
Tax Senior Manager  
Tel: +66 (0) 2676 5700 Ext. 11903  
[mjarugumilli@deloitte.com](mailto:mjarugumilli@deloitte.com)

Panee Yuktanandana  
Tax Manager  
Tel: +66 (0) 2676 5700 Ext. 10628  
[pyuktanandana@deloitte.com](mailto:pyuktanandana@deloitte.com)

It-Kan Kongsuwan  
Tax Manager  
Tel: +66 (0) 2676 5700 Ext. 12707  
[ikongsuwan@deloitte.com](mailto:ikongsuwan@deloitte.com)

Darunee Suphanphong  
Tax Manager  
Tel: +66 (0) 2676 5700 Ext. 10799  
[dsuphanphong@deloitte.com](mailto:dsuphanphong@deloitte.com)

This NewsFlash information is also included in our biweekly GES newsletter, *Global InSight*, which you will receive directly if you are on the central distribution list.

If you are not on the central distribution list and received this communication by some other means, you can follow these few simple steps to be added to the central distribution list:

Go to the [Deloitte subscriptions page](#) on Deloitte.com.

Enter your email address to login or create a profile.

On the next page, enter your contact information and choose Tax: Global Insight under Email Newsletters.

Click "Save profile."

Be sure to visit us at our website: [www.deloitte.com/tax](http://www.deloitte.com/tax).

---

Deloitte refers to one or more of Deloitte Touche Tohmatsu limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/th/about](http://www.deloitte.com/th/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

@ 2013 Deloitte Touche Tohmatsu Jaiyos Advisory