



Revenue Department News

News No. : 16/2017

Date : 4th April 2017

Subject : Tax evasion and tax fraud over 10 million baht are serious money laundering offences

The Thai Government has established punishment for tax evaders and fraudulent taxpayers, as proposed by the Financial Action Task Force (FATF), by enacting the Revenue Code Amendment Act (No.45) B.E. 2560. This law, which has been effective since 2nd April 2017, charges a person who commits tax evasion or tax fraud as well as fraudulent tax refund applications with a serious offence.

Mr. Somchai Saengratmaneedet, Deputy Director-General acting Principal Advisor on Strategic Tax Administration, as a Spokesperson of the Revenue Department, explained that, "Since Thailand is a member of Asia Pacific Group on Money Laundering (APG), it is necessary to comply with the guidance of FATF in defining a serious tax crime as a predicate offence under the Prevention and Suppression of Money Laundering Law, which consists of the following components:

1. Committing an offence under Section 37, Section 37 Bis and Section 90/4 of the Revenue Code;
2. Committing tax evasion, tax fraud over 10 million baht or requesting tax refund by false information, fraud, artifice, or other similar nature more than 2 million baht;
3. Collaborating with accomplices or connections by creating false business transaction or hidden income to commit tax evasion and tax fraud and;
4. Covering or concealing the origin of assets connected with the offence in order to prevent those assets tracing.

The above-mentioned components will be considered as a predicate offence under the Prevention and Suppression of Money Laundering Law. As a consequence, the Revenue Department shall send all data to the Anti-Money Laundering Office to proceed according to laws."

For more details, please read the Revenue Code Amendment Act (No.45) B.E. 2560 or contact any Area Revenue Office or the RD Intelligence Center Tel. 1161.
