

CHANDLER & THONG-EK LAW OFFICES LTD.

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**Legislation Progress**

1. A list of progress of legislation as of 31 January 2007 is available in both English and Thai at the Library and C&T Website “www.ctlo.com”
2. A list of double tax treaties as of 6 December 2006 which Thailand has concluded with 52 countries is available in both English and Thai at the Library.

**The following important legislation was published in the Government Gazette:**

**Act, Account, Alien, Banking, Finance and Securities**

1. Act Abrogating Financial Institutions Assets Management Corporation B.E. 2549. (0801)
2. Notification of Exchange Control Officer (No. 6) re bases and practices respecting currency exchange. (1812)
3. Notifications of the Ministry of Finance re direction of the Minister to authorized agents (No.3) & (No. 4) issued under Exchange Control Act. (1910)
4. Notification of the Ministry of Finance prescribing the Secondary Mortgage Finance Corporation and Government Savings Bank as a financial institution. (2601)
5. Letters of the Bank of Thailand to managers of all commercial banks, EXIM Bank, Islamic Bank of Thailand, Government Savings Bank, Small and Medium Enterprises Development Bank of Thailand, all finance companies and all securities companies: (EC)
  - 5.1 No. BOT.ECD (02) C. 1593/2006 re: seeking cooperation for compliance with measures to prevent Thai baht speculation, dated 3 November 2006 with attachments: (1) list of revoked circulars and those remaining in effect and (2) rules and practices under measures to prevent Thai baht speculation, dated 3 November 2006. (EC)
  - 5.2 No. PhorGorChor.(02) Wor.73/2549 re: issuance of notice of the exchange control officer, dated 22 December 2006 with attachments: (1) notice of the exchange control officer re: determination of criteria and procedures relating to exchange (No. 7), dated December 22, 2006 and (2) details of transactions exempted from the reserve requirements and required documentary evidences.

6. Letter of the Bank of Thailand to all securities companies and brokers and futures trading agents No. ThorPorThor. ForGorChor.(02) Wor.37/2550 re: criteria and procedures relating to special non-resident baht accounts for securities: SNS and Non-resident baht account: NRBA, dated January 8, 2007. (EC)
7. Letter of the Bank of Thailand to managers of all commercial banks, EXIM Bank, Islamic Bank of Thailand, Government Savings Bank and Small and Medium Enterprises Development Bank of Thailand, dated 12 January 2007, No. ForGorChor.(02) Wor.18/2007 re issuance of notifications of the Ministry of Finance and Notices of the Exchange Control Officer with attachments: (EC)
  - 7.1 Notification of the Ministry of Finance re directions of the minister to authorized agents (No. 3), dated January 10, 2007.
  - 7.2 Notification of the Ministry of Finance re directions of the minister to authorized agents (No. 4), dated January 11, 2007.
  - 7.3 Notice of the exchange control officer re determination of criteria and procedures relating to exchange (No. 8), dated January 12 2007.
  - 7.4 Notice of the exchange control officer re determination of criteria and procedures relating to exchange (No. 9), dated January 12, 2007.
  - 7.5 Notice of the exchange control officer re determination of criteria and procedures relating to investment in securities abroad, dated January 12, 2007.
8. Letter of the Bank of Thailand to managers of all securities companies, brokers and futures trading agents, dated 29 January 2007, No. ThorPorThor.ForGorChor.(02) Wor.147/2550 re rules and procedures relating to special non-resident baht accounts for securities: SNS with attachment (Circular letter No. ForGorChor.(02) Wor.39/2550 re issue of notice of the exchange control officer (No. 10) and rules and procedures relating to reserve maintenance, non-resident baht account and relevant reports). (EC)
9. Relaxation in practices regarding the reserve requirements other than those exempted under circulars and notifications of the competent officer dated 18 December 2006. (EC)

### **Commerce, Communication and Export and Import**

1. Notice of the Department of Business Development re prescription of printed forms of commercial registration certificates (Por.Khor.0403) and a form of application for a certificate/examination/certification of copy/substitute/copying by computer. (1511)
2. Notice of the Department of Business Development re prescription of printed forms of the application for registration as person certifying signature (Bor.Mor.Jor. 40), certificate showing registration as person certifying signature (Bor.Mor.Jor.402) and memorandum of identification to the competent officer. (1511)

3. Notification of the Department of Business Development prescribing brief items that must be included in financial statements. (0801)
4. Notification of the National Telecommunications Commission governing technical standards of telecommunication equipment and accessories re communication radio equipment for base stations and repeater in cellular mobile phones using GSM technology. (2601)

