

Legal, Tax and Business Consultants

Week 29-30 (16 – 29 July 2018)

Dear All,

Thailand legal news

• 16 July 2018:

- Announcement of the Ministry of Public Health re: Trans Fatty Acids (Partially Hydrogenated Oils) are prohibited to reproduce, sell, and import in Thailand regarding to section 5 and 6(8) of Food Act B.E. 2522
- According to an announcement of General Data Protection Regulation (GDPR) from EU on 25 May B.E. 2561, Ministry of Digital Economy and Society of Thailand has prepared to propose a draft of Data Privacy Law, and recently on the legislation process which will take approximately 6-7 month.
- Lazy Cat Travel which involved in recent boat tragedies linked to Chinese's tourist company in Chiang Mai. The information shows that about 49 per cent of Lazy Cat Travel's shares belong to a Chinese firm. In addition, both companies have the same committee.

• 17 July 2018:

- Alcoholic beverages are prohibited on Asalha Puja Day and The Buddhist Lent Day. A person who violates the law shall be punished with imprisonment not exceeding 6 months or fined not exceeding THB 10,000, or both.
- The Foundation for Consumers (FFC) urged the Food and Drug Administration (FDA) to launch regulations to follow up Trans Fatty Acids Ban compliance

• 18 July 2018:

- Ministry of Natural Resources and Environment has announced the Min. Reg. on Wildlife Protection (no.4) B.E. 2561 and the Min. Reg. on Reproducible Protected Wildlife (no.3) B.E. 2561. According to the approval of National Wildlife Protection Committee, 12 kinds of aquatic animals are recently added to the list.

Lorenz & Partners

Legal, Tax and Business Consultants

- The cabinet has approved Thailand bio-industry development measure B.E. 2561-2570. Moreover, the Ministry of Industry plans to revise and improve law and regulations to make Thailand to be the Bio Hub of ASEAN within B.E. 2570, which has bioplastic, biochemicals, and biopharmaceuticals as its main products.

• 19 July 2018:

- Securities and Exchange Commission (SEC) is preparing to draft an announcement of digital tokens' pre-sale arrangements, predicted to have public hearing soon.

• 20 July 2018:

- National Legislative Assembly has approved Principle of Draft Act on Agricultural Products' Standard, which was proposed by the cabinet.
- **26 July 2018:** Student Loan Fund plans to set defensive measure to resolve debt defaults by borrowers, particularly students.

New Cabinet resolutions

• 17 July 2018:

- Approved Principle: Principle of Draft on the Notice of the Office of the Prime Minister to revoke the Notice of the Office of the Prime Minister governing National Minerals Management Policy Board B.E. 2559.
- o **Approved Draft:** Draft Ministerial Regulations No. ... (B.E. ...) to enforce principle city plan for the industry and community of Leam Chabang, Chonburi.
- Approved Principle: Principle of Draft on The Revenue Code Amendment Act (No. ..) B.E. (Collection of Value Added Tax from e-Business Operators in Foreign Countries). The essence of the Act:
 - Determine taxation notice submission or a letter to any person outside Thailand operating the e-businesses that are subject to taxation.
 - Determine VAT rate for e-services provided to recipients who are not VAT registrants.

Lorenz & Partners

Legal, Tax and Business Consultants

- Determine VAT terms and conditions for business operators outside Thailand, who provide e-services to recipients who are not VAT registrants and use that service in Thailand, also the owners of platforms (i.e. the owner of the computer system or website). Prohibit such VAT-registered operators from collecting VAT from the customers for the goods or services.
- Determine tax submission and payment for the operators outside Thailand and the owners of the platform through the RD's website.
- Require operators outside Thailand and owners of platforms, who are subject to VAT of the value prescribed by the Royal Decree, to submit tax applications in accordance with the rules, procedures and conditions prescribed by the Director-General of the RD.
- o **Approved Agreement:** Draft Financing Agreement between ASEAN and EU (potential promoting scheme to support ASEAN Coordinating Centre for Humanitarian Assistance (AHA Centre) in catastrophe and emergency management)

Royal Gazette Update:

| Date | Part | Subject |
|------------|------|---|
| 17 July 18 | Gor | • Islamic Bank of Thailand Act (no.2) B.E. 2561. Seeing that Islamic Bank of Thailand encountered difficulty on dramatic increasing of Non-Performing Loan (NPL), which affected bank's reserve fund and its liquidity, Islamic Bank of Thailand Act B.E. 2545 has to be edited to enable the Ministry of Finance to temporarily hold shares exceed 49 percent of all shares. |

Lorenz & Partners

Legal, Tax and Business Consultants

| 17 July 18 | Gor | The Saṅgha Act (no.4) B.E. 2561. According to Section 7 of Constitution of the Kingdom of Thailand, the King is a Buddhist and Upholder of religions, therefor, the royal tradition shall be maintained under the law. |
|------------|---------------|---|
| 19 July 18 | Ngor Piset | • Announcement of the Ministry of Finance re: result of government bond sale for debt restructuring (emergency decree for rescuing Financial Institution Development Fund: FIDF phase 2) in the 1 st fiscal year of B.E. 2561. |
| 21 July 18 | Gor | The Organic Act on Counter Corruption B.E. 2561 re: government officer shall submit an account showing particulars of assets and liabilities and supporting documents to the N.C.C. Commission. |