APAC Payroll newsletter
Issue 3/2025

August 2025

Global payroll services

Managing global payroll across multiple countries can be challenging for many businesses. You may face different payment dates and deadlines, local rules and regulations, types of deductions, frequency of payments, and a variety of reporting requirements. It can also be problematic and inefficient using multiple local providers and hiring specialists in countries to service only a few employees.

How can we help you?

Forvis Mazars offers a comprehensive multi-country payroll outsourcing service that is seamless and efficient. By centralising your global payroll services with one experienced firm, you retain greater control over the various regulations required to comply with payroll across multiple countries.

For more information, please visit our Global Payroll Services.

Thomas Chen

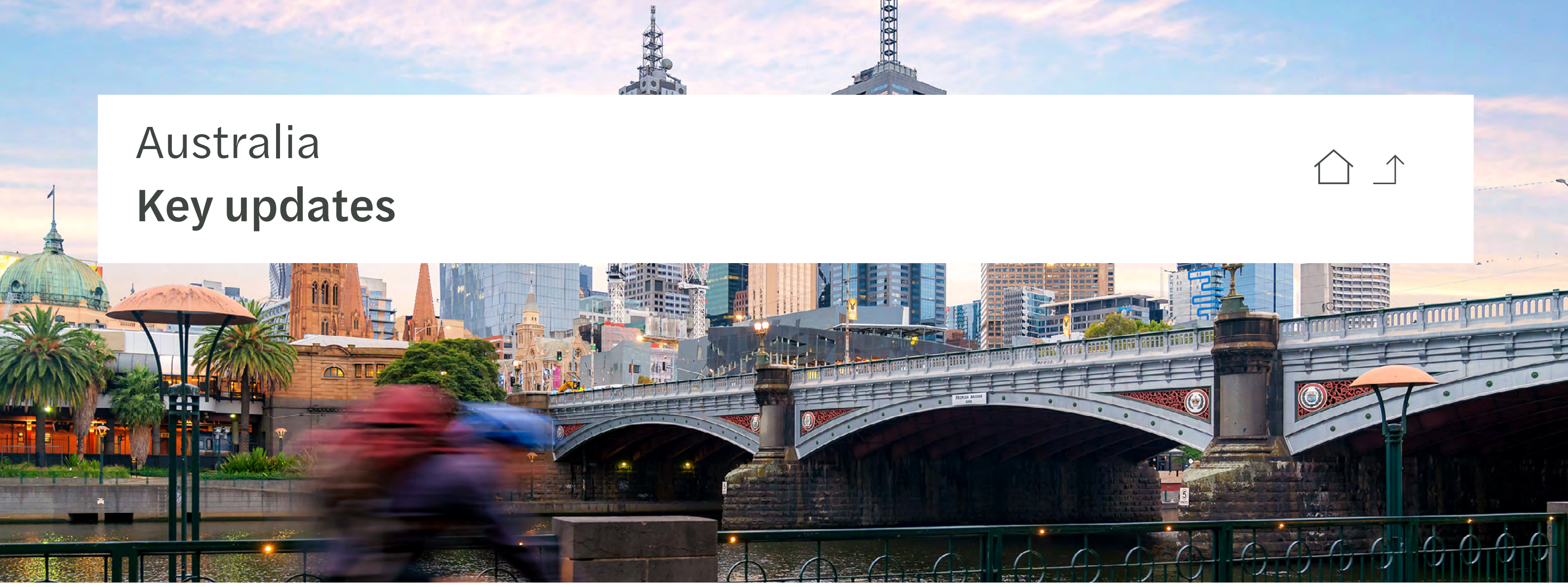
Partner, Head of Outsourcing APAC

Contents

Contents

Australia

Key updates



National Minimum Wage and Modern Award rates increase announced

On 3 June 2025, The Fair Work Commission (FWC) handed down the Annual Wage Review 2025 decision.

Our key takeaways from the decision include:

The decision provides an increase of 3.5% from the first full pay period on or after 1 July 2025 to both the national minimum wage and all minimum Modern Award rates.

1. The primary consideration guiding the FWC's decision is the significant reduction in the real value of wages for employees relying on modern award minimum wages or the national minimum wage since July 2021. Specifically, the Benchmark C10 award rate of pay has decreased by 4.5 percentage points when compared to inflation, as measured by the Consumer Price Index. This decline in the real value of modern award wages and the national minimum wage is attributed to the spike in inflation that began in 2021 and peaked in late 2022.
2. In determining the increase, the FWC also considered, as moderating factors, the upcoming increase in the Superannuation Guarantee contribution rate, the less favourable economic outlook arising from uncertainty caused by changing US trade policies, and some indications of weakness in the Accommodation and food services sector in which a significant proportion of modern award reliant workers are employed.
3. This increase on top of last year's increase of 3.75% may still cause significant challenges for some employers.
4. Although the increase does not directly apply to employees covered by an Enterprise Bargaining Agreement, Section 206 of the Fair Work Act, 2009 requires that base rates of pay in Enterprise Bargaining Agreements must not fall below the Award base rate of pay. A 3.5% increase in Award rates may well result in some base rates in Enterprise Bargaining agreements falling below the Award base rate from 1 July 2025. Employers need to be aware of their obligations in this regard and be undertaking assessments now to avoid underpayments from 1 July 2025.

The impact of the FWC wages decision will be different for each employer. However, all employers are encouraged to ensure that they do not inadvertently fall into a situation of underpaying their employees and this includes ensuring ongoing compliance with base rates of pay requirements for Award and Enterprise Bargaining covered employees.

In our experience many employers are unsure if their employees are covered by a Modern Award. Now is the time to take steps to clarify this situation. Modern Award coverage is not something that an employer can avoid or can opt out of. If there is a Modern Award which applies to the employer's industry or to the occupations of its employees it is highly likely that some, if not all, employees are covered by a Modern Award.

Forvis Mazars HR Consulting division are here to assist employers resolve questions about Modern Award coverage and/or ensuring compliance with minimum obligations for base rates of pay. Of course, Modern Award coverage creates employment obligations for employers other than minimum rates of pay and therefore understanding if your employees are covered by a Modern Award is imperative and should not be delayed.

