



Revenue Department News

News No. : 38/2018
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Subject : The Revenue Department advises farmers to do simple bookkeeping using actual expense deduction instead of a lump sum deduction

With reference to the request of a farmer group to the Revenue Department to revert back to the 85 percent rate of lump sum deduction for the purpose of personal income tax calculation, the Revenue Department would like to clarify as follows:

1. The Revenue Department encourages entrepreneurs to do simple bookkeeping in order to reflect their real business status. The Revenue Department has published free bookkeeping guides and Area Revenue Offices continuously educate and provide bookkeeping knowledge to all businesses.

2. Even though the rate of lump sum deduction for the purpose of personal income tax calculation is prescribed at 60 percent, in reality the actual expenses of farmers exceed 60 percent. Farmers can prepare simple income and expense statements for personal income tax return filing. If they cannot provide receipts or payment evidence, they can make a certificate of the receipt by themselves as payment evidence.

3. The Revenue Department has implemented personal income tax reform since 2017. Small farmers who deduct lump sum expenses at the rate of 60 percent of their income and derive income not exceeding 525,000 baht per year or 43,750 baht per month do not have any personal income tax burden.

For further queries, please contact the Area Revenue Offices nationwide or RD Intelligence Call Center: 1161.

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