



## BUSINESS CONTINUITY DURING COVID 19

Updated 10 April 2020 2pm

### INFORMATION ABOUT GOVERNMENT MEASURES IN SUPPORT OF ON-GOING BUSINESS AND THE THAI ECONOMY

As a service to members, JFCCT provides information about government support, kept up-to-date as best we can in a fast changing policy environment. JFCCT will also provide members' recommendations on changes to these support and relief measures, in order that they may best meet objectives. Please do be in touch with us at [info@jfcct.org](mailto:info@jfcct.org) with any concerns about coverage or terms of these measures, or recommendations you may have for business continuity.

The Thai Cabinet approved relief measures for Thai companies to support the economy during COVID-19 crisis on 10 March, 24 March 2020 and 7 April. Further measures have been announced by BOI, DBD (MOC), TRD, Ministry of Finance and others.

Relying on an Emergency Decree made in 2005, Prime Minister Prayut Chan-o-cha declared a State of Emergency on 25 March, effective March 26, in order to reduce the spread of COVID-19 in Thailand. This gives the Prime Minister's Office powers to exercise authorities under various laws, which are currently held by senior officers in various agencies. Restrictions on movement, curfews, business closure and other requirements have been made.

We have used the numbering system in the original Thai versions issued by government, to avoid possible confusion. Please do be in touch via [info@jfcct.org](mailto:info@jfcct.org) with any concerns about coverage or terms of these measures, or recommendations you may have for business continuity. Note that some announcements need clarification and some are missing in details – eg SME eligibility is usually only for majority Thai-owned SMEs. Solutions for maintaining staff are currently problematic.

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## 1<sup>st</sup> Phase – cabinet 10 March 2020

### GOVERNMENT MEASURES PHASE 1 – 10 March 2020

#### **A. FINANCIAL MEASURES**

##### **1.1. Low interest rate measures**

The Government Saving Bank (GSB) will provide THB 150,000 million to financial institutions at the rate of 0.01%. These financial institutions then provide the loan to SMEs at 2% for 2 years. The maximum loan is THB 20 million per borrower.

##### **1.2. Extension of repayment measures to those affected by COVID-19**

Special Financial Institutes (SFI) will relax the terms and conditions of repayment by extending grace period for repayment on principle, reducing interest rate, extending the repayment period, for example. Additionally, some SFIs have refinancing measures for credit card debts at low interest rates.

##### **1.3. Loan requirement measures**

Bank of Thailand is providing guidelines to support those affected loan-takers. All financial institutions are to proactively support their customers by relaxing the loan classifications and giving more flexibility on loan approval to ensure liquidity and the continuity of everyday business.

##### **1.4. Employment support measures**

Social Security Office together with the financial institutions will give financial support of THB 30 billion at low interest rate to Social Security Funds (SSF) companies/employers. SSS registered companies/employers must have contributed to the SSF for at least 3 months and maintains the employment at least 80% of total SSF employees on the day of receiving the loan for the period of 3 years.

## B. FISCAL MEASURES

### 2.1. Withholding tax measures

To increase the liquidity to businesses, The withholding tax rate for service fees, such as those for the hire of work, services, commissions, and professional fees, will be reduced, as shown in the table below. Those who will receive the benefits from this tax measure include individuals, companies, and juristic partnerships.

Period covered	Current rate	Reduced rate	Filing method
1 <sup>st</sup> April 2020 – 30 <sup>th</sup> September 2020	3%	1.5%	Any filing method
1 <sup>st</sup> October 2020 – 31 <sup>st</sup> December 2021	3%	2%	Only e-withholding tax filing

#### **Additional information (Source: Tilleke & Gibbins dated 2nd April 2020):**

Reduction of withholding tax rates. This measure, which is already in effect, reduces withholding tax from 3% to 1.5% for the following types of payments made between April 1, 2020, and September 30, 2020:

- Income from service fees, commission fees, and other income under section 40 (2) of the Revenue Code, paid to companies or juristic partnerships in Thailand.
- Income from payments for goodwill, copyrights, and other rights under section 40 (3) of the Revenue Code, paid to companies or juristic partnerships in Thailand.
- Income from professional legal fees, audit fees, and other income under section 40 (6) and (7) of the Revenue Code, paid to persons liable to Thai personal income tax or corporate income tax.
- Income from payments in the nature of hire-of-work service, awards, rebate, or sales promotion, and any services other than entertainment performance, advertisement, non-life insurance premiums, and transportation fees, excluding payments for

hotel services, restaurant service charges, and life-insurance premiums, all falling under section 40 (8) of the Revenue Code, paid to persons liable to Thai personal income tax or corporate income tax.

For payments of the above types made between October 1, 2020, and December 31, 2021, the withholding tax rates will be reduced from 3% to 2% for e-payments and e-withholding tax only.

