



Legal Update Week 39 - 40 (21 September– 4 October 2020)

Thailand legal news

Highlights:

- **22 September 2020:**

- The Anti-Money Laundering Office (AMLO) announced that it is investigating suspicious financial transactions of 4 Thai banks due to the report of the International Consortium of Investigative Journalists (ICIJ) in relation to files leaked from the Financial Crimes Enforcement Network in the US.
- The retail price of LPG for household use will be fixed for 3 months at the rate of THB 14.37/kg, excluding VAT, or THB 318 per 15kg tank to support people during the current economic situation announced by the Energy Policy Committee (EPC).

- **2 October 2020**

- The Tourism Authority of Thailand (TAT) confirmed to commence the Special Tourist Visa (STV) in October. Chinese tourists will be the first who are scheduled to arrive at the end of October.
- The Revenue Department (RD) increased the additional way to use 23 foreign currencies (apart from Thai currency) as functional currencies for the tax payment of

- Allowing foreign currency for tax payment
- New stimulus package for the job retention scheme proposed by the BOI
- Extended period of time for the notification of residence for foreigners

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companies or partnerships under the criteria and requirements prescribed by the RD.

- **30 September 2020**

- The BOI plans to propose a new stimulus package for the job retention scheme to the Cabinet to support companies to keep their employees during the current economic situation. Moreover, the BOI will ask the Cabinet to extend the period of the Thailand Plus Investment Package.

- **29 September 2020**

- The Cabinet approved loans in the amount of THB 1.47 trillion in the fiscal year starting 1 October 2020 for boosting the economy. Moreover, it also approved investments in the amount of THB 291 billion by 44 non-listed state enterprises for the next fiscal year.

New Cabinet resolutions

22 September 2020

- **Approved principle:** Draft Royal Decree re: the control and supervision of the digital identity verification and confirmation service business which requires a license B.E. ...
 - Determine the criteria and requirements of business entrepreneurs to operate the business;
 - Determine the types of service that must obtain the license for providing service regarding the digital identity including identity provider service and digital identity platform service;
 - Determine types of business which are exempt from obtaining the license, such as the identity service for the

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certification of electronic signature which is in accordance with the Electronic Transactions Act.

- **Approved principle:** Draft Ministry rule No... (B.E. ...) under the Immigration Act B.E. 2522 (prescribing Covid-19 as forbidden disease)
 - Impose that any foreigners who have the Covid-19 disease are prohibited from entering and staying in the country in accordance with Section 12(4), 44(2) Immigration Act B.E. 2522.

29 September 2020

- **Approved principle:** Draft State Enterprise Labour Relations Act B.E. ...
 - Determine that a demand on the Conditions of Employment or amendment to the Conditions of Employment must be submitted within 60 days before the previous condition expires;
 - Allow the state enterprise to have more than one labour union;
 - Amend the penalty under State Enterprise Labour Relations Act B.E 2543.
- **Approved draft:** Draft Copyright Act (Issue no. ...) B.E. ...
 - Add the definition of “service provider”, “service user” and amend the definition of “technology measure”;
 - Amend that the copyright in a photographic work shall last for the life of the author and fifty years after his/her death;
 - Amend that the copyright in an audiovisual work, a cinematographic work, a sound recording or a broadcast shall last for fifty years after the creation of such work, but if the work has been published during such period, copyright shall last for fifty years after the first publication of the work.
 - Amend that a service provider (such as the service provider for data on internet platform) shall not be liable if they do not know

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or are not involved in the violation of the copyright in their platform.

- **Approved the investment:** The development of an industrial estate smart park project located in Rayong province amounting to THB 2.37 billion as requested by the Ministry of Industrial.

Government Gazette Update:

Date	Part	Subject
22 September 2020	Phiset Ngor	<ul style="list-style-type: none">• Notification of Trade Competition Commission re: Guidelines for the Consideration of Unfair Trade Practices in Franchise Businesses (Issue no.2)- Setting restrictive conditions for the franchise business regarding expanding the branches.- If the franchisor (owner of the franchise brand) wishes to increase and operate a branch by itself, the franchisor must notify its franchisee whose branch is located in the nearest area and offer such franchisee the right of first openness of the branch in that area, except the franchisee does not meet the business turnover determined by the franchisor prior, whereby the franchisor must provide time for consideration not less than 30 days to respond.- <u>Effective date:</u> 23 September 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/220/T_0006.PDF</p>
23 September 2020	Kor	<ul style="list-style-type: none">• Royal Decree issued under the Revenue Code on the exemption of tax rate (No. 710) B.E. 2563- Waive the corporate income tax for additional 100% for purchase of machinery and computer program assets for automatic system during the period 1 January 2019 to 31 December 2020.- <u>Effective date:</u> 24 September 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/075/T_0009.PDF</p>

