

New rates of sugar tax come into effect on 1 April 2023



In 2017, the amended excise tax system in Thailand for beverages came into force, introducing a sugar content tax on top of the excise duty already levied on beverages with the purpose of reducing consumption of sugary beverages.

Recently, Nutthakorn Utensute, the Excise Department's principal advisor on excise control system development of Thailand revealed that the Thai Excise Department will start to increase the sugar tax according to the amount of sugar under the third phase after the Thai government delayed the increase of such tax rates for 6 months. Therefore, the excise tax rates collected on the sugar content of beverages in the third phase will become effective from 1 April 2023 onwards according to the resolution of Thai Cabinet meeting held on 20 September 2022.

The following rates apply to the third phase of the sugar tax, which starts from April 1, 2023, to March 31, 2025:

- Sugar content 0-6 grams, the tax rate is 0 baht per liter from the current 0 baht per liter.
- Sugar content 6-8 grams, the tax rate is 0.3 baht per liter from the current 0.1 baht per liter.
- Sugar content 8-10 grams, the tax rate is 1 baht per liter from the current 0.3 baht per liter.
- Sugar content 10-14 grams, the tax rate is 3 baht per liter from the current 1 baht per liter.
- Sugar content 14-18 grams, the tax rate is 5 baht per liter from the current 3 baht per liter.
- Sugar content from 18 grams, the tax rate is 5 baht per liter from the current 5 baht per liter.