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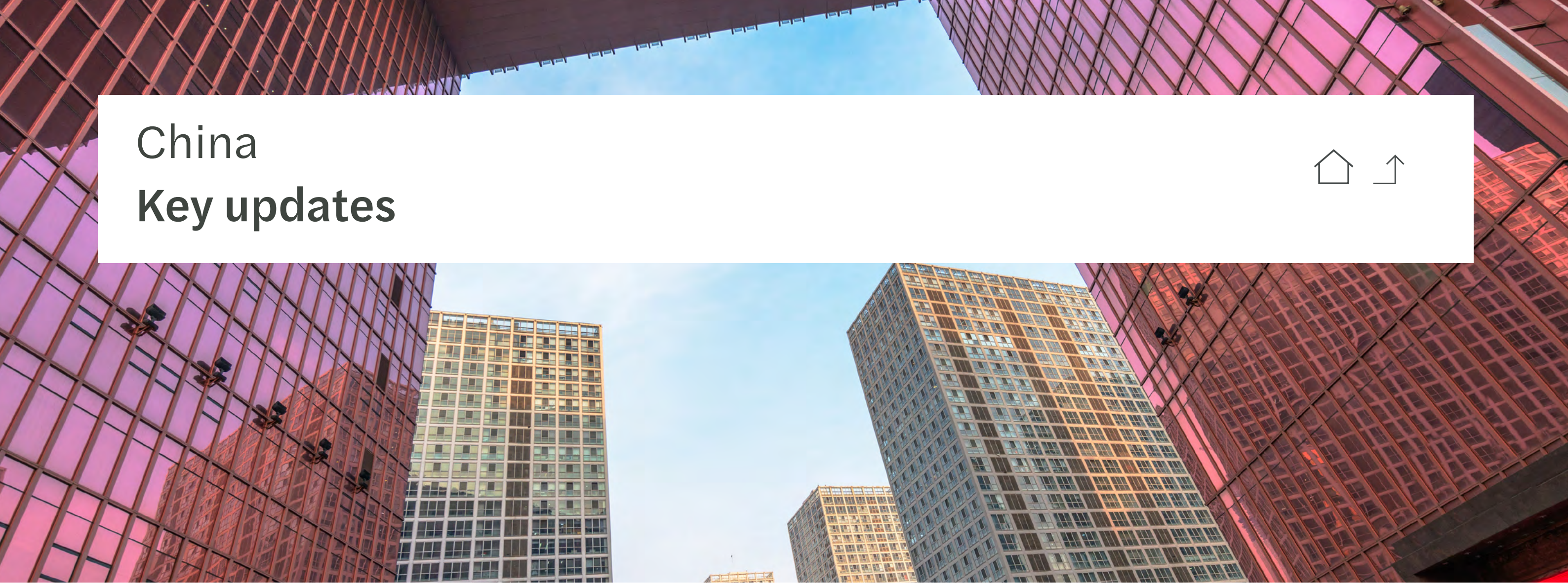
China

Key updates



Continually implementing the unemployment insurance policy to stabilise employment

In order to further support enterprises to stabilise jobs and to fully play the role of unemployment insurance, the Ministry of Human Resources and Social Security has announced a comprehensive set of policy measures to continuously stabilise employment.

Below is a summary of these measures.

Rate reduction on unemployment insurance premium continues

- The unemployment insurance rate will remain at 1%, with both employers and employees contributing 0.5% each in Beijing and Shanghai, employers and employees contributing 0.8% and 0.2% respectively in Guangzhou and Shenzhen
- The reduced rate will continue until December 2025.

Refund of unemployment fund

To provide financial relief and support for job stability,

- For Micro, Small and Medium-Sized Enterprises (MSMEs), a refund up to 60% of the unemployment fund paid in 2024.
- For large enterprises, a refund up to 30% of the unemployment fund paid in 2024.

Conditions of Micro, Small and Medium-Sized Enterprises (MSMEs)

An enterprise shall meet all the following criteria to be classified as MSMEs:

- Enterprises engaging in non-restricted and non-prohibited businesses.
- Annual operating income amount does not exceed CNY 400 million.
- Headcount does not exceed 1,000 employees.

References:

- Ministry of Human Resources and Social Security, Ministry of Finance, State Administration of Taxation, Ren She Bu Fai[2024] No.40: Notice on continuing to implement unemployment insurance policies to stabilise employment (link here in Chinese).
- Ministry of Human Resources and Social Security, Ministry of Finance, State Administration of Taxation, Ren She Bu Fai[2025] No.18: Notice on the continuous implementation of the unemployment insurance policies to stabilise employment (link here in Chinese).

Reminder for Individual Income Tax ("IIT") returns for enterprise employees' equity incentives

During the last few years, Forvis Mazars has noticed more and more equity-based compensation remuneration policy put in place by companies. Recently, some tax authorities in Shanghai and Beijing are conducting surveys on the Individual Income Tax ("IIT") declaration situation of employees' equity incentives.

Below is a summary of the key takeaways.

Equity incentives

- mainly include stock options, stock appreciation rights, restricted stocks and equity rewards
- it mainly refers to the overseas stock shares in this survey

Compliance requirements of equity incentives for employer and employee

Employer

- the company has the withholding obligation arising from participating employee's receipt of taxable income
- the filing time of IIT by employer
  - for Restricted Share Units (RSUs)/stock options, it is the following month of the RSU vesting date or stock option exercise date
  - for the dividends, it is the following month of the dividend distribution

Employee

- employee must declare the capital gains (sale proceeds – cost basis) due to the sales of the stock shares as "income from overseas property transfers"
- the filing time is between 1 March to 30 June of the following year

Actions needed by employer and employee in this survey

Employer

- remind employees to file IIT returns for stock sale gains via the Individual E-Tax website or in person
- issue reminders to employees and retain records of communication

Employee

- file tax returns for stock sale gains via the Individual E-Tax website or in person in due course
- ensure timely declaration of stock sale gains and retain supporting documents (e.g., transaction records, cost basis calculations)

Point of attention

- employees are solely liable for declaring gains from stock sales
- however, if employees fail to comply, some tax authorities may request that the employer intervene and actively help the employee to complete the return on time
- if employees delay in filing and paying their taxes, they will incur late payment interest at a rate of 0.05% per day on the due amount; penalties may also apply
- it is advisable for the employers to track the records and ensure the consistency between registration of equity incentives at the tax bureau and the IIT filing information for stock options at vesting/exercise date
- where the employees leave the company/China or other special situation, they shall ensure the relevant IIT filing is declared and paid in accordance with the local regulation

In case that the in-charge tax authority requests for such survey or similar inspection, the company shall respond actively. Forvis Mazars can assist you with these surveys. Do not hesitate to reach your Forvis Mazars interlocutor directly.

References:

- Ministry of Finance and State Administration of Taxation, [2018] No.164: Notice on Issues Relating to Transition of Preferential Policies following the Revision of the Individual Income Tax Law (link here in Chinese).
- Ministry of Finance and State Administration of Taxation, [2023] No.25: Notice on the continuation of the implementation of the relevant individual income tax preferential policies relating to Equity Incentives (link here in Chinese).

Further enhancements to policies are published to support the stabilisation of employment

To promote high-quality economic development and make efforts to stabilise employment, the General Office of the State Council published enhanced policies to support employment stabilisation.

Below is a summary of these measures.

Supporting enterprises to stabilise jobs

- Increase the refund ratio of the employment fund for the regions that meet certain conditions:
  - for micro, small and medium-sized enterprises (MSMEs), the refund increased from up to 60% to no more than 90% of the unemployment fund paid in 2024
  - for large enterprises, the refund increased from up to 30% to no more than 50% of the unemployment fund paid in 2024
  - this policy will be implemented until the end of December 2025
- Implement phased deferral of social insurance:
  - if enterprises are experiencing operational difficulties, they may apply for a phased deferral of the employer portion of insurance for pension, unemployment and injuries
  - there are no late fees incurred during the deferral period

Conditions of micro, small and medium-sized enterprises (MSMEs)

An enterprise shall meet all the following criteria to be classified as MSMEs:

- enterprises engaging in non-restricted and non-prohibited businesses
- annual operating income amount does not exceed CNY 400 million
- headcount does not exceed 1,000 employees

Please kindly note that the specific implementation rules in relation to the above measures are currently pending release. Based on experience, these are generally issued in third quarter (Q3) or fourth quarter (Q4).

References:

- General Office of the State Council, Guo Ban Fa [2025] no.25: Notice on Further Increasing the Support of Policies for Stabilising Employment (link here in Chinese).

