The objective of this study paper is to study the application of excise tax law to the spa business in Thailand, as well as to make recommendations for revising laws concerning the spa business. The study methodology is based upon the comparative study by collecting literature on excise tax theories under Thai, Turkish, South Korean, and the European Union laws.

It is found that at present, spa business is very popular in Thailand and the government promotes spa as one of main sectors to stimulate the Thai economy. While spa business expands quickly, the Excise Tariff Act B.E. 2527 becomes out of date, especially the definition provided under this Act which is unclear and unfair. This causes problems in interpretation and excise tax collection on spa business. It is essential to enact and amend the law to solve these problems. The law applied to the spa business should be prudent in order to fix the new problems and keep up with changing situations.

It is recommended that a more appropriate definition of the word “spa” is required. Additionally, the comparative analysis of Thai and foreign excise tax laws shows clearly that the Indian CENVAT is a good tax scheme which could be applied to the case of Thailand. It is considered to be one of effective double taxation elimination measures. Moreover, the analysis of this study also provides suggestions and possible resolutions to remedy these problems, that is, the amendment of Excise Tariff Act B.E. 2527 to collect excise tax properly and fairly.