



Technical update in Thailand

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Tax

Year-end corporate income tax review: Deductions and incentives taxpayers should not miss

As companies prepare their annual corporate income tax return, they should revisit their deductible expenses and assess whether any special tax deductions, allowances, or exemptions may be available.

For companies with an accounting period ending **31 December 2025**, the annual corporate income tax return, **Form P.N.D. 50**, must generally be filed within 150 days from the end of the accounting period. Where the return is filed electronically, the filing deadline is extended to **8 June 2026**.

A timely review of available deductions and incentives may help taxpayers reduce their taxable profits and manage their overall corporate income tax position more efficiently.

General deductible expenses

Under the Thai Revenue Code, expenses incurred wholly and exclusively for business purposes may generally be deductible for corporate income tax purposes, subject to the relevant conditions and limitations.

Common deductible expenses include, among others:

- ordinary and necessary business expenses;
- interest expenses, except interest on capital reserves or funds of the company;
- qualifying donations, generally capped at 2% of net profits;
- provident fund contributions;
- entertainment expenses, capped at 0.3% of the higher of gross revenue or paid-up capital at the end of the accounting period, but not exceeding THB 10 million; and
- bad debts written off in accordance with the criteria prescribed under the relevant Ministerial Regulations, including Ministerial Regulation No. 186 and Ministerial Regulation No. 374.

Taxpayers should ensure that sufficient supporting documents are maintained and that the relevant tax conditions are satisfied, particularly for expenses subject to specific deductibility rules or caps.

Special deductions, exemptions, and tax incentives

In addition to general deductions, corporate taxpayers should also consider whether they are eligible for any special deduction or corporate income tax exemption programmes. These incentives are subject to specific conditions, prescribed periods, and, in some cases, prior notification or registration requirements.

Programme	Incentive period	Tax incentive
Sale of carbon credits	20 March 2023 – 31 December 2027	A 100% corporate income tax exemption is granted on profits derived from the sale of carbon credits under the voluntary greenhouse gas reduction programme for three consecutive accounting periods.
Investment in Special Economic Zones (SEZs)	10 accounting periods from the accounting period in which the incentive is claimed	A reduced corporate income tax rate of 10% applies to net profits derived from targeted business activities carried out within SEZs, subject to registration and compliance with the prescribed conditions.
Employment of high-potential Thai professionals	25 March 2025 – 31 December 2029	A 150% deduction is available for salary expenses paid to eligible Thai professionals returning to work in targeted industries, subject to prior notification to the Revenue Department and other prescribed conditions.

Programme	Incentive period	Tax incentive
Donations to the Knowledge Management and Development Office (Public Organization)	1 January 2025 – 31 December 2026	A 200% deduction is available for eligible donations made through the e-Donation system, capped at 10% of net profits.
Donations to the Thai Red Cross Society or medical and public health foundations	1 January 2025 – 31 December 2027	A 200% deduction is available for qualifying donations made through the e-Donation system, capped at 10% of net profits.
e-Donations to temples and eligible charitable or public benefit organisations	From 1 January 2026 onwards	A 100% deduction is available for qualifying donations made through the e-Donation system to temples and eligible charitable or public benefit organisations, subject to the relevant caps, including 2% of net profits for public charity purposes and an additional 2% for education or sports purposes.
Digital transformation incentive for SMEs	24 June 2025 – 31 December 2027	A 200% deduction is available for qualifying digital expenses, such as the purchase or use of software, hardware, smart devices, or digital services, excluding computer equipment. The expenses must be sourced from DEPA-registered providers and the tax benefit is capped at THB 300,000, subject to the prescribed conditions.
Hotel renovation incentive	29 October 2025 – 31 March 2026	A 200% deduction is available for qualifying hotel renovation expenses, including additions, alterations, expansions, or improvements to hotel-related assets. Expenses incurred merely for repairs or maintenance to maintain existing conditions are excluded.

