

# Tax News Flash

#03/2025



## Tax incentives for investment in Thai ESG Extra Fund



This flash may be of interest to:

All clients



Summary

At the end of March, The Revenue Department issued Ministerial Regulation 398 (2025) regarding new tax incentives for Long-Term Equity Fund (LTF) unitholders to convert their units to the Thai ESG Extra Fund (TESGX) to encourage sustainable investment in Thailand.

The TESSGX is required to invest in securities issued by Thai companies that meet sustainability criteria similar to those of the Thai ESG Fund. The TESSGX must invest at least 80% of its net asset value (NAV) on average over the fiscal year in sustainable investments, including:

- at least 65% of NAV in sustainable shares listed on the Stock Exchange of Thailand or the Market for Alternative Investment
- sustainable bonds
- digital tokens that promote sustainability.

Important tax incentives for TESSG and TESSGX investments:

TESSG			TESSGX	
			Tier 1 – New cash investment	Tier 2 – LTF conversion to TESSGX
Purchase period	21 Nov–31 Dec 2023	1 Jan 2024–31 Dec 2026	Purchase within <b>two months</b> of the date units are available for sale, <b>and</b> no later than 30 Jun 2025.	Convert within <b>two months</b> of the date units are available for sale, <b>and</b> no later than 30 Jun 2025.
Maximum tax exemption	30% of taxable income, not exceeding <b>THB100,000</b> per year.	30% of taxable income, not exceeding <b>THB300,000</b> per year.	30% of taxable income, not exceeding <b>THB300,000</b> per year.	➢ 1st year: THB300,000 ➢ 2nd–5th years: THB200,000 (maximum THB50,000 per year)
Holding period	At least <b>eight</b> years from the purchase date.	At least <b>five</b> years from the purchase date.	At least <b>five</b> years from the purchase date.	At least <b>five</b> years from the conversion date.*

\* Note: Conversions exceeding THB500,000 must be held for at least five years from the conversion date.



Source:

[https://www.rd.go.th/fileadmin/user\\_upload/kormor/newlaw/mr398.pdf](https://www.rd.go.th/fileadmin/user_upload/kormor/newlaw/mr398.pdf)

For further information, please contact: Your regular PwC contact person or

- Mr Paul Stitt (Partner)  
Email: paul.stitt@pwc.com  
Office: 02 844 1119
- Mr. Tutturapong Kritiyutanont (Associate Partner)  
Email: tutturapong.kritiyutanont@pwc.com  
Office: 02 844 1426