

CHANDLER & THONG-EK LAW OFFICES LTD.

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Legislation Progress

1. A list of progress of legislation under the National Legislative Assembly as of 20 September 2007, a list of progress of legislation by the Cabinet as of 2 October 2007 and a list of acts published in the Government Gazette as of 20 September 2007 are available at the Library and the website of the Company.
2. A list of double tax treaties as of 11 September 2007 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. The following acts have been recently enacted:
 - 1.1 Criminal Code Amendment Act (No. 18), B.E. 2550. It expands the scope of offences and penalty relating to passport so that they shall be more extensive. (1508)
 - 1.2 Provincial Waterworks Authority Act (No.3), B.E. 2550. It is authorized the Provincial Waterworks Authority (PWA) to expand the existing projects or to initiate new projects, fix water rates, and write off its assets without first obtaining approval from the Council of Ministers. The PWA may increase or reduce its capital and to borrow money or sell its immovable property in greater amount subject to approval from the Council of Ministers. (2408)
 - 1.3 Trade Association Act (No. 2), B.E. 2550. It revises the bases concerning the establishment and the operation of trade association so that it can be carried out more smoothly. (0509)
 - 1.4 Chamber of Commerce Act (No. 2), B.E. 2550. It revises the bases concerning the establishment, membership and operation of chamber of commerce so that it can be more appropriate, thus enabling the chambers of commerce to be strong and versatile in its management. (0509)
 - 1.5 Civil and Commercial Code Amendment Act (No. 16), B.E. 2550. It revises the principle of equal rights between man and woman and the principle of prohibition of unfair discrimination to persons because of sexual difference,

- the protections of which had been provided according to the traditional administration of Thailand. (1209)
- 1.6 Criminal Code Amendment Act (No. 19), B.E. 2550. It revises the principle of equal rights between man and woman and the principle of prohibition of unfair discrimination to persons because of sexual difference, the protections of which had been provided according to the traditional administration of Thailand. (1909)
 - 1.7 Criminal Code Amendment Act (No. 20), B.E. 2550. It revises the references to provisions in Section 277 bis and 277 ter in order that they are in conformity with each other. (1909)
 - 1.8 Criminal Procedure Code Amendment Act (No. 25), B.E. 2550. It revises the method of detention and imprisonment, by prescribing methods or places of detention or imprisonment outside the prisons so that it shall be in line with the condition of each type of detainees or prisoners, and to revise suspension of imprisonment of a pregnant woman and to change the death sentence of a pregnant woman to life imprisonment so that the child may be under the care of the mother and may continue the family relations which would pave way for the child to grow up as a good adult in the society. (1209)
 - 1.9 Land Code Amendment Act (No. 10), B.E. 2550. It revises the procedures regarding the safekeeping of land title deeds and land exploitation certificates so that they can be stored by the said information and communication technology system, and to also prescribe the Land Officer to have the power to effect the registration of rights and juristic acts concerning the immovable property which are in the locality of other Provincial Land Office or Land Branch Office that has also introduced the information and communication technology into use in effecting the registration of rights and juristic acts, for the purpose of convenience and speed in providing services to the general public. (1209)
 - 1.10 Petroleum Act (No. 6), B.E. 2550. It revises the establishment of Petroleum Committee, its powers, duties and terms, the powers and duties of the Minister in charge, the extension of concession, transfer of petroleum exploration obligations, revocation of the concession, etc. (1710)
 - 1.11 Petroleum Income Tax Act (No. 6), B.E. 2550. It adds the provisions relating to the period of time for which the concession has been extended shall not be included in the period for calculation of tax reference price. (1710)
 - 1.12 National Energy Policy Committee Act (No. 2), B.E. 2550. It revises the National Energy Policy Committee and the powers and duties of the Director-General of Energy Policy and Planning Office. (1610)
 - 1.13 Fuel Oil Trading Act (No. 2), B.E. 2550. It revises the bases, procedures and conditions for fuel oil trading. (1610)

2. Ministerial Regulations No. 25 issued under Exchange Control Act. It adds Articles 10 in the Ministerial Regulations No. 13 re the person imports or exports foreign currency exceeding the amount fixed by the Minister of Finance (US\$50,000) is required to file a report concerning the said foreign currency. (2809)

Commerce, Communication and Export and Import

1. Notification of the Ministry of Information and Communication Technology re bases on storing computer traffic data of service providers (2308)
2. Notification of the Ministry of Commerce re prohibition of exportation of weapons and armaments to the Islamic Republic of Iran and prohibition of importation of weapons and armaments sent or originated from the Islamic Republic of Iran. (1909)