### **Customs, Tax and Duty**

1. Notification of the Director-General of the Revenue Department re bases, procedures and conditions for debts subject to debt restructuring according to bases on debt restructuring of financial institutions prescribed by the Bank of Thailand for debtors who have sustained damage from natural disaster on 26<sup>th</sup> December 2004 in Krabi, Trang, Pang Nga, Phuket, Ranong and Satul Provinces. (0712)
2. Notification of the Director-General of the Revenue Department (No. 158) re bases, conditions and procedures for cases where employee leaves workplace because of retirement, disability or death. (0712)
3. Notification of the Director-General of the Revenue Department (No. 167) re bases, procedures and conditions on write-off of bad debts and bases, procedures and conditions on computation of portion of bad debt for deduction from value added tax under Section 82/11 of the Revenue Code. (0712)
4. Ministerial regulations No. 263 prescribing the income paid as insurance premium for health insurance of father and mother of the income earner, including those of father and mother of the husband or wife of the income earner, who do not have enough income to support their life according to the amount actually paid but not exceeding Baht fifteen thousand, and the income paid by the employer as insurance premium for the group insurance policy, specifically in the part of protection for medical expenses for the insurance of the employees, their husbands or wives, parents, or heirs who are under the care of the employees, as assessable income exempted from inclusion for payment of tax. (2612)

### **Energy, Environment, Food and Drug**

1. Notification of the Ministry of Natural Resource and Environment re prescription of controlled standards of drained water released from oil fuel service station. (1512)
2. Notification of the Ministry of Natural Resource and Environment re prescription of oil fuel service stations as pollution generating sources subject to control of release of waste water into public water sources or environment. (1512)
3. Notification of the Department of Energy Business prescribing types and ratios of oil fuel reserve. (1501)
4. Notification of the Department of Energy Business re bases, procedures and conditions respecting submission of an application for approval of place used for oil

fuel reserve storage, and conditions to be complied with by person granted such approval. (1501)

5. Notification of the Ministry of Energy re operation of renewable electrical power business or joint thermal and electrical power business of not exceeding 10 megawatts. (1801)

### **Immigration, Industry, Insurance and Investment**

1. Notification of the Ministry of Industry re fixing of quantity of contaminating soot in the air released from a stack of boiler of a factory. (0412)
2. Notification of the Ministry of Industry re fixing of quantity of contaminating substances in the air released from factories. (0412)
3. Notification of the Ministry of Industry re properties of water for a boiler. (0412)
4. Notification of the Ministry of Industry re fixing of quantity of foreign matters in the air released from cement factories. (0412)
5. Notification of the Ministry of Industry re bases respecting consideration of granting approval concerning permission to import plastic waste, plastic parings and plastic scrap, whether used or unused, into the Kingdom. (2912)
6. Notification of the Ministry of Finance prescribing goods exempted from enforcement of provisions of Section 10 of the Royal Proclamation on Customs Tariff. (0501)
7. Notification of the Director-General of the Revenue Department (No. 159) prescribing of return form concerning ordinary person income tax deducted at source. (2812)
8. Notification of the Director-General of the Revenue Department (No. 160) prescribing return form concerning income tax of companies or juristic partnerships. (2812)
9. Ministerial regulations No. 18 prescribing annual fee for factories located in Bangkok and other provinces. (2012)
10. Ministerial regulations prescribing bases on applying for permission and granting of permission relating to factories of category 3. (2912)

### **Labor, Land and Public Health**

1. Notifications of the Ministry of Interior re collection of fees for registration of rights and juristic acts under the law governing condominium in the case of transfer and mortgage of a condominium under measures supporting exclusive development zones according to bases prescribed by the Council of Ministers. Such fees shall be collected at the rate of nought point nought one percent for condominiums located in Narathiwat, Pattani, Yala, Satul and Songkhla Provinces, specifically in the localities of Jana, Na Thawee, Sabar Yoi and Tapa Districts. (1501)

2. Notifications of the Ministry of Interior re collection of fees for registration of rights and juristic acts under the Land Code in the case of transfer and mortgage of immovable property under measures supporting exclusive development zones according to bases prescribed by the Council of Ministers. (The fee and location will be same as No. 1 above) (1501)

### **Miscellaneous**

1. Act abrogating Announcement of the Council for Democratic Reform No. 7 re prohibition of political meeting, dated 20 September 2006. (2612)
2. Notification of the Office of the Central Board Governing Prices of Goods and Services re fixing of period of time for supervising and monitoring movements of prices of goods and services as a special case (No. 11). (0801)
3. Royal Decree prescribing bases and procedures on making government electronic transactions B.E. 2549. An application, a permission, a registration, an administrative order, a payment, an announcement or any proceedings under the law with or by any government agency, if carried out in the form of electronic data according to the bases and procedures prescribed in this Royal Decree, shall be regarded as legally valid in the same manner as proceedings conducted according to the bases and procedures prescribed by the law governing the same subject matter. (1001)

### **Summary of laws and general matters approved by the resolutions of the Cabinet during December 2006 – January 2007**

