

CHANDLER & THONG-EK LAW OFFICES LTD.

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The following important legislation was published in the Government Gazette:

Anti-Corruption

1. Regulations of National Anti-Corruption Commission dated 3 August 2011 re witness protection B.E. 2554.
2. Regulations of National Anti-Corruption Commission dated 4 August 2011 re payment of bribe (No. 2).
3. Regulations of National Anti-Corruption Commission dated 11 August 2011 re arrangement of rewards or other benefits for promotion of anti-corruption.

Bank and Finance

1. Letter of Bank of Thailand No. ForChorTor. (20) Wor.24/2554 dated 30 June 2011 re schedule to use the ICAS system (Image Cheque Clearing and Archive System).
2. Notification of Deposit Protection Agency Board dated 8 July 2011 re criteria, procedures and conditions for submission to receive money, exercise the right of depositor and payment to the depositor.
3. Notification of Bank of Thailand No. SorNorSor. 5/2554 dated 5 August 2011 re permission for commercial banks to render other services to customers in addition to certain commercial banking business.
4. Notification of Bank of Thailand No. SorNorSor. 6/2554 dated 5 August 2011 re permission for commercial banks to render financial or insourcing services.
5. Notification of Bank of Thailand No. SorNorSor.7/2554 dated 31 August 2011 re granting credit facilities that are expected default.
6. Guidelines of Bank of Thailand dated 28 September 2011 re approval for establishment and supervision of representative offices of Thai commercial banks abroad.
7. Guidelines of Bank of Thailand dated 28 September 2011 re approval for establishment and supervision of representative offices of foreign financial institutions in Thailand.
8. Notification of Bank of Thailand No. SorNorSor. 8/2554 dated 28 September 2011 re criteria for approval for establishment and supervision of representative offices of Thai commercial banks abroad.

Commerce, Court, Customs & Tax

1. Notification of Department of Internal Trade dated 27 June 2011 re standards of warehouse, silo and cold storage B.E. 2554.

2. Notification of Central Registrar dated 29 June 2011 re assignment of activities which are under the power and duty of central registrar.
3. Notification of the President of the Supreme Administrative Court dated 29 June 2011 re establishment of environment cases department in the Supreme Administrative Court.
4. Notification of the President of the Supreme Administrative Court dated 29 June 2011 re establishment of environment cases department in the Primary Administrative Court.
5. Suggestion of the President of the Supreme Administrative Court dated 29 June 2011 re proceeding with administrative case re environment.
6. Regulation of the Port Authority of Thailand dated 14 July 2011 re issuance of pass card in customs area.
7. Notification of the Port Authority of Thailand dated 14 July 2011 re submission of pre-advice of export goods or containers through the gate of Customs zone of Lam Chabang Port.
8. Requirements of the President of the Supreme Court dated 28 September 2011 re mediation.

Energy and Environment

1. Notification of National Environment Board No. 41 dated 3 June 2011 re criteria and procedures for appointment of expert committee for consideration of initial environmental impact report and environmental impact analysis report in the environmental protection area.
2. Notification of Pollution Control Board dated 16 June 2011 re method to check the concentrate of smell by sensory test and listing the names of sensory testers of the Pollution Control Department, Ministry of Natural Resource and Environment.
3. Regulation of Energy Regulatory Commission dated 30 June 2011 re appointment of consultant and secretary.
4. Notification of Department of Energy Business dated 23 August 2011 re criteria for making sign in the area of pipeline oil transport system.
5. Notification of the Ministry of Natural Resource and Environment dated 30 August 2011 prescribing the oil refinery as the pollution source which shall be subject to the control of the release of polluted air to the atmosphere.
6. Notification of Department of Industrial Works dated 30 August 2011 re qualifications, training and testing of standards of personnel on the environment of the factory.
7. Notification of Ministry of Natural Resource and Environment dated 15 September 2011 re criteria for operation of water business concession for public safety or happiness.

Industry and Insurance

1. Orders of Ministry of Finance Nos. 708/2554 and 709/2554 dated 6 June 2011 re revocation of non-life insurance licenses of Victory Insurance (Thailand) Co., Ltd., and Liberty Insurance Co., Ltd, respectively.
2. Notifications of Registrar dated 8 June 2011 re curriculum, knowledge and performance in actuarial science of applicants for licensing as actuaries and list of association of actuaries under the Life and Non-Life Insurances Acts, respectively.

