



Legal Update Week 25 - 26 (18 June – 1 July 2019)

- Highlights:**
- Transfer and mortgage registration fees reduction for houses and condominiums, under THB 1 million;
 - New inter-company service businesses that do not require foreign business license;
 - e-Instruments which are subject to stamp duty e-payment.

Thailand legal news

- **19 June 2019:**
 - The Court of Justice (“CJ”) has signed the MOU with Counter Service Co., Ltd. to allow bailor to pay fine for the bail bond through the Counter Service (available at Seven-Eleven convenient stores or other stores with Counter Service signs). The CJ also plans to develop new ways to pay for court fees and other court payments in the future, to become digital court within 2020.
- **21 June 2019:**
 - Smoking at home, as well as other health-harming actions e.g. drinking alcohol (affecting the family), which results in health problems of other family members shall be considered as domestic violence under the new Family Institution Protection and Development Promotion Act B.E. 2562 (effective on 20 August 2019).
- **24 June 2019:**
 - The Excise Department (“ED”) planned to propose additional levies for several products (e.g. non-alcoholic beer, and sweet/salty foods). The ED will levy excise tax on electronic cigarette and marijuana as well, if they are legalized.

New Cabinet resolutions

18 June 2019:

- **Approved Draft:** Draft Min. Reg. re: permission and license on advertisement of marijuana for medical purpose
 - Advertisement shall only be displayed directly to medical professionals e.g. physicians, dentists, pharmacists, veterinarians and traditional Thai healers or displayed on drug labels.
- **Approved Draft:** Draft Min. Reg. (No. ..) B.E. issued under the Revenue Code re: calculation of incomes and expenses of related companies or juristic partnerships
 - Specify regulation, procedure, and condition for inspection of transactions between related companies or juristic partnerships;
 - Authorize assessment official to adjust incomes and expenses of related companies or juristic partnerships;
- **Approved Draft:** Draft Min. Reg. (No. ..) B.E. issued under the Revenue Code re: companies or juristic partnerships which are not subject to Section 71 Ter of the Revenue Code (relate to shipping of goods to affiliated company/transfer pricing);

25 June 2019:

- **Approved Draft:** Three draft Min. Reg. issued under emergency decree on foreigners' working management (No.2) B.E. 2561
 1. Draft Min. Reg. re: work permit application, issuance of work permit, and notification method B.E.
 2. Draft Min. Reg. re: qualifications and limitations of foreigners who apply for work permits B.E.
 3. Draft Min. Reg. re: fees collection and exemption related to foreigners' working management B.E.
- **Approved Draft:** Draft Royal Decree and draft Min. Reg. to improve income tax levy from bond investment by a mutual fund;

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Royal Gazette Update:

Date	Part	Subject
25 May 19	Gor	<ul style="list-style-type: none">● Act amending the Land Code (No.15) B.E. 2562- Transfer fees shall be calculated from land value assessed by the Asset Assessment Committee for Benefits of the Country (instead of the land value assessed by the Treasury Department). *Transfer fees tend to be increased.- In contrast, this change may benefit an individual who purchases real estate from real estate developer, since transfer costs may decrease*. <p>*Previously, real estate developer shall pay transfer fees calculated from the purchase price which is usually higher than the government-assessed value.</p> <p>- <u>Effective date</u>: 21 December 2019</p> <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/068/T_0032.PDF</p>
20 June 19	Gor	<ul style="list-style-type: none">● Office of the Civil Service Commission Regulation re: allowing civil servants (government workers) to continue to work after reaching 60 years old (No.3) B.E. 2562- <u>Requirement</u>: hold or used to hold the following positions for an uninterrupted period of at least 1 year:<ul style="list-style-type: none">a. academic positions (professional level or above); orb. general positions (senior level or above).- <u>Effective date</u>: 21 June 19 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/078/T_0013.PDF</p>
	Ngor Piset	<ul style="list-style-type: none">● Announcement of the Ministry of Interior re: registration fees under the Land Code B.E. 2562- Reduce transfer and mortgage registration fees for <u>houses and condominiums*</u>1. Transfer fees: from 2% to <u>0.01%</u> of the assessed value; and2. Mortgage registration fees: from 1% to <u>0.01%</u> of the mortgage cost.*Property's price must not exceed THB 1 million per unit, and mortgage cost must not exceed THB 1 million.- <u>Effective date</u>: 24 June 2019 – 23 June 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/157/T_0005.PDF http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/157/T_0006.PDF</p>

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25 June 19	Gor	<ul style="list-style-type: none"> ● Min. Reg. re: services for affiliates that do not require foreign business license (No.4) B.E. 2562 1. Loan service for domestic affiliates; 2. Lease of land and office space including public utilities for affiliates; and 3. Consultancy service for affiliates in management, marketing, human resource, and information technology. <p>- <u>Effective date</u>: 25 June 2019 http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/A/079/T_0007.PDF</p>
27 June 19	Ngor Piset	<ul style="list-style-type: none"> ● Announcement of the Board of Investment Por.7/2562 re: Corporate Income Tax (CIT) deduction and exemption 1. Projects with at least 8 years CIT exemption shall not be entitled to additional CIT deduction under Section 35(1) of the Investment Promotion Act, B.E. 2520; 2. Businesses in category 8 located in approved science and technology areas shall be entitled to additional 2-year CIT exemption; 3. Projects with CIT exemption shall be entitled to maximum of 13-year CIT exemption. <p>- <u>Effective date</u>: 27 June 2019 http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/164/T_0020.PDF</p>
	Ngor Piset	<ul style="list-style-type: none"> ● Announcement of the Committee on Contracts recognizing used car business as a contract-controlled business (regulated business) - The contract must be made in Thai, easy to be seen and read, and contain clauses as prescribed in the announcement. <p>- <u>Effective date</u>: 27 September 2019 http://www.ratchakitcha.soc.go.th/DATA/PDF/2562/E/164/T_0021.PDF</p>
28 June 19	Ngor Piset	<ul style="list-style-type: none"> ● Notification of the Director-General of the Revenue Department (“RD”) re: Stamp Duty (No.58); - The following types of instruments made in <u>electronic form</u> are subject to payment of <u>stamp duty by paying on the Revenue Department website</u> under Sec. 103(3) of the Revenue Code: 1. Hire of work agreement; 2. Loan agreement or bank overdraft agreement; 3. Power of Attorney; 4. Proxy for voting in the company’s meeting; and 5. Suretyship agreement. <p>- <u>Payment Method</u>: submit Or.Sor.9 form online to;</p> <ol style="list-style-type: none"> 1. RD official website (www.rd.go.th); or 2. Application Programming Interface of the RD.

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		<p>Then, transfer the amount to RD bank account (electronic payment).</p> <ul style="list-style-type: none">- The payment method above must be done <u>before</u> making the instrument or <u>within</u> 15 days after the instrument has been made.- <u>Effective date</u>: 1 July 2019 <p>http://www.rachakitcha.soc.go.th/DATA/PDF/2562/E/165/T_0094.PDF</p>
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