

**Ministerial Regulation No.3, B.E. 2514 (1971) -Waiver and reduction of penalties**

Issued under the provisions of the Petroleum Tax Act, B.E. 2514

**Translation**

In exercise of the power conferred by Section 19 and Section 64 of Petroleum Income Tax Act, B.E. 2514, the Minister of Finance hereby issues the following Ministerial Regulation:

1. Waiver or reduction of penalties shall be exercised only in the cases where the assessment officer is of the opinion that the company has no willful intention of evading payment or remittance of tax.
2. Reduction of penalties shall be as follows:
  - (1) In the case the time limit for filing income tax returns or withholding tax returns has expired, and the company on its own initiative has filed the returns and requested to pay income tax, or has remitted the income tax together with income tax returns before action under Section 58 is taken by the assessment officer, the penalties shall be reduced and paid at the rates and under the conditions as follows:
    - (a) 2 per cent of the penalties if paid or remitted within fifteen days after the expiry date of the time limit,
    - (b) 5 per cent of the penalties if paid or remitted after fifteen days but within thirty days after the expiry date of the time limit,
    - (c) 10 per cent of the penalties if paid or remitted after thirty days but within sixty days after the expiry date of the time limit,
    - (d) 15 per cent of the penalties if paid or remitted after sixty days but within ninety days after the expiry date of the time limit,
    - (e) 20 per cent of the penalties if paid or remitted after ninety days after the expiry date of the time limit,
  - (2) 30 per cent of the penalties for cases other than (1).
3. The assessment officer may grant reduction of penalties under paragraph 2. However, waiver or reduction of penalties beyond those prescribed in paragraph 2 may be granted only with the approval of the Director-General or his delegate.
4. The company may request for waiver or reduction of penalties by submitting a written request with reasons thereof to the assessment officer. However, in the case where the Director-General deems appropriate, he may direct the penalties be waived or reduced without any request.
5. The company shall submit the request under paragraph 4 before a written notice issued by the assessment officer is given to the company. If an assessment notice is served before such request is submitted and the company wants to request for waiver or reduction of penalties, an appeal may be made pursuant to Section 60.

Given on this 27th Day of December B.E. 2514

Boonma Wongswan

Under-Secretary of the Ministry of Finance for the Minister of Finance

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