3. Notifications of Insurance Commission dated 10 June 2011 re assessment of assets and liabilities of life and non-life insurance companies (No. 2), respectively.
4. Orders of Registrar dated 14 June 2011, Nos. 28/2554 and 29/2554 prescribing rate of insurance premium for those who directly take out insurance from non-life and life insurance companies, respectively.
5. Order of Registrar dated 30 June 2011, No. 30/2554 re change of rate of insurance premium for life insurance.
6. Order of Registrar dated 30 June 2011, No. 31/2554 re approval of a standard form and its contents of group life insurance policy category for loan coverage insurance premium of which is payable in one lump sum.
7. Order of Registrar dated 30 June 2011, No. 32/2554 re approval of a standard form and its contents of ordinary life insurance, savings and lifelong insurance premiums of which are payable in one lump sum.
8. Notifications of Insurance Commission dated 16 August 2011 re categories and types of funds including the criteria, procedures and conditions for calculation of funds of life and non-life insurance companies.
9. Notifications of Insurance Commission dated 16 August 2011 re forms, criteria, procedures, conditions and time for submission of annual report, calculation of liability under the insurance policy of life and non-life insurance companies.
10. Notifications of Insurance Commission dated 22 August 2011 re assessment of assets and liabilities of life and non-life insurance companies.
11. Notification of Department of Industrial Works dated 30 August 2011 re criteria and procedure for registration as the organizer who arranges training and issues certificates for training workers who control, deliver and fill gas in the factory.
12. Notification of Department of Industrial Works dated 30 August 2011 re criteria for registration as work unit which arranges training and testing of course standard for controller of boiler or steam boiler which uses liquid as heat conductor.
13. Notification of Ministry of Industry dated 20 September 2011 re exemption of annual fee and renewal fee for license for operation of factory business to the operator who suffered from the catastrophe (flood in B.E. 2553) B.E. 2554.
14. Notification of Ministry of Industry dated 20 September 2011 re exemption of annual fee and renewal fee for license for operation of factory business to the operator who suffered from the catastrophe (flood in B.E. 2554) B.E. 2554.

Labor, Land and Legal Execution

1. Notification of Director-General of Legal Execution Department dated 13 June 2011 re announcement of sale by auction form.
2. Notification of Director-General of Legal Execution Department dated 13 June 2011 re website for advertisement of sale by auction.
3. Notification of Director-General of Legal Execution Department dated 13 July 2011 re announcement of sale by auction form (No. 2).

4. Notification of Medical Committee under Social Security Act dated 20 July 2011 re criteria and rate for compensating benefit in case of injury or illness sustained not from account of the work.
5. Notification of Director-General of Legal Execution Department dated 28 July 2011 re quotation procedure.
6. Notification of Director-General of Legal Execution Department dated 29 July 2011 re official place for posting the sale by auction announcement.
7. Regulation of Land Department dated 17 August 2011 re condominium B.E. 2554.
8. Notification of Director-General of Legal Execution Department dated 18 August 2011 re extension of time for payment of the balance.
9. Notification of Department of Labor Protection and Welfare dated 2 September 2011 re standard of equipment for protection of personal safety.

Mining

1. Regulations of the Department of Primary Industries and Mines dated 12 July 2011 governing procedures relating to application, issuance, renewal and transfer of Prathanabat (mining lease) (No. 6) B.E. 2554.
2. Notification of the Ministry of Natural Resource and Environment dated 21 September 2011 re submission of application for Atchayabat in the areas designated as the areas for exploration, test, study or research on Potash as special case.

Telecommunication

1. Order of National Broadcasting and Telecommunications Commission No. 14.1/2554 dated 8 July 2011 re application of remuneration rate for connecting telecommunication network as reference rate.
2. Notification of National Broadcasting and Telecommunications Commission dated 27 July 2011 re procedures for issuance of automatic license under the radio communication.
3. Notification of National Broadcasting and Telecommunications Commission dated 27 July 2011 re criteria for acceptance of inspecting result of telecommunication machine and equipment from foreign inspecting telecommunication machine and equipment work unit.
4. Notification of National Broadcasting and Telecommunications Commission dated 23 August 2011 re prescription of prohibition against acts constituting takeover by alien B.E. 2554.
5. Notification of National Broadcasting and Telecommunications Commission dated 24 August 2011 re criteria and procedures for permission to operate temporary community services (community broadcasting) (No.2).
6. Notification of the Office of Prime Minister dated 7 October 2011 re appointment of National Broadcasting and Telecommunications Commission.

Miscellaneous

1. Ministerial regulations dated 8 June 2011 governing other businesses directly relating to or being a part of mercantile marine business.

2. Ministerial regulations dated 8 June 2011 re criteria and procedures for application for registration as sea transport operator or dock business operator.

Summary of Interesting Laws and General Matters Approved by the Resolutions of the Cabinet as of 11 October 2011

