

NEWSLETTER

VAT exemption for trading cryptocurrencies or digital tokens

On March 8, 2022, the Thai Cabinet of the Royal Thai Government has approved in principle two different sets of tax measures, as we explained in our dedicated [article on Tax Relief Measures on Digital Assets and Startups](#).

The two draft Royal Decrees proposed by the Ministry of Finance exempt the following from VAT:

- the transfer of cryptocurrencies or digital tokens (Digital Assets) in the digital asset exchanges approved by the Securities and Exchange Commission of Thailand and the Minister of Finance; and
- the transfer of cryptocurrencies (Retail Central Bank Digital Currency or Retail CBDC) issued by the Bank of Thailand under the Cryptocurrency development and testing project for public use.

A new decree promoting digital asset investments in Thailand has just come into force. The Government has formally introduced a (VAT) exemption for transfers of digital assets made on digital asset exchanges. This was enacted by two royal decrees which were published in the government gazette on May 24, 2022, as follows:

- a. The Royal Decree issued under the Revenue Code Re: VAT exemption (No. 744) B.E. 2565 (2022), which rules that the trading of digital assets on digital asset exchanges shall be exempt from VAT; and
- b. The Royal Decree issued under the Revenue Code Re: VAT exemption (No. 745) B.E. 2565 (2022) which rules that trading in Thailand's Retail CBDC issued by the Bank of Thailand under the Cryptocurrency development and testing project for public use shall be exempt from VAT.



advocates
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The VAT exemptions under both royal decrees shall apply to transactions that occurred from April 1, 2022, to December 31, 2023.

For any inquiries related to taxation on digital asset businesses or digital assets and related regulations, including Startup and investments regulation, please contact ILCT Ltd. via email at law@ilct.co.th.

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