

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 4 February 2008 and a list of acts published in the Government Gazette as of 4 February 2008 are available at the Library and the website of the Company.
2. A list of double tax treaties as of 31 January 2008 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 The Act on Insurance Business Operation Supervision and Promotion Commission, B.E. 2550. It contains Chapter 1 – Insurance Business Operation Supervision and Promotion Commission; Chapter 2 - Office of Insurance Business Operation Supervision and Promotion Commission; Chapter 3 – Auditing and Accounting; Chapter 4 – Contributions; and Chapter 5 – Relations with the Government and Penalty. (3108)
  - 1.2 The Act Establishing Labor Court and Labor Procedure (No. 2), B.E. 2550. It revises the definition of “Labor Union”. The President of the Supreme Court and the Minister of Labor shall have charge and control of the execution of this Act. The Labor Court shall have the power to adjudicate and issue the orders and shall be the Court of the First Instance under the Law for the Organization of the Courts of Justice. Numbers of judges and associate judges as well as their qualifications.(1209)
  - 1.3 Printing Registration Act, B.E. 2550. It repealed the law governing printing and the Orders of the National Administrative Reform Council and enacts a law governing registration of printing for laying down bases on the acceptance of printing registration as evidences so that it be known who is the publisher, distributor, editor or owner of newspaper business, for the purpose of examination by the injured party in filing a lawsuit in the case the said person has committed an offence under the law owing to his/her being the publisher, distributor, editor or owner of newspaper business. (1812)

- 1.4 Energy Conversation Promotion Act (No. 2), B.E. 2550. It amended the provisions so that energy consumption and energy conservation be supervised and promoted efficiently, and that it can be changed to the guidelines on energy conservation in line with the technology. (0412)
  - 1.5 Land Transport Act (No. 11), B.E. 2550. It amended the schedule of rates of vehicle tax under Section 85 annexed to the Land Transport Act, B.E. 2522. (3012)
  - 1.6 Automobile Act (No. 14), B.E. 2550. It promotes the use of vehicle using other energy in lieu of oil fuel by fixing the rates of annual taxes for these vehicles specifically. (3012)
  - 1.7 Provident Fund Act (No. 3), B.E. 2550. It allows a transfer of assets of the employees in the Government Pension Fund to the provident fund, and allows the provident fund to have several investment policies. (2812)
2. Ministerial regulations fixing fees for aliens' working (No. 3). (2712)

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

1. Regulations governing arrest, detention, search, preparation of investigation files and taking legal action against offenders under Act Governing Commission of Offences Relating to Computer. (1112)
2. Notification of the Ministry of Commerce re method and comparison of foreign weighing/measuring scale with weighing/measuring scale under Weights and Measures Act B.E. 2542. (1412)

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

1. Notification of the Ministry of Finance re exemption of customs duty under obligations in Marragesh Agreement Establishing World Trade Organization for IT goods (No. 2) (1809)
2. Royal decree governing reduction of rate of juristic person income tax for the company listing its securities on the Stock Exchange of Thailand. (1710)
3. Notification of the Customs Department No. 73/2549 re customs formalities processing services on importation and exportation under electronics and paperless customs formalities system. (1708)
4. Notification of the Director-General of Revenue Department relating to income tax (No. 164) re bases, procedures and conditions respecting reduction of rate of income tax of business with places of business located within exclusive development zone. (1810)
5. Notification of the Director-General of Revenue Department relating to value added tax (No. 171) re prescription of branches and descriptions of operation of business

rendering research services or technical services under Section 81(1)(k) of Revenue Code. (2811)

6. Ministerial regulations No.264 issued under Revenue Code governing exemption of taxes and duties. It increased the amount of assessable income exempted from inclusion of computation for payment of income tax as prescribed in the ministerial regulations No. 126 so as to relieve the burdens of the income earner and to stimulate the economic system within the country. (2812)

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

1. Notification of Department of Energy Business re prescription of specifications and qualities of gasohol. (2012)

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

1. Notifications of the Board of Investment: (2909)
  - 1.1 No. 2/2550 re measures promoting investment as a special case in the three southern border provinces.
  - 1.2 No. 3/2550 re measures rectifying environmental problems.
  - 1.3 No. 4/2550 re measures promoting research and development between industrial sector – educational institute.
  - 1.4 No. 5/2550 re revision of bases for promotion of tanning, dyeing and finishing business.
  - 1.5 No. Sor. 6/2550 re amendment to category of business 6.2: chemicals manufacturing business.
2. Notification of the Ministry of Industry re preparation of report on types and quantities of pollutants released from factory. (1709)

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

1. Ministerial regulations fixing mineral royalty tariff for tin, lead, gold, mineral of the type containing tungsten oxide and zinc. (1710)
2. Notification of the Ministry of Public Health (No. 47) re preservatives which may be used as ingredients in manufacturing cosmetics. (2910)
3. Notification of the Cosmetics Committee (No. 17) specifying necessary statements on labels of cosmetics. (2910)
4. Notification of the Ministry of Industry re types of minerals (sodium feldspar, industrial earths, dolomite, coal (lignite), bentonite, barite, fluoride, gypsum, gemstones, decorative rocks, marble and industrial rocks) and quantity of minerals

that buyer, seller or keeper is exempted from compliance with provisions governing buying, selling and keeping of minerals. (3010)

5. Notification of the Ministry of Labor re minimum wage rate (No. 8). The basic minimum wage rate shall be fixed at Baht 144 per day. One hundred and ninety four (194) Baht per day in Bangkok, Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakarn and Samut Sakorn Provinces. (1611)
6. Order of the Consumers Protection Board No. 9/2550 re prohibition of sale of substances used in bio technical method temporarily. (1710)
7. Order of the Consumer Protection Board No. 10/2550 re prohibition of sale of water cooler using lead as binder of seams of water tank or water supply pipe temporarily. (1710)

