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HOTEL OPERATORS SEEK DELAY IN IMPLEMENTATION OF FULL LAND TAX RATE

The Thai Hotels Association (THA) has called on the Finance Ministry to delay for two more years its plan to slap full land tax rates on hotels, saying their businesses have not yet recovered from the Covid-19 situation.

The THA warned that enforcement of full land tax rates would bring some 24,000 surviving hotels to their knees.

The Finance Ministry has announced that it would levy tax on land and buildings used for commercial purposes at the following rates:

➤ Property with value of Bt50 million and lower: 0.3 per cent or Bt3,000 per million

➤ Property with value more than Bt50 million but not more than Bt200 million: 0.4 per cent or Bt4,000 per million

➤ Property with value more than Bt1 billion but not more than Bt5 billion: 0.6 per cent or Bt6,000 per million

➤ Property with value more than Bt5 billion: 0.7 per cent or Bt7,000 per million.

THA chairwoman Marisa Sukosol Nunbhakdi called on the Finance Ministry to exempt hotel businesses from having to pay tax for their land and property at full rates.

She said the ministry should allow hotel operators to pay just 10 per cent of the land tax for two more years, for 2023 and 2024. Or, the ministry should at least use a graded tax rate that would be affordable to the hotel operators, she added.

“Please don’t count hotels among businesses that have to pay land tax in full yet,” Marisa said.

The THA is now pushing for the delay through the Tourism Council of Thailand and the Thai Chamber of Commerce.

Marisa said the THA has sought the opinions of members and found that they would be severely affected if they have to pay land tax at the full rates.

She explained that hotels have seen their business revenue plunge by 90 per cent compared to the pre-Covid levels and they have been shouldering losses for over two years.

Most of the hotels have had to borrow to pay salaries of their staff, she added.