



# Tax News Flash

KPMG in Thailand



Issue 140 : April 2023

## The Extension of Tax Measures to Support Human Resource Development for Targeted Industries and the Relocation of Production Bases ('Thailand Plus Package')

On 7 March 2023, the Cabinet approved three draft Royal Decrees to extend the periods of the tax measures to support human resource development for targeted industries and the relocation of production bases (Thailand Plus Package) as previously covered in [Tax News Flash Issue 102](#).

While the draft Royal Decrees are yet to be issued, we expect that there should not be significant changes to the existing tax measures. Below is a summary of the extensions granted through the Cabinet's recent resolution.

- **Tax measure to promote investment in automated systems**, which allows an additional deduction of 100% of expenses for the investments in automatic machines and software used for the automated systems in an investment project, paid during 1 January 2021 to 31 December 2022. This additional deduction does not include expenses incurred for the repair of such machines.
- **Tax measure to encourage the employment of highly skilled personnel**, which allows an additional deduction of 50% of expenses from the payment of salaries, not exceeding a maximum salary of THB 100,000, to highly skilled employees in the areas of science, technology, engineering and mathematics who are under employment and was paid during 1 January 2021 to 31 December 2022.
- **Tax measure to encourage employee development**, which allows an additional deduction of 150% of expenses from sending employees on training courses certified by specified authorities as paid during 1 January 2021 to 31 December 2022.

The above tax measures have been extended to cover expenses incurred in the period covering 1 January 2021 to 31 December 2025.

The previous Thailand Plus Package included the tax measure to support human resource development for Industry 4.0, which provided additional tax deductions through the donation of machines and other equipment. However, this measure was not included with the other measures that received extension in the Cabinet's resolution on 7 March 2023.

### KPMG's observations

The extension of these tax incentives indicates the Thai government's continued support for the automation business sector and human resources development, including a focus on attracting skilled employees to relocate to Thailand.

### How KPMG can help

At KPMG in Thailand, we have extensive expertise of advising our clients on tax incentives that are available depending on their business operations.

We will continue to monitor further developments and announcements relating to this tax measure. Should you have any questions, please reach out to your usual KPMG contact.

## Key Contacts

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