



Issue 106 : August 2021

COVID-19 Relief Measures – Reduction of VAT, extension of tax filing deadlines and waiver or reduction of penalties (for submissions via internet filing only)

On 24 August 2021, the Ministry of Finance released several relief measures to support and increase liquidity for those who have been affected by the COVID-19 pandemic. These relief measures include a reduction of VAT, an extension of tax filing deadlines and a waiver or reduction of penalties.

Details of the relief measures are summarized below.

1. Two year extension of reduced VAT rate of 7%

The Cabinet approved the Ministry of Finance’s proposal to maintain the reduced VAT rate of 7% for another two years.

The reduced 7% VAT rate will be inclusive of local taxes and applicable for VAT liabilities incurred from sales of goods, service provisions and import transactions from 1 October 2021 to 30 September 2023.

2. Deadline extension for tax return filing and tax payment via e-filing system

An extension of tax return filing and tax payment deadlines will be granted to certain tax returns for submissions made via the Revenue Department’s e-filing system.

Details of the extensions are summarized below.

Tax payment and tax return	Eligible tax month	Normal timeline	Extended timeline
Half-year personal income tax form PND.94	n/a	8 October 2021	30 December 2021
Half-year corporate income tax form PND.51	n/a	3 August 2021 – 22 September 2021	23 September 2021
Corporate income tax forms PND.50, PND.52, PND.55 Financial statements Transfer Pricing Disclosure form	n/a	3 August 2021 – 22 September 2021	23 September 2021
Withholding tax forms PND.1, PND.2, PND.3, PND.53 and PND.54	August 2021 - November 2021	Seventh day of the following month	Last working day of the following month (30 September 2021/ 29 October 2021/ 30 November 2021/ 30 December 2021
Self-assessed value added tax form PP.36		Seventh day of the following month	

Value added tax form PP.30		Fifteenth day of the following month	
Specific business tax form PT.40		Fifteenth day of the following month	

3. Waiver or reduction of penalties and fines

A waiver or reduction of value added tax and specific business tax filing penalties for payments which must be paid within September 2021 to October 2021. Penalty waivers or reductions will apply if tax is filed within three months after the extended tax filing due date at the rates below.

- No penalty if taxes and surcharges are paid in full.
- Penalties reduced to 2% if tax paid is not less than 25% of the total tax payable.

In addition, the Thai Revenue Department has reduced criminal fines for value added tax and specific business tax at the lowest rate as follows:

- Criminal fines not exceeding THB 2,000 will be reduced to THB 1.
- Criminal fines not exceeding THB 5,000 will be reduced to THB 2.

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