



## Legal Update Week 1 - 2 (1 – 14 January 2019)

- Highlights:**
- Tax refund cheque is unavailable from 1 January 2019 onwards
  - Child allowance under the Social Security Act is increased from THB 400 to THB 600/month/child
  - Wage payment made to daily employee between 1 April 2018 to 31 December 2018 will be exempted from taxes

### Thailand legal news

- **1 January 2019:**
  - The Revenue Department no longer mails tax refund cheque. Effective from 1 January 2019, it will be processed through KTB, BAAC, or PromptPay account. \*70% of taxpayers are using PromptPay for tax refund, while merely 30% choose tax refund cheque and decreasing every year.
- **4 January 2019:**
  - The Department of Internal Trade (DIT) planned to control prices of foods selling in restaurants, due to many complaints from consumers that the prices, especially in the tourist places, were unreasonably high. The measures will later be discussed. Initially, the DIT planned to set standard capped percentage of profit (the number of percentages may depend on types of restaurants). For 10% service charge, the DIT opined that it is unfair and should be a consumer's choice to pay or not. \*In conclusion, this is just a "plan & policy" of the DIT in 2019, the actual measures have not yet been confirmed.
- **8 January 2019:**
  - The EU has lifted Thailand from the group of warned countries (yellow card) for its progress in resolving Illegal, Unreported and Unregulated (IUU) fishing, e.g. amending the legal framework on fisheries to be in line with related international commitments. \*The yellow card was issued to Thailand since April 2015 (almost 4 years ago).

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- **9 January 2019:**

- It was proposed that medical supplies, services, and drugs should be under the price control to ensure fairness for both patients and operators of private hospitals (this change resulted in dramatic drop of hospital's share price e.g. BH, BDMS), while sugar, pulp, plastic pellets, and automotive batteries will be removed from the price control list (because they are more competitive now, no need to be controlled anymore). The private hospitals are opposing this regulation.
- The Port Authority of Thailand (PAT) planned to develop commercial area as a new landmark of Bangkok at Klong Toey port (approx. 2,300 Rai). For the people who live in the slum, the PAT will offer 3 choices: (1) moving to 33 sq.m. condo unit (to be built), (2) moving to 78 sq.m. vacant plot (out of town), or (3) receiving THB 200,000 cash to go back to their hometowns.  
\*Complete relocation may take up to 10 years.

- **10 January 2019:**

- The DBD was allowed to connect personal facial pictures database (from the Department of Provincial Administration) to its system on the purpose of authentication. This will help supporting investment and reducing false information report.
- The NLA considered at least 64 legal drafts for the last 3 weeks (25 Dec 2018 – 11 Jan 2019). The highlight drafts are:
  1. Draft Cybersecurity Act
    - This draft differs from the one proposed by the Ministry of Digital Economy and Society which has already been approved by the Council of State.
    - Several types of committees are appointed to balance the power i.e. National Cybersecurity Committee, etc.
    - Cyber-attack classification.
  2. Draft Factory Act
    - Narrow down the definition of "Factory" under the government control to cover merely factory with machinery  $\geq 50$  hp and/or  $\geq 50$  employees. (Previously, 7 hp and/or 5 employees). This change will cause 70,000 factories (out of 140,000) to be out of government control under the Factory Act.
  3. Draft Government Lottery Office Act
    - Grant power to the Government Lottery Committees to indicate quantity, type, and selling channel of the lottery e.g. online, vending machine.
    - Punishment for selling overpriced lottery tickets.

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- **12 January 2019:**
  - Buses fares in Bangkok have been increased, please see the below table.

<b>Non-air-conditioned bus</b>			
Type	Before 21 Jan 2019 (THB)	21 Jan 2019 - 20 Jan 2020 (THB)	After 20 Jan 2020 (THB)
Red-cream	6.5	8	10
<b>Air-conditioned bus</b>			
Type	Before 21 Jan 2019 (THB)	21 Jan 2019 - 20 Jan 2020 (THB)	After 20 Jan 2020 (THB)
Blue-cream	10-18	12-20	13-21
Orange (EURO II)	11-23	13-25	14-26

- **14 January 2019:**
  - Thai Industrial Standards Institute (TISI) notified 120 independent automotive dealers (importers) to undertake Thai Industrial Standard on pollution verification for 4,000 imported cars. Failing to do so within 30 days, it shall be deemed a violation of the Industrial Product Standards Act B.E. 2511 (imprisonment not more than 2 years, fine not more than THB 1 million, or both) and the cases will be handed over to the DSI for the investigation on money laundering.

