

Constitutional Court Ruling No. 8/2557 (2014)

Central Tax Court

Applicant

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Respondent

Constitution, section 41;

Signboard Tax Act, B.E. 2510 (1967), section 7.

The Signboard Tax Act, B.E. 2510 (1967) was a law intended to enable a local government to collect revenues for the provision of public services for the benefit of people in the locality. Section 7 paragraph one provided that a trade operator or signboard owner had the duty to pay annual signboard taxes. There was an exception for a signboard installed or displayed in the first year, for which signboard taxes obligations commenced from the day of installation or display until the last day of the year with taxes calculated on a periodic basis, so as to mitigate burden of a trade operator or signboard owner who installed a sign for the first year to not have to pay signboard taxes for the entire year. Nonetheless, the requirement that a trade operator or signboard owner had to pay taxes during a period could result in taxes paid in excess of the actual days of signboard installation. However, upon consideration of the public interest conferred on the people in the locality, such tax collection was consistent with principles of trade collection facilitation, fairness and certainty. The tax did not cause damage to a person's property or lack of protection for the use or right to property of a person. Despite the mandatory measure prescribed by the state imposing certain restrictions on the right in property, such restriction of right in property was generally applicable, only to the extent of necessity and did not prejudice the essential substances of the rights and liberties. The provision was therefore neither contrary to nor inconsistent with section 41 of the Constitution.