Payments to foundations or associations that carry out business, as well as those announced by the government according to Section 47 (7) (b), are not be eligible for any of these reductions.

## **2.2. Interest payment measures**

A company (especially Small and Medium Enterprises : SMEs) that has taken out low-interest loans (soft loans) can claim a tax deduction for 1.5 times the interest expense paid from 1 April 2020 to December 2020.

The company must meet the following conditions:

- It must have taxable income of not more than THB 500 million from its business in the last 12-month accounting period, where the last day of the accounting period ended on or before 30 September 2019.
- It must have not over 200 employees.
- In order for a company to claim this deduction, it must register with the Revenue Department under the procedures set out for a tax amnesty.

Additional information (Source: Tilleke & Gibbins, 2nd April 2020):

- Increased tax deductibility for SMEs' loan interest: SMEs that enrolled in the Soft Loan program for COVID-19 and committed to the "single account" program can claim 150% of actual loan interest paid from April 1 to December 31, 2020, as tax-deductible expenses.
- Increased tax deductibility for SMEs' salary costs: SMEs can claim 300% of actual salary costs paid to qualifying employees from April to July, 2020, as tax-deductible expenses



### **2.3. Employment stability measures**

SMEs may deduct at 300% the expenses for hiring/salary of employees registered at SSF for expenses paid for staff costs covering the period from 1 April to 30 July 2020 for SSF registered employees receiving income no more than THB 15,000 per month. The company must hire the same amount of employees as in December 2019.

### **2.4. Speeding up the VAT refund measures**

All domestic business operators classified as in the Good Export programme, can speed up the refund of VAT. In case the form is submitted online, you could get refund within 15 days. If you submit at the Revenue Department branches, you could get refund within 45 days.

## **C. Other measures**

### **3.1 Electrical utilities (MEA and PEA) and water utilities (MWA and PWA)**

The cabinet acknowledged relief measures against the widespread COVID-19 situation to alleviate people's burdens on public utilities. This is as proposed by Ministry of Interior.

#### **3.1.1 Electrical utilities**

- 3% electricity fee reduction for 3 months (April-June 2020)
- Extension of electricity bill payment with no interest charged (no later than 6 months of each billing period) for the billing months of April-May 2020
- Refund of electricity deposit for type 1 and 2 users (households and small scale businesses)

#### **3.1.2 Water utilities**

- 3% water fee reduction for 3 months (April-June 2020)
- Extension of water bill payment with no interest charged (no later than 6 months of each billing period) for the billing months of April-May 2020



- Refund of water usage deposit for type 1 users (households)

### **3.2 Employment relief measure**

Reducing contributions to the Social Security Fund by employers and employees. The Social Security Office announced that the rate for compulsory social security contributions by employers and insured persons will decrease from 5% to 4% for the six month salary cycles from March to August 2020. The Government's contribution remains the same at 2.75%

### **3.3 Government agencies to reduce rental fees for state property**

Measures to alleviate the burden of rental fees, compensation for services provided by government agencies and state enterprises  
Government agencies and state enterprises reduce or delay or postpone the collection of fees. Rental of state property Service remuneration  
Or other expenses to alleviate the burden on operators affected by the COVID-19 virus.

### **3.4 Super Saving Fund (SSF)**

Individuals investing in a Super Saving Fund (SSF) with a policy to invest at least 65% of its net assets value in shares listed on the Stock Exchange of Thailand, during the period from 1 April to 30 June 2020 can deduct the actual investment amount, capped at THB 200,000, as an allowance for personal income tax purposes, provided that the investment in the fund will be held for at least 10 years. This allowance will be in addition to the SSF allowance threshold (30% of the total income, capped at THB 200,000) and will not be included in the retirement saving fund threshold of THB 500,000.

The Finance Ministry has also set up specific hotlines to answer queries, as follows:

- Financial Measures, Tel: 02 2739020 Ext. 3235.
- Tax Measures, Tel: 02 2739020 Ext. 3509, 3529, and 3512.
- Measures to reduce contributions to the Social Security Fund of employers and employees / measures to build confidence in the capital market system, Tel: 02 2739020 Ext. 3643.



- Measures to alleviate the burden of fees, rental fees, and compensation for services provided by government agencies and state enterprises / measures to alleviate the burden of water and electricity bill payments / measures to assist those affected by the Coronary Infection Disease 2019 or COVID 19. Tel: 02 2739020 Ext. 3558.
- Measures to increase spending efficiency, budget expenditure for the fiscal year 2020, Tel: 02 127 7000 Ext. 4588.