Key takeaway

Before filing the annual corporate income tax return, taxpayers should perform a final review of their expenses, supporting documents, and available tax incentives. Particular attention should be given to incentives that require e-donation records, prior notification, registration, or evidence that the expenses meet the prescribed criteria.

A proactive review may help companies reduce unnecessary tax costs, avoid missed deduction opportunities, and improve tax compliance readiness before the filing deadline.

Note: Filing deadline assumes the company has a 31 December 2025 accounting year-end and files electronically through the Revenue Department e-filing system.

Thailand's private trust reform: Pathway to a tax-efficient regional wealth hub

On 2 May 2026, Mr. Pote Harinasuta, Chairman of the Association of Investment Management Companies (AIMC), proposed a Singapore-inspired private trust framework, signaling a potential shift in Thailand's capital market strategy. If implemented effectively, it could position Thailand as a regional asset management hub and attract foreign inflows of up to THB 1 trillion.

What is a private trust?

A private trust is an arrangement in which ownership of assets is legally separated from their control. Individuals transfer their assets to a trustee, who manages them for the benefit of designated beneficiaries in accordance with agreed terms and conditions.

Status of private trusts in Thailand

Thailand does not yet recognise private trusts under a general legal framework for wealth management purposes. Unlike common law jurisdictions, Thailand operates under a civil law system, where the concept of a trust is not broadly embedded in private law.

Why does Thailand need to become a private trust hub?

Developing a private trust hub is important for Thailand to remain competitive in attracting global wealth and investment. Key reasons include:

- **Attracting mobile global capital**

Wealth held by high-net-worth individuals and family offices is highly mobile. A private trust regime can position Thailand as a destination for cross-border wealth.

- **Unlocking underutilised capital**

Thailand hosts a large expatriate community and long-stay foreign residents. A well-designed structure could encourage these groups to deploy capital locally.

- **Strengthening the financial ecosystem**

Establishing a trust framework supports the growth of asset management, legal, tax and advisory services, helping to deepen Thailand's financial sector.

Key features of the proposed framework

Drawing inspiration from Singapore's successful model while tailoring it to Thailand's unique strengths, the AIMC's proposal includes:

- Establishing a legal structure for private trusts to strengthen investor confidence
- Introducing competitive tax incentives to attract foreign capital inflows
- Conditioning tax incentives on domestic investment through requiring foreign investors to allocate at least 10% of assets to Thai capital markets

Additional measures under consideration also include:

- Introducing long-term investment visas
- Expanding eligible assets under residency programmes, including mutual funds

Insights from Singapore's success model

Against this backdrop, Singapore provides a useful benchmark for how a well-designed private wealth framework can successfully attract global capital.

Singapore's success as a global wealth hub is built on a well-integrated approach that combines tax incentives, regulation and strong financial infrastructure.

A key strategy is its attractive tax regime, which has made it a preferred destination for international investors. Key features include:

- Tax exemptions on certain investment income
- No capital gains tax
- Preferential treatment for foreign-sourced income

Importantly, these benefits are not offered without conditions. Singapore requires investors to demonstrate economic substance in the country, such as:

- Establishing family offices
- Hiring local employees
- Incurring domestic spending

This "capital-for-substance" model ensures that capital inflows generate tangible economic benefits, including job creation and industry development. As a result, Singapore has seen a rapid rise in family offices and now manages trillions of dollars in assets, reinforcing its position as a leading global wealth centre.

Preparing for the future of private trusts

As Thailand's investment and regulatory landscape continues to evolve, at Forvis Mazars, we continue to monitor these developments and assist businesses and investors in optimising investment structures and navigating trust-related considerations.

References:

- Thailand targets foreign capital with key reform.
Retrieved from [Bangkok Post](#).
- Thailand asset management group proposes private trust framework to attract global wealth.
Retrieved from [Asia Asset Management](#).



Technical update in Thailand

Legal

Proposed amendments to the Foreign Business Act: Enhancing clarity, reducing regulatory burden, and promoting foreign investment in Thailand

The Thai Government continues to advance its policy agenda aimed at improving the country's investment climate. In this regard, following approval in principle by the Cabinet on 12 May 2026, two significant draft legislative measures under the Foreign Business Act B.E. 2542 (1999) ("FBA") have been introduced and are expected to proceed through the legislative process.

