



## **Clear criteria for collecting crypto tax is expected to be issued**

On 10 January 2022, the Revenue Department (“RD”) issued a statement via the RD website that the RD was urged to prepare clear criteria for calculating withholding tax on profits from the sale or investment of digital assets or cryptocurrencies to investors and the general public.

The Director-General of the RD revealed that the RD is currently hastened to proceed with the discussion with all concerned parties to consider clear criteria for calculating withholding tax on profits from sales or investments in digital assets or cryptocurrencies to be appropriate and expected to be issued.

In addition, the RD has discussed this matter with the Bank of Thailand, the Thai Digital Asset Association, the Office of the Securities and Exchange Commission, and the Stock Exchanges regarding a public hearing to the related parties in order to establish criteria for tax collection by taking the best interests of the people and all parties as the main objective.

According to the Revenue Code (“RC”) and Emergency Decree Amending the RC (No. 19) B.E. 2561. All investors and mining operators who gained profits from cryptocurrencies are subject to a withholding tax at the rate of 15 percent through every transaction. In addition, the profits are subject not only withholding tax, but also corporate income tax by including for calculation of annual corporate income tax as such withholding is not regarded a final withholding tax. This is because profits from cryptocurrency trading are regarded as assessable income under Section 40 of the RC.

However, in practice, there is still a problem which requires clear guidelines for calculating corporate income tax . Therefore, it is necessary to keep an eye on how the RD will consider this issue.