1. The bills approved by the Cabinet during December 2006 – January 2007 have been listed in the Progress of Legislation dated 31 January 2007.
2. Approved the Electricity Generating Authority of Thailand (EGAT) to construct the North Bangkok Combined Cycle Block 1 located in the existing North Bangkok power plant in Bangkluay District, Nonthaburi Province, in the combined investment of 17,547 million baht and approved EGAT to prepare the details in the same nature as those for the South Bangkok Combined Cycle Block 3. (1212)
3. Approved the following resolutions of the National Energy Planning Committee No. 5/2549 (1212)
  - 3.1 The draft memorandum of understanding on purchase of power from Nam Thuen 1 and Nam Thuen 3 projects.
  - 3.2 Determination of adder for renewable power producers.
  - 3.3 Determination of quality standard of fuel oil in the future.
  - 3.4 Performance guidelines on implementation of liberalization policy of establishment of ethanol plants for use as fuel.
4. Approved the proposal of the Ministry of Defense to revoke, delay or exempt compliance with the Regulation of the Office of the Prime Minister governing Barter Trade B.E. 2549 for procurement of equipment of Thai military. (1212)

5. Approved the Ministry of Finance's plan on negotiation of double tax agreement with other countries in 2007 budget year. (1212)
6. Approved the signing of agreement made between Thailand and Laos on Mittraparb Bridge 2. (1212)
7. Acknowledged the negotiation results of the Japan-Thailand Economic Partnership Agreement (JTEPA), which has been approved by the work units concerned.(1912)
8. Approved the measures to support the ad hoc special development zone as proposed by the Ministry of Finance for the period not exceeding three years (January 2007 – December 2009). The said zone includes Yala, Pattani, Narathiwat, Satun and four districts of Songkla. (1912, 2301)
9. Approved Thailand to pay half of the expenses for the construction of Chiangkhong-Huaysai bridge, which is jointly constructed by Lao and Thailand. (1912)
10. Approved Royal Decree Specifying Power, Right and Benefit of PTT Public Co., Ltd. (No....), B.E....., which amends the Royal Decree Specifying Power, Right and Benefit of PTT Public Co., Ltd. B.E. 2544, as proposed by the State Enterprise Capital Policy Committee. (2612)
11. Approved the ministerial regulation specifying qualifications of an engineer and architect as a technician as appointed by the Director-General of the Department of Public Works and Town & Country Planning under the Building Control Act. (2612)
12. Approved the regulation of the Office of the Prime Minister re standard of scale map and land map for state land. (2612)
13. Approved the ministerial regulation repealing the ministerial regulation issued under Tin Control Act B.E. 2514. (3001)
14. Approved the 33 items and 2 services to be controlled goods and services under the Act Governing Goods Price and Services B.E. 2542. (3001)
15. Approved the implementation of clean development mechanism in Thailand under Kyoto Protocol, an amendment to the United Nations Framework Convention on Climate Change (UNFCCC), according to the resolution of the National Environment Board No. 3/2550 adopted on January 29, 2007. (3001)
16. Approved the resolution of the Scrutinizing Committee No. 1 determining the criteria of a business operator with influence over the market. (0901)
17. Approved the draft ministerial regulation specifying bases, procedures and conditions for exemption tax and refund of liquor tax for exported liquor B.E... (1601)
18. Approved 4 ministerial regulations issued under the Petroleum Act B.E. 2514. (1601)

19. Approved the resolution of the Scrutinizing Committee No. 2 to relax the use of the national forest reserve in Basin 1 A and 1 B for construction of high voltage electricity projects of the Provincial Electricity Authority in Mae Tang District, Chiangmai, Pai, Pangmapa and Muang District, Mae Hongson. (1601)
20. Approved Thailand to be party to the Convention on Prevention and Punishment of Crimes against Persons under International Protection including the Diplomatic Representatives. (1601)
21. Approved ministerial regulation issued under the Building Control Act B.E. 2522 re construction of building on the land of same owner. (2301)
22. Approved ministerial regulation specifying display of standard sign on industrial products. (2301)
23. Approved ministerial regulation specifying types of minerals for which a license can be issued for individual mining. (2301)
24. Approved ministerial regulation revising the form of special atchayabat, individual mining and panning and underground mining license. (2301)
25. Approved ministerial regulation specifying rock, soil and sand as decorative rocks or industrial rocks, earth and sand. (2301)
26. Approved ministerial regulation specifying criteria and procedures for application, issuance of a substitute license, relocation of address indicated in the license and transfer of license issued under the Industrial Product Standard Act B.E. 2511. (2301)
27. Approved the Industrial Estate Authority of Thailand to sell its shares in Total Industrial Services Co., Ltd. as proposed by the Ministry of Industry. (2301)
28. Approved the resolution of the Scrutinizing Committee No. 1 to revoke the cabinet resolution dated 28 January 2003 only in the matter of collection of excise tax, which the private party must deduct from income sharing and remit to the state party. It also revokes the cabinet resolution dated 11 February 2003 which approved the deduction of excise tax from the income sharing. The Ministry of Finance shall determine the excise tax to be collected from telecommunication services at the rate of zero. TOT Public Co., Ltd. and CAT Telecommunications Public Co., Ltd. shall consider paying more dividends to the Ministry of Finance for compensation of shortage of excise tax. (2301)
29. Acknowledged cracks, rutting on pavement and other problems of Suvarnabhumi Airport. (2301)
30. Approved the amendment to the Agreement Relating to the INTELSAT and Operating Agreement Relating to the INTELSAT. (2301)