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Hong Kong
Key updates

Employment law update: HK revises "Continuous Contract" definition- from 418 to 468 Rule

On 18 June 2025, the Legislative Council passed the Employment (Amendment) Bill 2025, introducing a more inclusive definition of "continuous contract" under the Employment Ordinance (Cap. 57). This reform replaces the long-standing "418 rule" with a more flexible "468 rule", designed to extend statutory employment protections to a broader group of employees, particularly those under part-time or irregular work arrangements. The change reflects the government's commitment to fairer labour practices and greater social protection for all workers in line with today's diverse employment landscape.

Revisiting the 418 rule

The "**418 Rule**" has long been a cornerstone of Hong Kong's Employment Ordinance. It defines a "**continuous contract**" as one where an employee works **at least 18 hours per week for four consecutive weeks** under the same employer. Employees under such contracts are entitled to a range of statutory benefits. However, this rule has faced criticism for being too rigid, especially for part-time or flexible workers whose hours may fluctuate. Employers could avoid triggering the rule by reducing weekly hours below the threshold.

Summary of key amendments

The Amendment Ordinance introduces two major changes to the existing "continuous contract" requirement:

1. **Reduction of weekly working hours threshold**

   The threshold has been lowered from 18 hours to 17 hours per week, thereby broadening the scope of employees eligible for statutory benefits.

2. **Introduction of a four-week aggregation mechanism**

   A new provision allows for the calculation of continuous employment based on an aggregate of 68 working hours over any four consecutive weeks. Under this mechanism, a week with fewer than 17 hours will still count toward continuous employment if the total hours over the four-week period meet the 68-hour threshold.

   These changes are intended to enhance flexibility in the assessment of employment continuity and reduce disruptions caused by occasional short work weeks.

Implementation timeline

- **Gazettal date**: 27 June 2025
- **Effective date**: 18 January 2026

Benefits to employees

The revised criteria will extend statutory protections to a broader segment of the workforce, particularly parttime, casual, and gig workers. Eligible employees will gain access to:

- Statutory holiday pay
- Paid annual leave
- Sickness allowance
- Maternity and paternity leave
- Severance and long service payments

This reform promotes fairer treatment and improved job security for employees whose working hours may fluctuate.

Implications for employers

Employers are advised to:

- Review and update employment contracts and HR policies to reflect the revised criteria.
- Identify employees who may newly qualify for statutory benefits under the amended framework.
- Prepare for compliance by ensuring payroll and rostering systems can accommodate the new calculation method.

Continuity of existing provisions

It is important to note that all other provisions of the Employment Ordinance remain unchanged. Employees who currently meet the "continuous contract" requirement will not be affected by the amendments.

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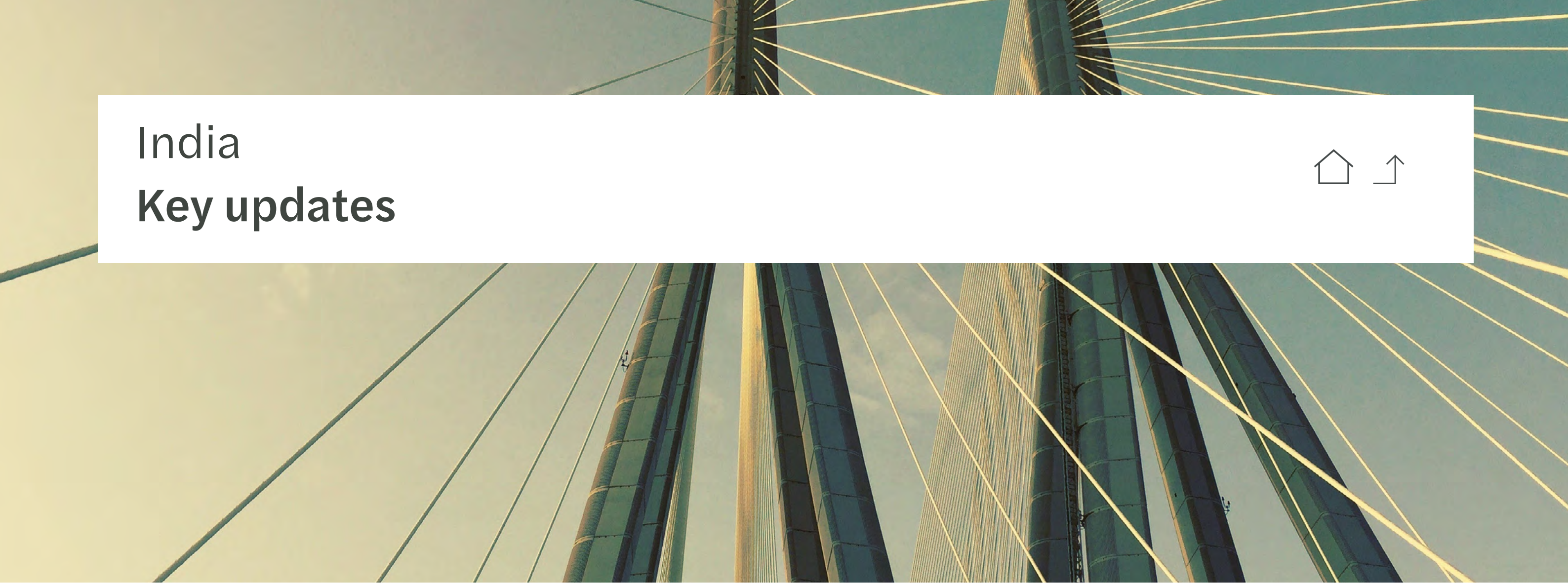

India
Key updates

No recent regulatory updates in India to report in this edition

Stay tuned for future updates.

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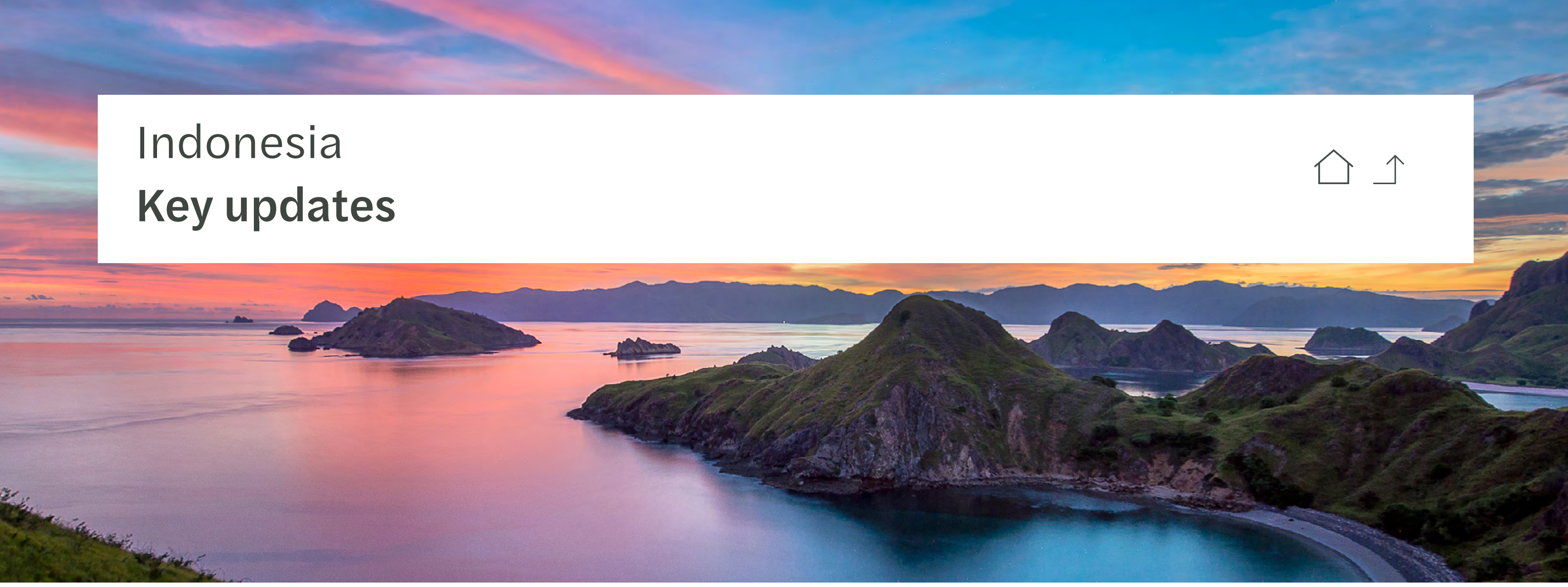

