

Thailand Tax and Legal Alert: Thailand Implements New Tax Rules for Low-Value Imported Goods (Effective 1 January 2026)

5 January 2026

Thailand implements a major overhaul of its tax rules for imported goods purchased online. Effective from 1 January 2026, imports of all items from overseas with a value of THB 1 or more will now be subject to both VAT and import duty, ending the long-standing exemption for low-value goods under THB 1,500.

Why this matters:

- Creates fair competition for Thai SMEs who previously paid import duties while overseas sellers did not.
- Closes tax loopholes and prevents under-declaration.
- Expected to generate over THB 3 billion per year in government revenue.
- Aligns with global trends in low-value goods taxation (EU, Australia, Singapore).

How it works:

- **Thailand Post parcel shipments:** Tax assessed on the parcel at Customs; payment via QR code or at the post office.
- **Courier shipments:** Courier companies prepay taxes on behalf of the customers and collect payment upon delivery.
- **E-commerce platforms:** Thailand Customs has signed cooperation agreements with E-commerce platforms to collect VAT and import duty at checkout for convenience.

Market & consumer impact:

- Consumers will face higher final prices, especially on low-cost goods from overseas.
- Thailand Customs aims to reduce illegal goods, using upstream checks and platform data integration.

BDO Insights: Summary for Businesses

This policy introduces a significant shift in e-commerce taxation, aligning Thailand with global trends and enhancing fairness in the retail market. Businesses involved in cross-border E-Commerce should prepare for:

- Review and update pricing strategies and models
- Plan customer communication proactively
- Customs classification and documentation requirements
- Assess potential system integrations to comply with upfront tax collection