



Tax Deduction on Vaccine Donation

On 5 May 2021, the Thai cabinet approved a draft of the Royal Decree on tax measures in supporting vaccine donations with the purpose of encouraging the private sector to donate money or assets to the National Vaccine Institution (“NVI”). The underline tax measures are as follows:

1. For individuals who make donations of money or assets to the NVI, they can deduct the tax payment equivalent to the amount of the donation, but when combining with donations made under Article 47(7) of the Revenue Code, it must not exceed 10% of the taxable income after deduction of all expenses and other deductions.
2. For companies or juristic partnerships that make donations of money or assets to the NVI, they can deduct the tax payment equivalent to the amount of the donation, but when combining with public charity or public benefit and education or sports under Article 65 Tri (3)(b) of the Revenue Code, it must not exceed 2% of net profit.
3. An exemption of Value added tax (VAT) for VAT registrants who make donations of assets to the NVI in order to support R&D, production, distribution of vaccines.

In this regard, the donation must be made via the e-Donation system of the Revenue Department from 1 January 2021 to 31 December 2023.