

Tax Alert!!! MNEs are required to prepare a Country-by-Country Report (CbCR) and commence submitting CbCR to the Revenue Department in 2022

Introduction to CbCR

Since 2017, Thailand has been a member of the OECD's Inclusive Framework on Base Erosion and Profit Shifting (BEPS) of which all members are committed to Action 13 minimum standard in relation to the Country-by-Country (CbC) reporting.

Thailand by the Revenue Department has enacted relevant legislation to specify obligations of companies or juristic partnerships of Multinational Companies or Juristic Partnership Groups to report CbC information. These laws include the Notification of the Director – General of the Revenue Department on Income Tax (No.408), Re: Determining a Person obligated to inform information in accordance with the Country-by-Country Report, and the Notification of Ministry of Finance, Re: Extending Information Period of Information Listed in Country-by-Country Report.

Which Company or Juristic Partnership involved ?

The Company or Juristic Partnership under the Notification of the Director – General of the Revenue Department on Income Tax (No.408) is any company or juristic partnership with both of the following conditions:

Condition 1 The company or juristic partnership is a part of the Multinational Company or Juristic Partnership Group given that one of the two following cases applies:

Case 1. The group of more than two companies or juristic partnerships, with the following characteristics:

(1) These companies or juristic partnerships are related through control in accordance with generally accepted accounting principles regarding consolidated financial statement, and

(2) These companies or juristic partnerships are tax residents in different jurisdictions, or in one jurisdiction but one of them carries on business in another jurisdiction through a permanent establishment.

Case 2. A company or juristic partnership without relationship with other companies or juristic partnerships mentioned in Case 1., who has tax residence in one jurisdiction and carries on business in another jurisdiction through a permanent establishment.

Condition 2 The Multinational Company or Juristic Partnership Group, which is in accordance with Condition 1, has total consolidated group revenue for THB 28,000 million or above during the Fiscal Year immediately preceding the Reporting Fiscal Year as reflected in the Consolidated Financial Statements for such preceding Fiscal Year.

If both conditions are met, such company or juristic partnership has to report CbCR

Who has to report CbCR?

Once a company or juristic partnership falls under the law to report CbCR, the following entity shall be the one who sends CbCR to the Revenue Department:

1. The Ultimate Parent Company or Juristic Partnership (UPE) incorporated under Thai laws, or

2. A company or juristic partnership carrying on business in Thailand if one of the following conditions applies:

(a) A UPE of the Group is not obligated to report CbCR in its jurisdiction where the UPE is a tax resident;

(b) A UPE of the Group is a tax resident in a jurisdiction which has in place an International Agreement on Exchange of Information, but has no Competent Authority Agreement on Exchange of Information (CAA) with Thailand or has such agreement but has not put into effect for CbCR for that reporting accounting period; or

(c) There is a failure on the Exchange of Information System.

Such entity under 2. shall be exempted from CbCR reporting only if all of following criteria are met:

(1) Its UPE has appointed a Surrogate of Ultimate Parent Company or Juristic Partnership (SPE) to report CbCR in a jurisdiction where such SPE is a tax resident;

(2) The jurisdiction where the SPE in (1) is a tax resident has an applicable legislation to require CbCR to be reported to its Competent Authority;

(3) The jurisdiction where the SPE in (1) is a tax resident has a CAA in effect with Thailand;

(4) The Competent Authority of the jurisdiction where the SPE in (1) is a tax resident has not notified the Failure of the Exchange of Information System to the Revenue Department;

(5) The SPE in (1) has notified its surrogate status to the Competent Authority of the jurisdiction where it is tax resident; and

(6) The company or juristic partnership has notified the Revenue Department regarding an appointment of the SPE in (1).



Tax Alert!!! MNEs are required to prepare a Country-by-Country Report (CbCR) and commence submitting CbCR to the Revenue Department in 2022

3. A SPE incorporated in Thailand if all following circumstances are applied ;

(1) A UPE of the Group is not obligated to report CbCR in its jurisdiction where the UPE is a tax resident;

(2) The UPE mentioned in (1) has appointed, in written, a company or juristic partnership incorporated under Thai laws as a SPE and notified such appointment to the Revenue Department; and

(3) The SPE's accounting period shall be the same as the UPE's accounting period.

Overview of Country-by-Country Reporting: CbCR

CbCR Reporting Entity

Which company or Juristic Partnership Involved?

Surrogate Entity of the UPE (SPE) which is incorporated in Thailand may submit CbCR in Thailand if all of the following circumstances are applied;



- (1) UPE (BB, Inc.) has no obligation by law for CbC reporting in Country Y.
- (2) BB, Inc. has appointed BB Thailand as SPE in written, and notify such appointment to the Revenue Department of Thailand.
- (3) The SPE's accounting period shall be the same as UPE's.

Information to be reported must be in English and in accordance with the OECD's Country-by-Country Reporting XML Schema.

How to send CbCR to the Revenue Department?

1. Log in to the CbCR system: www.rd.go.th >> Corporate >> Services >> Country-by-Country Report: CbCR

2. Notification: notify the Revenue Department of: (1) which entity within the Group will send CbCR (Reporting Entity), (2) to which jurisdiction, (3) a list of its companies or juristic partnerships in Thailand, and (4) contact details including e-mail address for further communication.

3. Submission: Upload XML File of CbCR.

4. The system checks the completeness and accuracy of the XML File, and users can check the status of submission on the website.

5. The CbCR submission is completed when the XML File is correct, and the user receives an e-mail confirming the "Receipt of Country-by-Country Report" with a reference number.

When does the Reporting Entity have to send CbCR to the Revenue Department?

(1) For an annual submission, a UPE or a SPE shall send CbCR within 12 months from the last day of its accounting period.

(2) For a special case of submission, a company or juristic partnership carrying on business in Thailand, which is not a UPE or SPE, is required to send CbCR within 60 days from the day it receives a CbCR submission notice from the Revenue Department

Contact Us

- E-mail : CbCR@rd.go.th
- RD Intelligence Center 1161, during office hours (Mondays-Fridays, 08.30–16.30)