Customs, Tax and Duty

1. Order of the Revenue Department No. Thor. 293/2550, bases on developing auditor under Section 3 Septies of Revenue Code. (1708)
2. Order of the Revenue Department No. Thor. 159/2550, bases on classification as good exporter and registered exporter. (1008)
3. Royal decree issued under Revenue Code governing reduction of rate of value added tax (No. 465). It repealed Royal Decree No. 440, B.E. 2548. The rate of value added tax under Section 80 of the Revenue Code shall be reduced and collected at the following rates: (0309)
 - (1) 6.3 percent for the sale of goods, the rendering of services, or the importation in all cases, the liability to pay value added tax of which occurs from 1 October 2007 until 30 September 2008.
 - (2) 9.0 percent for the sale of goods, the rendering of services, or the importation in all cases, the liability to pay value added tax of which occurs from 1 October 2008 onwards.
4. Notification of the Ministry of Finance re exemption of duty, reduction and increase of customs duty under obligations in Marrakech Agreement Establishing World Trade Organization (No. 2). (1809)

Energy, Environment, Food and Drug

1. Notification of the National Environments Commission No. 29 re interference noise level. (1608)
2. Notification of the Food and Drug Administration re clarification of Notification of Public Health and Notices of Cosmetics Board concerning cosmetics products containing sunscreen agent. (2108) (2507)
3. Regulations of the Ministry of Public Health governing keeping of trade secret of pharmacopoeia register information. (0609)

4. Notification of the Ministry of Public Health (No. 305) re display of labels of certain kinds of ready-to-eat finished foods. (1909)

Labor, Land, Mining and Public Health

1. Notification of the Ministry of Labor prescribing the kinds of diseases caused by descriptions or natures of works or performance of work. (1508)
2. Notification of the Ministry of Natural Resource and Environment re bases for consideration of submission of application as a special case under Section 6 bis, paragraph two of Minerals Act, B.E. 2510. (2109)
3. Notification of the Ministry of Industry re policy on application for exclusive prospecting atchayabat, application for special atchayabat and application for mining lease in case such applications overlap the same mining areas. (1110)

Miscellaneous

1. Ministerial regulations prescribing bases and procedures on lodging of appeals under the law governing social security. (1909)
2. Ministerial regulations prescribing bases, procedures, period of time and rates of payment of compensation benefits in the case of old age. (1909)

Summary of laws and general matters approved by the resolutions of the Cabinet during August – 15 October 2007

1. Approved the budget and operating plan of the 2008 budget year plan for Thai-Malaysia Joint Authority in the amount of US\$3,904,000.- as proposed by the Ministry of Energy. (0108)
2. Approved the signing of agreement of memorandum of understanding on the ASEAN Power Grid as proposed by the Ministry of Energy. (0708)
3. Approved the plan for the Ministry of Energy to host the 26th ASEAN energy ministerial meeting and other related meetings in Thailand around June 2008. (0708)
4. Approved the Notification of the Ministry of Industry designating the quantity, size, category or type of factory which is not permitted to establish or expand in all areas in the Kingdom. (0708)
5. Approved the lifting of Cabinet Resolution dated 19 July 1988 on establishment of Lad Krabang Industrial Zone, Extension Area 3 which previously did not permit the promoted persons to obtain the exemption of corporate income tax. The lifting of the said Cabinet resolution will therefore be beneficial for investors who are applying for promotion privileges in the Extension Area 3, either setting up their businesses anew or expanding their existing ones. (1408)
6. Approved the memorandum of understanding on educational cooperation between Thailand and Malaysia. (1408)

7. Approved the Provincial Water Authority (PWA) to study the raw water transmission pipeline project to Phuket in the amount of Baht 32 million and PWA to construct water systems in Tao Island in Surat Thani Province and PP Island, Krabi Province. (2108)
8. Approved the Deposit Protection Institution Bill, B.E. which includes the main points as follows: (2808)
 - 8.1 To set up the structure and establishment of the Deposit Protection Institution and to act as a juristic person with entry to the fund to be not more than Baht 1,000 million.
 - 8.2 To set up the deposit protection fund.
 - 8.3 To set up the amount of the deposit protection fund, and set rules and regulations of reimbursement in the case of the financial institution defaulting according to regulations of the financial institution.
 - 8.4 To ensure that the deposit protection institution reimburses the client after the financial institution is terminated.
 - 8.5 To set up penalties for non compliant institutions or persons that use symbols to identify their business that they are covered under this bill.
9. Approved the clean development procedure project according to the Kyoto Protocol including eight projects. It was agreed upon to accept the letter of approval and to designate the Minister of Natural Resources and Environment to sign the project letter of approval to the project developer, as proposed by the Ministry of Natural Resources and Environment. (2808)

