

## Abstract

The political party is an important political organization which plays a major role in the democracy. It is stated in all Thai constitutions for the purpose of carrying out political activities such as selected and scrutiny of political personnel, legislative procedure, and public movement on the dispute of economic, social and political. In order to operating the political activities, the political party needs to have an income. The sources of such income are limited as main income is from the donation. These lead to the political dominance because donator expects something in return such as the change of political policy or law which could make a profit to a special interest group. In order to prevent this problem, State shall provide the measure to support the political party with the aim of free the political party from dominance of special interest group.

The studied found that there is the Organic Act on Political Parties; B.E. 2550 provided the measure to support the political party in many ways. This can be separated into Financial Support by State and the Private Donation as follows:

1. Financial Support by State: can be divided into 2 types as follows:
  - (1) Annual Fund

The statute provided that the political party who send candidates for the general election and are elected on a proportional representation basis not less than 0.5 percent of an overall of the elected on a proportional representation basis will receive financial support. On the other hand, the political party who has the representatives on a proportional representation basis not less than 0.5 percent of total of the representatives on a proportional representation basis from all the country will receive financial support. The political party will gain a financial support from the fund according to the term and condition as provided by the Election Commission. In case the political party has not got representative form the general election in an amount of law provided or has not got the candidate, the State will be decrease or stop funding for that political party. This to prevent the political party is set up without actual political activity purpose but to gain the State's financial. It could help to encourage the political party to establish the political party for the political activities intention.

Besides, the State provided 5 percent of an amount of donation from taxpayer to the political party. The money come from a taxpayer who pays to political party as preferred. This is a measure which State grant to the political party as its political activities is accepted by the citizen.

(2) The State presents other measures such as an exemption of income tax and political asset tax for the political party which is in accordance with the Act. Because of the purpose of the political party is a non profit organization so it shall not pay for an income tax and Vat. Moreover, TV and radio air time fee of policy announcement of the political party that its members are elected will calculate to an expenditure of the next time election.

## 2. Private donation

In this Act, the revenue measure is applied as follows:

(1) Taxpayer shall donate 100 baht to the preferable political party in the revenue form. The money would be collected to the registrar of Revenue Department and transferred to the Fund and the political party. Thus, the taxpayer could participate to the democracy directly.

(2) According to the revenue code, the personal allowance of an individual shall be not exceeding 5,000 baht per fiscal year. In case a juristic person, expenditure shall calculate for the revenue not exceed than 20,000 baht per fiscal year. This measure could motivate the person to donate for the political party and get the tax deduction.

As the tax measure on the donation to the political party have not yet been provided, in order to support the political party apart from the financial support by State and motivate the private sector to donate as well as obtain the tax deduction, the writer suggested that to amend the Revenue Code as follows:

1. Section 58 shall provide the Director-General of the Revenue Department proclaim a notification according to the Section 56 and Section 56 bis in order to prescribe the personal income tax to donate 100 baht to their preferable political party in the tax form. Consequently, the taxpayer could participate directly to democracy.

2. Section 61 shall provide the donation according to the revenue code, thus it shall amend that an individual could be tax allowance for assessable income not exceed 5,000 baht for donating to the political party (added Section 47 (7) (C) of the revenue Code). In case of juristic person, the donation to the political party would be expenditure to assessable income at the rate not exceed than 2 percent of the profit but not exceed than 20,000 baht. This would be added from the expenditure of the other donation (amend the Section 65 ter (3)). The writer expects that it could be a motivation to the donators to give money to the political party because they could get tax deduction. Furthermore, the party will gain more income to carrying out its political activities without the Fund supporting only.