These proposed amendments represent a notable step toward modernizing Thailand's foreign investment regulatory framework by addressing long-standing ambiguities, reducing administrative burdens, and expanding exemptions for certain categories of foreign-operated businesses.

1. Overview of key approvals

The Cabinet has formally approved the principles of two critical pieces of draft legislation:

- **Draft royal decree**
Amending business categories under the list annexed to the Foreign Business Act B.E. 2542 (1999)
- **Draft ministerial regulation**
Specifying businesses exempt from licensing requirements for foreign business operations

2. Breakdown of the draft legislation

A. Draft royal decree: Domestic & agricultural forward trading

This draft amends the classification of domestic trade businesses involving native agricultural products (not otherwise prohibited by law). Specifically, it targets **List 3 (13)** of the FBA, which was previously modified by Royal Decree B.E. 2556 (2013) to loosen restrictions on certain agricultural commodities trading.

Core amendment: Foreign operators will be exempt from licensing restrictions under List 3 (13) for agricultural forward trading conducted at futures exchange centers, provided that the physical delivery or receipt of those agricultural

products occurs at warehouses designated by the relevant futures exchange. Effectively, foreign entities can conduct these activities without applying for a Foreign Business License (FBL).

B. Draft ministerial regulation: 8 New exempted service businesses

This regulation provides an exemption for other agency businesses under List 3 (11)(d) and introduces **8 additional business activities** under List 3 (21) (*Other Service Businesses*) that foreign entities can operate without prior regulatory approval:

Sector	Exempted foreign business activities
Infrastructure & Tech	<ul style="list-style-type: none"> • Telecommunications services • Administrative, human resources, and IT management services
Financial & Treasury	<ul style="list-style-type: none"> • Treasury center services • Domestic guarantee services (limited to obligations within Thailand) • Space leasing for installing financial service electronic equipment or automated vending machines (to support company employees)
Energy & Logistics	<ul style="list-style-type: none"> • Petroleum drilling services • Services acting as an agent, trader, advisor, or fund manager for futures contracts (where the underlying variable is not subject to the Futures Trading Act B.E. 2546)
Capital Markets	<ul style="list-style-type: none"> • Other businesses specifically regulated under Securities and Exchange laws

3. Strategic significance and next steps

These regulatory adjustments signify a targeted effort by the Thai government to modernize its foreign business framework, align with evolving economic demands, and actively lower barriers to entry across high-value sectors like agriculture, finance, energy, and digital technology.

Current status: Both drafts will now proceed to the final legislative review stages (including vetting by the Office of the Council of State) before their official publication in the Government Gazette.

We are monitoring these developments closely and will provide updates on the official effective dates and subsequent implementation guidelines as they become available.

Reference (in Thai):

- Summary of the Cabinet meeting news on 12 May 2026. Retrieved from the [Royal Thai Government](#).

Thailand to reinstate 30-day visa exemption period

The Thai government is currently preparing to revise its visa exemption policy by reducing the permitted stay for foreign nationals from **60 days to 30 days**. This change is expected to return to the previous standard applied before the temporary extension introduced in 2024.

The 60-day visa exemption was originally implemented to support tourism and economic recovery. However, the authorities have since reviewed the policy and found that the longer stay period may not be necessary for most tourists, as the average visit is usually much shorter.

In addition, the government has identified concerns about misuse of the visa exemption scheme, including:

- Using visa-free entry for unauthorized work or business
- Repeated short-term entries to stay in Thailand long-term
- Involvement in illegal or unregulated activities

To address these issues, the government plans to adopt a more controlled approach while continuing to support genuine tourism.

