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**Introduction:**

Finance department has responsibilities to govern to create standardized processes, clear roles, and responsibilities related to the management of financial activities within the organization.

This work procedure document is designed and targeted for officers within and outside Finance department (or its equivalent in subsidiary entities) to be guiding procedures for the specified financial and accounting processes in the Objective section.

Adherence to the activities and steps are crucial and mandatory to all targeted stakeholders to ensure consistent and transparent financial practice, clear accountabilities, regulatory compliance, and alignment with the company's financial policies used in conjunction with this work procedure.

**Objective:**

To establish the guideline procedures for 'VAT Submission for Thailand process', ensuring that the Value Added Tax (VAT) is prepared accurately and submitted to the local tax authority in a timely manner.

**Scope:**

This work procedure shall be adopted by Banpu Public Company Limited and subsidiaries, whose Finance and Accounting operations are handled by Finance department in Thailand, and shall be effective until announced otherwise.

**Definitions:**

Key terminology used in this procedure includes the following:

- Value Added Tax (VAT)

For definitions of each terminology, refer to the Appendix 1: Definitions [File Name: SOP Appendix 1 Definitions].

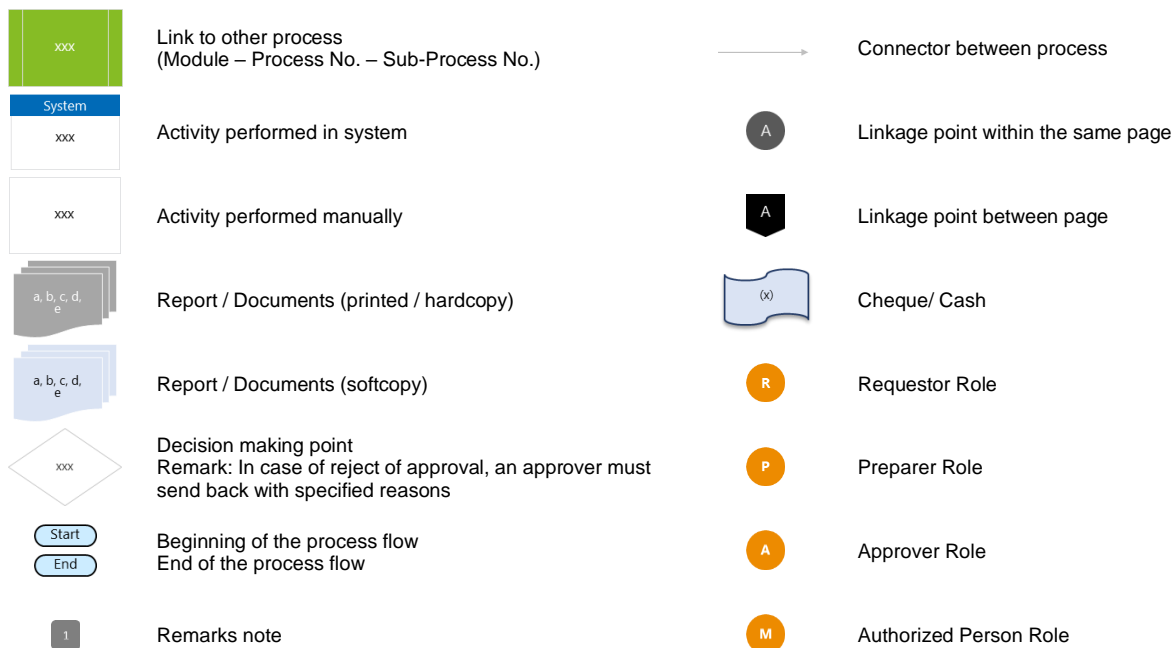
**References:**

N/A

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## Flowchart:

### Process Flowchart Legends



### Abbreviations and Definitions

Abbreviation	Definition
AP	Accounts Payable
AR	Accounts Receivable
FA	Fixed Asset Accounting
GL	General Ledger
I&C	Inventory & Costing
TR	Treasury Operations
MA	Managerial Reporting and Budgeting
D&I	Digital and Innovation
MS&L	Marketing, Sales & Logistics

