



EXCISE TAX MEASURES TO REMEDY AND RESTORE BUSINESSES AFFECTED BY THE COVID-19 PANDEMIC

Thailand, like many other countries, has been tremendously affected economically by the wide spread of the COVID-19 pandemic, and increasing numbers of people infected and dying all over the world.

At times, all economic activities have had to cease. Entrepreneurs have had to temporarily, or even permanently, close their businesses, causing a critical impact on domestic consumption and employment in the agricultural, export and industrial sectors.

Business owners under the Excise Act B.E. 2560 (2017) are among those most affected. As such the Excise Department, under the aegis of the Ministry of Finance, has announced a policy to restore to normality and facilitate affected businesses so that they are able to continue their operations. The Excise Department has already implemented measures that are beneficial to the affected, as follows:

AUTOMOBILES (ELECTRIC TRICYCLES)

The excise tax rate for electric tricycles is raised to promote investment in the development of electric-powered tricycle vehicles which will help stimulate production in the electric motor industry as well as employment. It also promotes the use of clean energy. The excise tax rate is now reduced to 2 per cent from 4 per cent.

FRUIT AND VEGETABLE JUICES CONTAINING NUTRIENTS AND OTHER SUBSTANCES

The ratio of nutrients or other substances contained in fruit and vegetable juices is adjusted from 20 per cent to 10 per cent to promote the beverage manufacturing industry, taking into account current innovation. In addition, consumers can have more choices for their beverages that are beneficial to their health.

SERVICE PROVIDERS

Service providers are encouraged to maintain employment in order to help employees. Those who can provide evidence as proof showing the same amount of employment before the spread of the virus will be given the right to pay

excise tax at the rate of 0 per cent of service revenue until 30 September 2020. This is to stimulate the economy in tourism and other service sectors.

TOBACCO AND CIGARETTES

The enforcement of the current excise tax rate for cigarettes and tobacco is extended until 30 September 2021 and enforcement of the new rate for cigarettes and tobacco is postponed until 1 October 2021. This will allow entrepreneurs and growers to recover from the situation.

EXPORT GOODS AND GOODS IN DUTY FREE ZONES

The time to export goods or send goods to a duty free zone within 15 days with a 15-day extension but not more than 30 days in total is now changed to within 30 days with another 30-day extension, including a further 60-day extension, if necessary, but no more than 120 in total. The time to submit documents within 60 days with an extension of 60 days but not more than 120 days in total is changed to within 90 days, including a further 60-day extension if necessary, but no more than 150 days in total.

For more information, please contact the Excise Department at 0 2241 4778.



BUSINESS OWNERS UNDER THE EXCISE ACT B.E. 2560 (2017) ARE AMONG THOSE MOST AFFECTED. AS SUCH THE EXCISE DEPARTMENT, UNDER THE AEGIS OF THE MINISTRY OF FINANCE, HAS ANNOUNCED A POLICY TO RESTORE TO NORMALITY AND FACILITATE AFFECTED BUSINESSES SO THAT THEY ARE ABLE TO CONTINUE THEIR OPERATIONS.



Excise tax measures to remedy and restore businesses affected by the COVID-19 pandemic



1. Automobiles (electric tricycles)
The excise tax rate for electric tricycles is now reduced to 2 percent from 4 percent.



2. Fruit and vegetable juices containing nutrients and other substances
The ratio of nutrients or other substances contained in fruit and vegetable juices is adjusted from 20 percent to 10 percent.



3. Service providers
Service providers are encouraged to maintain employment in order to help employees. Service providers will be given the right to pay excise tax at the rate of 0 percent of service revenue until 30 September 2020.



4. Tobacco and cigarettes
• The enforcement of the current excise tax rate for cigarettes and tobacco is extended until 30 September 2021.
• Enforcement of the new rate for cigarettes and tobacco is postponed until 1 October 2021.



5. Export goods and goods in duty free zones
• The time to export goods or send goods to a duty free zone is changed to within 30 days with another 30-day extension, including a further 60-day extension, if necessary, but no more than 120 in total.
• The time to submit documents is changed to within 90 days, including a further 60-day extension if necessary, but no more than 150 days in total.



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