Key proposed changes

- Visa-exempt stay will be reduced to 30 days for most nationalities
- A 30-day extension at the Immigration Bureau is expected to remain available
- Some nationalities may be granted shorter stay periods (e.g., 15 days) depending on future review

Implementation status

At present, the proposed changes have not yet taken effect. The current 60-day visa exemption remains in place until the new regulation is officially published in the Royal Gazette. No effective date has been announced yet, but a decision is expected soon.

Practical impact

If implemented, this change may affect:

- Travelers planning to stay longer than 30 days
- Individuals relying on visa-exempt entries for repeated visits
- Short-term business visitors or remote workers

Those who intend to stay longer may need to apply for an extension or consider an appropriate visa type to remain compliant with Thai immigration rules.

Conclusion

This proposed revision reflects the Thai government's intention to improve immigration control while maintaining tourism growth.

Foreign nationals and businesses are encouraged to monitor updates closely, as the new rule may be enforced in the near future.

We will provide further updates once the regulation is officially announced.

Reference:

- Review of visa exemption measures and various visa privileges of Thailand. Retrieved from [the official Facebook page of Department of Consular Affairs](#).

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Accounting

Key changes to TFRS 9 and TFRS 7 effective from 2027

Preparing for the next phase of financial instruments reporting

The Federation of Accounting Professions (“TFAC”) has issued draft amendments to TFRS 9 *Financial Instruments* and TFRS 7 *Financial Instruments: Disclosures* as part of Thailand’s continued alignment with IFRS Bound Volume 2026. The amendments are expected to become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The draft revisions were presented during TFAC’s public hearing seminar held on 19 May 2026.

The proposed changes reflect evolving business practices and financial markets, particularly the increasing use of ESG-linked financing arrangements, renewable energy contracts, structured lending features, and electronic payment systems. While many of the amendments are clarificatory in nature, they are expected to increase the level of judgement and analysis required in practice.

Why the amendments matter

Over recent years, financing arrangements have become increasingly complex and often incorporate features linked to sustainability targets, nature-dependent energy pricing, or digital settlement mechanisms. In practice, this has resulted in diversity in interpretation under the current TFRS framework.

The draft amendments aim to improve consistency and transparency by:

- clarifying the assessment of contingent cash flow features under the “solely payments of principal and interest” (“SPPI”) criterion;
- providing additional guidance for non-recourse and structured financing arrangements;
- improving consistency in the derecognition of liabilities settled through electronic payment systems;
- introducing practical guidance for renewable power purchase agreements (“PPAs”); and
- enhancing disclosures for certain equity investments measured at fair value through other comprehensive income (“FVOCI”).

Summary of key proposed amendments

Area	Current practice	Draft amendment
ESG-linked and contingent cash flow features	Diversity exists in practice when assessing whether ESG-linked or contingent cash flows meet the SPPI criterion.	Clarifies that contingent cash flows may still satisfy SPPI if they are not significantly different from those of an otherwise identical instrument without the feature.
Non-recourse and structured financing arrangements	Limited guidance exists on applying “look-through” assessments for non-recourse structures and contractually linked instruments (“CLIs”).	Introduces additional guidance requiring assessment of underlying cash flows, legal structures, and subordination features.
Derecognition of liabilities in electronic payment systems	Diversity exists regarding whether derecognition occurs when payment instructions are initiated or when settlement is completed.	Permits earlier derecognition where specified conditions are met.
Renewable PPAs (nature-dependent electricity contracts)	Challenges exist in applying “own-use” and hedge accounting requirements due to variability in renewable energy generation.	Permits own-use exemption under specified conditions and allows variable nominal volume hedge accounting.

Area	Current practice	Draft amendment
FVOCI equity disclosures	General disclosures are provided for FVOCI equity instruments.	Requires separate tabular disclosures for investments held and disposed of during the reporting period.
Transition and terminology updates	General TAS 8 transition requirements currently apply.	Requires retrospective application with certain practical reliefs and minor terminology updates.

Key areas of change

1. ESG-linked and contingent cash flow features

One of the key amendments relates to financial assets containing contingent cash flow features, including sustainability-linked loans and ESG-related financing arrangements.

