

Legal Update Week 21-22
(23 May – 5 June 2022)

Thailand Legal News

Advanced Info Services Pcl. (AIS) to takeover Triple T Broadband (3BB)

- On 4 July 2022, AIS has approved Advanced Wireless Network Co., Ltd. (AWN; AIS's subsidiary) to enter into an Undertaking Agreement with Jasmine International Pcl. and Aeumen Co., Ltd. (ACU; Jasmine's subsidiary) to purchase approx. 7.5 billion shares of 3BB (approx. 99% of the total number of shares sold), totaling approx. THB 30 Bil. (USD 800 Mil.). Due to this takeover, AWN will also acquire another 2 subsidiaries of 3BB: Triple T Internet Co., Ltd., and In Cloud Co., Ltd. Prior to the acquisition, AWN will request permission to enter into the transaction from the Office of the National Broadcasting and Telecommunications Commission (NBTC), and it is anticipated that the share purchase process will be completed successfully by the end of March 2023.

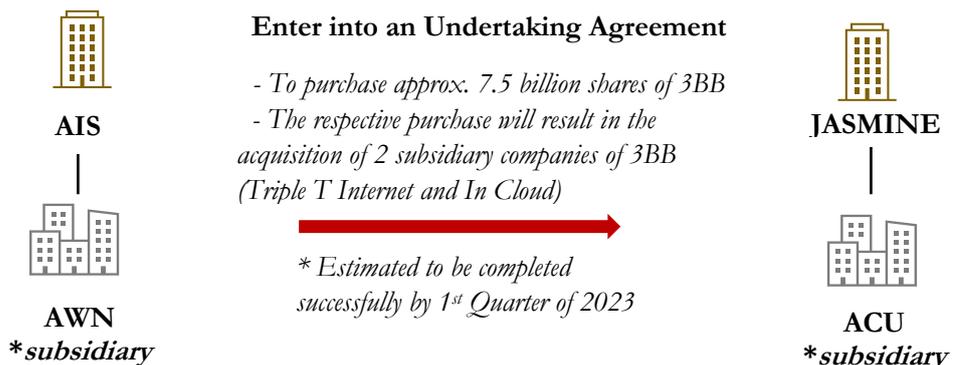
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Cabinet Resolutions

24 May 2022

Improvement of lead time for governmental approval

- The Cabinet has acknowledged the guidelines for improvement of the approval consideration period by government agencies. In this regard, the time needed to process applications will be **cut in half** (from the normal time process), as standards for the processing times of certain government organisations are determined from the beginning (the document submission) until the end of the application consideration process (the signing/committee resolution). Application for Foreign Business License (the Department of Business Development) is an example of an application whose approval consideration timeline will be shortened.

<https://www.thaigov.go.th/news/contents/details/54960> (item no.7)

Legal Principles of Platform Economy

- In order for platform business operators to be properly supervised by the relevant government agencies, to undertake fair business practices, and to protect users'/consumers' rights when utilizing platform services, the legal principles of platform economy will be implemented. There are 10 legal principles as follows:

Legal Principle 1: Purpose and Scope of Law

The business operators will be divided into 5 groups: 1) Intermediary services, 2) Hosting services, 3) Online platform, 4) Very Large Online Platform, and 5) Gatekeeping Platform

**Exclude: small service providers (less than 10,000 daily transactions), service providers with a limited scope of services (not for the general public; only for internal use in the organisation or for niche groups), and service providers who provide services only for goods/ services for which they are the distributor or manufacturer.*

Legal Principle 2: General Duties of All Business Operators

Prepare the transparency report and the system for receiving user problems notification

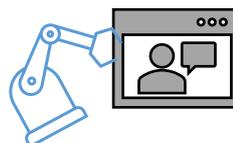
**International service providers must have a representative in Thailand or an electronic channel for communication between the executive of business operators and the supervisory authority.*

Legal Principle 6: Accreditation of Trusted Flagger

Legal Principle 7: Supervision of Contracts between Platform Operators and Service Users

Legal Principle(s) 8, 9: The Authorities and Power of the Supervisory Authority (Electronic Transactions Development Agency) and the Cooperation with Other Relevant Agencies

Legal Principle 10: Maintain Fair Competition in the Platform Economy (use Ex-ante Approach)



