



New Year's gifts measures to be approved by the Cabinet

A number of Thai government agencies plan to propose measures during the New Year celebration in order to stimulate domestic consumption and revitalize the economy so that it can recover continuously. The Ministry of Finance is proposing to the Cabinet for the extension of time on reducing jet fuel excise tax in order to help the airline industry's lessen operating costs as a result of the pandemic. The Ministry of Tourism and Sports intends to encourage spending by the foreign tourists by changing the opening hours of the night entertainments in Phuket which is a pilot area. Moreover, in 2021, the Cabinet had approved the 'We Travel Together' measure, which generated a lot of revenues. In this relation, the Ministry of Tourism and Sports aims to relaunch this measure for the upcoming year to encourage the growth of the local tourism sectors.

Apart from aforementioned, the Ministry of Finance also proposed to relaunch the 'Shop Dee Mee Kuen' measure that would allow customers to claim a tax deduction for shopping up to 40,000 THB on goods or services. The measure regarding tax deduction is split into two parts as follows:

1. 30,000 THB for goods or services for the shoppers who receive paper tax invoices; and/or
2. Other 10,000 THB for electronic tax invoices.

However, the tax deduction plan does not cover payment for alcoholic beverages, cigarettes, vehicles, hotel rooms, utility bills, and insurance coverage. The Ministry expected that the tax measure would generate billions of baht in cash flow to the national economy. If the Shop Dee Mee Kuen measure is approved by the Cabinet, the measure will start from 1 January to 15 February 2023.

In order to stimulate the purchase of residential property in the market, the Ministry of Finance is expected to propose extending reductions in property transfer and mortgage fees for the purchase price not exceeding 3 million baht for another one year.

There is also the proposal of the Treasury Department on a land rental fee for farmers.

In conclusion, various measures are expected to be approved by the cabinet to stimulate economy in Thailand during the year 2023.

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