Under the revised guidance, a financial asset may still satisfy the SPPI criterion where the contingent cash flows are not significantly different from those of an otherwise identical instrument without the feature. The amendments emphasise assessment based on the substance of the arrangement rather than solely its legal form.

2. Non-recourse and structured financing arrangements

The amendments introduce additional guidance for non-recourse financial assets and CLIs.

Where repayment depends on specified underlying assets or cash flows, entities are expected to perform broader “look-through” assessments, including consideration of the legal structure, expected cash flows, and subordination arrangements within the transaction structure.

3. Derecognition of liabilities in electronic payment systems

The draft amendments also address diversity in practice regarding the derecognition timing of liabilities settled through electronic payment systems.

Earlier derecognition may be permitted where specified conditions are met, including situations where the entity no longer has the practical ability to withdraw payment instructions and settlement risk is insignificant. The accounting treatment must be applied consistently within the same payment system.

4. Renewable Power Purchase Agreements (“PPAs”)

The amendments introduce practical guidance for renewable electricity arrangements where energy generation depends on natural conditions such as solar or wind availability.

Under the proposed revisions, entities may achieve more consistent accounting outcomes through two key mechanisms:

- **Own-use exemption:** Continued application of the own-use exemption is permitted where the entity remains a net purchaser of electricity over a reasonable seasonal cycle not exceeding 12 months.
- **Hedge accounting relief:** Entities may apply variable nominal volume hedge accounting under specified circumstances, helping reduce profit or loss volatility arising from fluctuations in renewable electricity generation.

5. FVOCI equity disclosures

The proposed amendments to TFRS 7 enhance disclosure requirements for equity instruments designated at FVOCI.

Entities would be required to separately disclose fair value changes relating to investments held at the reporting date and investments derecognised during the reporting period.

Practical considerations

Although the amendments are not yet effective, entities involved in ESG-linked financing, structured debt arrangements, renewable energy contracts, or high-volume electronic payment systems may benefit from beginning preliminary impact assessments early.

Management should consider whether existing systems, documentation, and internal review processes remain sufficient to support the revised requirements and disclosures. Early assessment and discussion between management, finance teams, and auditors may help facilitate a smoother transition once the amendments become effective.

References (in Thai):

- TFAC Public Hearing Seminar Documents (May 2026). Retrieved from [The Federation of Accounting Professions](#).

Technical update in Thailand

IFRS

IASB approves four agenda decisions on IFRS 18

At its April 2026 meeting, the International Accounting Standards Board (IASB) approved four IFRS Interpretations Committee (IFRS IC) Agenda Decisions relating to IFRS 18. In each case, the IFRS IC had decided that no standard-setting work was necessary.

Over the coming months, the IASB will most likely need to make further decisions regarding IFRS 18, as several submissions are before the IFRS IC currently.

Classification of a foreign exchange difference from an intragroup monetary liability (or asset)

The request related to the classification of a foreign exchange difference resulting from intragroup monetary liability (or asset), when the income or expenses that gave rise to this difference have been eliminated on consolidation.

The IFRS IC felt that two approaches were possible:

- classifying the difference in the operating category as the default category; or
- classifying the difference in the category in which the income and expenses relating to the intragroup monetary liability (or asset) would have been classified if they had not been eliminated on consolidation, or, if this analysis would involve undue cost or effort, in the operating category.

Thus, an entity should develop an accounting policy, by selecting one of these approaches, and apply it consistently.

Assessing whether a “specified main business activity” exists for the purposes of the separate financial statements of a parent company

The request related to how to determine whether a parent company whose only activity is holding investments in subsidiaries (but which is not an investment entity as defined in IFRS 10) has a “specified main business activity” as defined in IFRS 18 for the purposes of its separate financial statements. The entity recognises these investments at cost in its separate financial statements.

Readers will remember that a “specified main business activity” involves providing financing to customers or investing in particular types of assets. Entities that have a “specified main business activity” must classify certain items of income and expenses in the operating category, that would otherwise have been classified in the investing or financing categories.

