



Tax burden on Investment in Debt instruments

(Bond, Debenture, Bill of Exchange, Certificates of deposit)

Profit	Domestic Investor		Foreign Investor	
	Individual Investor	Company / Juristic Partnership	Individual Investor	Company / Juristic Partnership
1 Interest	Withholding tax at 15% with option not to include in annual PIT filing	Withholding tax at 1% (Tor.Por. 4/2528 No.4)*	Withholding tax at 15% under section 50(2)(b) with exception to countries having DTA with Thailand may be subjected to a lower tax rate. Bonds issued by government or specific financial institutions that sell bonds overseas will not be subjected to withholding tax (see Ministerial Regulation 126 No.2(21) or section 50(2)(b) of the Revenue Code)	Subject to withholding at 15% (section 70) with exception to countries having DTA with Thailand may be subjected to a lower tax rates. Bonds issued by government or specific financial institutions that sell bonds overseas will not be subjected to withholding tax (see section 70 and section 5 octo under Royal Decree number 10)
2 Discounts of gains arise from transaction of financial instruments.	Withholding tax at 15% for the first owner, taxpayer can choose not to include such income in annual filing. (see section 50(2)(c) Ministerial Regulation 126 No.2(30)(a))*	Withholding tax at 1% (Tor.Por. 4/2528 No.4)*	Withholding tax at 15% section 50(2)(c) with exception to countries having DTA with Thailand may be subjected to a lower tax rate. Withholding tax is exempted for interest arising from bonds issued by government or specific financial institution that are sold abroad. (see Ministerial Regulation 126 No.2(21))	Withholding tax at 15% (section 70) except for countries having DTA with Thailand may be subjected to a lower tax rate. Withholding tax is exempted for interest arising from bonds issued by government or specific financial institution (see section 70 and section 5 octo under Royal Decree number 10)
3 Profits from sale or gains from transfer of stocks.	Withholding tax at 15% as stated in section 50(2)(b) with exemption to countries having DTA with Thailand may be subjected to a lower tax rate. Withholding tax is exempted for interest arising from bonds issued by government or specific financial institution earning no interest (Ministerial Regulation 126 No. 2(30)(b))*	No withholding tax but income must be filed in annual CIT calculation	Withholding tax at 15% as stated in section 50(2)(b) with exemption to countries having DTA with Thailand may be subjected to a lower tax rate. Withholding tax is exempted for interest arising from bonds issued by government or specific financial institution that are sold abroad. (see Ministerial Regulation 126 No.2(21))	Withholding tax at 15% (section 70) with exemption to countries having DTA with Thailand may be subjected to a lower tax rate. Withholding tax is exempted for interest arising from bonds issued by government or specific financial institution that are sold abroad. (see section 70 and section 5 octo under Royal Decree number 10)

* More details at www.rd.go.th click Revenue Code and click on Reference icon.

Stamp duties on financial Instruments

Instruments	Stamp Duty for every 1,000 baht worth	Exemption of Stamp Duty	No exemption of Stamp Duty
1 Stock certificate	1 baht	1. Transfer of stock certificate in SET. (exempted as stated under section 6 of Royal Decree number 10) 2. Transfer of stock certificate in agriculture cooperation	Transfer of share certificate over the counter
2 Bond issued by private firms	1 baht	All types of stock certificate transfer	
3 Government Bond	1 baht	1. Transfer of bond in SET 2. Transfer of government bond 3. Transfer of Government Housing Bank's bond 4. Transfer of Bank of Thailand's bond 5. Transfer of State owned Enterprise's bond (exempted as stated under section 6 of Royal Decree number 10)	Other transfer of bonds over the counter such as government bond.
4 Debt certificate	1 baht	1. Transfer of debt certificate in SET 2. Transfer of Agricultural Co-operative Federation's certificate	Transfer of other debt certificate over the counter

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Tax and Investment in Stock market

