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# Update on Tax Exemption Notification for Employment of STEM Target Industries

The Thai Revenue Department, under the authority of the *Director-Genera*, has issued a notification to update the existing tax incentive framework designed to promote competitiveness in Thailand's targeted industries.

The measure allows companies or juristic partnerships operating within these industries to claim a corporate income tax exemption **equivalent to 50% of the salary expenses** paid to high-skilled employees working in science, technology, engineering, or mathematics (STEM) fields.

This incentive aims to encourage the employment of advanced technical talent and enhance the nation's technological and innovation capabilities.

While the core structure of the tax incentive remains unchanged, the amendment expands the range of certifying authorities for high-skilled personnel and qualifying positions.

Specifically, the update:

- Adds the Digital Economy Promotion Agency (DEPA) as an additional certifying body alongside the Office of the National Higher Education, Science, Research and Innovation Policy Council (NXPO).
- The change recognizes that high-skilled employment in digital and information technology sectors plays a vital role in driving the competitiveness of targeted industries.

Accordingly, both high-skilled personnel and positions within the company must be certified either by NXPO or DEPA, depending on the nature of the role and industry.

This amendment takes **effect from 22 September 2025** onwards.

Aside from the new certifying body, the principal conditions remain consistent:

1. Eligible Salary Expenses
   The tax-exempt income (50% of salary expenses) must derive from employment contracts made during:
    - 1 January 2023 – 31 December 2025

- Previous qualifying periods under relevant Royal Decrees

2. Qualified Personnel
   The employee must be high-skilled employees in STEM disciplines certified by NXPO or DEPA.

3. Qualified Positions
   Must belong to target industries and require high-level STEM expertise, certified by NXPO or DEPA.

4. Record-Keeping Obligation
   Eligible companies must maintain detailed employment records and supporting documents for review by tax officers.

The essence of the updated notification lies in broadening the scope of recognition for high-skilled professionals, especially within the digital economy sector, reflecting Thailand's evolving industrial policy focus.

Should you have any question, please do not hesitate to contact us via info@bgloballaw.com