The IFRS IC pointed out that assessing whether an entity has a “specified main business activity” must be based on the facts and circumstances of the case, and may differ between the separate and consolidated financial statements.

The absence of any other substantive activity was deemed to be sufficient to conclude that investment in unconsolidated subsidiaries is a “specified main business activity” for the purposes of the entity’s separate financial statements. This is the case even though the example indicators provided in IFRS 18 are absent, such as performance subtotals or segment reporting relating specifically to the activity of holding investments in subsidiaries.

Thus, the entity should classify income and expenses relating to these investments in the operating category in its separate financial statements.

Scope of the requirement to disclose expenses by nature

Having received a request about the scope of the requirement to disclose expenses by nature, the IFRS IC clarified that there are no exceptions to this requirement. It applies whenever an entity presents any expense line item by function in the operating category of the statement of profit or loss, including expenses that must be presented in the statement of profit or loss under IFRS 9 or IFRS 17.

It also applies to amounts recognised as part of assets. In this case, the entity provides a qualitative explanation, identifying the assets involved.

Classification of gains and losses on a derivative managing a foreign currency exposure

The IFRS IC considered a request relating to the classification of gains and losses on an external derivative used to manage an identified foreign currency exposure, without applying hedge accounting as set out in IFRS 9.

In the fact pattern, an external derivative is used, in line with the group's risk management policy, to manage the foreign currency risk related to the net liability exposure, rather than the group of gross exposures that make up the net exposure.

If the derivative is used to manage a risk relating to a single category of the statement of profit or loss – in this case the financing category – it can be classified in that category without requiring grossing up gains or losses and without undue cost or effort. Accordingly, gains or losses on the external derivative must be classified in the same category.

IFRS IC agenda decision: accounting for a battery offtake arrangement

In the submitted request, a battery owner and an electricity retailer enter into a battery offtake arrangement, which stipulates that the battery owner is contractually required to operate it in line with the electricity retailer's instructions, which cover 100% of the battery's capacity. The retailer's instructions typically specify whether and when the battery owner can charge and discharge the battery, throughout the entire period of use.

In a gross pool electricity market, transactions must be carried out between a single registered participant and the market operator. In this situation, transactions relating to the offtake arrangement take place as follows:

- the electricity retailer pays the owner a fixed amount for the right to use the battery, calculated based on the battery's capacity and the length of the contract, rather than on how the battery is actually used;
- the owner operates the battery in line with the retailer's instructions, buying and selling electricity on the market at the spot price;
- all the cash flows from these operations are transferred to (or received from) the electricity retailer;
- the two parties settle transactions periodically, net in cash.

In this context, the IFRS IC noted that:

- the economic benefits from use of the battery are derived from its storage capacity. The battery is used to store and release electricity – not to produce it;
- the offtake arrangement provides the electricity retailer with the economic benefits derived from storage, as it has the exclusive right:
 - to use the full capacity of the battery throughout the period of use; and
 - to tell the battery owner whether, when and how much to charge or discharge the battery.

The IFRS IC concluded that the electricity retailer has the right to obtain substantially all of the economic benefits from use of the battery throughout the period of use, in accordance with paragraph B9(a) of IFRS 16.

The Interpretations Committee stated it had not analysed whether the electricity retailer had the right to direct the use of the asset, as required by paragraph B9(b) of IFRS 16, as this was already assumed in the fact pattern.

Post-implementation review of IFRS 16: IASB continues redeliberations

At its April 2026 meeting, the IASB continued to consider stakeholder feedback received in the Post-implementation Review (PIR) of IFRS 16 – *Leases*. It looked particularly at comments relating to the usefulness of information on lease-related cash flows.

By the end of the meeting, the IASB had tentatively decided not to take any action in this area in the PIR of IFRS 16, and instead to incorporate these issues into its project on the statement of cash flows.

In this context, it may consider requiring lessees to disclose the various components of the total cash outflow for leases, together with the line items in the statement of cash flows in which these components are presented.