Indonesia
Key updates

BSU 2025 : Government wage subsidy returns to support workers

On 2 June 2025, the Indonesian government has introduced the program ***Wage Subsidy Assistance (BSU – Bantuan Subsidi Upah) 2025*** through Minister of Manpower Regulation No. 5 of 2025, aiming to support workers purchasing power and stimulate economic recovery by providing a subsidy of Rp300,000 per month for two months. This assistance is intended for Indonesian citizens with a valid NIK who are active participants of ***BPJS Ketenagakerjaan*** as of April 2025, earn a monthly salary of no more than Rp3.5 million (or within the applicable regional minimum wage), and are not recipients of the Family Hope Program (PKH) or members of the civil service, TNI, or POLRI. The funds will be distributed through Bank Syariah Indonesia (BSI), HIMBARA banks (Mandiri, BRI, BNI, BTN), or PT Pos Indonesia, with only accounts from these institutions being eligible for validation. To ensure successful disbursement, employers are required to verify and update employee data through the SIPP system, while employees must update their personal information via the JMO Mobile App or the official BSU website. Timely and accurate data updates are essential, as any discrepancies may result in disqualification from the program.

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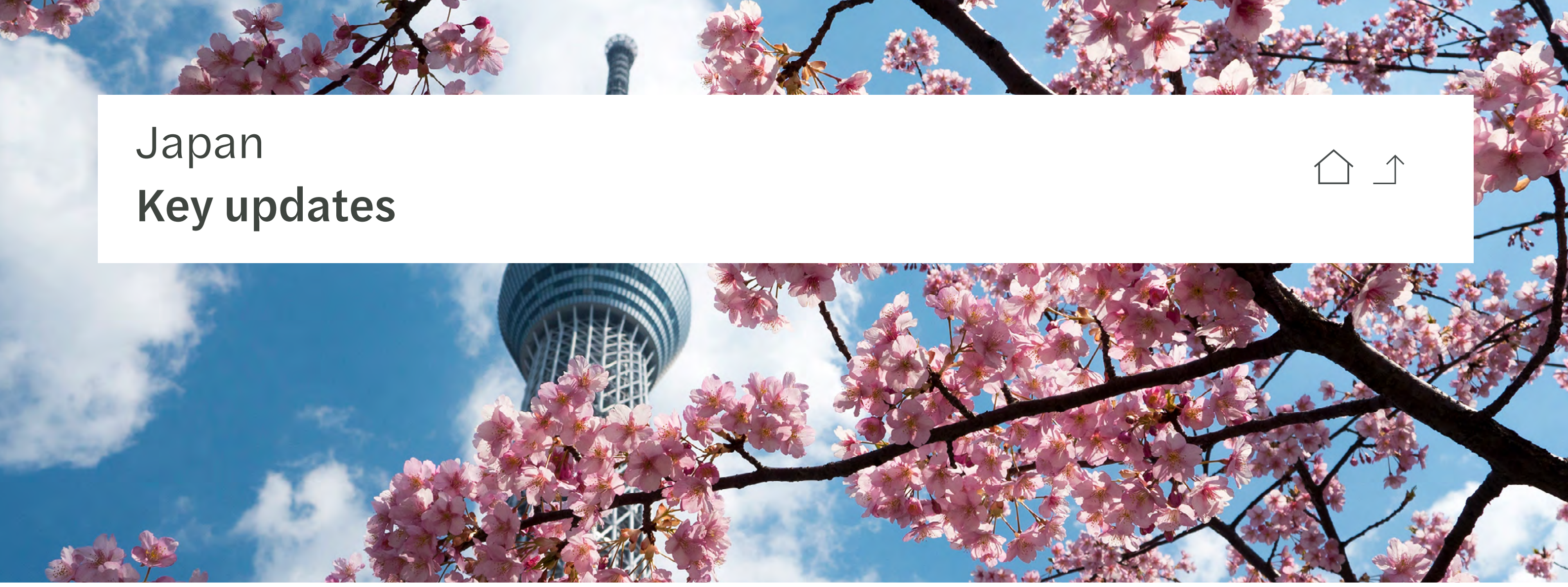
Japan
Key updates



Changes to childcare and caregivers leave laws

On top of the revision of the law which was enacted in April 2025, measures to enable flexible working arrangements for workers raising children aged 3 to 6 years old will be enacted in October 2025.

From October 2025

Employers must select and implement two or more of the following measures;

1. Change the starting time
2. Telework (10 days* or more per month)
3. Establishment of childcare facilities etc.
4. Additional time off to raise children (10 days* or more per year)
5. Shortening working hours

**For full-time employees. The eligible number of days for part-time employees depends on their working hours.*

Employers must consult each employee individually regarding their intention to balance work with raising a child, either during pregnancy or before the child turns three.

There will be a change in the annual income limit for enrolling as dependents under social insurance. For dependents aged 19 to 22 (inclusive), it will increase from 1.3 million yen to 1.5 million yen, except for spouses.

From April 2025

Expansion of eligibility for child nursing leave

	Up to 31 March 2025	From 1 April 2025
Age of child to be cared for	Until the child starts elementary school	Until the child completes 3rd grade of elementary school
Reason for nursing leave	1. Sickness and Injuries 2. Vaccination and Health Check-up	1. Sickness and Injuries 2. Vaccination and Health Check-up 3. Class suspension due to contagious diseases 4. Entrance/ Graduation Ceremony
Exempted employees	1. Employees who work less than 2 days per week 2. Employees with less than 6 months of service	1. Employees who work less than 2 days per week * 2 is abolished

Expansion of eligibility for overtime work restriction

Employees with **pre-elementary school children** are now eligible for Overtime work restriction. Previously it was limited to parents of **children under 3 years old**.

Telework added as an alternative option of Shorten Work Hours

Employees with children under 3 years old can request telework instead of reduced work hours.

*Employers are required to make an effort to offer a telework option as one of flexible work arrangements for employees raising children of under 3 years old.

Extension of obligation to disclosure childcare leave utilisation rate

Employers with over 300 employees (previously over 1,000 employees) are now required to disclose the childcare leave utilisation rate.

Extension of eligibility for nursing care leave and promotion of telework for caregivers

Employees with less than 6 months of service now can request nursing care leave. Also, employers are required to make an effort to provide a telework option for flexible work arrangements for care givers.

