



Tax exemption measures for project investments in 3 southern provinces

The Revenue Department has announced the Royal Decree issued under the Revenue Code regarding the tax exemption measures No. 786 (“Royal Decree”), which prescribes the tax exemption of corporate income tax incurred by a company or a partnership having its businesses located in special economic zones, which are three southern provinces: Narathiwat, Pattani, and Yala. The businesses will be granted corporate income tax exemption on income received in the amount equal to expenses spent on investment or development of the businesses, excluding the expenses on repairment of the property under section 65(5) ter of the Revenue Code. However, only certain assets are subject to this Royal Decree, including machinery, compartments, equipment, decorations, furniture, software, special vehicles registered in the special economic zones not including vehicles carrying of not more than 10 people, and permanent buildings not including land and resident buildings.

To receive the tax exemption, the above expenses shall be incurred from 1 January 2024 to 31 December 2026. Also, other two conditions of the assets mentioned above shall not be used or utilized before and shall be assets, which can be calculated under the depreciation value basis.

Should you have any question, please do not hesitate to contact us via info@bgloballaw.com