## 2nd PHASE - The cabinet released the second set of measure on COVID-19 on 24th March 2020

### GOVERNMENT MEASURES PHASE 2 – 24 March 2020

#### 1. MEASURE FOR EMPLOYEES

##### **1.1 The measures include helping informal workers without social security benefits, including temporary employees and freelancers, and businesses that have been affected by the outbreak of coronavirus.**

Those affected workers and part-time employees that are not registered with the social security system would receive THB 5,000 per month for 3 months long and if the situation escalated, the government would expand the period of remedial payment measures. The government estimated that there are around 3 million people that could be eligible for the hand out.

For workers and employees who are part of the social security system, they will receive 50 per cent of their wages for not more than 180 days if their employer do allow them to work or for the business closure period but not more than 60 days if their employer was ordered to temporarily close down by the government. This is updated by cabinet resolution 31<sup>st</sup> March 2020 to revise the measure for workers and employees who are part of the social security system: “they will receive 62 per cent of their wages for not more than 90 days if their employers do not allow them to work or for the business closure period but not more than 90 days if their employer was ordered to temporarily close down by the government”. [see also under SSF below, p.14]



### **1.2 Emergency loans**

An emergency loan program valued THB 40,000 million at an interest rate of 0.1 per cent per month and without any guarantee needed to strengthen liquidity for whoever carried an informal debt. The loan limit is THB 10,000 per person, which be given out by state-owned banks and specialized financial institutions.

### **1.3. Soft loans**

A special credit aid/a special low-interest loan of THB 20,000 million for people who want a loan with THB 50,000 limit, but with an interest rate of 0.35 per month instead.

### **1.4 Low interest rate**

The Office of the Government Pawnshop has adjusted an interest rate of pawn not over 0.125% per month with a budget of THB 2,000 million.

### **1.5 Knowledge enhancement measures**

Training to enhance professional skills to provide knowledge to those affected by the outbreak of the COVID-19 virus or those interested, as well as conduct Corporate Social Responsibility (CSR)

### **1.6 Extension of Personal Income Tax Submission**

The deadline for submission of 2019 Personal Income Tax returns is extended from June 30, 2020, to August 31, 2020. This measure is already in effect.

### **1.7. Health insurance deductions**

Increasing the limit of tax deductible on health insurance expense from “per actual expense but not more than THB 15,000” to “per actual expense but not more than THB 25,000”. When combining with life insurance and life support deposit, it should not more than THB 100,000, effective on 2020 tax year.



### **1.8 Risk allowances, for medical professionals**

For eligible medical and public health personnel involved in the prevention or treatment of COVID-19, Certain types of income earned in 2020, such as risk compensation, are exempted from income tax.

## **B. MEASURE FOR ENTREPRENEURS**

### **2.1. Low interest rate loan**

Low interest rate loan for effecting businesses such as tour, spa, transportation (coach bus, van, taxi, boat, hired car), tour guide, hotel, accommodation, and restaurant. SME Development Bank will provide loan facility at THB 10 billion, THB 3 million per borrower at 3% interest rate for the first two year, 5-year maximum repayment period. Application deadline is 30th December 2020. [NB – may only be available to Thai majority-owned companies]

### **2.2 Extending Corporate Income Tax Submission**

Extending the submission of Corporate Income Tax of company or partnership limited who is not listed at Stock Exchange of Thailand as following:

During 2019 fiscal year (Por Ngo Dor 50) for the case that must submit from 1st April to 30th August 2020 to submit within 31st August 2020. *(Standard Practice: Submit within 150 days of the fiscal year end)*

During 2020 fiscal year (Por Ngo Dor 51) for the case that must submit from 1st July to 29th September 2020 to submit within 30th September 2020. *(Standard Practice: Submit within 2 months after half year end)*

### **2.3 Delaying of Tax Filing, Submission, and Payment**

Delaying the filing, submission, and payment of all types of tax that the Revenue Department collects, such as Value Added Tax, Specific Business Tax, etc. for affected entrepreneurs affected including (1) Entrepreneurs who have to close their establishments according to government orders such as the Ministry of Interior Local government organization Ministry of Public Health, etc. (2) Other operators that are

affected by the spread outbreaks of COVID-19 viral diseases, with justifiable grounds to delay. The Ministry of Finance will consider on a case-by-case basis in order to reduce the burden of document preparation and increase liquidity for the affected business operators.

#### **2.4. Extending Tax Payment for Entrepreneur In Oil and Petrol Product Industry:**

the Excise Department, allowed oil and petrol product industry operators to submit their tax payment within 10 days to submit within 15th of the next month that the goods is taken from an industrial facility or a bonded warehouse, effective period April to June 2020.

