



***"Enjoy TAX FREE Benefits as a member of TGJTA or GJPCT"***

- *DUTY-FREE for importing all kinds of gems and jewelry products, from raw materials to finished jewelry (HS Code 71).*
- *ZERO VAT for among Members trade and re-exporting*
- *Ordinary Persons are exempt from Personal Income Tax and VAT on the import and sale of rough gemstones.*

The Gems, Jewelry and Precious Metal Confederation of Thailand - GJPCT, led by President Somchai Phornchindarak, alongside the Thai Gem and Jewelry Traders Association, recognizes the importance of enhancing Thailand's gem and jewelry industry to reach an international level. Membership benefits in the associations, along with tax incentives, are seen as crucial factors for Thai entrepreneurs. The Federation has actively advocated for tax measures with the government, which have successfully resulted in multiple incentives aimed at reducing production costs and boosting global competitiveness. These measures include:

**1. DUTY-FREE for importing all kinds of gems and jewelry products, from raw materials to finished jewelry (HS Code 71).**

Thailand's Ministry of Finance issued an announcement on January 27, 2017, under the Customs Tariff Decree (Amendment No. 2) of 1987, which allows duty exemptions on materials used in the gem and jewelry industry, such as diamonds, all types of gemstones, pearls, finished jewelry, unmount jewelry and all items on HS Code 71. Import duties on these materials, once as high as 20%, have now been reduced to zero (see Customs Tariff Chapter 14, Section 71).

As Thailand is a key hub for gem trading and manufacturing in Asia, these import duty exemptions help reduce production costs, increase export opportunities for high-quality products, support domestic industry growth, and enhance export revenue.



## **2. ZERO VAT for among Members trade and re-exporting.**

2.1) ZERO VAT for among Members trade and re-exporting of loose gemstones

(Form Phor.Phor. 01.5)\*\*

VAT-registered businesses are exempt from VAT on the import or sale of loose gemstones such as diamonds, rubies, emeralds, sapphires, and other similar gemstones, as per the Royal Decree on VAT Exemption (No. 311) B.E. 2540 (1997). This exemption applies exclusively to items imported or traded for production and re-export, or trade among Phor.Phor. 01.5 registered companies, this benefit requires annual registration renewal.

2.2) ZERO VAT for GOLD (Form Phor.Phor. 01.3)

VAT is also waived on the import or sale of uncrafted gold (at least 96.5% gold content), uncrafted platinum, palladium and silver as per the Royal Decree on VAT Exemption (No. 311) B.E. 2540 (1997), amended by Royal Decree No. 367.

## **3. Ordinary Persons are exempt from Personal Income Tax and VAT on the import and sale of rough gemstones.**

Thailand provides VAT exemptions for Ordinary Persons importing rough stones for sale, including diamonds, gemstones, and other rough stones that haven't been faceted or artificially produced. This is in line with the Royal Decree on VAT Exemption (No. 617) B.E. 2559 (2016). Additionally, individual dealers are exempt from personal income tax on the sale of these gems, as per the Royal Decree on Revenue Exemption (No. 618) B.E. 2559 (2016).

These tax benefits are part of Thailand's ongoing efforts to support the gem and jewelry industry, fostering sustainable growth and enhancing global competitiveness. Membership in relevant trade associations, such as the Thai Gem and Jewelry Traders Association is required to qualify for these benefits.

For further details on these tax benefits, including eligibility criteria and regulations, please contact the Thai Gem and Jewelry Traders Association.