Change in the restriction period for unemployment benefits

Unemployment Benefits	Before 1 April 2025	From 1 April 2025
Restriction period	2 months	1 months

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Korea
Key updates

Adjustment in National Pension base salary effective from July 2025

The upper and lower limits of the national pension standard monthly income are adjusted every July by linking the annual average of the average monthly income of all business and local subscribers to the rate of change. Upper/lower limit of National Pension base salary will change as below table.

* Enforcement Decree of the National Pension Act, Article 4 (Method of calculation of average monthly income), Article 5 (Standard monthly income and application period)

NP base salary	July 2024 - June 2025	July 2025 -June 2026
Lower limit (Insurance premiums)	KRW 390,000 (KRW 17,550)	KRW 400,000 (KRW 18,000)
Upper limit (Insurance premiums)	KRW 6,170,000 (KRW 277,650)	KRW 6,370,000 (KRW 286,650)

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Malaysia
Key updates

1:3 Internship policy

Ministry of Human Resources ("KESUMA") through Talent Corporation Malaysia Berhad ("TalentCorp") implemented 1:3 Internship Policy ("the Policy") on Expatriate Hiring and Local Talent Development which mandates companies to offer structured, paid and quality internship placements for local students from public and private higher education institutions as well as technical and vocational education and training ("TVET") institutes under the National Structured Internship Programme ("MySIP") for every expatriate hired.

Companies will benefit from double tax deductions for costs incurred in the internship programmes.

The Policy is currently under pilot implementation from 15 February 2025 to 31 December 2025. The official implementation will commence on 1 January 2026.

New companies that have been operating in Malaysia for less than two ("2") years, companies with Representative or Regional Offices, companies that receive tax exemptions from the government, especially digital and energy sectors and other exemption requests based on feedback from the trial phase will be excluded from implementing the Policy.

Companies that have been granted approval for expatriate employment passes under the Malaysia Expatriate Service Centre ("MYXpats") and Malaysia Digital Economy Corporation ("MDEC") are required to offer three ("3") internship or work-based learning placements for local talent.

The Policy applies to every approved expatriate Employment Pass ("EP"). The pilot implementation will only focus on MYXpats registered companies in Tier One ("1") and Tier Two ("2") categories.

Employment Pass category	Proposed ratio	Company requirement
Employment Pass category 1 ("EPI)	1:3	Approval of 1 EPI, 3 internship placements
Employment Pass category 2 ("EPII)	1:2	Approval of 1 EPII, 2 internship placements
Employment Pass category 3 ("EPIII)	1:1	Approval of 1 EPIII, 1 internship placement

Companies internship placement quota will be set at two percent ("2%") of the total organisation manpower when it exceeds 2%.

Example: Company A with a workforce of 1,000 employees

EP category	Ratio	Number of expats (May 2025)	Internship placement (May 2025)
EPI	1:3	2	6
EPII	1:2	1	2
EPIII	1:1	3	3
Total number of internship placement			**11**

In May 2025, percentage of internship placement over the number of organisation manpower = (11/1000) x100 = 1.1%. The Policy requirement is met with eleven ("11") internship placements.

EP category	Ratio	Number of expats (June 2025)	Internship placement (June 2025)
EPI	1:3	5	15
EPII	1:2	2	4
EPIII	1:1	6	6
Total number of internship placement			**25**

In June 2025, percentage of internship placement over the number of organisation manpower = (25/1000) x100 = 2.5%.

With additional EP approvals in June 2025, the percentage of internship placement over the number of organisation manpower is more than two percent ("2%").

To fulfil the requirements of the Policy, the minimum number of internship placements is (2/100)x1,000 = 20.

Stamp duty exemption for employment contracts finalised prior to 1 January 2025

On 1 January 2025, Inland Revenue Board Malaysia ("IRBM") has enforced Stamp Duty Audit Framework which explains the implementation of stamp duty audit. During stamp duty and compliance audits, one of IRBM's new major audit findings was employment contracts between employers and employees were not stamped in accordance with item 4, First Schedule, Stamp Act 1949 with stamp duty fee amounting to Malaysian Ringgit ("MYR")10.00.

By taking into consideration of the substantial employment contracts and to reduce the employers' burden, **employment contracts finalised prior to 1 January 2025 are exempted from stamp duty and remission of penalty for late stamping were given** under subsection 80(1A) and 47A(2) Stamp Act 1949 respectively.

However, employment contracts finalised **between 1 January 2025 to 31 December 2025 are subjected to stamp duty but remission of penalty for late stamping** under subsection 47A(2) Stamp Act 1949 will be given provided the employment contracts are stamped **on or before 31 December 2025**.

Employment contracts finalised **from 1 January 2026 onwards are subjected to stamp duty and penalty for late stamping accordingly**.

Employment contracts	Stamp duty	Penalty for late stamping	Stamping conditions	Execution
Prior to 31 December 2025	×	×		
1 January 2025 to 31 December 2025	✓	×	On or before 31 December 2025	
1 January 2026 onwards	✓	×	Within 30 days	In Malaysia
1 January 2026 onwards	✓	×	Within 30 days after received in Malaysia	Outside Malaysia
1 January 2026 onwards	✓	MYR50 or 10% of the deficient duty, whichever is higher	Within 3 months after the time for stamping	
1 January 2026 onwards	✓	MYR100 or 20% of the deficient duty, whichever is higher	After 3 months after the time for stamping	

All employers are required to ensure signed and will be signed employment contracts comply with Stamp Act 1949.

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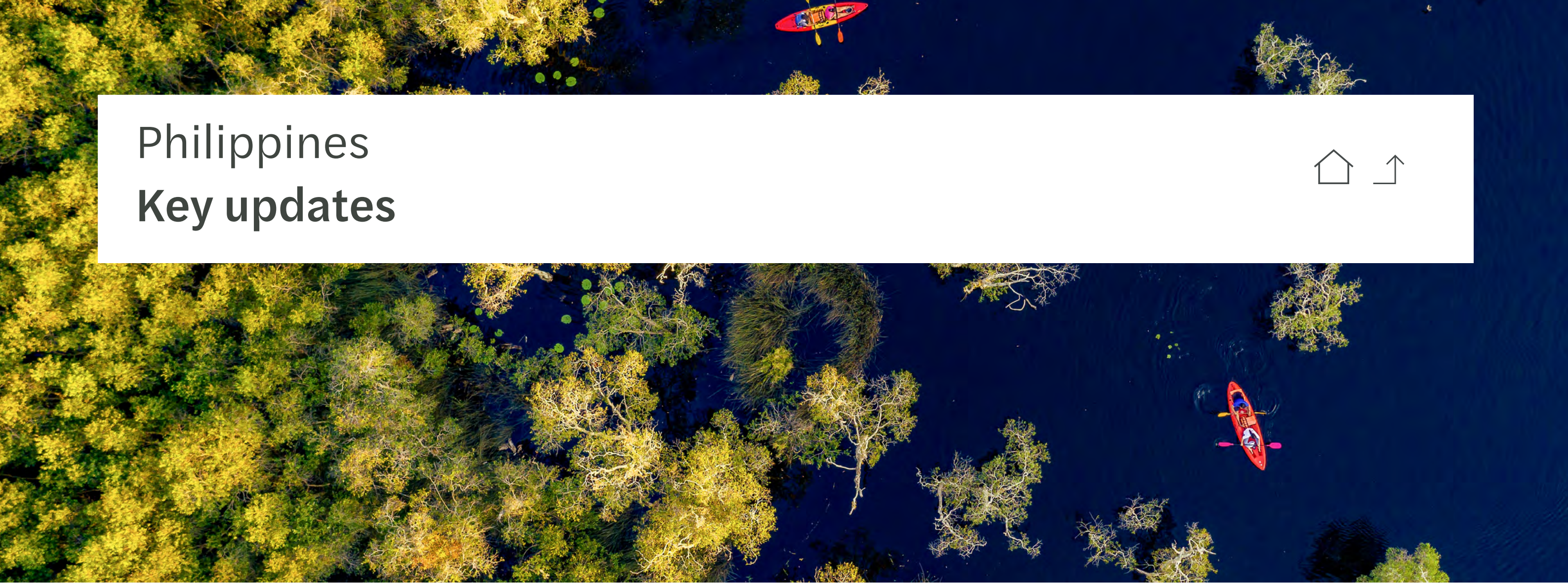

Philippines
Key updates

Declaration of Sunday, 27 July 2025 as a special non-working day.