#### **2.5. Extending Tax Filing and Payment of Service Establishment Classified Under Excise Tax Classification:**

To alleviate the tax burden on business operators of entertainment venues affected by the closure, the Excise Department has extended the tax filing and payment of entrepreneurships of service establishment, including nightclub, discotheques, pubs, cocktail bars, lounges, and places that sell food and alcohol by providing music or other performances for entertainment which is closed after 24.00 hrs, and showers or baths and massages, as well as horse racing and golf course businesses, have to file and pay taxes by 15th July 2020.

#### **2.6 Import Duty Exemption on Goods for Treatment, Diagnosis or Prevention of COVID-19**

The exemption is for goods that specifies by the Ministry of Public Health. Effective since the date of the announcement of the Ministry of Finance, until 30th September 2020.

#### **2.7 Tax Measure for Debt Restructuring**

2.7.1 Personal and corporate income tax exemption for debtors on income obtained from debt forgiveness of creditors (2) Exemption on personal corporate income tax, VAT, specific business tax, and stamp duty for debtors and creditors for the proceeds from the transfer of assets, selling goods, or providing services and entering into an agreement due to debt restructuring (3) Exemption on personal and corporate income tax, VAT, specific business tax, and stamp duty for the debtor on the income from the transfer of immovable property that uses as collateral to another person who is not a creditor, and entering into an agreement due to the transfer of the immovable property. The debtor has to pay the debt to the creditor. Only the portion that is not more than the amount owed or has obligations under guarantee agreement is exempted. However, this must be in accordance with the rules, procedures and conditions specified by the Director-General (4) Relaxing the rules on disposals of bad debts from accounts receivable for debts forgiven by creditors.



2.7.2 Reducing registration fees for rights and juristic of transferring and mortgaging properties under Land Code and Condominium Act for debt restructuring case as specified. The Land Department will issue a notification of the Ministry of Interior to charge the registration fees for rights and juristic at 0.01%, effective from the date of its publication in the Government Gazette until 31st December 2021

Source: Ministry of Commerce announcement on 10 March and 24 March 2020.

### **3rd PHASE - The cabinet released the third set of measure on COVID-19 on 7th April 2020**

This third phase is referred to as a THB 1.9 tr package

#### **GOVERNMENT MEASURES PHASE 3 – 7 April 2020**

##### **1. DRAFT OF THE ROYAL DECREE ALLOWING MINISTRY OF FINANCE TO BORROW MONEY**

To solve problems, to remedy and rehabilitate the economy and society affected by the situation of the corona virus epidemic disease 2019 B.E. 2563 (Draft Loan Bill). Framework: 1 trillion baht to helping heal and revitalize the economy and society

##### **1.1. A measure aimed at helping and remedies the people affected by COVID-19 and medical and public health to solve the epidemic from COVID-19 in the amount of 600 billion baht:**

Covering assistance and remedies for people, farmers and entrepreneurs who are affected from the epidemic situation of COVID-19 and the solution to the epidemic of COVID-19, medicine and public health. This includes the 5,000-baht monthly handouts to an estimated 9 million self-employed and laid-off people affected by the outbreak, which will be extended to six months from three previously.

##### **1.2. A measure aimed at overseeing the domestic economy in the amount of 400,000 million baht. Covering:**

- 1.2.1. Increasing the capacity and raising trade, production and service in important economic sectors of the country and at the local level in order to create jobs, create market careers, and promote the market for products and products at the level that can connect to tourism and other service sectors;
- 1.2.2. Developing community infrastructure, procurement of production factors and facilities necessary for product development Local and community, including creating marketing channels and raising the standard of quality and value added of local products and products (Local Economy).
- 1.2.3. Promoting and stimulating household and private consumption, including promoting and stimulating various investments of the private sector that will bring the consumption and investment conditions back to the normal.

## 2. MEASURES TO STABILIZE ECONOMIC AND GOVERNMENT FINANCIAL SYSTEMS

To increase liquidity for SMEs while also enhancing liquidity and stabilizing the private sector's bond market by issuing 2 royal decrees as following: <sup>1</sup>

### 2.1. Draft of the Royal Decree to provide financial assistance to SMEs that are affected by the spread of the corona virus infection 2019 B.E. 2563 (Draft Soft Loan Bill) Framework: 500 billion baht

Bank of Thailand (BOT) is able to grant soft loans to commercial banks and specialized financial institutions at the rate of 0.01 percent per annum in the amount of 500 billion baht in order to let commercial banks and specialized financial institutions extended new loans to SMEs. SME must have an outstanding credit balance of not more than 500 million baht, not listed on the Stock Exchange of Thailand and not an NPL as of 31 December 2019. SMEs will receive additional credits of not more than 20 percent of the original loan at the rate of Interest, not more than 2 percent per annum. Borrowers do not have to pay the principal and interest for the additional loans during the first 6 months. Commercial banks and specialized financial institutions are able to suspend their existing debt, both principal and interest, for SMEs for a period of 6 months to SMEs who are good debtors as of 31 December 2019 and have credit line not over 100 million baht.

