



## Legal Update Week 11 - 12 (12 – 25 March 2019)

- Highlights:** - Personal income tax deductions for Long-Term equity Funds (LTFs) scheme will be ended in tax year 2019
- New Land and Building Tax Act
  - New Act amending the Civil/Criminal Procedure Code
  - Incomes earned by the online stores will be reported and monitored

### Thailand legal news

#### • 12 March 2019:

- The Excise Department will increase the excise tax for sugary drinks again in October 2019. \*It may affect the price or size of soft drink and other sweeten beverages.

Sugar (g./100ml.)	TAX COLLECTION (THB/liter)			
	16 Sep 2017 – 30 Sep 2019	1 Oct 2019 – 30 Sep 2021	1 Oct 2021 – 30 Sep 2023	1 Oct 2023 onwards
$x \leq 6$	-	-	-	-
$6 < x \leq 8$	0.10	0.10	0.10	1
$8 < x \leq 10$	0.30	0.30	1	3
$10 < x \leq 14$	0.50	0.50	3	5
$x > 14$	1	1	5	5
$14 < x \leq 18$	1	3	5	5
$x > 18$	1	5	5	5

#### • 13 March 2019:

- Director-General of the Revenue Department announced that the personal income tax deductions for Long-Term equity Funds (LTFs) scheme will be ended in tax year 2019, since Thailand's capital market is strong and steady enough to grow without tax relief measures. If this scheme will be continued, the regulations may be subject to change depending on the consideration of a new government. However, the Retirement Mutual Funds (RMFs) scheme will still be available for tax deductions.

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- **14 March 2019:**
  - The Ministry of Industry is developing new technology (e.g. QR Code for fees payment) to ease business operators and using Bar Code for database collection. This scheme is supposed to be ready in 3 months.
- **15 March 2019:**
  - The Department of Business Development has introduced new features of the DBD e-Certificate File (an e-service that allows the public to request for a certified copy of the affidavit of a registered legal entity and other documents online). The new features are including:
    - Extend the services to cover all types of registered legal entities;
    - More types of documents can be requested online;
    - Both hard copy and soft copy are available.

\*Please find more information on DBD website below:  
[https://www.dbd.go.th/news\\_view.php?nid=469414435](https://www.dbd.go.th/news_view.php?nid=469414435)
- **17 March 2019:**
  - The court e-Filing system, allowing lawyers to submit pleadings and other court documents online, has already been adopted by 37 courts of justice nationwide. The e-Payment system has also been developed for court fees payment. This system is now available for civil cases only and will be developed to support all types of legal cases in the future in accordance with D-Court 2020 policy.
- **21 March 2019:**
  - Toll fees for the Bangkok-Pattaya motorway (No.7) and Bangkok-Bang Pa-in-Bang Phli motorway (No.9) are exempted from 10-18 April 2019. This measure is given every year for the people who travel during the Songkran holiday (13-15 April 2019).

## New Cabinet resolutions

### 12 March 2019:

- **Approved Draft:** Draft Public Limited Companies Act (No. ..) B.E. ....
  - Adding fundamental right of minor shareholders.

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- Setting performance standard and responsibility of the directors to comply with the principle of good governance e.g. prohibiting cross holding.
  - Amending provisions regarding Merger & Acquisition (M&A) and conversion of public company into private company.
- \*Aiming for Thailand to become an 'Easy for Business' country.

