



Revenue Department News

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Subject : The Revenue Department emphasizes the importance of a tax invoice to benefit from domestic tourism and year-end shopping tax incentives

Mr. Somchai Saengratmaneedet, Deputy Director-General and Spokesperson of the Revenue Department, revealed that “The Government has released domestic tourism tax measure before year end during 1st – 31st December 2016 and shopping tax measure to spur domestic spending of goods and services before year end during 14th – 31st December 2016. Accordingly the Revenue Department has issued the related regulations to set the criteria for these year end **tax measures to promote domestic tourism**. In order to qualify for the allowances, a taxpayer must provide a receipt or full tax invoice for domestic tours and domestic hotel expenses issued by an approved entrepreneur under the Travel Agency Business and Guide Act B.E.2535 and the Hotel Act B.E.2547. Such document must specify the name and surname of the buyer, amount of money and date of transaction. The allowances under these tax measures as stipulated in the Ministerial Regulation No. 322 (B.E.2559) and the Ministerial Regulation No. 316 (B.E.2559) shall not exceed BHT 30,000 in total.

The expenses that qualify as allowances are namely, hotel accommodation (breakfast included), domestic tour package which includes flight ticket, accommodation expense, boat and car rental, meal cost, admission fee, cost of scuba diving and snorkeling. Expenses which cannot be used as allowances are, such as flight ticket bought from travel agency, tour package bought in 2016 to be used in 2017, hotel accommodation paid in December 2016 to be used in 2017, flight ticket, car rental, boat rental, admission fee, meal cost in a hotel and shopping expense, etc.

For year-end shopping measure, the Revenue Department has issued the regulation which emphasizes the importance of the receipt or full tax invoice received from the VAT registrant. Such document must show 7% VAT that is levied on goods price or service fee. The allowance shall not exceed BHT 15,000 in total.

The examples of expenses that qualify as allowances are shopping expenses from convenience store or department stores, spa and face massage fee, meal and beverage price in restaurant/hotel, car accessory cost, auto parts expense, car repair fee paid during 14th – 31st December 2016.

The examples of expenses that cannot be used as allowances are the expenses spent on liquor, beer, wine, gasoline, gas for vehicle, car, motorcycle and boat, tour package, hotel accommodation expense, medical care expense, price of gold bar, bill of water supply, electricity and telephone from the previous month, but paid in the promotion period, overseas tour package, life insurance premium expense, car insurance expense, cost of fresh meat product, price of books, journals and textbooks.

In case of several purchases made during 14th – 31st December 2016, the taxpayer can accumulate the value of all expenses. However, the value to be used as allowances shall not exceed BHT 15,000 in total. If the tax invoice comprises both VAT included and non VAT items, the taxpayer is entitled to use solely the VAT included items.”

For tax measure to promote year-end domestic tourism, please consult the Ministerial Regulation No. 322 (B.E.2559) and the Notification on Income Tax of the Director-General No. 280 dated 2nd December B.E.2559. For year-end shopping measure, please consult the Ministerial Regulation No. 323 (B.E.2559). Interested persons may also call any Area Revenue Offices nationwide or RD Intelligence Center Tel. 1161 for further enquiries.

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