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	Kor	<ul style="list-style-type: none">• Royal Decree issued under the Revenue Code on the exemption of tax rate (No. 711) B.E. 2563- Deduct 50% of the actual expense on the wage of high skilled employees in science, technology, engineering, or mathematics related sectors but not more than THB 100,000 per month paid from 1 January 2020 to 31 December 2020.- <u>Effective date:</u> 24 September 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/075/T_0013.PDF</p>
	Kor	<ul style="list-style-type: none">• Royal Decree issued under the Revenue Code on the exemption of tax rate (No. 712) B.E. 2563- Deduct 150% of the amount of expenses actually paid for arranging training in Thailand for employees paid from 1 January 2019 to 31 December 2020.- <u>Effective date:</u> 24 September 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/075/T_0016.PDF</p>
	Kor	<ul style="list-style-type: none">• Royal Decree issued under the Revenue Code on the exemption of tax rate (No.713) B.E. 2563- Deduct 200% of the donated amount as a deductible expense for supporting education, but not exceeding 10% of net profit before deducting expenses for public charity or for public benefit and expenses for education or sports. The donation must be conducted from 1 January 2020 to 31 December 2021.- <u>Effective date:</u> 24 September 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/075/T_0019.PDF</p>
	Kor	<ul style="list-style-type: none">• Royal Decree issued under the Revenue Code on the Value Add Tax rate deduction (No. 715) B.E. 2563- Keep the VAT rate at 6.3% until 30 September 2021- <u>Effective date:</u> 1 October 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/075/T_0027.PDF</p>
	Kor	<ul style="list-style-type: none">• Min. Reg. Re: exemption of license and license substitute fee relevant to industrial product B.E. 2563

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25 September 2020		<ul style="list-style-type: none">- Waive license and license substitute fee relevant to the industrial product in accordance with the ministerial rule on the determination of license and license substitute fee relevant to industrial product B.E. 2548 until 30 April 2021.- <u>Effective date:</u> 10 October 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/077/T_0001.PDF</p>
	Phiset Ngor	<ul style="list-style-type: none">• Notification of the Trade Competition Commission re: Criteria of being in a dominant market position:- Amend the criteria as a business operator with a dominant market position by removing the criteria of the required sales volume of THB 1 billion in the past year;- This sale volume criteria will not apply for the first three biggest business operators in the market to avoid the circumvention of the law.- <u>Effective date:</u> 26 September 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/224/T_0020.PDF</p>
	Phiset Ngor	<ul style="list-style-type: none">• Order of the Ministry of Interior No. 2/2563 re: determination of the requirements for the permission of some groups of foreigners to enter the Kingdom temporarily:- Cease the prescription of the list of countries where the passport holders enters the Kingdom temporarily by only affixing the seal at the permitted pathway of the immigration office. <p>-<u>Effective date:</u> 1 October to 31 December 2020</p> <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/224/T_0032.PDF</p>
29 September 2020	Phiset Ngor	<ul style="list-style-type: none">• Announcement: extension of the declaration of the state of emergency for all areas in the Kingdom of Thailand (6th time)- Extend the state of emergency, effective 1 – 31 October 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/227/T_0078.PDF</p>
	Phiset Ngor	<ul style="list-style-type: none">• Notification of Public Health Emergency Operation Center for covid-19 pandemic re: list of hospitals certified as Alternative State Quarantine (Issue no.2)

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		<ul style="list-style-type: none">- <u>Effective date:</u> 29 September 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/227/T_0074.PDF</p>
30 September 2020	Kor	<ul style="list-style-type: none">• Chief of the Supreme Court Regulations re: the court trial via electronic method B.E. 2563- Determine the methods, procedures of the document submission, testimony, judgment via electronic media- <u>Effective date:</u> 1 October 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/078/T_0009.PDF</p>
	Phiset Ngor	<ul style="list-style-type: none">• Notification of Ministry of Interior re: permission for certain groups of foreigners to stay in Thailand as a special case- Determine the conditions and qualifications of foreigners who wish to apply for the Special Tourist Visa (STV). <p>-<u>Effective date:</u> 1 October 2020 – 30 September 2021</p> <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/229/T_0030.PDF</p>
	Phiset Ngor	<ul style="list-style-type: none">• Notification of Ministry of Interior re: permission for certain groups of aliens to remain in Thailand as a special case (Issue no. 4)- Extending the period of time permitted for a stay in the Kingdom under Section 35 of the Immigration Act B.E. 2522 from 27 September 2020 to 31 October 2020;- Extending the period of time for the notification of residence under Section 37 (5) of the Immigration Act from 27 September 2020 to 31 October 2020. <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/229/T_0032.PDF</p>