In Proclamation No. 729, s. 2024, the President of the Philippines declared Sunday, 27 July 2025 a **Special (Non-Working) Day** to commemorate Iglesia ni Cristo's Founding Anniversary.

Read the full update of the holidays in the Philippines here.

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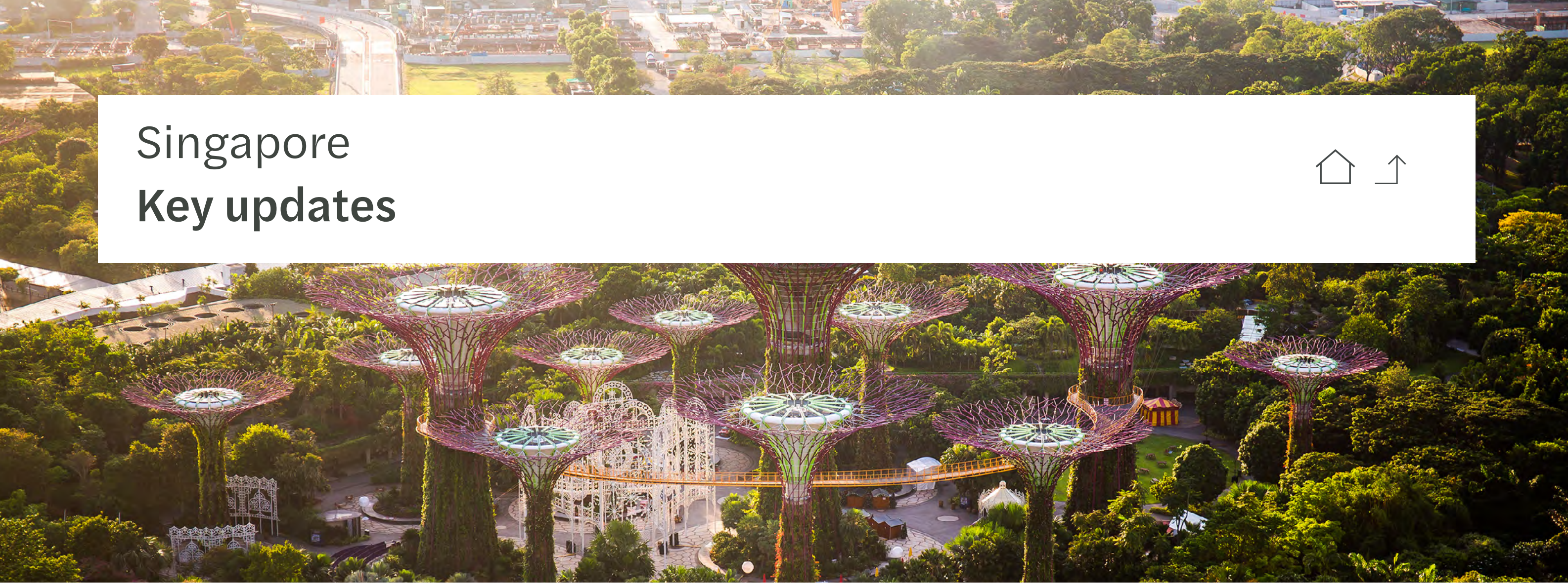

Singapore

Key updates

Increase in S Pass qualifying salary and levy

Ministry of Manpower (MOM) regularly reviews the cost of hiring an S Pass holder, i.e., qualifying salary plus levy, based on the top one-third of local Associate Professionals and Technicians wages. MOM announced in 2022 that the S Pass qualifying salary and levy would be raised progressively over three steps, from 2022 to 2025. The first and second steps of the S Pass qualifying salary and levy increase were implemented on 1 September 2022 and 2023 respectively. MOM will proceed with the third step increase of the S Pass qualifying salary and levy in 2025.

As part of the third step, the S Pass minimum qualifying salary will be increased from $3,150 to $3,300. The qualifying salary will continue to increase progressively with age, up to $4,800 for a candidate in their mid-40s. The Financial Services (FS) sector will continue to have a higher S Pass qualifying salary, given its higher wage norms. The S Pass minimum qualifying salary for the FS sector will be raised from $3,650 to $3,800. The qualifying salary will increase progressively to $5,650 for a candidate in their mid-40s.

The new S Pass qualifying salary will apply to new applications from 1 September 2025, and to renewal applications for passes expiring from 1 September 2026.

Sector	For new applications submitted on or after 1 Sep 2022 / From 1 Sep 2023 for renewals	From 1 Sep 2023 for new applications / From 1 Sep 2024 for renewals	[New] From 1 Sep 2025 for new applications / From 1 Sep 2026 for renewals
All (except financial services)	**$3,000** (increases progressively with age ≤ 23, up to $4,500 at age ≥ 45)	**$3,150** (increases progressively with age ≤ 23, up to $4,650 at age ≥ 45	**$3,300** (increases progressively with age ≤ 23, up to $4,800 at age ≥ 45
Financial services	**$3,500** (increases progressively with age ≤ 23, up to $5,500 at age ≥ 45)	**$3,650** (increases progressively with age ≤ 23, up to $5,650 at age ≥ 45)	**$3,800** (increases progressively with age ≤ 23, up to $5,650 at age ≥ 45)

