



Legal Update Week 23 - 24 (1 - 14 June 2020)

Thailand legal news

Highlights:

• 2 June 2020:

- The Ministry of Commerce assigned Department of Business Development (DBD), in cooperation with the relevant government offices, will improve the service for more convenient and faster new companies registration process, by simplifying some procedures as follows:

1. Combine incorporate, VAT, and social security registration in one process from 20 April 2020;
2. The name reservation can be completed in half a day using Artificial Intelligence (AI) to support the officers;
3. Develop an online e-Registration system without having to visit a DBD office.

• 5 June 2020:

- The Federation of Thai Industries (FTI) together with government banks introduced the new financial consulting service platform named Advisory Clinic @ F.T.I. Connect for SMEs who are affected by Covid-19 pandemic to gain access low-interest loans easily (3% for first two years).

• 14 June 2020:

- The Industrial Estate of Thailand (IEAT) approved measures to encourage the investment in Sakaeo industrial estate zone (as one of a Special Economic Zone : SEZ which is affected by

- The new developed measures issued by DBD to develop the online incorporate registration system

- Deduct the land and building tax payment amounting to 90 percent

- The withholding tax rate reduced to 1.5 percent by September 2020

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COVID-19) by providing promotions for the new investor (rental agreement within 31 August 2020) as follows:

1. Rental fee exemption for the first year;
2. Maintenance fee exemption for the first year (lease period of more than 5 years, but less than 30 years);
3. Other additional measures.

New Cabinet resolutions

- **2 June 2020:**
 - **Acknowledged:** BTS Group Holdings was approved to develop the "Eastern Airport City" project (project amount THB 290 Billion) to used as main infrastructures for Thailand's Eastern Economic Corridor (EEC);
 - **Approved Draft:** Draft notification of Ministry of Labor on the extension of the exemption period for the 3 groups (Cambodian, Lao, Myanmar) to stay and work in Thailand under the MOU due to Covid-19 the draft notification on the permission of aliens to work in Thailand due to Covid-19 pandemic (from 1 May until 31 July 2020).
 - **Approved principle:** Draft royal decree under the Revenue Code on the tax exemption (No. ...) B.E.(The tax measure for educational support)
 - Extend the period for donation for education (governmental schools, private higher education institutes, education institute found under a convention or MOU) via e-Donation 1 January - 31 December 2020.
- **9 June 2020:**
 - **Approved Draft:** Draft act amending the Revenue Code (No. ...) B.E. (VAT collection on cross-border electronic services (e-Service))

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- Enforce foreign e-Service providers (i.e. online streaming service providers) who obtain revenue of more than BTH 1.8 Million per year from providing electronic services to domestic customers in Thailand.
- **Approved Draft:** Draft Act amending CCC (No. ...) B.E. amended on the topics as follows:
 1. Regardless of the company's address, applications for private companies and partnerships registration or subsequent amendment can be submitted at any DBD offices.
 2. Ministry of Commerce can establish or waive any service fees for registration or request for any corporate documents.
 3. The company's memorandum of association will be automatically expired in case there is no incorporation registration of the company for 3 years.
 4. The share certificate is required to be affixed with a company seal (if any).
 5. The Board of directors' meeting can be held via electronic method.
 6. Invitation for general meeting can be submitted only via registered post, excluding for the bearer shares (newspaper posting is not required).

Government Gazette Update:

Date	Part	Subject
1 June 2020	Ngor Piset	<ul style="list-style-type: none">• Regulations of the Board of Directors of the Industrial Estate Authority of Thailand Governing Rules, Procedures and Conditions for receive an exemption for goods imported to Thailand and free zones for exportation- Provides the procedures and criteria for the exemption for the importation, exportation and possession or utilization of imported goods under free zones.

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		<ul style="list-style-type: none"> - <u>Effective date:</u> 2 June 2020 http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/128/T_0038.PDF
	Ngor Piset	<ul style="list-style-type: none"> ● Revenue Departmental Order No. 'Taw. Paw 324/2563 regarding the withholding tax. - Amend the assessable income under Section 40(2), 40 (3), 40(6), (7) and (8) to be subject to the rate of 1.5 percent from 1 April 2020 to 30 September 2020. - <u>Effective date:</u> 1 April 2020 http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/128/T_0051.PDF
	Ngor Piset	<ul style="list-style-type: none"> ● Order of the Centre for the Administration of the Situation due to the Outbreak of the Communicable Disease Coronavirus (COVID-19) No. 2/2563 re: Guidelines based on Regulations Issued under Section 9 of the Emergency Decree on Public Administration in Emergency Situations B.E. 2548 (Issuance no.3) - The public transportation for people and goods traveling between the provinces starting from the province of loading at 11 pm. and arrive at the province of destination at 3 am. of the next day are permitted to transport during the period of curfew. - <u>Effective date:</u> 1 June 2020 http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/128/T_0054.PDF
10 June 2020	Gor	<ul style="list-style-type: none"> ● Royal Decree on Land and Building Tax Reduction B.E. 2563 - Reduce the land and building tax for 90 % for 2020. - <u>Effective date:</u> 11 June 2020 http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/042/T_0001.PDF
	Gor	<ul style="list-style-type: none"> ● Regulation of Committee on Jurisdiction of Courts on electronic meeting B.E. 2563. - The committee is eligible to hold the meeting via electronic method with the attendees more than 3 in 4 of the overall attendees. - <u>Effective date:</u> 11 June 2020 http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/042/T_0011.PDF