<sup>1</sup> Additional details reported in Bangkok Post 8 April <https://www.bangkokpost.com/business/1895165/bot-schemes-to-cover-1-7m-smes>

## **2.2. Draft of the Royal Draft to stipulate liquidity support for the stabilization of private sector debt instruments 2019 B.E. 2563**

**(Draft BSF) Framework:** 400 billion baht

To increasing liquidity and stabilizing the private sector's bond market and financial system. This draft regulation requires the establishment of a supplementary fund. Liquidity to reduce the risk of raising funds in the private bond market (Corporate Bond Liquidity Stabilization Fund: BSF) and allowing the BOT to buy and sell investment units in such funds in order to support fundraising by issuing debt securities in the first market for market functioning. The fund will buy bonds to increase liquidity to the companies issuing the quality bonds but face temporary liquidity shortage and to allow the company to continue to rollover debentures. BOT can buy investment units of such funds not more than 400 billion baht. BOT has power to trade private sector debt securities in the secondary market in case there is an urgent need to stabilize the private sector bond market and the financial system.

## **3. OTHER MEASURES in Third Phase**

Consist of three measures as follows:

### **3.1. Draft of The Royal Decree specific the amount of deposits that are generally protected 2019 B.E. 2563**

In order to extend the deposit protection limit at 5 million baht to 10<sup>th</sup> August 2021 to build trust among depositors, which will increase stability and maintain economic stability and the financial institution as a whole.

### **3.2. Measures for low-interest loans for non-banks operator**

To enable the Government Savings Bank to grant loans to non-banks operator in order to be able to help the micro debtors of each operator by relaxing the conditions of credit card loans, personal loans, leasing, hire purchase, motorcycle hire purchase, and car registration loans to the public.

### **3.3. Reducing financial development funds contribution**

The reduction of the remittance from the financial institution from 0.46 percent per year to 0.23 percent per year in order to reduce the cost of financial institutions, which will lead to a lower interest rate. It will help relieve the debt burden of businesses and citizens



Source: Ministry of Finance's news 36/2563 on 7 April 2020.

### Social Security Fund (SSF) – cabinet decision 31 March 2020

#### **Payment of salary compensation from the Social Security Fund for low paid workers affected by COVID-19**

Two new changes to Social Security Fund legislation to provide greater support for the payment of salary compensation for low paid workers effected by COVID-19, which has already passed approval from the Thai Cabinet and has been officially announced in the Social Security Fund website (<https://www.sso.go.th/wpr/main>); summary:

- (1) in case of a 'day rate' (ie not full time) employee ordered to stay home by the employer due to COVID-19, SSF will pay at 62% of their wage, maximum THB 9,300 per month for the closure period but not more than 90 days (based on actual unpaid leave up to THB 15,000 in eligible wages per month). In this case the employer would not need to top up.
- (2) in case of temporary close of business for up to 3 months due to government order, such as gym staff due government order to close all gyms, SSF will pay at 62% of their wages, maximum THB 9,300 per month for the closure period but not more than 90 days (NB: based on actual unpaid leave up to THB 15,000 in eligible wages per month). Assuming a fulltime employee, the employer would need to top up.

Two further salary compensation rules (#3 and #4 below) previously announced for payment of salary compensation for low paid workers effected by COVID-19 remain unchanged within the Social Security Fund legislation:

- (3) in case termination ordered by the employer during to COVID-19 situation, SSF will provide monthly payments at 70% of their wages (with a maximum up to THB 15,000 in eligible wages per month), which amounts to maximum THB 10,500 per month for a maximum payment period of the lesser of 200 days (i.e., about 6 and a half month), or until the employee finds a new job. Plus, Employer has to pay normal severance.
- (4) in case that a company closes TEMPORARILY due to COVID-19 without government order, the company must pay 38% of the first THB 15,000 plus their remaining ACTUAL wages. This is not a termination. (ie. If an employee receives salary at THB 40,000, employer must pay 38% of THB 15,000 plus THB 25,000 or THB 30,700 in total)

The rules have some grey areas, greater clarity is being sought.



**The Office of the Board of Investment (BOI)** stated 2<sup>nd</sup> April that it remains committed to serve the needs of investors. BOI has taken the following measures to facilitate companies:

**the Board of Investment (BOI) Measure – released 2 April 2020 <sup>2</sup>**

**A. BOI has extended the application deadline**

In accordance with the announcement by the Ministry of Finance to postpone corporate income tax submission for the 2019 accounting year (Por.Ngor.Dor.50) to 31 August 2020, the BOI has extended the application deadline for corporate income tax exemption privileges to 31 July 2020, or not less than 30 days before the corporate income tax filing date.

