

(Translation)

Royal Decree

Issued under the Revenue Code

Regarding Exemption from Revenue Taxes (No. 590)

B.E. 2558

BHUMIBOL ADULYADEJ P.R.

Given on the 6th day of July B.E. 2558

Being the 70th Year of the Present Reign

By Royal Command of His Most Excellent Majesty King Bhumibol Adulyadej, it is hereby proclaimed that :-

Whereas it is deemed proper to grant exemption from income tax, value added tax, specific business tax and stamp duty in certain cases;

Be it, therefore, enacted a Royal Decree by the King's Most Excellent Majesty, in exercise of the power under Section 22 of the Constitution of the Kingdom of Thailand (Interim), B.E. 2557, and Section 3(1) of the Revenue Code as amended by the Revenue Code Amendment Act (No.10), B.E. 2496, as follows:

Section 1. This Royal Decree is called the "Royal Decree Issued under the Revenue Code Regarding Exemption from Revenue Taxes (No. 590), B.E. 2558".

Section 2. This Royal Decree shall come into force on and from the date following the date of its publication in the Government Gazette.

Section 3. Exemption from income tax under Part 2 and Part 3, Chapter 3, value added tax under Chapter 4, specific business tax under Chapter 5 and stamp duty under Chapter 6, Title 2 of the Revenue Code shall be granted to the persons licensed to establish private schools for the income, revenue and the execution of instruments due to the transfer of ownership or possessory right in land to formal schools under the law governing private schools for the purpose of providing education, without consideration. However, the aforementioned shall apply to the transfer of ownership or possessory right on and from 12 January B.E. 2551.

Exemption from income tax under Part 2 and Part 3, Chapter 3, value added tax under Chapter 4, specific business tax under Chapter 5 and stamp duty under Chapter 6, Title 2 of

the Revenue Code shall be granted to the persons licensed to establish private schools for the income/ revenue and the execution of instruments due to the transfer of ownership or possessory right in immovable properties which are component parts of the land, including any properties which must be used in school businesses, to formal schools under the law governing private schools for the purpose of providing education, without consideration. However, the aforementioned shall apply to the transfer of ownership or possessory right on and from 10 June B.E. 2554.

Section 4. Exemption from value added tax under Chapter 4, specific business tax under Chapter 5 and stamp duty under Chapter 6, Title 2 of the Revenue Code shall be granted to formal schools under the law governing private schools for the revenue and the execution of instruments due to the transfer of ownership or possessory right in land and immovable properties which are component parts of the land, including any properties which must be used in school businesses, back to the persons licensed to establish formal schools, former owners or heirs without consideration when the formal schools under the law governing private schools cease to utilize the land or cease to operate the business. However, the aforementioned shall apply to the transfer of ownership or possessory right on and from 10 June B.E. 2554.

Section 5. Exemption from income tax under Part 2 and Part 3, Chapter 3, specific business tax under Chapter 5 and stamp duty under Chapter 6, Title 2 of the Revenue Code shall be granted to the persons who donate land and immovable properties which are component parts of the land to formal schools under the law governing private schools for the income/ revenue and the execution of instruments due to the transfer of ownership or possessory right in land and immovable properties which are component parts of the land to formal schools under the law governing private schools for the purpose of providing education whereby such donors shall not realize the cost of such properties as expense in the calculation of taxes. However, the aforementioned shall apply to the transfer of ownership or possessory right on and from 10 June B.E. 2554.

Section 6. Exemption from specific business tax under Chapter 5 and stamp duty under Chapter 6, Title 2 of the Revenue Code shall be granted to formal schools under the law governing private schools for the revenue and the execution of instruments due to the transfer of ownership in land and immovable properties which are component parts of the land back to the donors or heirs without consideration when the formal schools under the law governing private schools cease to utilize the land or cease to operate the business. However, the aforementioned shall apply to the transfer of ownership on and from 10 June B.E. 2554.

Section 7. Exemption from income tax under Part 2 and Part 3, Chapter 3, Title 2 of the Revenue Code shall be granted to the persons licensed to establish private schools, former owners, donors or heirs, as the case may be, for the income derived due to the acceptance of the transferred ownership or possessory right in land and immovable properties which are component parts of the land, including any properties which must be used in school businesses, from formal schools under the law governing private schools without

consideration. However, the aforementioned shall apply to the transfer of ownership or possessory right on and from 10 June B.E. 2554.

Section 8. The Minister of Finance shall have the care and charge of this Royal Decree.

Countersigned
General Prayut Chan-o-cha
Prime Minister

Remarks: The reasons for the promulgation of this Royal Decree are as follows:
Whereas the law governing private schools provides that exemption shall be granted on the following:

- fees for the registration of right and juristic act relating to immovable properties;
- taxes and duties for the transfer of ownership and possessory right in land and immovable properties which are component parts of the land including any properties which must be used in school businesses, the donation of land and immovable properties which are component parts of the land to formal schools under the law governing private schools for the purpose of providing education, as well as the transfer of such properties back to the persons licensed to establish private schools, former owners, donors or heirs when the formal schools under the law governing private schools cease to utilize the land or cease to operate the business;

Therefore, it is necessary to enact this Royal Decree.