



## Legal Update Week 37-38 (10 – 23 September 2018)

Dear All,

### Thailand legal news

- **10 September 2018:**

- The lottery vendor who lied about THB 90 million first-prize winning lottery was charged with forging official document, public deception, overpricing lottery tickets, and computer crime for posting fake story on the internet.
- The NLA approved the Expenditure Budget of the Fiscal Year B.E. 2562, total amount THB 3 trillion. The Ministry of Education got the highest amount at THB 4.8 hundred billion.
- Draft Land and Building Tax Act was still on the detail consideration of the committee with no additional progression and may not be able to enforce within 1 January 2019 as announced. The new estimate enforceable time is 2020.

- **11 September 2018:**

- Draft on Copyright Act (No. ..) B.E. .... has been approved by the NLA to enable disabled persons to equally access copyright works by amending limitations and exceptions of the copyright infringement for the benefit of disabled persons.

- **13 September 2018:**

- Government leaders was reiterating that Thai national elections will be held on 24 February 2019.

- **14 September 2018:**

- According to the “Safety Thailand” scheme, the Department of Labour Protection and Welfare (DLPW) announced to support employers on safety standard development, as well as accident and work-related disease protection in work place. In addition, low interest loans are provided through safety fund. For more information, call +66 2 448 8338 ext. 833 (Labour Safety Division).

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- **17 September 2018:**

- The DLPW suggested employers to provide general welfare for employees in form of money saving to build economic security and readiness to become Aging Society. The DLPW also promotes companies to provide employees health-supporting welfare. For suggestion on particular case, call +66 2 246 6774 or +66 2 246 0383 (Labour Welfare Division).

- **20 September 2018:**

- Principles of draft Labour Protection Act (No. ..) B.E. .... were unanimously approved by the NLA meeting on 20 September 2018. Major principles are as prescribed below;
  - Change of employer requires employee's consent.
  - Employee is entitled to at least 3 days paid personal leave per year.
  - Pregnant employee is entitled to leave for pre-natal care checkup (considered as maternity leave).
  - Increase severance pay for employee who continuously works 20 years or above.
  - Establishment relocation includes relocating to new places or other places of employer.
  - Etc.

- **21 September 2018:**

- Ford Thailand was ordered to pay THB 23 million compensation (THB 20,000-200,000 per person) to 296 buyers on defect of clutch and gear systems (powershift transmission). This case was the first class action suit in Thailand, filed on 3 April 2017 alleged that Ford sold defective and unsafe product due to manufacturing process (transmission). The court ordered the lawyer fee + award for class action lawyer amounting to THB 950,000.

- **22 September 2018:**

- Academician suggested to use 'Article 44' to unlock the use of **marijuana** for medical purpose. The government said they were on a researching process on its effect and how to control the production. However, two new draft narcotic laws have already been submitted to the NLA with main changes on how to take care of drug-related people and plant research for medical use e.g. marijuana, these laws are soon to be considered.
- The government will hastily amend the Revenue Code before election in 2019. Main changes will be;
  1. Appointing National Tax Policy Consulting Commission;

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2. Categorizing personal income tax to merely 3 type and reducing personal income tax from maximum 35% to 25 %;
  3. Reducing corporate income tax from maximum approx. 28% (CIT + withholding tax for dividend payment) to 25%;
  4. Registering VAT when business income reached THB 10 million per year (previously THB 1.8 million per year).
- **23 September 2018:**
    - The Supreme Administrative Court dismissed a petition by owners of the Aetas Hotel and Residence facing demolition in Bangkok's Pathumwan district, saying the case did not involve an administrative order.
    - The Foreign Business Commission agreed to remove 3 service businesses from list annex three of the Foreign Business Act B.E. 2542 as follow;
      1. Lending to national affiliate group;
      2. Office rental service with public utility for affiliate group;
      3. Consulting business for affiliate group (management, marketing, human resource, information technology).
- The removal will ease and attract foreign investors as a permission was no longer required for such businesses.

## New Cabinet resolutions

### 11 September 2018:

- **Approved Draft:** Draft on Act Amending the Civil Procedure Code (No. ..), B.E. .... (focusing on the mediation prior to the court proceedings)
  - Before filing civil cases, parties may submit a motion to the court to appoint **mediator to reconcile and compromise** the dispute.
  - In case of making compromise agreement, either party is entitled to submit a motion to the court to render consent judgement.
  - The court can inquire the compromise agreement. If the court considers that such agreement intends to avoid the public interest protection law or legitimacy of public policy or third party, the court shall refuse to render the consent judgement.

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- **Approved Draft:** Draft on Digital Identification Act B.E. .... (Digital ID Act)
  - Specify definition of “Identification” and “Platform”
  - Authorize “Digital Identification Oversight Committee”
  - Digital ID Service shall be in corporate form and hold service license issued by the Minister.
  - Service company, proxy server provider, or members shall operate the Encryption or any operation to keep confidentiality and safety of information.
  - Prescribe sanction and punishment for damage caused by service company, proxy server provider, or members.
- **Approved Draft:** Draft on Royal Decree enable Mass Rapid Transit Authority of Thailand (MRTA) to operate the transit business in Chiang Mai, Phang-Nga, and Phuket B.E. ....

## **18 September 2018:**

- **Approved Draft:** Draft on Sustainable Agriculture Promoting and Developing Act B.E. ....
- **Approved Draft:** Draft Act protecting people who enter land sale with the right of redemption contract for agriculture or accommodation B.E. ....
  - To protect people from unfair contract by giving clear definition, prescribing right and responsibility of buyer and seller, specifying duty and power of land official, and adding related provisions.

## Royal Gazette Update:

Date	Part	Subject
12 September 18	Gor	• The Organic Act on the election of Members of the House of Representatives B.E. 2561 and the Organic Act on the acquisition of Members of the Senate B.E. 2561.

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19 September 18	Gor	<ul style="list-style-type: none"><li>● Announcement of the Election Commission on the number of members of the house of representatives and the number of constituencies.<ul style="list-style-type: none"><li>- Number of eligible people: 66,188,503</li><li>- Average 189,110 people per 1 member.</li><li>- Number of people in BKK: 5,682,415 = 30 members, 30 constituencies.</li><li>- Total representative members: 350</li></ul></li></ul>
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