

For translation purpose only
Official language is Thai language

ROYAL DECREE

Issued under the Revenue Code
Regarding Expenses Deductible from
Assessable Income from Immovable Properties (No. 165)
B.E. 2529 (1986)

BHUMIBOL ADULYADEJ, REX.

Given on the 28th Day of January B.E. 2529 (1986);
Being the 41th Year of the Present Reign.

His Majesty King Bhumibol Adulyadej is graciously pleased to proclaim that:

Whereas it is deemed proper to redetermine expenses deductible from assessable income of certain types under the Revenue Code.

By virtue of Section 159 of the Constitution of Kingdom of Thailand and Section 48(4)(b) and Section 50(5)(b) of the Revenue Code as amended by the Revenue Code Amendment Act (No. 9), B.E. 2525 (1982), the King's Most Excellent Majesty hereby enacts a Royal Decree as follows:

Section 1 This Royal Decree is called "Royal Decree Issued under the Revenue Code Regarding Expenses Deductible from Assessable Income from Immovable Properties (No. 165), B.E. 2529 (1986)".

Section 2 This Royal Decree shall come into force as from the day following the date of its publication in the Government Gazette.

Section 3 The following shall be repealed:

(1) the Royal Decree Issued under the Revenue Code Regarding Expenses Deductible from Assessable Income from Immovable Properties (No. 122), B.E. 2525 (1982)

(2) the Royal Decree Issued under the Revenue Code Regarding Expenses Deductible from Assessable Income from Immovable Properties (No. 141), B.E. 2526 (1983)

Section 4 From that part of assessable income under Section 40(8) of the Revenue Code which is derived exclusively from sale of an immovable property under Section 48(4)(b) and

Section 50(5)(b) of the Revenue Code, a standard deduction shall be allowed as expenses as follows:

Number of years of holding property	Percentage of income
1 year	92
2 years	84
3 years	77
4 years	71
5 years	64
6 years	60
7 years	55
8 years or more	50

Provided that if the person having income, by production of evidences to the assessment official, successfully proves that the actual expenses exceed the standard deduction, necessary and reasonable expenses may be deducted, and the provision of Section 65 bis and 65 ter of the Revenue Code shall apply mutatis mutandis: Provided further that if the expenses lawfully deductible on the ground of the evidences are less than the standard deduction, expenses may be deducted only to the extent proved by evidence.

Section 5 The Minister of Finance shall have charge and control of the execution of this Royal Decree.

Countersigned by:

General Prem Tinsulanond

Prime Minister

Remarks :- The reason for the promulgation of this Royal Decree is that it is deemed proper to redetermine a standard deduction allowed as expense deductible from assessable income from immovable properties acquired not in a commercial or profitable manner. In order to suit current situation, it is necessary to enact this Royal Decree.

*(Government Gazette, Decree Issue, Volume 103, Part 15,
dated 31 January B.E. 2529 (1986))*