Legal Principle(s) 3, 4, 5:

Additional Duties of Business Operators

- Have procedures or systems in place to be notified of any wrongdoing or use of illegal information
- Have measures in place to prevent against wrongdoing and damage to the platform

<https://www.thaigov.go.th/news/contents/details/54960> (item no.8)

Government Gazette**Tax relief measure for digital assets**

- Royal Decree(s) No. 744 and 745 (B.E. 2565) issued under the Revenue Code regarding Tax Exemption was published. The purpose is to exempt Value Added Tax (VAT) for transfer of **cryptocurrencies or digital tokens traded on a digital asset exchange platform** in accordance with the law of digital asset businesses, and for transfer of **digital currencies issued by the Bank of Thailand (BOT)**. The exemption period commences from 1 April 2022 until 31 December 2023.

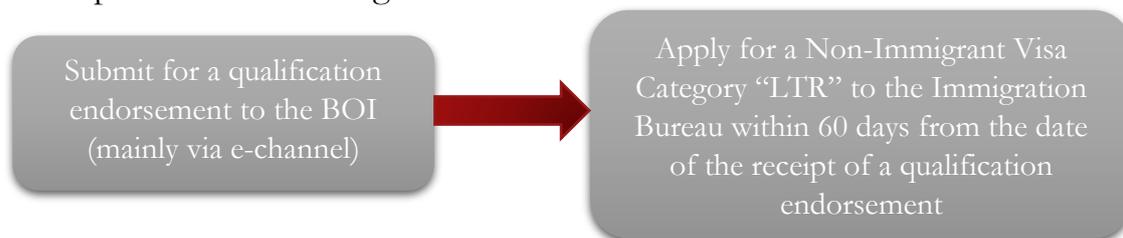
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http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/A/033/T_0004.PDF

Government measure to attract High-Potential Foreigners

- Under this measure, the Ministry of Interior (MOI) aims to grant exclusive benefits to high-potential foreigners who qualify for Long-Term Resident (LTR) Visa for a long stay in Thailand. The Revenue Department offers tax privileges for those qualified foreigners as well.
 - o The MOI Notification sets forth the qualifications and requirements for a 10-year LTR Visa, in which it will be proposed to 4 targeted groups:
 - 1) wealthy global citizens;
 - 2) pensioners from abroad;
 - 3) Work-from-Thailand professionals; or
 - 4) Highly-skilled professionals.

The process of obtaining a LTR Visa is as follow:



**Remark: The fee for LTR VISA Application is a one-time fee of THB 50,000 (for the applicant, including spouse and descendants).*

- o Moreover, the offered tax privileges are classified by the types of qualifications as shown below:

Qualifications	Tax Privileges
1. Wealthy global citizens	Personal Income Tax (PIT) exemption for assessable income earned in the previous tax year, as a result of work or business performed in foreign countries or due to assets being located in foreign countries, and bringing cash into Thailand.
2. Pensioners from abroad	
3. Work-from-Thailand professionals <i>*working online and have income from abroad, but stay in Thailand over 180 days</i>	
4. Highly-skilled professionals	<p>In case the assessable income is subject to more than 17% withholding tax (WHT), WHT will be reduced to 17% for the assessable income, related to employment in the targeted industries operators.</p> <p>In case the WHT is less than 17%, it can be exempted from having the respective income combined for computation of PIT, if the earner agrees to the at the rate of 17% of the income to be withheld by the payer.</p> <p>In case the taxpayer does not claim for tax refund or credit (wholly or partially), this assessable income will not be included in the computation of PIT when filing an assessable income.</p>

http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/A/032/T_0029.PDF

http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/E/124/T_0011.PDF

Public Limited Companies Act (No. 4) B.E. 2565 (2022)

- On 24 May 2022, the amendment to the Public Limited Companies Act has been enacted, in order to add the conduct of electronic meetings and other related matters for public limited companies. Therefore, this will allow public limited companies to hold board of directors' meetings and shareholders' meetings via electronic means under the requirements and procedures specified in this Act.
**Remark: The conduct of e-meetings by public limited companies during COVID-19 pandemic is governed under the Emergency Decree on Electronics Meetings B.E. 2563 (2020).*

http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/A/032/T_0018.PDF