

Tax Saving from Fund Investments (2020)

1. Super Savings Funds (SSF)

From 2020 to 2024, there is a new type of saving fund that replaces Long Term Equity Funds (LTF), which expired at the end of 2019. That new fund is Super Savings Funds. We set below the summary of the tax benefits and conditions of SSF investment:

- a tax deduction amount is equal to the amount that a taxpayer invested in the year, capped at 30% of his gross taxable income, or 200,000 baht, whichever is the lower;
- when combining with other retirement saving funds, such as retirement mutual funds (RMF), provident funds, pension life insurance premium, that tax deduction amount shall not exceed 500,000 baht;
- a taxpayer must hold the investment units in the SSFs for at least 10 years from the date of purchase; otherwise, the tax deduction that he claimed will be clawed back; and
- no minimum investment is required, nor there is a requirement to invest continuously.

2. Retirement Mutual Funds (RMF)

As there are some changes to the rules for claiming the tax deduction from investing in the RMFs, we set below those rules that apply for 2020;

- a tax deduction amount is equal to the amount that a taxpayer invested in the year, capped at 30% (*was 15% in the previous years*) of his gross taxable income, or 500,000 baht, whichever is the lower;
- when combining with other saving funds, such as SSFs, provident funds, pension life insurance premium, that tax deduction amount shall not exceed 500,000 baht;
- a taxpayer must hold the investment units in the RMF for at least 5 years from the date of purchase and until he reached 55 years-old; otherwise, the tax deduction that he claimed will be clawed back; and
- no minimum investment is required (*there was in the previous years*); and

- a taxpayer must invest continuously every year, although he can postpone the investment for 1 year.

If you wish to know more details, please do not hesitate to contact us. Our contact details were set out on the last page of this publication.



CONTACTS

N-Able Group

www.nablecompanies.com

Address: Sahaviriya City Building 2, 6th Floor, 898/7, Rama 3 Road, Chong Nonsi, Yanawa, Bangkok, Thailand 10120

Tel, Line, and Whats App: + 66 86 380 4143

Email address: info@nablecompanies.com

Danuch Sahakijpicharn

Partner – Taxation Practice

danuch@nablecompanies.com