## New Cabinet resolutions

### 8 January 2019:

- **Approved Draft:** Draft Marine Insurance Act (MIA) B.E. ....
  - Thai MIA has been drafted correspondingly with Marine Insurance Act 1906, Insurance Act 2015, and Limitation Act 1980 of England.  
\*This is the first MIA of Thailand. In the past, when disputes arose, the MIA of England had been used by Thai court as the general legal principle.
- **Approved Draft:** Draft Boxing Act (No. ..) B.E. ....
  - All boxers have to be registered before joining the competition, and young boxers (below 20 years old) must have written consent from his/her legal representative. For oversea competition, the boxer must obtain permission from registrar.

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- Rules and conditions of boxing competition for young boxers (below 15 years old). \*not yet been revealed.
- Boxing petitions committee.

\*The previous edition of the Boxing Act was enacted in B.E. 2542 (20 years ago) which is quite outdated, it barely concerns about children's right and its effect to children. Recently, the 13-year-old boxer was knocked out and died. That situation raised awareness to Thai society to revise the boxing law for more protection to children.

## Royal Gazette Update:

Date	Part	Subject
2 January 19	Gor	<ul style="list-style-type: none"><li>● Ministerial Regulation on Child Allowance B.E. 2561 (issued under the Social Security Act)<ul style="list-style-type: none"><li>- Child allowance is increased from THB 400 to <u>THB 600/month/child</u> (age under 6 years old, 3 children maximum).</li><li>- The increased amount of THB 200 will be paid retroactively from 1 January 2018. The payment shall be made from 31 January 2019 onward.</li><li>- For more information, please contact the Social Security Office via 24-hour hotline 1506 (available in both Thai and English language) or see on the link below: <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/001/T_0001.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/001/T_0001.PDF</a></li></ul></li></ul>
4 January 19	Ngor Piset	<ul style="list-style-type: none"><li>● Announcement of the Ministry of Natural Resources and Environment (issued under the Promotion and Conservation of National Environmental Quality Act B.E. 2535 amending by the Act (No. 2) B.E. 2561) prescribing regulations, methods, and conditions of the following requirements:<ol style="list-style-type: none"><li>1. Environmental Impact Assessment (EIA): <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/003/T_0001.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/003/T_0001.PDF</a></li><li>2. Environmental Health Impact Assessment (EHIA): <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/003/T_0012.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/003/T_0012.PDF</a></li></ol></li></ul>

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		<p>3. Follow-up report of the EIA (monitoring procedure after granting permission):</p> <p><a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/003/T_0019.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/003/T_0019.PDF</a></p>
4 January 19	Ngor Piset	<ul style="list-style-type: none"><li>● Announcement of the Director-General of the Revenue Department (No. 9) regarding tax exemption for wage payment made to daily employee.</li><li>- Applying with daily wage payment between 1 April 2018 to 31 December 2018 only.</li></ul> <p>*This scheme is aimed to mitigate the duty of the employer, due to the increasing of minimum wage which began on 1 April 2018.</p> <p>(FYI: The minimum wages are various depending on the provinces e.g. THB 330 for Chonburi, Phuket, Rayong and THB 325 for Bangkok, Nonthaburi, Samut Prakan.)</p>
11 January 19	Gor	<ul style="list-style-type: none"><li>● Min. Reg. on temporary fees exemption for single entry tourist visa B.E. 2562</li><li>- THB 2,000 visa-on arrival fees are waived until 30 April 2019 for tourists travelling in Thailand not more than 15 days from 21 stipulated countries. *Previously, the VOA is waived until 31 January 2019, but now it has been extended to the end of April due to the success of this scheme (tourists are apparently increased).</li></ul>