

Value Added Tax (VAT) Payment of E-Service Providers Operating Outside Thailand

On 9th June 2020, the Cabinet approved the draft Act to amend the Revenue Code to require e-service providers who operate outside Thailand but provide services to customers in Thailand.

A service provider located outside Thailand that provides services via electronic system to a user, who is not a VAT registration operator under the Revenue Code in Thailand, and generates incomes of more than THB1,800,000 per year is subject to the VAT but it is not required to issue a tax invoice.

If an e-service provider provides its services through an e-platform with continuous procedures from service offering, service fee payment, service delivery and other procedures to be prescribed by the Director-General of the Revenue Department, the e-platform provider is required to pay the VAT for all service providers that use its e-platform. The e-platform providers will have the same duties and liabilities as the e-service providers.

The draft Act will be forwarded to the Council of State for a review before it is returned to the Cabinet for submitting to the House of Representatives for their readings. It may take months, if not years before the draft Act is passed as a law by the Parliament.



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