The eight projects include:

- 9.1 Two biomass energy projects:
 - (1) Surat Thani biomass power generation project in Thailand.
 - (2) Surin Electricity Co., Ltd.
- 9.2 Five biogas energy projects:
 - (1) Wastewater treatment with biogas system in a starch plant for energy and environment conservation at Nakorn Ratchsima.
 - (2) Wastewater treatment with biogas system in a starch plant for energy and environment conservation at Chachoengsao.
 - (3) Northeastern starch (1987) Co., Ltd. – LPG fuel switching project.

- (4) Chumporn applied biogas technology for advanced wastewater management, Thailand.
 - (5) Natural Palm Oil Co., Ltd. – 1 MW electricity generation and biogas plant project.
- 9.3 One landfill gas energy project:
 - (1) Jaroensompong Corporation Rachathewa Landfill Gas Energy Project in Thailand.
10. Approved Bangkok to host the 1st Summer Youth Olympic Games in 2010. (2808)
11. Approved Thailand to propose and host if accepted Telecom Asia 2008. (2808)
12. Approved the change of Thai board members in the Board of Directors of Thailand – United States Educational Foundation (Fulbright) for year 2007, and approved the increase of the amount of Thailand's support fund from Baht 5 million (per year) to Baht 15 million per year, with all related expenses to be withdrawn from the supplementary budget account, under the category of Thai membership fee and international donation through Thailand International Development Cooperation Agency, Ministry of Foreign Affairs. (2808)
13. Approved the master plan for political development. (0409)
14. Approved Thailand by the Ministry of Information and Communication Technology and the National Telecommunications Commission to host the 8th Global Symposium for Regulators to be held during 12-14 March 2008 at Pattaya Exhibition and Convention Hall, Pattaya, Chonburi. (0409)
15. Approved the ministerial regulations issued under Machinery Registration Act (exemption of application fee and registration of computer network system). (1109)
16. Approved two ministerial regulations issued under Factories Act (places for payment of fees and revision of the provisions relating to toilets in the factory) (1109)
17. Approved the royal decrees to dissolve the Tanning Organization and the Battery Organization as proposed by the Ministry of Defense. (1109)
18. Acknowledged the partnership between the Government of Thailand and the Asian Development Bank (ADB) 2007-2011 as proposed by the Ministry of Finance. (1109)
19. Approved the ministerial regulation issued under the Revenue Code governing relaxation of bases for tax privileges in investment of retirement mutual fund. (1809)
20. Approved the ministerial regulations governing seven types of licenses for operation of securities businesses; bases, conditions and procedures for application of the license and its fees. (2509)

21. Approved the natural disaster master plan for victim relief and prevention of flood, storms and mudslides (5 year plan 2008-2012). (2509)
22. Approved the expansion of electricity transmission system, 11th phase, in the investment amount of 23,000 million Baht in order to meet the increased demand of electricity. (0210)
23. Acknowledged and approved the resolution of the National Energy Policy Committee No. 5/2550 dated 27 August 2007 re purchase of electricity from private producer as proposed by the Ministry of Energy. (0210)
24. Approved the proposal to build Bang Yai-Bang Sue purple line sky train as proposed by the Office of the National Economic and Social Development Board. It has been agreed upon the Mass Rapid Transit Authority of Thailand (MRTA) to progress with Bang Yai-Bang Sue purple line sky train project, with a civil work budget of 31,217 million baht. (0210)
25. Approved Thailand to join Global Stand Up and Speak Out project as proposed by Mr. Paiboon Wattanasirithum. (0210)
26. Approved the signing of the declaration of the Asian Economic Community Blueprint as proposed by the Minister of Commerce. (0210)
27. Approved the draft of double tax treaty made between Thailand – Tajikistan. (0210)
28. Approved the ministerial regulations specifying the bases, procedures and conditions for revocation of land allotment. (1610)
29. Approved three ministerial regulations issued under the Act on Establishment of the Joint Authority of the Kingdom of Thailand and Malaysia. The three ministerial regulations governing (1) improvement of rules and procedures relating to preparation of quarterly financial statements; (2) improvement of rules and procedures relating to submission of the budget; and (3) prescription of rules for payment of proceeds derived from petroleum production to both governments. (1610)
30. Approved Thailand to host the 23rd International Informatics Olympic Committee in 2011. (1610)