### **Miscellaneous**

1. Royal decree dissolving Tanning Organization, B.E. 2550 (1510)
2. Royal decree dissolving Battery Organization, B.E. 2550 (1510)
3. Ministerial regulations prescribing dangerous articles and animals which may be dangerous to safety of aircraft or persons in aircraft. (2410)
4. Order of the Royal Thai Police No. 646/2550 re prohibition of importation of printed matters (Asia, No.8, of 2007 and Asia, No. 9, of 2007) into the Kingdom; and Order of Printing Officer No. 6/2550 re prohibition of sale or distribution and seizure of the same printed matters. (2210)
5. Ministerial regulations prescribing categories, types or descriptions of buildings which require permission before construction or modification within distance not exceeding fifteen meters from highway area. (2611)
6. Ministerial regulations prescribing types or categories of buildings, bases, procedures and conditions respecting inspection of design and calculations of various parts of building structure. (2611)

### **Summary of laws and general matters approved by the resolutions of the Cabinet during 22 October 2007 – 31 January 2008**

1. Approved the royal decree governing the purchase, employment and administration of procurement by the Government. (2210)
2. Approved the quantity limit of containers via Bangkok Port shall not exceed 1.34 million TEU/year. (2210)
3. Approved the development plan for transportation of goods and services (logistics) management systems as proposed by the Ministry of Communication. (2210)

4. Approved the administration of project of expressway Bangplee-Suksawad and special highway no. 37 Bangkok outer ring (Bangplee-Bangkunthien) (2210)
5. Approved the construction of new Tobacco Plant in industrial estate area which shall not be more than 200 kilometers far from Bangkok with the investment amount of 16,200 million baht to be completed within 5 years (2551-2555). (2210)
6. Approved the granting of petroleum concessions under the invitation to submission of application for petroleum concessions No. 20 to four companies (details are available at the Library). (3010)
7. Approved the resolution of the National Energy Policy Board No. 7/2550 adopted on October 18, 2007 as follows: (3010)
  - 7.1 Establishment EGAT International Co., Ltd.
  - 7.2 Draft Power Purchase Agreement, Nam Theun 1, Nam Ngum 3, Nam Ngiep and Theun Hinboun, the extended part.
  - 7.3 Increase in quantity of power purchased from Lao PDR
  - 7.4 Plan for change in over ground electric wires to be beneath the ground of the Metropolitan Electricity Authority.
  - 7.5 Draft plan for construction of infrastructure for production of automatic power.
8. Approved the resolution of the committee filtering matters for submission to the Cabinet No.1 chaired by deputy premier Kosit Panpiemrat, approving development plan for EGAT's 81.7 MW renewable power plants with investment fund of Baht 4,826 million as proposed by the Ministry of Energy. (3010)
9. Approved the minutes of the meeting of AFTA Council. (0611)
10. Approved the draft royal decree establishing the Energy Fund Management Institute. (2711)
11. Approved the MOU for purchase of electricity in Num Ou Project as proposed by the Ministry of Energy. (2711)
12. Approved in principle the area in Ban Huaykalok, Amphur Mae Sod, Tak province, covering 104 sq.km. as a survey study area for the purpose of setting out the guidelines on development of oil shale. (1112)
13. Approved the MOU made between the Government of the Kingdom of Bahrain and the Government of the Kingdom of Thailand on enhancement of mutual cooperation in the field of oil and gas. (1112)

14. Approved the Ministry of Energy to issue petroleum concession under Section 22(1) of the Petroleum Act, B.E. 2514 to 11 applicants in 13 exploration blocks. (1812)
15. Approved the MOU for purchase of electricity from Hongsa Lignite Project and draft of ministerial regulations re criteria, procedures and conditions for notifying the approval and rate of fee for fuel oil operation; acknowledged the selection of IPP applicants; the revision of the power production development plan 2007; the establishment of infrastructure for nuclear power production and determined the minimum energy efficiency standard. (1812)
16. Approved the Ministry of Foreign Affairs to ratify the ASEAN Convention on Counter Terrorism – ACCT. (1812)
17. Approved the transmission system project for purchase of electricity from Num Ngum 3 and Num Thern 1. (1812)
18. Approved the draft ministerial regulation re criteria for issuance of construction or change of building license for the incomplete construction building. (1501)
19. Acknowledged the solving of problem on the impact caused by the Mae Moh power plant. (1501)
20. Assigned the Energy Policy and Planning Office to draft an announcement of NEPC re determination of type and term of license for energy industry operation in compliance with Section 47 of the Energy Industry Act, B.E. 2550. (2201)
21. Approved in principle the draft regulations of NEPC re rules, procedures and conditions for submission of application for a license and conditions of energy industry operation and assigned the Energy Minister to consider or act on behalf of the power regulator. (2201)
22. Approved the guideline for opinion hearing in issuance of notifications, rules by disclosing the material contents of the draft regulations of NEPC. (2201)
23. Approved operation plan, expenditures, estimated income, and plan of establishment of tariffs and other benefits in operation under the Energy Industry Act, B.E. 2550 during February – May 2008. (2201)
24. Approved the extending privileges in investment in mining business to Asean investors equal to those granted to Australian investors under Thai-Australian Free Trade Area Agreement. (2201)
25. Approved the draft Head of Agreement between the Thailand-Malaysia Joint Development Authority and Petroliam Nasional Berhad (Petronas) for joint production of petroleum between Phumi field, block A-18, in the Thailand-Malaysia joint development area and south Phumi field, block PM 301 of Malaysia. (2201)