Abbreviation	Definition
ERP	Enterprise Resource Planning system
ECM	Enterprise Content Management system
ACCP	Accounting Portal system
VAT	Value Added Tax
WHT	Withholding Tax
SBT	Specific Business Tax
CIT	Corporate Income Tax

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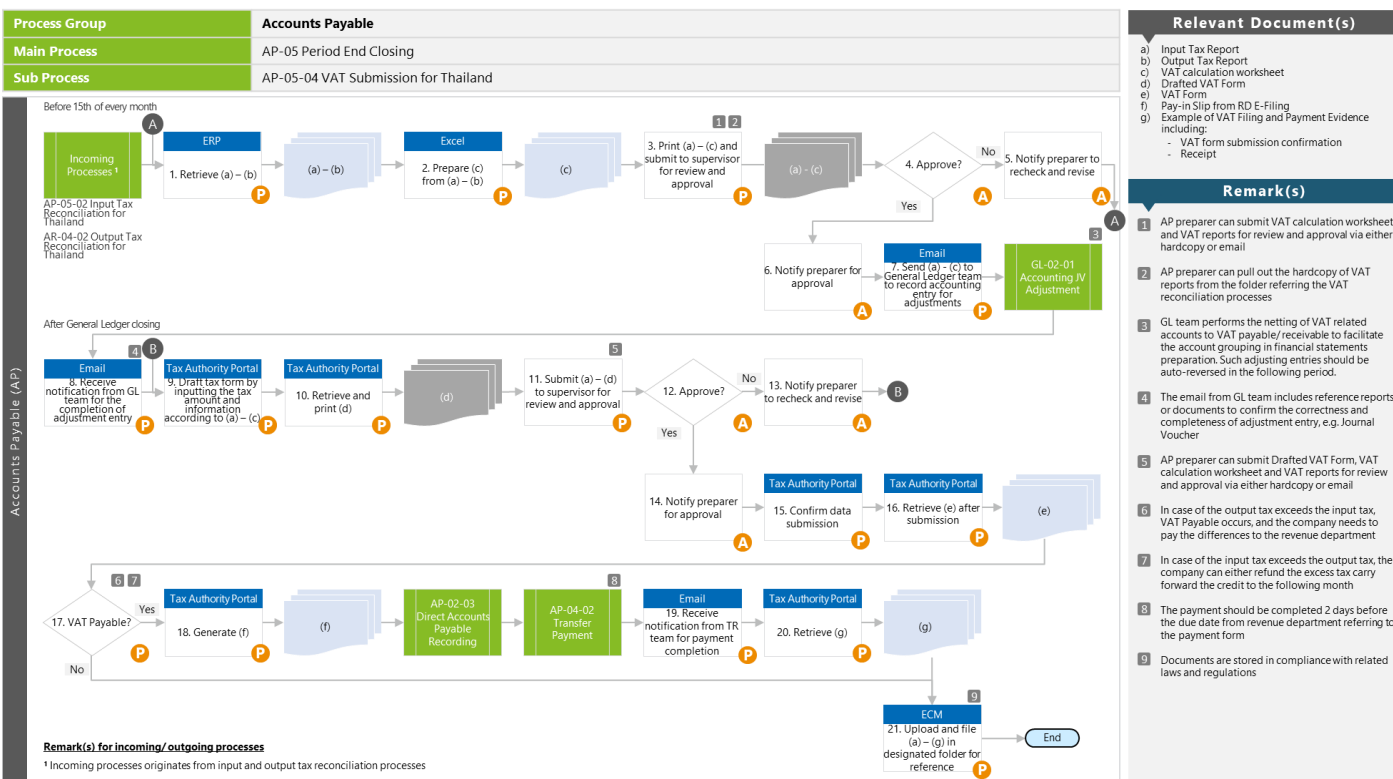
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### ***Detail of Procedure: AP-05-04***