1. Approved in principle the adjustment to the plan to construct new Tobacco Plant of the Thailand Tobacco Monopoly within the investment amount approved by the Cabinet on 25 December 2007 and Thailand Tobacco Monopoly uses income derived from operations for this construction as approved by the Cabinet on 14 December 2010. (0404)
2. Approved the draft of Memorandum of Understanding re model project for reducing energy consumption in a commercial building in Thailand between Department of Alternative Energy Development and Efficiency and New Energy and Industrial Technology Development Organization. (1204)
3. Approved the right and benefit on tax for the companies submitted application to register in MAI. (1204)
4. Acknowledged the master plan of development of traffic and transportation systems B.E. 2554 – 2563. (1204)
5. Approved the Mass Rapid Transit Authority of Thailand (MRTA) to use part of the loan received from the Japan International Cooperation Agency (JICA) for the construction of the Purple Line railways route to hire a management and system supervision consultant. (2004)
6. Approved the transmission system development project for Electricity Generating Authority of Thailand to purchase electricity from Mai Khot Coal-Fired Thermal Power Plant in Myanmar. The power purchase agreement is expected to be signed in mid 2011. (0305)
7. Acknowledged the assistance measures for the flood victims from Nok Ten Storm. Both natural persons and companies or limited partnerships were exempted income tax for compensation from the State. The natural persons and the entrepreneur (with income according to measure 50(5) to (8) of the Revenue Code), who had registered with the centre of organization providing assistance of the state was also exempted the income tax equally to damages value. The Company or the limited partnership that had been affected by the floods and received indemnity from insurance was exempted the income tax for indemnity from insurance to compensate the damages that were over the cost value of the assets after deducting breakage or depreciation rates. (2508)
8. Acknowledged the resolution adopted by the National Energy Policy Committee during its 4th meeting of this year on 26 August 2011 regarding measures to hold the transfer of funds into oil reserves from benzene and diesel fuels in order to ease the burden on consumers. (3008)
9. Approved the principles and guidelines to refund the money to the purchaser of first car. (1309)
10. Approved Thai Airways International Public Company Limited use arbitration clause for First Amendment to the Dispute Resolution Agreement with Star Alliance. (1309)
11. Approved the Memorandum of Understanding on Energy Co-operation between the Association of Southeast Asian Nations and the International Energy Agency. (1309)
12. Approved the budget for the construction of a new Parliament building in the Dusit area of Bangkok as proposed by the Secretariat of the House of Representatives. (2009)

13. Approved tax measures to assist low-income citizens to have their own homes by alleviating tax burden on those who purchase real estate units, land or condominium units. There would be income tax exemption on income after expenses. (2009)
14. Approved the loan procurement guidelines in order to create revolving fund for the State Railway of Thailand (SRT). SRT is to loan 1,860 million baht from domestic loan sources and the Ministry of Finance is to guarantee the loan. SRT then may loan to the SRT Electrified Train Co., Ltd. (SRTET) according to Section 39(4) of the State Railway of Thailand Act 1951. (2709)
15. Approved tax measures for citizens who purchase properties either structure with land or condominium units with value not exceeding 5 million baht. They will receive not more than 10% of the value of the purchased properties or 500,000 baht of tax cut. (2709)
16. Approved the Notification of Ministry of Finance re exemption and reduction of customs duty for the goods with origin from Asean. (2709)
17. Approved and assigned Department of Provincial Administration of Ministry of Interior to issue smart card. (0410)
18. Acknowledged annual report and financial report in 2010 of Malaysia-Thailand Joint Authority. (0410)
19. Approved the appointment Mr. Vorapol Socratyanurak as Secretary General of Office of the Securities and Exchange Commission, to be effective 4 October 2011. (0410)
20. Approved the appointment the Chairman and directors of Electricity Generating Authority of Thailand Board, to be effective 4 October 2011. (0410)
21. Approved the reduction of corporate income tax and ordered BOI and Ministry of Finance to review the right and benefit of investment promotion. The tax reduction measures will be issued as Royal Decree under Revenue Code. Details of the tax reduction measures: (1110)
 1. Reduce corporate income tax to the rate of 23% of net profits for a company or juristic partnership having the fiscal year which ends on or after 31 December 2012, and reduce to the rate of 20% of net profits for the accounting period which commences on or after 1 January 2013.
 2. Reduce the rate of corporate income tax for a company or juristic partnership which is small and medium enterprise with the paid capital in the last date of accounting period not exceeding baht 5 million, provided that such company or juristic partnership does not earn income from sale of goods and services exceeding baht 30 million for each accounting period.
 3. Companies and juristic partnerships which registered their securities with SET within 31 December 2009 and received the right to pay corporate income tax at the rate of 25% of net profit, shall pay at the rate of 23% of net profit for the fiscal year which ends on or after 31 December 2012, and at 20% for the accounting period which commences in or after 1 January 2013.
 4. Reduction of corporate income tax shall be granted to companies which registered their securities in the MIA to be collected at the rate of 25% of net profit for the portion of not exceeding baht 50 million for the fiscal year which ends on or after 31 December 2011.

However, these are main measures only. Additional conditions also apply to each measure.

22. Approved the tax measures to relieve tax burdens on the victims who suffered from flood as follows: (1110)
1. Natural person can use the donation to deduct from the calculation of personal income tax equal to the donation amount but not exceeding 10% of the net income.
 2. The company of juristic partnership can use the money or value of donated asset to deduct as expense in calculation of net profit equal to the actual donation but not exceeding 2% of net profit.

Such donation in money or asset for assisting the victim from flood made during 1 September 2011 to 31 December 2011 by natural person and company or juristic partnership shall be deducted as expenses in calculation of income tax in addition to the normal expense deduction by 50%.

23. Approved the extension period for issuance of work permit for aliens (Lao, Myanmar and Cambodia) for 90 days commenced from 12 October 2011. (1110)
24. Approved the Permanent Secretary of Ministry of Natural Resource and Environment to jointly sign with the representative of UNDP the Integrated Community-based Forest and Catchment Management through an Ecosystem Service Approach. (1110)