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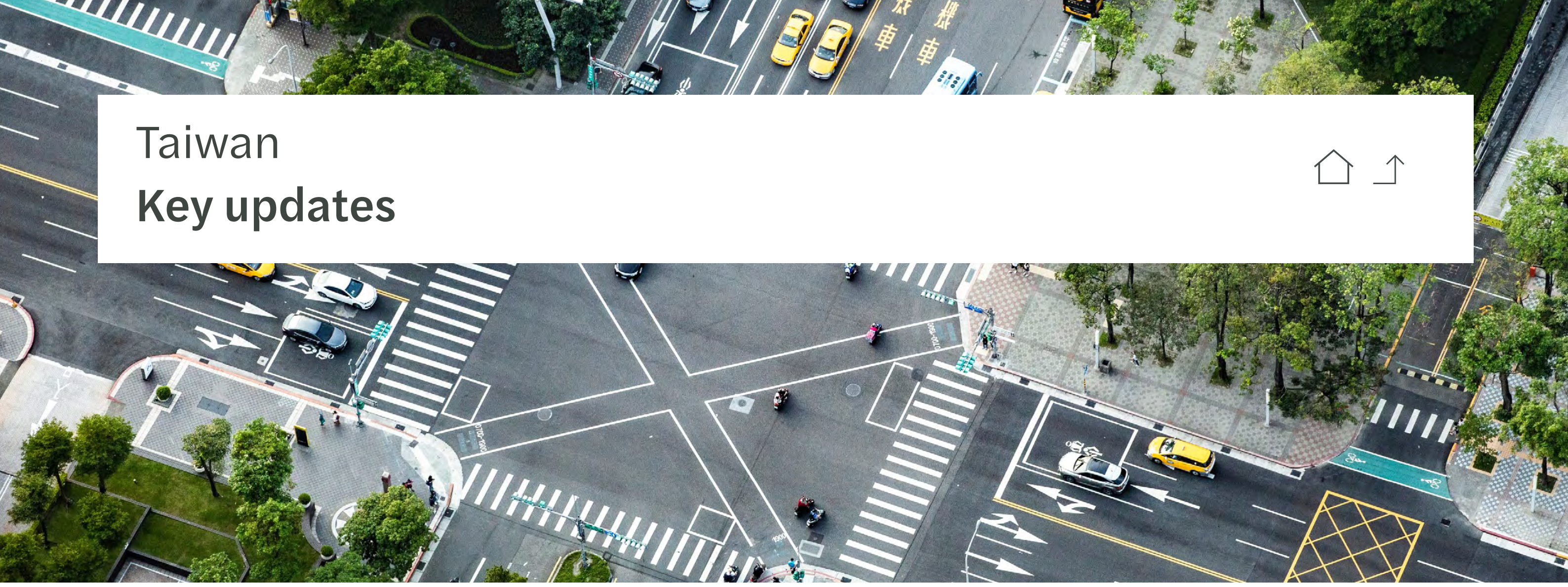

Principles for determination in cases where multiple taxpayers claim exemption for dependent in the same tax year effective from 23 April 2025

To ensure consistency in determination regarding cases in which two or more taxpayers claim the personal exemption for the same dependent in the same tax year when filing individual income tax returns, these principles are hereby established.

Order of priority

In cases where two or more taxpayers claim the exemption, the right to claim such exemption shall be determined in the following order of priority:

1. Based on a written declaration by the supported dependent designating one individual to claim the exemption.
2. Based on mutual agreement among the taxpayers, with one individual designated to claim the exemption.
3. If the dependent is under guardianship, the registered legal guardian shall be entitled to claim the exemption.
4. If none of the above criteria can determine the claimant, the determination shall be made based on a comprehensive assessment of actual support, and the individual who provides the primary or actual support shall be entitled to claim the exemption.

Supporting evidence for "actual support"

For the purpose of item 4 above, "actual support" may be evaluated by taking into account the following types of supporting evidence submitted by the respective taxpayers:

1. The taxpayer who is more closely related in degree of kinship to the dependent.
2. The taxpayer who live together with the dependent for a longer period during the tax year.
3. The taxpayer who provided daily care, including food, hygiene, health, and personal safety.
4. The taxpayer who actually paid the majority of the living expenses.
5. The taxpayer who included the cohabited as a dependent under their National Health Insurance coverage during the tax year.
6. The taxpayer who was the policyholder of the dependent's personal life insurance.
7. The taxpayer who paid the lineal dependent's medical expenses during the tax year.
8. The taxpayer who employed a caregiver to look after the dependent and bore the caregiver's expenses during the tax year.
9. The taxpayer who applied for long-term care services on behalf of the dependent and covered the associated expenses during the tax year.
10. The taxpayer who paid the accommodation fees and had frequent visitations when the dependent was residing in a residential care facility during the tax year.
11. Any other evidence of actual support.

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Thailand
Key updates

Thailand implements new minimum wage effective 1 July 2025

The Wage Committee of Thailand has officially announced a new minimum wage structure, published in the Royal Gazette, which takes effect on 1 July 2025.

The adjustment introduces targeted increases in specific sectors and regions, aimed at improving income standards and supporting labours in some industries.

Key changes:

1. Bangkok metropolitan area

- The daily minimum wage has been increased from THB 372 to THB 400.

2. Hotel (types 2, 3, and 4)

- Applies to hotels with more than 50 rooms or those offering both accommodation and additional services such as restaurants, entertainment venues, or conference facilities.
- The minimum wage is set at THB 400 per day across all provinces.

3. Entertainment venues

- Businesses classified under the Entertainment Venue Act will also see a standardized minimum wage of THB 400 per day across all provinces.

For employees paid monthly in Bangkok and in the hotel and entertainment sectors mentioned above, the minimum salary must not be less than THB 12,000.

For other regions and industries not specified in the announcement, the minimum wage remains unchanged from the previous rates.

Further details on the specific increases by province are provided below.

No.	Minimum wage (Baht a day)	Number of provinces	Provinces
1	337	3	Narathiwat, Pattani, Yala
2	345	4	Trang, Nan, Phayao, Phrae
3	347	16	Ranong, Satun, Loei, Nong Bua Lamphu, Udon Thani, Maha Sarakham, Sisaket, Amnat Charoen, Mae Hong Son, Lampang, Sukhothai, Uttaradit, Kamphaeng Phet, Phichit, Uthai Thani, Ratchaburi

No.	Minimum wage (Baht a day)	Number of provinces	Provinces
4	348	5	Chainat, Sing Buri, Phatthalung, Chaiyaphum, Ang Thong
5	349	5	Nakhon Si Thammarat, Bueng Kan, Kalasin, Roi Et, Phetchabun
6	350	3	Yasothon, Lamphun, Nakhon Sawan
7	351	3	Phetchaburi, Chumphon, Surin
8	352	15	Kanchanaburi, Prachuap Khiri Khan, Surat Thani (except Koh Samui district), Songkhla (except Hat Yai district), Phang Nga, Chanthaburi, Sa Kaeo, Nakhon Phanom, Mukdahan, Sakon Nakhon, Buriram, Ubon Ratchathani, Chiang Rai, Tak, Phitsanulok
9	354	2	Krabi, Trat
10	355	3	Suphanburi, Nakhon Nayok, Nong Khai
11	356	1	Lop Buri
12	357	5	Phra Nakhon Si Ayutthaya, Saraburi, Prachinburi, Khon Kaen, Chiang Mai (except Mueng Chiang Mai district),
13	358	1	Samut Songkhram
14	359	1	Nakhon Ratchasima
15	372	5	Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, Samut Sakhon
16	380	2 Districts	Mueng Chaing Mai district, Hat Yai district
17	400	5 Provinces 1 District	Bangkok, Chachoengsao, Chonburi, Phuket, Rayong, Koh Samui district
		2 Business types	Hotel (types 2, 3, and 4) and entertainment venues

For more information, see The Royal Gazette (in Thai).

New BOI Regulations for expatriate employment in Thailand

The Board of Investment (BOI) has introduced significant new regulations, detailed in Announcement No. Por. 8/2568 (“the Announcement”), which will take effect on October 1, 2568 (2025) for all projects receiving BOI promotion. These regulations aim to strike a balance between fostering economic growth and promoting local employment and skill development. They meticulously adjust the criteria for approving foreign personnel positions, their placement, and extensions under Sections 25 and 26 of the Investment Promotion Act B.E. 2520. Applicants for individual placement or renewal of their visa and work permit must compliance with new requirement as follows:

Minimum income

The BOI will require proof of income at the time of application. The minimum monthly income requirements are as follows:

Position / Level	Minimum income (THB per month)
Executive	150,000+
Management, Engineer, Researcher or IT Specialist	75,000+ or 50,000+ with the bachelor’s degree in Engineering , Research , IT
Operation	50,000+
Operator	35,000+ (IBPO or TISO – IBPO)

How to proof of Income:

First-time applications: The BOI will verify income through the employment contract between the expatriate employee and the Thai company.