**B. BOI e-submission**

To ensure continued support to investors, online document submission service (e-submission) was launched since March 30, 2020 apart from our existing e-services (such as e-investment for applications, e-tax for corporate income tax exemption authorization, and e-land for land ownership approval). Please visit our website for e-submission (<https://doc.boi.go.th/>). This new service, in line with the government policies to encourage people to work from home, ensures that companies can still receive services from us as usual.

**The Revenue Department** more detail on 2<sup>nd</sup> phase measure on Delaying of Tax Filing, Submission, and Payment (item 1.6, 2.2, 2.3)

**The Revenue Department Announcement – released 2 April 2020**

**1. Extend the submission of form and payment as general**

1.1. Personal Income Tax for the tax year 2019 (Por Ngor Dor 90\*, 91\*, and 95) that must be submitted by 31 March 2020, has extended until 31 August 2020.

<sup>2</sup> Source: The Office of the Board of Investment (BOI) email dated 2 April 2020



- 1.2. Corporate Income Tax for 2019 fiscal year, (Por Ngor Dor 50 and 55) not listed on the Stock Exchange of Thailand, normally submitted during April 2020 to August 2020, extended to 31 August 2020.
  - 1.3. Corporate Income Tax for the half of 2020 fiscal year (Por Ngor Dor 51) not listed on the Stock Exchange of Thailand, normally to be submitted within April 2020 to September 2020, extended to 30 September 2020.
- 2. Extend the submission of form and payment for the entrepreneurs who is closed the premises according to the government order**
- 2.1. Withholding Tax (Por Ngor 1, 2, 3, 53, and 54) of March 2020, which is normally submitted within April 2020 and of April 2020, which is normally submitted within May 2020, extended to 15 May 2020. (Normal practice is submitting within 7<sup>th</sup> of each month).
  - 2.2. Value Added Tax
    - 2.2.1. Domestic sales of goods and services (Por Por 30) of March 2020, which must be submitted by April 2020 and April 2020, which must be submitted by May 2020, extended to 23 May 2020 (Normal practice is submitting within 15<sup>th</sup> of each month).
    - 2.2.2. Payment of services to foreign country (Por Por 36) of March 2020, which must be submitted within April 2020, and of April 2020, which must be submitted within May 2020, extended to 15 May 2020. (Normal practice is submitting within 15<sup>th</sup> of each month).
    - 2.2.3. Specific business tax (Por Tor 40) of March 2020, which must be submitted within April 2020, and of April 2020, which must be submitted within May 2020, extended to 23 May 2020, but not including the case of real estate sales as commercial or profit which is paid at the time of registration of rights and juristic acts. (Normal practice is submitting within 15<sup>th</sup> of each month).  
Stamp duty (Or Sor 4, 4 Kor, 4 Khor) which must be paid within April 1, 2020 until May 15, 2020, extended to 15 May 2020. (generally stamp duty is payable within 15 days of forming the contract).

**Source:** The Revenue Department News Por Chor Sor 27/2563

## **COVID-19 Relief Measures - corporate compliance summary (secondary source – KPMG)**

As the outbreak of COVID-19 may affect the compliance of corporate law, especially the convention of the annual general meeting of shareholders (“AGM”), the Department of Business Development (“DBD”) and the Thai Revenue Department (“TRD”) has released the relief measures to ease the affected entities in the compliance of corporate requirements during this situation.

The summary of the corporate compliance relief measures and the relevant compliance requirements are as follows:



**Public limited companies listed in the Stock Exchange of Thailand (“Listed companies”)**

	<b>Normal timeline</b>	<b>Extended timeline</b>
AGM	Within 4 months of the end of the accounting period.	<p>Listed companies that are affected by the outbreak of COVID-19 can hold an AGM later than 4 months from end of the accounting period. The timeline is not specified.</p> <p>Listed companies must submit the notification letter* to clarify the reason for not being able to hold an AGM or hold an AGM later than 4 months from the end of the accounting period, along with the updated list of shareholders (form BMJ.006) to the DBD or via website or registered mail. It appears that this may be done when the AGM is to be held.</p> <p>Listed companies must inform the Stock Exchange of Thailand (“SET”) and the shareholders of the companies that the meeting initially scheduled has been postponed.</p>
List of shareholders (BMJ.006) submission	Within 1 month from the AGM date	The timeline remains unchanged, subject to the extended date of the AGM.
Submission of audited financial statements to DBD	Within 1 month from the AGM date	The timeline remains unchanged, subject to the extended date of the AGM.
	<b>Normal timeline</b>	<b>Extended timeline</b>
Submission of financial statements to SET (listed companies)	<ul style="list-style-type: none"> <li>• Unaudited financial statements (optional) - within 30 days of the end of the quarter or of the company’s accounting period.</li> <li>• Reviewed quarterly financial statements - within 45 days of the end of each quarter.</li> <li>• Audited annual financial statements - within three months from the end of an accounting period.</li> </ul>	<p>The timeline remains unchanged.</p> <p><i>Note:</i> Due to the postponement of AGM, listed companies can appoint the SEC authorized auditor to review financial statements for the first quarter of 2020 in order to disclose information and submit financial statements to SET under the specified timeline. However, the appointment of the auditor should be resolved in the next AGM.</p>



