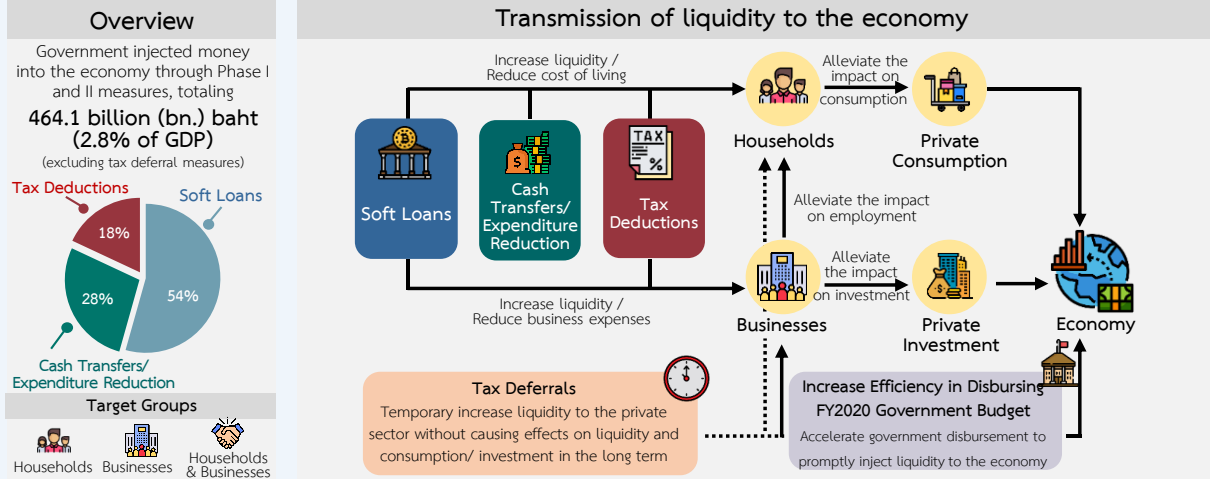


Government relief measures to alleviate the impact of COVID-19

Summary of government relief measures to alleviate the impact of COVID – 19 Phase I and II measures following the cabinet resolutions on March 10 and 24, 2020



Measures	The First Package	Budget (bn.)	Period	The Second Package	Budget (bn.)	Period
<p>Soft Loans 252 bn. baht (1.5% of GDP)</p>	<p>Soft loans for 2 years at 2% annual interest rate with max credit limit of 20 million baht/business</p>	150	Mar – Dec 30, 2020	<p>Emergency loans for self-employed workers for 2½ years at 0.1% monthly interest rate with max limit of 10,000 baht/person</p>	40	Mar 24 – Dec 30, 2020
	<p>Loans to support employment for 3 years at 3% annual interest rate for businesses registered with the Social Security Office (SSO) (business must maintain at least 80% of its employment from the time the loans are issued up to 3 years.)</p>	30		<p>Special credit facilities for employees for 3 years at 0.35% monthly interest rate with max limit of 50,000 baht/person</p>	20	Mar 24 – Dec 30, 2020
<p>Cash Transfers/Expenditure Reduction 128 bn. baht (0.8% of GDP)</p>	<p>Refund of electricity and water provider deposits</p>	36	Mar 2020 (Electricity) May 2020 (Water)	<p>Compensation for workers (outside of the social security system) 5,000 baht/person/month for 3 months</p>	45 ^{3/}	Apr – Jun 2020
	<p>Reduction of required contributions to the Social Security Fund (SSF) for employers and employees to 4%/month (section 33) and to 7%/month (section 39)</p>	17	Mar – Aug 2020	<p>Training for employees affected by the COVID-19 outbreak support the training and expenses to participants</p>	4	
	<p>Reduction of electricity and water bills</p>	6	Apr – Jun 2020			
	<p>COVID-19 relief funds</p>	20 ^{2/}				
<p>1. Tax Deductions 84.1 bn. baht (0.5% of GDP)</p>	<p>Additional 200,000-baht income tax deduction for investment in Super Saving Fund (SSF) from the original cap and not subjected to deduction limit of retirement saving fund (for investment in at least 65% of its net asset value in shares listed on the SET)</p>	14	Apr – Jun 2020	<p>Increase in tax deduction limit for health insurance premiums to 25,000 baht (The total deduction, combining deduction on life insurance premiums and living allowance deposits, must not exceed 100,000 baht.)</p>	3	Tax year 2020 onwards
	<p>Additional income tax deduction for SMEs - 3 times the wage expenses for SMEs - 1.5 times the interest expenses for SMEs enrolling in the Phase I of soft loan program</p>	64	Apr – Jul 2020	<p>Income tax exemption on hazard pay for medical personnel appointed by the Ministry of Public Health</p>	0.1	Tax year 2020
<p>2. Tax Deferrals Temporary impact on government cash flows, but not on revenue collection for the whole year</p>	<p>Acceleration of VAT refund process</p>			<p>Exemption of import duties on products related to prevention and treatment of the COVID-19</p>	1	Mar 24 – Sep 30, 2020
	<p>Reduction of withholding tax : to 1.5% for any payment method : to 2% for payment via e-withholding tax (The reduction amount will be included in the half-year and annual income tax payments.)</p>		Apr – Sep 2020 Oct 2020 – Dec 2021	<p>Promoting debt restructuring Tax exemption and reduction on transfer and mortgage fees for condominium and properties related to debt restructuring</p>	1	Jan 2020 – Dec 2021
<p>Government Expenditures</p>	<p>Extension of personal income tax filing deadline : from Jun 30, 2020 → Aug 31, 20 20</p>			<p>Extension of corporate income tax filing deadline - P.N.D 50 (TY 2019) : Apr 1 – Aug 30, 2020 → Aug 31, 2020 - P.N.D 51 (TY 2020) : Jul 1 – Sep 29, 2020 → Sep 30, 2020</p>		
	<p>Reduction of withholding tax : to 1.5% for any payment method : to 2% for payment via e-withholding tax (The reduction amount will be included in the half-year and annual income tax payments.)</p>			<p>Extension of excise tax filing deadline for affected operators : from Mar 1 – May 31, 2020 → Jul 15, 2020</p>		
	<p>Extension of filing deadline for taxes under the purview of the Revenue department for businesses affected by the COVID-19</p>			<p>Extension of excise tax filing deadline for oil and petroleum products : from within 10 days → within the 15th of the following month</p>		Apr – Jun 2020
	<p>Acceleration of budget disbursement on any procurement under 2 million baht</p>			The measures will accelerate disbursement of the FY2020 Government Budget, not from additional budget		
	<p>Adjustment in the procurement process for a faster disbursement</p>					
	<p>COVID-19 relief funds: procurement and distribution of masks and disinfectants^{2/}</p>					

Note : ^{1/} Excluding further announcement on Mar 24 and 31, 2020. According to the notification of the Ministry of Labor and Social Welfare, the Thai government announced additional measures of reducing contributions to the social security fund for employees to 1%/month (section 33) and to 86 baht/month (section 39) for 3 months (Mar – May 2020)

^{2/} These two measures will be covered by the same budget, but details of budget allocation have not yet made official.

^{3/} Excluding results of the cabinet resolution on Mar 31, 2020, where the target groups were expanded to 9 million people with the budget increased to 135 bn. baht.

Source : (1) The Thai Government's Phase I and II measures to alleviate the impact of the COVID-19 on the Thai economy approved by the Cabinet on Mar 10 and 24, 2020

(2) The cabinet resolution on Mar 17, 2020 (3) Notification of the Ministry of Finance No. 22/2020 and No. 26/2020 (4) Related news