PwC Tax Insight # 41/2020 Tax Update

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Status of the draft digital service tax law – under consideration by the Senate

The following report may be of interest to:

All clients

Summary:

The draft law requiring overseas digital service providers to remit VAT to the Thai Revenue Department was discussed and approved by the House of Representatives on 5 November 2020.

The difference between this version and the one that was used for public hearing earlier this year is that the term 'electronic services' now includes intangible assets, as per the following:

"Electronic services' means a service, <u>including intangible assets</u>, delivered via the internet network or any other electronic network in which the nature of the service is substantially automated, such that the service cannot be performed without information technology."

(Our previous tax insight No. 02/2020 refers)

This draft has now been placed on the website of the Senate and is under consideration by the Senate. The Senate must complete its review within 30 days from 9 November 2020 unless the time limit is extended for another 30 days.



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