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Thailand Advances Global Minimum Tax Framework Through OECD Information Exchange Measures

On 16 June 2026, the Thai Cabinet approved in principle two significant international tax measures that support Thailand's implementation of the OECD's Global Anti-Base Erosion (GloBE) Rules under Pillar Two of the Base Erosion and Profit Shifting (BEPS) 2.0 initiative. The measures represent an important milestone in Thailand's adoption of the 15% Global Minimum Tax (GMT) framework and reinforce the country's commitment to aligning its international tax regime with globally accepted standards. Although domestic legislation implementing the GMT has yet to be enacted, the Cabinet's approvals establish the international cooperation mechanisms necessary for the regime to operate effectively.

The first measure authorises Thailand to amend Annex A of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters (MAC) to include Global Minimum Tax-related top-up taxes within the scope of the Convention. This will enable the Thai Revenue Department to exchange tax information and cooperate with overseas tax authorities in relation to the Qualified Domestic Minimum Top-up Tax (QDMTT) and the Income Inclusion Rule (IIR). The second measure approves Thailand's participation in the Multilateral Competent Authority Agreement on the Exchange of GloBE Information Returns (MCAA GIR), which establishes a framework for the automatic exchange of GloBE Information Returns between participating jurisdictions. Once operational, the Thai Revenue Department will be able to receive information filed by multinational enterprise (MNE) groups in other jurisdictions, supporting the effective administration and enforcement of Thailand's future Global Minimum Tax regime.

These developments complement Thailand's ongoing efforts to introduce domestic legislation implementing the GloBE Rules, which apply to MNE groups with annual consolidated revenue of at least EUR 750 million. Under the OECD framework, jurisdictions may impose a Qualified Domestic Minimum Top-up Tax on low-taxed profits earned locally, while the Income Inclusion Rule allows parent entities to pay top-up tax on the low-taxed income of foreign subsidiaries. The Cabinet's approvals do not themselves introduce new tax liabilities but establish the treaty and information-sharing infrastructure required to support the future application of these rules.

For multinational groups operating in or through Thailand, the Cabinet's decisions underscore the importance of preparing for a more transparent and coordinated international tax environment. Businesses benefiting from preferential tax regimes, including investment incentives granted by the Thailand Board of Investment (BOI) or other special tax regimes, should carefully assess their effective tax rates under the GloBE methodology, as these may differ significantly from domestic statutory tax rates. Similarly, groups using Thailand as a regional holding, financing, or operating hub should review their global tax structures and reporting obligations in anticipation of increased information exchange between tax authorities.

Thailand's continued progress towards implementing the Global Minimum Tax reflects a broader shift towards enhanced international tax transparency and cross-border administrative cooperation. While further domestic legislation is required before the regime becomes fully operational, the recent Cabinet approvals demonstrate that Thailand is laying the legal foundation for effective enforcement of the OECD's Pillar Two framework. Businesses should therefore closely monitor forthcoming legislative developments and begin evaluating the potential impact of the Global Minimum Tax on their tax planning, compliance processes, and cross-border investment structures to ensure they remain well positioned in an evolving international tax landscape.

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