Renewal applications: Income will be verified by reviewing the PND 1 Kor (or PND 1) tax forms, which reflect the expatriate’s declared income.

Ratio of Thai to Non Thai employee

Manufacturing Businesses (Over 100 Employees)	A minimum of 70% of the total workforce must be Thai employees.
Manufacturing Businesses (Less than 100 Employees) and Service Businesses:	There is no mandated minimum ratio for Thai employment.
High-Priority Manufacturing Projects	A lower Thai employee ratio may be possible. The company must clarify the reason and operational need to the BOI committee, and they will evaluate each request on a case-by-case basis.

Exemption:

These updated criteria for the minimum salary of non-Thai employees and the requirements for hiring Thai staff do not apply to temporary workers or expatriate employees whose approved work period is less than six (6) months.

Effective dates

- For BOI projects that obtain promotion certificates on or after 5 June 2025: These criteria will take effect from 1 October 2025.
- For projects that were issued promotion certificates before 5 June 2025: The regulations will take effect from 1 January 2026.

We recommend reviewing your current and prospective expatriate employee to ensure compliance with these new regulations.

Reference:

- Further information is available in Forvis Mazars in Thailand’s June Technical Update, which you can access here.

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Vietnam
Key updates

Use of Personal Identification Number instead of Tax Code from 1 July 2025

From 1 July 2025, the Personal Identification Number of taxpayers and dependents, who are Vietnamese citizens and issued by the Ministry of Public Security in accordance with the laws on citizen identification, will replace the tax code. This conversion will be automatically applied to individuals who already have a 10-digit tax code and whose tax registration information matches the National Population Database. Moreover, there are some additional noteworthy points as below:

- For individuals who have been issued more than one tax code, they need to update their Personal Identification Number information so that the tax authorities can consolidate tax data and integrate all issued tax codes under the personal identification number.
- When Tax Identification Numbers have been integrated into Personal Identification Number, the invoices, vouchers, tax documentation and other documents of legal validity that have been made using Tax Identification Numbers of the individuals shall continue to be used in tax-related administration procedures, used to prove the fulfilment of tax obligations without having to replace Tax Identification Numbers on the invoices, vouchers, tax documentation with Personal Identification Number.
- Vietnamese individuals are required to obtain a Personal Identification Number before tax registration.
- A 10-digit Tax Identification Number will continue to be assigned to:
  - Foreign individuals;
  - Vietnamese citizens residing abroad who have not been issued a Personal Identification Number.

New regulations on PIT withholding vouchers starting from 1 June 2025

New template of Personal Income Tax (PIT) withholding vouchers under Decree 70 and request of stopping using old format and switch to new one.

A recap of the key highlights of the Social Insurance Law 2024

Expanding the category of participants who eligible for contributing to compulsory social insurance:

Employees working for the employer under a contract with a different name, but the content shows that this is a paid job with specific articles about salary, management, supervision, and administration of a party.

The category of employees working under a labour contract or a type of contract that is essentially a labour contract but works part-time and has a monthly salary that is greater than or equal to the minimum basic salary for the lowest compulsory social insurance.

The representative of the enterprise's contributed capital under the law; members of the Board of Directors, General Director, Director, members of the Control Board or controllers and other elected management and executive positions of cooperatives or cooperative unions in accordance with the Law on Cooperatives with or without salary.

The owner of business households with business registration.

Foreign workers who have a labour contract of 12 months or more must take part in Social Insurance except for the following cases: internal transfer, of retirement age at the time of entering the labour contract and cases that is exempt due to

International Agreement application, remove the requirements of having work-permit or professional certificate.

Specific regulations on the reference level in place of the minimum basic salary:

Reference level is the amount decided by the Government to calculate the level of payment and benefits of several social insurance regimes. In fact, this regulation is issued to replace the minimum basic salary, which is currently applied but will be removed in the future under the salary reforming program.

Social Insurance payment deadlines:

Deadline for paying compulsory social insurance has been adjusted. Specifically: the last day of the following month for the monthly payment method or the last day of the month immediately follows the payment cycle for the payment period of every 3 months or every 6 months or every 12 months.

Supplementing regulations on overdue payment and evasion of social insurance payment:

The definition of overdue payment and evasion of social insurance is detailed, providing the authorities with a clearer basis to ascertain the appropriate penalty for each case. Furthermore, the penalty interest rate for late payments of Social Insurance and Unemployment Insurance will be updated to a fixed rate of 0.03% per day, replacing the prior year's Social Insurance fund investment return rate.

The exchange rate applied for converting salaries into VND as the basis for compulsory social insurance contributions:

In cases where the salary stipulated in the labor contract and the salary actually paid to the employee are denominated in foreign currency, the salary used as the basis for calculating compulsory social insurance contributions shall be converted into Vietnamese Dong. The conversion shall be based on the average transfer buying exchange rate between Vietnamese Dong and the relevant foreign currency, as announced by the four state-owned commercial banks at the end of 2 January for the first half of the year, and 1 July for the second half of the year. In the event that these dates fall on a public holiday or non-working day, the exchange rate published on the nearest subsequent working day shall be applied.

A recap of the key highlights of the Health Insurance Law 2024

Expanding the category of participants who eligible for contributing to health insurance

- Health insurance (HI) participants are adjusted to be consistent with the Law on Social Insurance 2024, including the expansion of the following groups:
- Persons working under indefinite-term labor contracts or definite-term labor contracts with a term of full 1 month or more, including cases where the employee and the employer agree under another name but with the content of showing paid employment, salary and management, administration and supervision of a party.
- The person who signs the labor contract works part-time, has a monthly salary equal to or higher than the salary as the basis for paying the lowest compulsory social insurance according to the law on social insurance.
- Managers of enterprises, controllers, representatives of state capital interests, representatives of capital interests of enterprises in accordance with law; members of the Board of Directors, General Directors, Directors, members of the Control Board or controllers and other elected managerial positions of cooperatives or cooperative unions in accordance with the Law on Non-Salary Cooperatives.
- Heads of business households of business households with business registration.
- Employees who are foreign citizens working in Vietnam who are eligible for compulsory social insurance when working under a definite-term labor contract with an employer in Vietnam for a term of full 12 months or more, except for the following cases: move within the enterprise in accordance with the provisions of law, at the time of signing the labor contract, have reached the retirement age or are exempted under international agreements. According to this law, the requirement to have a work permit or professional certificate for employees who are foreign citizens has been removed.

Payment deadline of HI contribution

Deadline for paying HI contribution has been adjusted. Specifically: the last day of the following month for the monthly payment method or the last day of the month immediately follows the payment cycle for the payment period of every 3 months or every 6 months.

Supplementing regulations on overdue payment and evasion of HI payment

Similar to the Law on Social Insurance 2024, the definition of overdue payment and evasion of health insurance payment is specified in detail, providing grassroots authorities with more clarity to determine the appropriate penalty for each case. The interest rate for late payment or evasion of health insurance payment will be updated to a fixed rate of 0.03%/ day instead of the investment interest rate of the social insurance fund of previous years. In addition, sanctioning administrative violations or examining criminal liability in accordance with the law will be considered for these cases.

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