



Revenue Department News

News No. : 15/2016
Date : 20th April 2016
Subject : Revision of Personal Income Tax Structure entering into force from Tax Year 2017

According to the proposal of Ministry of Finance dated on 19th April 2016, The Cabinet approved to revise the Personal Income Tax (PIT) Structure which will enter into force for incomes derived from 1st January 2017:

The aforesaid revision has following details:

1. The expense for incomes derived from employment, whether in form of salary, wage, commission, etc. under section 40 (1) and (2) of the revenue code being deducted 40 percent of the assessable income but not exceeding 60,000 baht shall be deductible into 50 percent of the assessable income but not exceeding 100,000 baht.

2. The expense for incomes under section 40 (3) of the revenue code being deducted only fee for copyright of 40 percent of the assessable income but not exceeding 60,000 baht shall be deductible for fee of goodwill, copyright or any other rights into 50 percent of the assessable income but not exceeding 100,000 baht or shall be deductible as necessary and appropriate.

3. The allowances shall be revised as follows:

(1) Taxpayer shall be deductible from 30,000 baht into 60,000 baht.

(2) Taxpayer's spouse shall be deductible from 30,000 baht into 60,000 baht.

(3) Tax payer's children shall be deductible from 15,000 baht with the total number of children shall not exceed 3 persons into 30,000 baht for each child without limitation of the total number of children. The amount of 2,000 baht of educational expense for each child, however, shall be cancelled.

(4) In the case where a husband and a wife have the assessable income, they are able to use the total amount of allowances not exceeding 120,000 baht.

(5) An allowance for undivided estate shall be revised from 30,000 baht into 60,000 baht.

(6) An allowance for a non-registered ordinary partnership or a non-juristic body of persons shall be revised from 30,000 baht for each partner but not exceeding 60,000 baht for total amount into 60,000 baht for each partner but not exceeding 120,000 baht for total amount.

4. The revision of PIT Rates schedule is as follows:

Current PIT Rates schedule		New PIT Rates schedule	
Net income	Rates (percent)	Net income	Rates (percent)
1 - 300,000*	5	1 - 300,000*	5
300,001 - 500,000	10	300,001 - 500,000	10
500,001 - 750,000	15	500,001 - 750,000	15
750,001 - 1,000,000	20	750,001 - 1,000,000	20
1,000,001 - 2,000,000	25	1,000,001 - 2,000,000	25
2,000,001 - 4,000,000	30	2,000,001 - 5,000,000	30
From 4,000,001	35	From 5,000,001	35

For the net income after calculation (Assessable incomes minus Expenses, then minus Allowances) on the first 150,000 Baht is still exempted by the Royal Decree issued under the Revenue code regarding tax rate reduction No. 470 B.E.2551 (2008).

5. The minimum assessable incomes being to file a PIT tax return shall be as follows:

(1) In the case where such person earning an income derived from employment:

- has no spouse and has the assessable income exceeding 50,000 baht, shall be exceeded 120,000 baht.
- has a spouse and has the assessable income exceeding 100,000 baht for total amount, shall be exceeded 220,000 baht for total amount.

(2) In the case where such person earning an income derived from employment and other categories or earning an income derived from other categories except employment:

- has no spouse and has the assessable income exceeding 30,000 baht, shall be exceeded 60,000 baht.
- has a spouse and has the assessable income exceeding 60,000 baht for total amount, shall be exceeded 120,000 baht for total amount.

(3) In the case where an undivided estate has to file a PIT tax return and has the assessable income exceeding 30,000 baht, shall be exceeded 60,000 baht.

(4) In the case where a non-registered ordinary partnership or a non-juristic body of persons has to file a PIT tax return and has the assessable income exceeding 30,000 baht, shall be exceeded 60,000 baht.

6. The revision mentioned above shall enter into force for incomes derived from tax year 2017.

For more information, please contact the Revenue Offices nationwide or RD Call Center: 1161 or RD website : www.rd.go.th

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