

# NEWSLETTER

## REDUCTION OF PROPERTY TAX, LAND TRANSFER FEES AND EXTENSION PERSONAL INCOME TAX FILING DEADLINE

28 JANUARY 2021

On 26 January 2021, it was reported that the Meeting of the Cabinet by the Thai Prime has approved the additional Relief Measures for people affected from the Covid-19 pandemic in a form of tax measures or “**Tax Packages**” in order to ease financial burden on people and businessman as follows.

### TAX REDUCTION

- **Personal Income Tax Filing** : An extension of the Yearly Personal Income Tax Filing of 2020 deadline via internet by 3 months from the end of March 2021 to the end of June 2021;
- **Land and Building Tax** : The tax on land and buildings cut by 90% for Year 2021. The 10% tax covers every real estate, whether for the use of residences, farmland, empty land, commercial land, industry and others.
- **Property Transfer** : The extension of reduction of transfer fee for property transactions from 2% of assessed prices to 0.01% for residential properties, including condominium units, not exceeding 3 million Baht for supporting the real estate business and people who wish to buy a residence.
- **Mortgage** : The fee for property mortgage registration cut from 1% of borrowing to 0.01%. For example, in case of purchasing a house of 3 million Baht, the fees will be reduced from 30,000 ++ Baht to 300 ++ Baht ONLY.

### LAND AND BUILDINGS TAXES

- **Land for Agricultural Purpose** : The owner of property who is an individual, the law says for the first three years (2020 – 2022), tax is exempt. For corporate owner, taxes of 0.01% is imposed. With assess value of property of less than THB5m, tax will be 500 Baht.
- **Land & Buildings for Residential Purpose** :
  - In case an individual owner of the plot of land and house, whose name is on the house registration book, tax is exempt for the price not exceeding THB50m (of the land and house) and THB10m (of the house, not land).
  - In case of the owner of the house (Not land) for other houses/condo, if the official assessed value is THB5m , taxes of 0.02% is imposed.
- **Empty Land** : (including land for commercial or industrial purpose)
  - With assess value of property of less than THB5m, taxes rates of 0.3% or THB15,000 will be imposed.