

Legal Update Week 45 - 46 (7 – 20 November 2022)

Thailand Legal News

Court accepts the case for revocation of True-Dtac merger

The Central Administration Court accepted the case from the Thailand Consumer Council (TCC) requesting for the revocation of the National Broadcast and Television Commission's (NBTC) resolutions in acknowledging the True-Dtac merger. TCC alleged that the NBTC did not conduct public hearings before setting specific conditions and measures. Moreover, they also alleged that the meeting in which the resolution was made, was concluded unlawfully.

<https://www.nationthailand.com/business/corporate/40022097>

Temporary break on Power Development Fund contributions

Energy Regulatory Commission approved a resolution to temporarily suspend contributions to the Power Development Fund from electricity distribution licensees. Such measures will reduce the cost of electricity by 0.0063 baht per unit. The measure will take effect from January 2023 onwards.

<https://www.nationtv.tv/news/economy-business/378892495>

Extension of the payment deadline for land and building tax

Ministry of Internal Affairs approves the extension of tax payment under the Land and Building Tax Act for 2 months. The extension was aimed to alleviate the impact of the flood situation in several provinces across the country.

<https://www.nationtv.tv/news/economy-business/378893096>

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New investment promotion measures from BOI

BOI board approved 9 measures to stimulate investment according to the 5-year strategic plan. The measures are set to improve efficiency and reduce the complexity of current measures. The proposed measures include:

1. Promotion of investment in industries that are important to national development;
2. Enhancement of competitiveness or targeted industries;
3. Maintenance and expansion of existing production bases;
4. Relocation Program;
5. Promotion of investment in the economic recovery period;
6. Transformation to smart and sustainable industries;
7. Promotion of SMEs investment;
8. Promotion of investment in targeted areas;
9. Promotion of investment for community and social development.

In addition, the board has expanded the business sectors eligible for investment promotion from 7 to 10 sectors, including electric vehicle business, space-related business, and food of the future business, to reflect the plan to promote new industries more clearly.

<https://www.nationthailand.com/thailand/40021729>

Cabinet approves the extension on tax reductions for diesel

The Cabinet approved the extension of the diesel tax reduction (THB 5 per liter) for another 2 months (until 20 January 2023). This will result in THB 20 billion loss by the government.

<https://www.bangkokbiznews.com/business/economic/1037962>

Drafted code of practice regarding gift receiving for a government official

The Cabinet accepted the new draft of the regulations in relation to accepting gifts by government officers in the principle. This law will revoke the old regulations from 2001 and will give more precise definitions and restrictions. For example, “assets” shall also include digital assets, normal tradition shall include traditional or important days in which a person may give gifts to others in order to congratulate, express gratitude, offer condolences, or provide courtesy assistance, etc. However, under the draft regulations, the limit remains at THB 3,000 per person per occasion (or any other amount prescribed by the National Anti-Corruption Commission.)

<https://isranews.org/article/isranews-scoop/113695-gov-Guidelines-receive-a-gift-government-officials-report.html>

Amendment of Civil and Commercial Code

Some key amendments made to the Civil and Commercial Code are as follows:

1. The registered memorandum of association will become invalid, if the company is not registered within 3 years;
2. The minimum number of promoters and shareholders of the company is reduced from 3 to 2 persons;
3. Share certificate must be signed by at least 1 director and affix the company seal;
4. The director meeting can be held electronically unless prohibited by the article of association;
5. The requirement for newspaper publication for notice of shareholders' meeting is removed unless the company issues bearer share certificates. However, in case of bearer share certificates, an electronic notice can be sent, but it must comply with the standard in ministerial regulations;
6. The quorum for the shareholders' meeting must consist of at least two shareholders, who attend in person or by proxies, besides not less than one-quarter of the company's capital requirement;
7. Dividend payment shall be **completed** within 1 month after the date of the resolution;
8. A new type of merger is recognized; whereby two companies can merge and one of them can keep its juristic status. (A+ B= A or A+B= B)

The amendment will be effective from 7 February 2023 onward.

https://www.ratchakitcha.soc.go.th/DATA/PDF/2565/A/069/T_0001.PDF

Tax reduction for EV on the annual registration

The annual road tax for electric vehicles is reduced by 80% provided that the said vehicle is new, ready-made from the factory, and registered within three years from the effective date of this decree. (9 November 2022)

https://www.ratchakitcha.soc.go.th/DATA/PDF/2565/A/069/T_0051.PDF