



Legal Update Week 7 - 8 (15- 28 February 2021)

Thailand legal news

Highlights:

- RD and BOI enter MOU on data connection

- Extended due date to file and pay the tax under Phor. Ngor. Dor. 90, 91 forms until 30 June 2021

- New Notification of the Social Security Office re: Determination of the rate of the pension benefit of the insured person under section 40

- **27 February 2021:**
 - International flights are permitted to transit or transfer their passengers at Thai airports from 1 March 2021, as announced by the Civil Aviation Authority of Thailand (CAAT). However, all passengers and flight attendants must still adhere to Covid-19 control restrictions, including wearing face masks throughout flights.
- **26 February 2021:**
 - Draft criteria of qualifications for cryptocurrency investment issued by the SEC faced heavy criticism due to the investor's criteria requiring an annual income of THB 1 million, unless they have a net worth of THB 10 million or an investment portfolio of over THB 5 million.
- **25 February 2021:**
 - The Department of Business Development confirmed the legalization of the digital signature of the registrar on the certificate of registration and certified copies of the company documents requested via DBD e-Service.
- **22 February 2021:**
 - RD and BOI entered into an MOU on data connection under the Digital Transformation Strategy in order to reduce the complications and mistakes on the utilization of the CIT exemption under the BOI promotion. This measure allows

Lorenz & Partners

Legal, Tax and Business Consultants

the investors to update the progress of the project by submitting information via only one e-Monitoring platform starting from 1 April 2021.

- **21 February 2021:**

- The Supreme Administrative Court suspends the execution order against Nissan Motor Thailand for another 6 months based on its determination of a violation of the unfair trading practices provisions of the Trade Competition Act. The order was issued in February 2020 regarding the complaint to the Trade Competition Commission by dealers that their dealership agreements were not being renewed with no reasons provided.

- **18 February 2021:**

- The Bank of Thailand (BOT) has a plan to launch the accounting and financial reporting standards for specialized financial institutions (SFIs) to improve the financial fundamentals and show the borrowers' actual risks.

- **15 February 2021:**

- The BOI concluded that in 2020 there were a total of 1,717 BOI applications submitted by local and foreign investors with a total investment value of THB 481.1 Billion. Most types of businesses are from the electric and electronics and the agriculture and food processing sectors, while applications from the medical sector also increased to fill the demands of markets.
- The SEC restricts all digital asset fund managers and investment advisers who operate the investment on cryptocurrency or digital tokens for others by requiring all of them to apply for the license within 24 February 2021 to continue their business. Any operation without the license can be ordered to cease.

New Cabinet resolutions

- **23 February 2021:**
 - **Approved principle:** Draft Operation of a Non-Profit Organization Act
 - Determines that the non-profit organization is required to register and comply with the laws which are relevant to the establishment and operation of the NGOs before operating their activity in Thailand.
 - Determines the duty of NGOs to present the source and amount of income used for proceeding with the activity each year.
 - Prescribes the requirement to present the audit report certified by the public accountant which must be submitted to the registrar within sixty days from the end of the fiscal year. The registrar shall publish the said audit report in the information system of the Department of Provincial Administration.
 - **Approved Draft:** Draft Royal Decree prescribing criteria and requirements of types, characters, sizes, service, or transactions of the person who has a duty to inform B.E. ...
 - Determines the lists of persons who have a duty to inform under Section 3 of the Operations of the Agreement between the Government of the Kingdom of Thailand and the Government of the United States of America for Cooperation in Improving International Tax Compliance B.E. 2560, such as financial institutions under Financial Institution Business Law.
- **15 February 2021:**
 - **Approved draft:** Draft Ministerial Regulation prescribing the number of disabled persons which employers or business operators and government

Lorenz & Partners

Legal, Tax and Business Consultants

agencies are required to employ and the amount of money that employers or business operators must contribute to the Fund for Empowerment of Persons with Disabilities (Issue no. ...) B.E. ...

- Amends the clauses regarding the exemption on the required period that the business operators must contribute to the Fund for Empowerment of Persons with Disabilities in case they fail to meet the requirements to hire the disabled persons from 45 days to 90 days (effective from 1 January 2021 to 31 March 2021).
- **Approved project:** “Section 33 We Love Each Other” under the Social Security Office
 - The target group is as follows:
 1. Thai nationals
 2. Being a compulsory insured person (section 33) under the Social Security Fund (or used to be an insured person on 19 January 2021);
 3. Not subject to other government measures (e.g. We Win Scheme (Rao Chana), welfare card, etc.); and
 4. Those who have outstanding bank balances less than THB 500,000 (as of 31 December 2020).

Government Gazette Update:

Date	Part	Subject
24 February 2021	Phiset Ngor	<ul style="list-style-type: none">• Notification of Central Committee on Price of Goods and Services (Issue no. 2) B.E. 2564 re: criteria, methods, and requirements of surgical mask distribution- Authorizes the secretary of the Central Committee on Price of Goods and Services to order any surgical mask manufacturers to submit or sell the volume of masks at the determined places as necessary in case there is an emergency contributing to the shortage of need in the hospital.

