

Legal Update Week 35 - 36
(29 August – 10 September 2022)

Thailand Legal News

The Criteria for Long-term Resident Foreigners (LTR) Tax Benefits (29 August 2022)

The Notification on the measures, procedures, and conditions of LTR tax benefits, for foreigners and foreign employees in the company operating in the targeted industries, are as follows:

Categories	Requirements
General criteria	<ul style="list-style-type: none">• Possess LTR visa• Qualified under Board of Investment (BOI) LTR regulations
Specific criteria	<ul style="list-style-type: none">• Employed by a company operating in the targeted industries• Earned income from such company in the targeted industries• Filed PIT Return with P.N.D.95.

The reduction and exemption shall apply from 1 September 2022.

https://www.rd.go.th/fileadmin/user_upload/kormor/newlaw/dg427KA.pdf

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The Central Administrative Court Ordered the Bangkok Metropolitan Administration (BMA) to Pay THB 12.6 billion in Debt to Bangkok Mass Transit System (BTS) (7 September 2022)

The court ordered BMA and Krungthep Thanakhom (BMA's subsidiary "KT") to pay THB 12.6 billion to BTS for the operation and maintenance of the Green Line (BTS) extensions. This dispute derived from the agreement between the parties, that requires BTS to operate the extension of the Green Line, in addition to the original BTS stations.

<https://www.nationthailand.com/business/corporate/40019831>

Notification of Office of Insurance Commission (OIC) re: Investment in other businesses by Life and Non-Life Insurances (7 September 2022)

OIC announced the amendments to the investment conditions in other businesses of the insurance companies. The main changes are, for instances:

- the duty to appoint a credit committee: to issue policies and regulate in relation to credit services, and to ensure good governance and manage staff;
- increasing the investment cap for foreign bank deposits, foreign bonds, funds and trusts, infrastructure and property funds from 15% to 30% of the total investment budget;
- the company can now invest in syndicated loans for infrastructure businesses, under the governing criteria.

http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/E/209/T_0066.PDF

http://www.ratchakitcha.soc.go.th/DATA/PDF/2565/E/209/T_0072.PDF

The Amendment of Life Insurance Act and Non-Life Insurance Act on the group 2 the act regarding the stability of the company (30 August 2022)

The cabinet approved the drafts of the amendments of the Life Insurance Act and Non-Life Insurance Act. These 2 Acts will be amended on the same issues, for example:

- expanding the definition of a “director” to include branch manager and board of directors of the branches of the foreign insurance companies in Thailand, in order to impose the same standard for the foreign insurance companies;
- specifying the measures for reserved funds for liquidity purpose, and the minimum rate will be announced by the Office of Insurance Commission (“**OIC**”), and the authority can intervene in case the reserved fund is less than the standard;
- specifying prohibited activities (e.g. loan or guarantee for director or personnel in the company, except as welfare);
- stipulating the duty to hire an actuary;
- Etc.

<https://www.thaigov.go.th/news/contents/details/58635>

The Draft of Traffic Procedure Act (6 September 2022)

The cabinet approved in principle on the Draft of Traffic Procedure Act. This Act will be enacted in order to establish a special Traffic Court. This court shall have the jurisdiction over traffic cases, with the aim to distinguish traffic cases from general criminal cases to reduce the workload of the criminal court. There are special authorities of the Traffic Court, such as, license suspension, issuing social work penalty, ordering to retake the driving license course, using electronic equipment for monitoring, or testing for alcohol.

<https://www.thaigov.go.th/news/contents/details/58915>