Application for the Board of Investment's corporate income tax incentive utilization Submission	Within 120 days from the end of accounting period.	The timeline remains unchanged.
Annual corporate income tax return (PND.50) submission	Within 150 days from the end of the accounting period. Audited financial statements are required to be submitted with PND.50.	The timeline remains unchanged.
Transfer Pricing ("TP") Disclosure form submission	Within 150 days from the end of accounting period.	The timeline remains unchanged.
Mid-year corporate income tax return (PND.51) submission	Within 2 months from the half of the accounting period.	The timeline remains unchanged.

**Limited companies and public limited companies**

	Normal timeline	Extended timeline
AGM	Within 4 months of the end of the accounting period.	<p>Limited companies and public limited companies that are affected by the outbreak of COVID-19 can hold an AGM later than 4 months from end of the accounting period. The timeline is not specified. It appears that this may be done when the AGM is to be held.</p> <p>Limited companies and public limited companies must submit the notification letter* to clarify the reason for not being able to hold an AGM or hold an AGM later than 4 months from the end of the accounting period, along with the updated list of shareholders (form BOJ.5/ BMJ.006) to the DBD or via website or registered mail.</p>



List of shareholders (BOJ.5/ BMJ.006) submission	<ul style="list-style-type: none"> <li>• <i>Limited companies:</i> within 14 days from the AGM date</li> <li>• <i>Public limited companies:</i> within 1 month from the AGM date</li> </ul>	The timeline remains unchanged, subject to the extended date of the AGM.
Submission of audited financial statements to DBD	Within 1 month from the AGM date	The timeline remains unchanged, subject to the extended date of the AGM.
Application for the Board of Investment's corporate income tax incentive utilization submission	Within 120 days from the end of accounting period.	<u>31 July 2020</u> or at least 30 days before the PND.50 submission due date. <i>Note:</i> The business operator can submit the documents via e-submission system from 30 March 2020 onwards.
Annual corporate income tax return (PND.50) submission	Within 150 days from the end of the accounting period. Audited financial statements are required to be submitted with PND.50.	For limited companies and public limited companies that are required to submit and pay corporate income tax within April 2020, May 2020, June 2020, July 2020 and August 2020, the deadline is extended to <u>31 August 2020</u> .  For limited companies and public limited companies that the normal timeline for corporate income tax payment and return submission is from 24 August 2020 to 31 August 2020, the 8-day extension for e-filing is still applicable.
TP Disclosure form submission	Within 150 days from the end of accounting period.	For limited companies and public limited companies that are required to submit TP Disclosure form within April 2020, May 2020, June 2020, July 2020 and August 2020, the deadline is extended to <u>31 August 2020</u> .
Mid-year corporate income tax return (PND.51) submission	Within 2 months from the half of the accounting period.	For limited companies and public limited companies that are required to submit and pay mid-year corporate income tax within April 2020, May 2020, June 2020, July 2020, August 2020 and September 2020, the deadline is extended to <u>30 September 2020</u> .  For limited companies and public limited companies that the normal timeline for mid-year corporate income tax payment and return submission is from 23 September 2020 to 30 September 2020, the 8-day extension for e-filing is still applicable.



**Registered partnerships, foreign companies operating business in Thailand and joint ventures**

	<b>Normal timeline</b>	<b>Extended timeline</b>
Submission of audited financial statements to DBD	Within 5 months of the end of the accounting period.	For entities that have the accounting period ending from 31 October 2019 to 31 March 2020, the deadline is extended to <u>31 August 2020</u> .
Annual corporate income tax return (PND.50) submission	Within 150 days from the end of the accounting period. Audited financial statements are required to be submitted with PND.50.	For entities that are required to submit and pay corporate income tax within April 2020, May 2020, June 2020, July 2020 and August 2020, the deadline is extended to <u>31 August 2020</u> .  For entities that the normal timeline for corporate income tax payment and return submission is from 24 August 2020 to 31 August 2020, the 8-day extension for e-filing is still applicable.
Transfer Pricing (“TP”) Disclosure form submission	Within 150 days from the end of accounting period.	For entities that are required to submit TP Disclosure form within April 2020, May 2020, June 2020, July 2020 and August 2020, the deadline is extended to <u>31 August 2020</u> .
Mid-year corporate income tax return (PND.51) submission	Within 2 months from the half of the accounting period.	For entities that are required to submit and pay mid-year corporate income tax within April 2020, May 2020, June 2020, July 2020, August 2020 and September 2020, the deadline is extended to <u>30 September 2020</u> .  For entities that the normal timeline for mid-year corporate income tax payment and return submission is from 23 September 2020 to 30 September 2020, the 8-day extension for e-filing is still applicable.