Lorenz & Partners

Legal, Tax and Business Consultants

		<ul style="list-style-type: none">- The manufacturer has a duty to issue the daily inventory control account demonstrating the lists of goods, the value of purchase, the amount of the production, etc. and is required to fill in the account book within 3 days from the distribution day for each time.- <u>Effective date:</u> 24 February 2021http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/043/T_0015.PDF
19 February 2021	Phiset Ngor	<ul style="list-style-type: none">• Regulation of the Department of Land Transport re: the procedures in relation to the driving license and driving ID card under the Vehicle Act (Issue no. 2)- Determines the procedures to apply for the driving license under the international convention to which Thailand is a party.- Determines the types of vehicles permitted to drive.- <u>Effective date:</u> 1 January 2021http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/040/T_0002.PDF
	Phiset Ngor	<ul style="list-style-type: none">• Regulation of the Department of Land Transport re: the procedures in relation to the driving license and driving ID card under the Vehicle Act (Issue no. 3)- The application for the driving license of a public vehicle, Public Motor Tricycle, Public Motorcycle shall be under the criminal record check procedure by submitting the letter to the Criminal Records Division of the National Police Office.- <u>Effective date:</u> 19 February 2021http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/040/T_0005.PDF
	Phiset Ngor	<ul style="list-style-type: none">• Regulation of the Department of Land Transport re: the procedures in relation to the driving license and driving ID card under the Vehicle Act B.E. 2564- Determines the lists of documents to apply for the driving license:<ol style="list-style-type: none">1. Personal ID card;2. Medical certificate;3. Evidence showing that the applicant completed the certified driving training;4. Original and photocopy of valid international driving license (1949 convention) or local driving license (translate into English or Thai language and certified by embassy if it is not in English language)- <u>Effective date:</u> 19 February 2021

Lorenz & Partners

Legal, Tax and Business Consultants

		http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/040/T_0011.PDF
18 February 2021	Ngor	<ul style="list-style-type: none"> - Notification of the Director-General of the Revenue Department in relation to the income tax (issue no. 395) re: determination of criteria, measures, and requirements of tax deduction of the company or partnership located in the Special Economic Zones - Prescribes that any entitled company can notify the utilization of the tax deduction from 23 June 2020 to 30 December 2020 at the large business tax administration office, or local revenue office. - <u>Effective date:</u> 23 June 2020 http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/D/014/T_0115.PDF
17 February 2021	Phiset Ngor	<ul style="list-style-type: none"> • Notification of Financial Ministry re: extension of the submission period for tax filing and payment of any person who has a duty to pay the personal income tax for assessable taxable income year B.E. 2563 - Extend the due date to file and pay the tax under Phor. Ngor. Dor. 90, 91 forms for the assessable taxable income year B.E. 2563 which is required to file and pay the tax from 8 April 2021 to 30 June 2021. - In case the taxpayer is entitled to pay in 3 monthly installments, it is required to pay under the period as follows: <ol style="list-style-type: none"> 1. First installment: the extended period as determined 2. Second installment: shall pay within 1 month from the due date of the first installment. 3. Third installment: shall pay within 1 month from the due date of the second installment. - <u>Effective date:</u> 18 February 2021 http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/038/T_0001.PDF
	Phiset Ngor	<ul style="list-style-type: none"> • Notification of Social Security Office re: determination of the rate of the pension benefit of the insured person under section 40 of annual year B.E. 2563 - The rate of the pension benefit shall be calculated as 3.1% of the accumulated payments of the contribution and benefit per year. - <u>Effective date:</u> 18 February 2021 http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/038/T_0013.PDF

Lorenz & Partners

Legal, Tax and Business Consultants

	Phiset Ngor	<ul style="list-style-type: none">• Notification of Social Security Office re: determination of the rate of the pension benefit of the insured person under Section 33, and Section 39- The rate of the pension benefit shall be calculated as 2.75% of the accumulated payments of the contribution and benefit per year.- <u>Effective date:</u> 18 February 2021 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/038/T_0012.PDF</p>
	Phiset Ngor	<ul style="list-style-type: none">• Notification of Ministry of Finance re: the extension of period to file the form and tax payment via the internet system (Issue no.4)- Extend the period to file the form, remit, and pay the tax under Section 3 Tredecim, 52, 59, 65 Quarter, 69 bis, 70, 70 bis, 83, 83/5, 83/6, 83/7 under Revenue Code via the internet system for January 2021 from 15 February 2021 or 23 February 2021 (depending on the case) to 28 February 2021.- For February 2021, the aforementioned period is extended from 15 March 2021 or 23 March 2021 (depending on the case) to 31 March 2021.- For April 2021, the aforementioned period is extended from 15 May 2021 or 23 May 2021 (depending on the case) to 31 May 2021.- For May 2021, the aforementioned period is extended from 15 June 2021 or 23 June 2021 (depending on the case) to 30 June 2021.- <u>Effective date:</u> 18 February 2021 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/038/T_0002.PDF</p>
16 February 2021	Phiset Ngor	<ul style="list-style-type: none">• Notification of the Department of Employment re: determination of Work Permit Application Form on behalf of foreign nationals of Cambodia, Lao PDR, or Myanmar, pursuant to the Cabinet Resolution dated 26 January 2021- Prescribes the Work Permit Application Form (WP.48)- <u>Effective date:</u> 17 February 2021 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2564/E/036/T_0034.PDF</p>
13 January 2021	-	<ul style="list-style-type: none">• Notification of the Board of Investment No. Sor. 1/2564 re: amending list of activities eligible for investment promotion under the Notification of the Board of Investment No. 2/2557

Lorenz & Partners

Legal, Tax and Business Consultants

		<ul style="list-style-type: none">- added the list of eligible business activities for investment promotion as follows:<ul style="list-style-type: none">- International Procurement Office (“IPO”) under Category 7 (Services and Public Utilities)- Senior Hospitals, Senior Dependent Care Centers, and Clinical Research under Category 7 (Services and Public Utilities)- <u>Effective date</u>: 4 November 2020 https://www.boi.go.th/upload/content/sor1_2564_6004fec7e39fe.pdf
--	--	---