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The Revenue Department

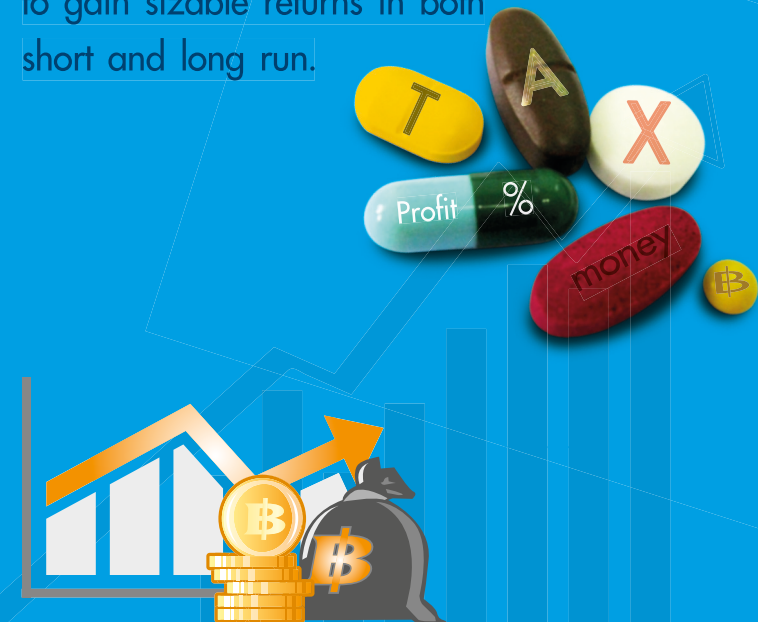
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Tax and Investment in Stock market

Anyone that invests in stock through the Stock Exchange of Thailand (SET) will receive a return on investment in the form of interest, dividend or profit sharing. Currently there are individuals and corporate investors who invest in the Stock Exchange of Thailand hoping to gain sizable returns in both short and long run.



There are various tax liabilities and privileges for those who invest in Stock Exchange of Thailand

Profit	Domestic Investor		Foreign Investor	
	Individual Investor	Company /Juristic Partnership	Individual Investor	Company /Juristic Partnership
1 Dividend or share of profit 1.1 Dividend or share of profit received from company or juristic partnership registered under Thai law (section 40(4)(b)) 1.2 (Income from) received from mutual fund as stated in the Revenue Code (according to section 40(4)(b)) 1.3 Share of profit from funds, Securities and Exchange Acts section 40(8)	Withholding tax at 10% (section 50(2)(e)) taxpayer has an option to declare income at the end of the year (see section 48(3) paragraph 2). If income is declared at the end of the year such income will received tax $r/100-r$ of dividend received from share of profit ($R=\text{tax rate}$) (see section 47 bis)	Withholding tax at 10% section 3 Ter. (Tor.Por. 4/2528) number 5 with exception where receiver is a registered company or hold more than 25% of share in a company, payer will not have to withhold tax, however receiver of income must include this income in net profit calculation (section 65 bis (10))	Withholding tax at 10% and must include such income at the end of the year tax calculation (section 50(21)(e))	Withholding tax at 10% (section 70)
2 Profit arising from transfer of shares or unit 2.1 Profit arising from transfer of shares or unit of Investment section 40(4)(g) A. Within Stock Exchange of Thailand B. Over the counter/Outside Stock Exchange of Thailand 2.2 Profit from transfer of unit of investment (section 40(8)) A. Within Stock Exchange of Thailand B. Over the counter/Outside Stock Exchange of Thailand 2.3 Profit arising from transfer of unit of investment under Royal Decree governing securities transaction A. Within Stock Exchange of Thailand B. Over the counter/Outside Stock Exchange of Thailand	No withholding tax (Ministerial Regulation 126 No.2(23)) Subject to progressive withholding tax and must include such income at annual PIT filing (section 50(2)) No withholding tax (section 42(23)) No withholding tax (section 42(23)) No withholding tax (Ministerial Regulation 126 No.2(32))* No withholding tax (Ministerial Regulation 126 No.2(32))*	Exempted from withholding tax but must be filed in annual CIT filing. Same as 2.1 A. No withholding tax but must include such income in annual CIT filing No withholding tax but must include such income in annual CIT filing No withholding tax but must include such income in annual CIT filing No withholding tax but must include such income in annual CIT filing	No withholding tax (Ministerial Regulation 126 No.2(23)) Subject to withholding at 15% (section 50(2)) with exception to countries having DTA with Thailand may be subjected to a lower tax rate No withholding tax (section 42(23)) No withholding tax (section 42(23)) No withholding tax (Ministerial Regulation 126 No.2(32))* No withholding tax (Ministerial Regulation 126 No.2(32))*	Withholding tax at 15% (section 70) with exception of countries having DTA with Thailand may be subjected to a lower tax rate Same as 2.1 A. No withholding tax No withholding tax No withholding tax No withholding tax

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