**Trade associations and chambers of commerce**

	<b>Normal timeline</b>	<b>Extended timeline</b>
AGM	Within 120 days of the fiscal year-end.	Trade associations and chambers of commerce that are affected by the outbreak of COVID-19 can hold an AGM later than 120 days from end of fiscal year. The timeline is not specified. It appears that this may be done when the AGM is to be held.



		Trade associations and chambers of commerce must submit the notification letter to clarify the reason for not being able to hold an AGM or hold an AGM later than 120 days from the end of the fiscal year to the DBD or via website or registered mail.
Submission of audited financial statements to DBD	Within 30 days from the AGM date.	The timeline remains unchanged, subject to the extended date of the AGM.
Annual corporate income tax return (PND.55) submission	Within 150 days from the end of the accounting period. Audited financial statements are required to be submitted with PND.50.	For entities that are required to submit and pay corporate income tax within April 2020, May 2020, June 2020, July 2020 and August 2020, the deadline is extended to <u>31 August 2020</u> .  For entities that the normal timeline for corporate income tax payment and return submission is from 24 August 2020 to 31 August 2020, the 8-day extension for e-filing is still applicable.

**Note:**

\*The DBD has published a standard format of letter clarifying the impact from Covid-19 pandemic in particular. The letter can be downloaded from:

[https://www.dbd.go.th/download/regis\\_file/covid19/dbdregist\\_exam\\_COVID19.pdf](https://www.dbd.go.th/download/regis_file/covid19/dbdregist_exam_COVID19.pdf)

Source: KPMG in Thailand newsletter dated 2<sup>nd</sup> April 2020

**ENTRY RESTRICTIONS**

Apart from diplomats, special cases, flight crew etc, only Thai nationals (not Permanent Residents) and smart visa holders are allowed entry<sup>3</sup> (leaving aside bans on arriving commercial flights currently extended to 18 April) – see CAAT news 3 April 2020 and later, which does not apply to certain flights including repatriation flights.<sup>4</sup>

**BROADBAND SUPPORT**

10GB free additional data download – for Thai nationals, one mobile number each, application period is to 30 April provided the service was in place at 31 March. Does not apply to juristic persons (eg companies), or those with package over 10GB or unlimited. The additional 10GB data is valid for 30 days. Financed by Universal Service Obligation Fund (USO) or 3 billion baht from the Broadcasting and Telecommunications Research Fund (BTRF) – reports vary. Co-operative arrangement of operators and NBTC.

<sup>3</sup> <https://www.caat.or.th/en/archives/48998> - see 1 (e), (f), there is a 3 April update which does not materially change the 26 March statements

<sup>4</sup> <https://www.caat.or.th/en/archives/49329>;



**VISA measures** – According to Immigration Bureau <sup>5</sup>, a 7 April decision,

	Normal	Changed
Permanent Residents (normally residing in Thailand but stuck overseas)	Return within one year or lose Residency status.	Foreigners granted residence in the Kingdom under s. 48 of the Immigration Act and have issued departure notification to return within one year under s.50 are allowed to extend the return trip for more than one year. When the COVID 19 situation is resolved, they must return as soon as possible within the period specified by the Immigration Office.
Expired visa 'from' 26 <sup>th</sup> March	Overstayer; THB 500/day fine	All visa classes, including VoA and visa exemption categories, automatically extended to 30 April, no need to apply for an extension.
90 day reporting – if due for reporting in period 26 March – 30 April	Required to report s. 37(5); efforts to use an on-line reporting tool.	Extend the period of notification – we take this to mean that reporting must be done after 30 April if the reporting obligation fell in the period 26 March – 30 April.
Visitors from neighbouring countries who hold a temporary border pass and got stuck in Thailand after the borders were shut,	Honour the terms of the pass	will be allowed to stay in Thailand until the borders are re-opened, they will be required to leave Thailand within seven days after the borders reopen.

Work Permit extension does not appear to have been addressed. The period to 30 April is based on the lockdown period; given that flights are scarce, an extension of this waiver may be needed.

<sup>5</sup> The official EN version on the Immigration Bureau website covered only some of the cases, thus the TH version was relied on for this document