Statement of cash flows project

Following on from previous discussions, the IASB, during its April 2026 meeting, considered how to improve the consistency with which entities apply the definition of cash equivalents.

Purpose of holding cash equivalents

Paragraph 6 of IAS 7 provides a definition of cash equivalents, while paragraph 7 of IAS 7 states that cash equivalents are held for the purpose of meeting short-term cash commitments, rather than for investment or other purposes.

The IASB tentatively decided to incorporate the wording on the purpose of holding cash equivalents into the definition in paragraph 6.

Three-month maturity

Paragraph 7 of IAS 7 sets a maturity threshold of three months from the acquisition date (“Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.”) The IASB has not yet reached any decisions on possible clarifications, and is planning to explore various solutions.

Amortised cost measurement project

Following on from previous discussions, the IASB, during its April 2026 meeting, re-examined the requirements for accounting for subsequent changes to the effective interest rate (EIR).

It is aiming to clarify the scope of paragraphs B5.4.5 and B5.4.6 of IFRS 9, in response to feedback from stakeholders. Readers will remember that the application of paragraph B5.4.5 generally leads to a re-estimation of the EIR without changing the carrying amount of the instrument, whereas paragraph B5.4.6 leads to a change in this amount against the income statement and leaves the EIR unchanged (the ‘catch-up’ approach).

The IASB has tentatively decided to amend paragraph B5.4.5 of IFRS 9 so that it relates to changes in the contractual interest rates that provide consideration for the time value of money or for the instrument’s credit risk.

The IASB staff consider that this change would have the following benefits:

- aligning the impact on profit or loss and the impact on cash flows resulting from changes in estimates linked to significant elements of a loan, i.e. interest rate risk and credit risk;

- confirming that a change in an estimate resulting directly from a change in the borrower’s credit risk falls within the scope of paragraph B5.4.5, which is currently the main source of uncertainty and variation in practice;
- removing the concept of market rates from the criteria set out in B5.4.5 – this was open to interpretation.

Updated Due Process Handbook published

On 30 April 2026, the IFRS Foundation Trustees published the updated [Due Process Handbook](#), which sets out the principles and procedures that must be followed when developing, maintaining and supporting the application of the standards published by the IASB and ISSB (International Sustainability Standards Board).

An update was necessary following the creation of the ISSB. The updated Handbook states that the IASB and ISSB follow the same rigorous, inclusive and transparent process for developing standards. It does not make any fundamental changes to this process.

The Due Process Handbook also covers the process for improving the Sustainability Accounting Standards Board (SASB) standards, which entities must take into account when applying the ISSB standards.

Forvis Mazars publishes a guide on IFRS 19 – Subsidiaries without public accountability: Disclosures

IFRS 19 introduces a new reduced disclosure framework for eligible subsidiaries—offering meaningful relief without compromising compliance with IFRS Accounting Standards.

This practical Questions & Answers article unpacks the key requirements of IFRS 19, including eligibility, scope, effective date, interaction with IFRS 18, and the areas where disclosure relief is most significant.

Designed for preparers, group finance teams and advisers, the article highlights where cost and complexity can be reduced while still meeting the information needs of users of financial statements.

This guide is available [here](#).

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Sustainability

ISSB agrees on the proposed way forward for nature-related disclosures

On 22 April 2026, the International Sustainability Standards Board (ISSB) announced that it had agreed to put its proposals for nature-related reporting requirements forward in the form of an IFRS Practice Statement. This would complement the requirements in IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, without changing the requirements in the Standards.

The Practice Statement would explain how to provide information when there are material nature-related risks without requiring jurisdictions adopting the ISSB's standards to adopt or endorse additional standards.

This approach is notably different to that for climate, which has its own standard. It will, as the ISSB notes however, have the potential to reduce additional complications in adoption for the countries currently in the process of implementing the ISSB's standards.

The ISSB expects to publish an exposure draft of its Practice Statement in October allowing for feedback on the proposed requirements, including on whether the Practice Statement route is the right form of standard-setting for these disclosures.

The ISSB's related press release and materials are available [here](#).

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