1. By 15<sup>th</sup> of every month, AP preparer receives notification for Input tax reconciliation and Output tax reconciliation, then the preparer retrieves Input Tax Report and Output Tax Report from ERP to prepare for the VAT calculation.  
Note: The tax reports are in the format per regulated by the local tax authorities
2. AP preparer prepares VAT Calculation Worksheet referring the reports retrieved in step #1 by subtracting creditable input tax from output tax to determine the liable amount, which could be credit or payable amount
3. AP preparer pulls Input and Output Tax Reports from the folder (referring to the input tax and output tax reconciliation processes) and prints VAT Calculation Worksheet, then submits the reports to supervisor for review and approval  
Note: AP preparer can submit VAT Calculation Worksheet and VAT reports for review and approval via either hard copy or email
4. AP approver reviews the submitted reports to finalize VAT calculation:
  - a. If approved, proceed to step #6.
  - b. If not approved, proceed to step #5.
5. AP approver notifies the preparer to recheck and revise, then proceed back to step #1.
6. AP approver notifies the preparer for approval.
7. AP preparer sends the following reports to GL team via email to record accounting entry for adjustment following the work procedure of GL-02-01 Non-Recurring JV Adjustment:
  - Input Tax Report
  - Output Tax Report
  - VAT Calculation WorksheetNote: The non-recurring JV adjustment process is the process to net input tax from this month and tax credit from previous month (if any) from output tax to record the differences to either payable tax or tax credits accounts, so that is reflects in the financial statements correctly and allow AP team to process AP recording for payment in the following month respectively.
8. After GL team completes the Journal Voucher (JV) recording for the netting process, AP preparer receives the email notification for the completion of accounting entry for adjustment from GL team. The email from GL team includes reference documents to confirm the correctness and completeness of adjustment entry, e.g. Financial Statement after monthly closing.
9. AP preparer drafts tax form by inputting the tax amount and information according to Input Tax Report, Output Tax Report and VAT calculation worksheet into Tax Authority Portal.
10. AP preparer retrieves and prints Drafted VAT Form from Tax Authority Portal to submit to supervisor for review and approval.
11. AP preparer submits the following reports to supervisor for review and approval:
  - Drafted VAT Form
  - Input Tax Report
  - Output Tax Report
  - VAT Calculation WorksheetNote: AP preparer can submit Drafted VAT Form, VAT Calculation Worksheet and VAT Reports for review and approval via either hard copy or email.

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12. AP approver reviews the submitted reports to approve Drafted VAT Form by reviewing the following:
  - The correctness of the calculation based on this month input and output tax report and previous month's tax credit (if any).
  - The correctness of information in the Drafted VAT Form based on the verified calculation worksheet.
  - a. If approved, proceed to step #14.
  - b. If not approved, proceed to step #13.
13. AP approver notifies the preparer to recheck and revise, then proceed back to step #9.
14. AP approver notifies the preparer for approval.
15. AP preparer confirms the data submission in Tax Authority Portal.
16. AP preparer retrieves VAT Form for reference.
17. AP preparer considers whether there is tax payable per following condition:
  - In case of the output tax exceeds the input tax, tax payable occurs, and the company needs to pay the differences to the revenue department.
  - In case of the input tax exceeds the output tax, the company can either refund or carryforward the tax credit to the following month.
  - a. If tax payable, proceed to step #18.
  - b. If no tax payable, proceed to step #21.
18. AP preparer retrieves Pay-in slip or payment evidence which is used as a payment reference. Then proceed to the work procedure of AP-02-03 Direct Accounts Payable Recording and AP-04-02 Transfer Payment for accounts payable and payment entries.
19. After the payment has been made, AP preparer receives the email notification from TR team to confirm the payment completion.
20. AP preparer retrieves the submitted form receipt that confirms the payment from Tax Authority Portal for reference.  
Example of VAT Filing and Payment Evidence including:
  - Final VAT form.
  - Receipt.
21. AP preparer uploads and files the documents listed below in the ECM for reference:
  - Input Tax Report.
  - Output Tax Report.
  - VAT Calculation Worksheet.
  - Drafted VAT Form.
  - VAT Form.
  - Pay-in slip or payment evidence.
  - VAT Filing and Payment Evidence.
  - Final VAT form.
  - Receipt.

Note: Documents are stored in compliance with related laws and regulations.