



## Legal Update Week 1 - 2 (1- 17 January 2021)

### Thailand legal news

#### Highlights:

- Employer and employee allowed to freeze or delay the provident fund contributions

- Extend the reduced withholding tax rate until the end of 2022

- Notification of the Medical Committee under the Social Security Act re: criteria and treatment rate in case of Covid-19 infection

- **12 January 2021:**

- Due to the Covid-19 pandemic, both employer and employee can freeze or delay the provident fund contributions for an additional 6 months (from January's payment period until the end of June 2021) as permitted by the Ministry of Finance.

- **13 January 2021:**

- The Bank of Thailand extended the financial relief measure to 30 June 2021 granting financial institutions, such as commercial banks, to arrange financial support to borrowers (e.g. suspending the loan repayment period to a maximum of 48 months for credit card and personal loans).

- **14 January 2021:**

- The Commerce Minister announced to maintain the price control of 55 products in relation to the prevention of COVID-19 (e.g. face masks, raw materials for medical face mask production, alcohol-based hand sanitiser, and recyclable paper).
- The driving test and written exam for driving license renewal is temporally suspended until 31 March 2021. Drivers who

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want to renew their licenses are **not** required to take the written or driving tests under following conditions:

1) If the license has expired for less than 3 years, the license holder is not required to take a written exam, but still must pass a physical check-up and classroom training.

2) If the license has expired for more than 3 years, the license holder is not required to take a driving test, but still must pass a physical check-up, a written exam, and classroom training.

- **15 January 2021:**

- Many hotel operators hesitate to register as alternative state quarantine (ASQ) due to the second wave of domestic COVID-19 cases, which resulted in a severe decrease of travel bookings, as announced by the Thai Hotels Association (THA). Moreover, some operators who registered as alternative local quarantine (ALQ) in Phuket consider to deregister from the program, but there is no guideline on the deregistration process issued by the government office.
- The draft guidelines for collection of THB 300 tourism fee for each international visitor was approved by the National Tourism Policy Committee. This fund is planned to be the medical treatment budget, including insurance coverage in case of sickness or injury of foreigners.

- **16 January 2021:**

- The expansion development project for Suvarnabhumi airport was approved, worth approx. THB 60 billion, in order to prepare air-travel demands after the COVID-19 pandemic has been resolved. The project includes the construction of 3 new terminals, expected to be completed by 2024, having the capacity of 60 million passengers per year.

## New Cabinet resolutions

- **5 January 2021:**
  - **Approved principle:** Draft Ministerial Regulation determining the characteristics, method of display, and the usage of the TISI mark (issue no. ...) B.E. ...
    - Extends the enforcement of the TISI mark in the QR Code form for 6 months (effective new enforcement date in July 2021).
  - **Approved Draft:** Draft 2 Ministerial Regulations:
    - Draft Ministerial Regulation re: determining the standard of management and operation on Occupational Safety, Health and Working Environment Concerning Scaffolding and Supporting B.E. ....
      - Defines the terms “scaffolding”, “supporting”, “engineer”;
      - The employer must provide strong scaffolding in accordance with the characteristics and the manual issued by the manufacturer and the PPEs.
    - Draft Ministerial Regulation Prescribing Standards for Management and Operation on Occupational Safety, Health and Work Environment Concerning Construction B.E. ....
      - Determines the duties of the employer to prescribe and explain the process and ways to demolish the building to employees before the operation.
- **12 January 2021:**
  - **Approved principle:** Draft Royal Decree under the Revenue Code on the Tax Exemption (issue no. ...) B.E. ... (for donation to research, development and innovation fund):

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- PIT: Determines that any individual who donates via electronic means to the Science and Technology Development Fund, the Science Research and Innovation Support Fund, the Metrology Development System Fund, the Health System Research Fund can enjoy the **tax deduction of 2 times** of the paid amount, but **not more than 10% of the assessable income** after the deduction of the expenses and exemptions.
- CIT: Determines that any company or partnership that donates via electronic means to the aforementioned funds can **deduct 2 times** of the expense amount but **not more than 10% of the net profit** before deduction of the expenses for the charity distribution.
- **Approved principle:** Draft Royal Decree under the Revenue Code on the Tax Exemption (issue no. ...) B.E. ... re: tax exemption:
  - Extends the period of time of the tax exemption for companies and partnerships for **investment expenses paid for the development of tax systems**; e-Tax Invoice & e-Receipt, e-Withholding Tax, e-Tax Invoice & e-Receipt in the amount of 2 times of the actual paid amount from 1 January 2020 to 31 December 2022.
- **Approved principle:** Draft Ministerial Regulation (issue no. ...) B.E. ... re: income tax:
  - **Extends the period** of time of deduction of the withholding tax from 3% → 2%, and from 5% to 2% for the assessable income payment via the e-Withholding Tax system to the period between 1 October 2020 and **31 December 2022**.
- **Approved principle:** Draft Ministerial Regulation Issue no. ... under the Revenue Code re: the tax exemption (the exemption of personal income tax on or the allowance or other benefits received from the government in accordance

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with measures or projects for remedy and rehabilitative due to the Covid-19):

- Exempts the personal income received in 2020 from 4 governmental measures or projects, i.e. (i) compensation measures for employees in the businesses affected or others due to Covid-19, (ii) We Travel Together project, (iii) Empowerment project (Tiew Pun Suk), and (iv) half-half co-payment project (Kon La Kueng).