## Royal Gazette Update:

Date	Part	Subject																																													
12 March 19	Gor	<ul style="list-style-type: none"> <li>● Land and Building Tax Act B.E. 2562</li> <li>- Such taxes will be collected commencing on <b>1 January 2020</b>.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 25%;">Types of Land</th> <th style="width: 35%;">Value (THB Million)</th> <th style="width: 40%;">Tax Levy</th> </tr> </thead> <tbody> <tr style="background-color: #e0f0e0;"> <td rowspan="3" style="text-align: center; vertical-align: middle;">Agricultural</td> <td style="text-align: center;">0 - 75</td> <td style="text-align: center;">0.01%</td> </tr> <tr style="background-color: #e0f0e0;"> <td style="text-align: center;">75 - 100</td> <td style="text-align: center;">0.03%</td> </tr> <tr style="background-color: #e0f0e0;"> <td style="text-align: center;">100 - 500</td> <td style="text-align: center;">0.05%</td> </tr> <tr style="background-color: #e0f0e0;"> <td colspan="3"> <ul style="list-style-type: none"> <li>● Tax exemption for the land value not exceeding THB 50 million.</li> <li>● Tax exemption for the first 3 years of enforcement (2020-2023).</li> </ul> </td> </tr> <tr style="background-color: #ffe0e0;"> <td rowspan="5" style="text-align: center; vertical-align: middle;">Residential (other residence, besides the main residence)</td> <td style="text-align: center;">0 - 50</td> <td style="text-align: center;">0.02%</td> </tr> <tr style="background-color: #ffe0e0;"> <td style="text-align: center;">50 - 75</td> <td style="text-align: center;">0.03%</td> </tr> <tr style="background-color: #ffe0e0;"> <td style="text-align: center;">75 - 100</td> <td style="text-align: center;">0.05%</td> </tr> <tr style="background-color: #ffe0e0;"> <td style="text-align: center;">100 +</td> <td style="text-align: center;">0.1%</td> </tr> <tr style="background-color: #ffe0e0;"> <td style="text-align: center;"><b>Type</b></td> <td style="text-align: center;"><b>Ownership</b></td> <td style="text-align: center;"><b>Exemption</b></td> </tr> <tr style="background-color: #ffe0e0;"> <td style="text-align: center;"><b>MAIN residence</b></td> <td style="text-align: center;">Land and building</td> <td style="text-align: center;">First THB 50 million</td> </tr> <tr style="background-color: #ffe0e0;"> <td></td> <td style="text-align: center;">Only building</td> <td style="text-align: center;">First THB 10 million</td> </tr> <tr style="background-color: #e0f0ff;"> <td rowspan="5" style="text-align: center; vertical-align: middle;">Commercial</td> <td style="text-align: center;">0 - 50</td> <td style="text-align: center;">0.3%</td> </tr> <tr style="background-color: #e0f0ff;"> <td style="text-align: center;">50 - 200</td> <td style="text-align: center;">0.4%</td> </tr> <tr style="background-color: #e0f0ff;"> <td style="text-align: center;">200 - 1,000</td> <td style="text-align: center;">0.5%</td> </tr> <tr style="background-color: #e0f0ff;"> <td style="text-align: center;">1,000 - 5,000</td> <td style="text-align: center;">0.6%</td> </tr> <tr style="background-color: #e0f0ff;"> <td style="text-align: center;">5,000 or more</td> <td style="text-align: center;">0.7%</td> </tr> <tr style="background-color: #fff0e0;"> <td style="text-align: center;">Wasteland</td> <td colspan="2" style="text-align: center;">0.3% (+ 0.3% every 3 years), but not exceeding 3% in total.</td> </tr> </tbody> </table>	Types of Land	Value (THB Million)	Tax Levy	Agricultural	0 - 75	0.01%	75 - 100	0.03%	100 - 500	0.05%	<ul style="list-style-type: none"> <li>● Tax exemption for the land value not exceeding THB 50 million.</li> <li>● Tax exemption for the first 3 years of enforcement (2020-2023).</li> </ul>			Residential (other residence, besides the main residence)	0 - 50	0.02%	50 - 75	0.03%	75 - 100	0.05%	100 +	0.1%	<b>Type</b>	<b>Ownership</b>	<b>Exemption</b>	<b>MAIN residence</b>	Land and building	First THB 50 million		Only building	First THB 10 million	Commercial	0 - 50	0.3%	50 - 200	0.4%	200 - 1,000	0.5%	1,000 - 5,000	0.6%	5,000 or more	0.7%	Wasteland	0.3% (+ 0.3% every 3 years), but not exceeding 3% in total.	
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13 March 19	Ngor Piset	<ul style="list-style-type: none"> <li>● Announcement of the Ministry of Public Health re: adding places that the sale of tobacco products is prohibited                             <ul style="list-style-type: none"> <li>- The sale of tobacco products is prohibited in <u>prisons/correctional facilities</u>.</li> <li>- Effective date: 60 days after published in the Royal Gazette.</li> </ul> </li> </ul> <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/061/T_0004.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/061/T_0004.PDF</a>											
19 March 19	Ngor Piset	<ul style="list-style-type: none"> <li>● Announcement of the Ministry of Labour re: setting period of compensation payment, and rule and regulation for calculation of monthly wage (in case employees lost ability to work as per Section 18 of the Workmen's Compensation Act)</li> </ul> <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/067/T_0017.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/067/T_0017.PDF</a>											
20 March 19	Gor	<ul style="list-style-type: none"> <li>● Act amending the Statute of the Court of Justice (No.6) B.E. 2562                             <ul style="list-style-type: none"> <li>- The Court of First Instance:                                     <table border="1" style="margin-left: 40px; margin-top: 10px;"> <thead> <tr> <th style="text-align: center;">Dissolution of the previous courts</th> <th style="text-align: center;">Establishment of the new courts</th> </tr> </thead> <tbody> <tr> <td rowspan="2" style="text-align: center;">Taling Chan Provincial Court</td> <td style="text-align: center;">Taling Chan Criminal Court</td> </tr> <tr> <td style="text-align: center;">Taling Chan Civil Court</td> </tr> <tr> <td rowspan="2" style="text-align: center;">Phrakhanong Provincial Court</td> <td style="text-align: center;">Phrakhanong Criminal Court</td> </tr> <tr> <td style="text-align: center;">Phrakhanong Civil Court</td> </tr> <tr> <td rowspan="2" style="text-align: center;">Minburi Provincial Court</td> <td style="text-align: center;">Minburi Criminal Court</td> </tr> <tr> <td style="text-align: center;">Minburi Civil Court</td> </tr> </tbody> </table> </li> </ul> </li> </ul> <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0011.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0011.PDF</a>	Dissolution of the previous courts	Establishment of the new courts	Taling Chan Provincial Court	Taling Chan Criminal Court	Taling Chan Civil Court	Phrakhanong Provincial Court	Phrakhanong Criminal Court	Phrakhanong Civil Court	Minburi Provincial Court	Minburi Criminal Court	Minburi Civil Court
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		<ul style="list-style-type: none"> <li>● Act amending the Civil Procedure Code (No.31) B.E. 2562                             <ul style="list-style-type: none"> <li>- Amending rules on general meeting and department meeting for appeal courts and supreme courts to be in line with the Statute of the Court of Justice and other related laws.</li> </ul> </li> </ul> <a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0015.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0015.PDF</a>											

