

Legal Update Week 43 – 44 (24 October – 6 November 2022)

Thailand Legal News

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Thailand's National Innovation Agency plans to support innovation startups (27 October 2022)

Thailand's National Innovation Agency plans to provide grants to startups in targeted sectors for up to THB 5 million (approx. USD 130,000) for each company. The grant is focused on six sectors: 1) high-value food for export, 2) food security, 3) circular and low-carbon economy, 4) clean energy, 5) digital technology incorporating AI, robotics, augmented or virtual reality (ARI Tech), 6) electric vehicles, and related technology. The plan is aimed to build new industries to support the economy.

<https://www.nationthailand.com/thailand/policies/40021452>

Board of Investment announces new incentive measures for investors (4 November 2022)

The Board of Investment (“BOI”) has announced new incentives and measures under the 5-year Investment Promotion Strategy (2023 – 2027), which will be effective from January 2023, and detailed as follows:

- 1. Retention & Expansion Program:** up to 3 years of corporate income tax (“CIT”) exemption, or a 50% CIT reduction for up to 5 years for eligible long-standing investors.

2. **Relocation Program:** an additional 5-year CIT exemption for companies relocating all their activities to Thailand.
3. **New Industry Categories:** more activities are promoted under the BOI scheme, for example, the manufacturing of hydrogen vehicles, electric vehicle (EV) battery swapping stations, novel food, organic food, etc.
4. **Premium Incentive for Advanced Technology Sectors:** 10 to 13 years CIT exemption for the investment in upstream industries (Biotech, Nanotech, and Advanced Material Tech) that cooperate and transfer the investment technology to Thai higher education institutions and research facilities.
5. **New Economic Corridors:** approval of new economic corridors in four regions

Economic Corridors	Targeted industries
Northern Economic Corridor (NEC)	Agriculture and food, digital, wellness tourism
North-Eastern Economic Corridor (NEEC)	Agriculture and food, and biology
Central-Western Economic Corridor (CWEC)	Agriculture and food, and electronic and electrical appliances.
Southern Economic Corridor (SEC)	Agriculture and food, biology, and tourism and wellness tourism.

6. **Ease of Doing Business:** appoint a sub-committee to eliminate obstacles and to facilitate of investment

https://www.boi.go.th/index.php?page=press_releases_detail&topic_id=133211

Amendment on value-added tax registration and the issuance of value-added tax certificate (30 September 2022)

The amendment mandates value-added tax ("VAT") registration for any businessperson who holds an electronic commercial certificate and conducts sales of goods or provides service through the internet ("**online businessperson**") in a condominium unit without having other places of business. The online businessperson shall give consent to the electronic platform business operator (website, application where the online business is operated) to disclose the information to the Revenue Department to certify the existence of the online business.

http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/E/254/T_0078.PDF

Criteria for securities offered by private placement of small, medium, and large enterprises (1 November 2022)

The announcement allows small, medium, and large enterprises (company limited) to offer new securities through private placement to eligible investors. However, the offering enterprises will have to follow the duties and restrictions under the announcement and other related regulations, such as providing the investor with a fact sheet, prohibiting the advertisement of the private placement of new securities, and reporting the results of selling securities to the Securities and Exchange Commission ("**SEC**"). The details of the criteria are as follows

Size of Enterprise	Eligible Investors		
	Institutional Investors (II)	ESOP*	PP<10**
Small	/	/	x
Medium	/	/	/
Large	/	/	/

*ESOP = Offering of securities to directors or employees or the subsidiary of the offering company

**PP<10 = Offering to private placement investors with no more than 10 investors and has an offering value in total not exceeding 50 million baht at any time, excluding the portion offered to II and ESOP

http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/E/258/T_0022.PDF