## Government Gazette Update:

Date	Part	Subject
5 January 2021	Phiset Ngor	<ul style="list-style-type: none"><li>• Notification of the Department of Employment re: determining Work Permit Application Form on behalf of foreign nationals of Cambodia, Lao PDR, or Myanmar, pursuant to the Cabinet Resolution dated 29 December 2020:<ul style="list-style-type: none"><li>- Prescribe the work permit application form on behalf of foreign nationals of Cambodia, Lao PDR, or Myanmar, pursuant to the Cabinet Resolution dated 29 December 2020.</li><li>- <u>Effective date:</u> 6 January 2021</li></ul></li></ul> <p><a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/003/T_0033.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/003/T_0033.PDF</a></p>
6 January 2021	Phiset Ngor	<ul style="list-style-type: none"><li>• Announcement re: extension of the declaration of the state of emergency for all areas in the Kingdom of Thailand (9th time)<ul style="list-style-type: none"><li>- Extend the state of emergency, effective 16 January 2021 to 28 February 2021.</li></ul></li></ul> <p><a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/005/T_0038.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/005/T_0038.PDF</a></p>
7 January 2021	Phiset Ngor	<ul style="list-style-type: none"><li>• Notification of Ministry of Finance re: the extension of the period for tax filing and tax payment via internet system (issue no.3):<ul style="list-style-type: none"><li>- Extend the tax payment period such as the form Por. Ngor. Dor 90, Por. Ngor. Dor 91, Por. Ngor. Dor 95 are postponed to within 8 April of the next year.</li></ul></li></ul>

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		<p>- <u>Effective date:</u> 8 January 2021 <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/006/T_0001.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/006/T_0001.PDF</a></p>
	Kor	<ul style="list-style-type: none"><li>• Ministerial Regulation re: notification of the factory expansion of type 3 which is exempted from applying for a license B.E. 2563:<ul style="list-style-type: none"><li>- Determines that the expansion of factory under Section 18/1 must be notified to the license grantor at least 30 days before the execution;</li><li>- Determines that the notification, fee payment, receipt of notification issuance can be processed via the electronic or local industrial office.</li><li>- <u>Effective date:</u> 8 January 2021 <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/A/001/T_0010.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/A/001/T_0010.PDF</a></li></ul></li></ul>
8 January 2021	Phiset Ngor	<ul style="list-style-type: none"><li>• Notification of the Ministry of Finance re: determination of the type of business, period, and conditions for employee or employer to cease or postpone sending the contribution or the contribution to the provident fund in the economic impacted flooding area or any situations affecting the economy (issue no. 2) B.E. 2564:<ul style="list-style-type: none"><li>- An employer or employee who is financially affected due to Covid-19 pandemic can temporary cease or delay the provident fund contributions temporarily from the payment due of January 2021 to June 2021 in which the status under the fund still remains and counts continually;</li><li>- The freezing or delay of contribution from the employer's side does not deter the contribution to the fund from the employee's side;</li><li>- Determines the required documents to apply for the program, such as the report of the meeting of the fund's committee.</li><li>- <u>Effective date:</u> 9 January 2021 <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/007/T_0001.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/007/T_0001.PDF</a></li></ul></li></ul>
11 January 2021	Phiset Ngor	<ul style="list-style-type: none"><li>• Notification of the Medical Committee under the Social Security Act re: criteria, and the treatment rate in case of Covid-19 infection (issue no. 2):</li></ul>

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		<ul style="list-style-type: none"><li>- The Social Security Office shall pay for Covid-19 diagnosis for the insured person or hospital in case the insured person meets the criteria for Covid-19 investigation and is not entitled to the treatment from other government departments as follows:<ol style="list-style-type: none"><li>1) For the infectious lab test, the office will pay the actual price as necessary but not more than the prescribed rate under the order of the department of medical sciences;</li><li>2) Other payments in relation to the infectious lab test service under the rate of THB 600 per time.</li></ol></li><li>- <u>Effective date:</u> 11 January 2021 <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/008/T_0032.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/008/T_0032.PDF</a></li></ul>
	Phiset Ngor	<ul style="list-style-type: none"><li>• Notification of Bank of Thailand no. 1/2564 re: the amendment of the annual public holidays of financial institutions and specialized financial institutions and the increase in the holidays, particularly:<ul style="list-style-type: none"><li>- Cancel the public holidays on 25 October 2021 (Substitution for Chulalongkorn Day) and announce that 22 October 2021 is a substitute holiday;</li><li>- Provide additional special holidays as follows:<ul style="list-style-type: none"><li>-Friday, 12 February 2021;</li><li>-Friday, 24 September 2021.</li></ul></li><li>- <u>Effective date:</u>11 January 2021 <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/008/T_0043.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/008/T_0043.PDF</a></li></ul></li></ul>
		<ul style="list-style-type: none"><li>- Notification of the Department of Business Development re: the issuance of the registration certificate service and the certified copy of the corporate documents under new wave of Covid-19 pandemic B.E. 2564:<ul style="list-style-type: none"><li>- The registration certificate and certified copy of corporate documents can be requested via DBD website;</li><li>- The applicant can choose either electronic files (PDF) or paper delivered by post;</li><li>- This allows the registrar to use the e-signature with the public key infrastructure which has the same legal effect as signing on the paper.</li><li>- <u>Effective date:</u>11 January 2021 <a href="https://www.dbd.go.th/download/article/article_20210112120354.pdf">https://www.dbd.go.th/download/article/article_20210112120354.pdf</a></li></ul></li></ul>