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Draft Regulation on Compulsory Collection of Tax Arrears

On 1 October 2025, the Excise Department released the Draft Regulation of the Excise Department on the Practice of Compulsory Payment of Tax Arrears by Confiscation, Suspension, and Auction of Assets (the "Draft Regulation") for public consultation, open until 15 October 2025.

Under the current framework, the enforcement mechanisms prescribed in the Excise Department Regulation (2017) apply solely to excise tax arrears assessed by excise officials under the Excise Tax Acts, and exclude excise tax on imported goods assessed by the Customs Department. This has resulted in enforcement gaps and procedural inconsistencies between the Excise Department and the Customs Department in collecting tax arrears.

To address these deficiencies, the Draft Regulation seeks to establish a unified and transparent enforcement framework for the compulsory collection of tax arrears, improve procedural consistency, and enhance coordination between relevant authorities.

Key Amendments

1. Expanded Definition of Tax Arrears and Taxpayers in Arrears

The Draft Regulation broadens the definition of "tax arrears" to cover excise taxes under both the Excise Tax Act B.E. 2560 (2017) and the Excise Tax Act B.E. 2527 (1984), as well as excise taxes assessed under the Customs Act B.E. 2560 (2017). This ensures comprehensive coverage of all excise-related obligations, including those arising from import assessments.

2. Clarified Enforcement Authority

The Draft Regulation explicitly authorizes excise officers to issue orders for the seizure, suspension, and auction of assets in connection with excise tax arrears assessed under the Customs Act. This clarification aims to eliminate ambiguity in enforcement authority and strengthen the Department's ability to recover outstanding liabilities.

2. Standardized Collection Procedures

The Draft Regulation introduces a structured, step-by-step process for the compulsory collection of tax arrears, enhancing procedural transparency and efficiency. These procedures are designed to promote fairness, reduce administrative duplication, and ensure consistent enforcement practices across agencies.

By establishing a unified enforcement regime, the Draft Regulation represents an important step toward improving tax compliance, procedural transparency, and inter-agency coordination in the administration of Thailand's excise tax system.