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		<ul style="list-style-type: none"><li>● Act amending the Criminal Procedure Code (No.34) B.E. 2562<ul style="list-style-type: none"><li>- Increasing ceiling of the imprisonment charges that require bail for provisional release from 5 years to 10 years (Section 110).</li><li>- Empowering judicial officers to arrest the offender or defendant who escapes between the provisional release period (in case of necessity).</li><li>- If the plaintiff dishonestly files a lawsuit or distorts facts, the case will be dismissed and prohibited to be resubmitted.</li></ul><p><a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0018.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0018.PDF</a></p></li></ul> <ul style="list-style-type: none"><li>● Act amending the Revenue Code (No.48) B.E. 2562<ul style="list-style-type: none"><li>- Aiming to bring the online stores into the tax system by monitoring their incomes.</li><li>- Financial institutes and online payment service providers shall report the financial information of a person who reaches the following thresholds, to the Revenue Department (1<sup>st</sup> time: March 2020 (Tax year 2019: Jan-Dec 2019));<ol style="list-style-type: none"><li>1. Deposit or receive money transfer for 3,000 times (or more) per year (in all accounts); or</li><li>2. Deposit or receive money transfer for 400 times (or more) per year (in all accounts) <u>and</u> the sum amounts are THB 2 million or more per year.</li></ol></li></ul><p><a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0023.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/034/T_0023.PDF</a></p></li></ul>
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25 March 19	Gor	<ul style="list-style-type: none"><li>● Act to exempt penalty, surcharge, criminal liability for tax compliance under the Revenue Code B.E. 2562<ul style="list-style-type: none"><li>- Exempt relating penalty, surcharge, criminal liability under the Revenue Code for SMEs entrepreneurs who file taxes and pay outstanding taxes in full.</li></ul></li></ul> <p>*Promotion for SME single account scheme to pull SMEs in to tax system.</p> <ul style="list-style-type: none"><li>- <u>Effective date</u>: 26 March 2019</li><li>- <u>Condition</u><ol style="list-style-type: none"><li>1. Income in the last accounting year (12 months) which ends on or before 30 September 2018, not exceeding THB 500 million.</li><li>2. Filing PND.50 form (income tax return for companies or juristic partnerships) before 26 March 2019.</li><li>3. Not being a person who issued or used falsified tax invoice that the Revenue Department has filed a complaint to an inquiry official before 26 March 2019.</li></ol></li></ul> <p><a href="http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/038/T_0001.PDF">http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/038/T_0001.PDF</a></p>
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