



Legal News

Deloitte Legal – Representing tomorrow

Inside this issue :

June 2017

- The Announcement of the Board of Investment Re: Investment Promotion in Medical Services
- BOI cancels conditions for investment promotion of the eligible activities under 2.3 and 7.12
- Recommended practices in case a foreigner loses departure card while in Thailand

The Announcement of the Board of Investment Re: Investment Promotion in Medical Services

On 3 May 2017 the Thailand Board of Investment (“BOI”) issued announcement No.6/2560 in regards to “Medical Services Investment Promotion Policy”. The primary purpose is to urge investment and to highlight Thailand being a hub in providing complete and modernize medical services. The BOI has set out the list of eligible activities and the conditions, rights and benefits to exempt profits of the BOI promoted activity from corporate income tax (“CIT”) as follows:



- **Thai Traditional Medicine Service (7.28.1)**

Conditions: Must use staff who have a diploma or professional certificate in Thai traditional medicine and the place of business is required to obtain and maintain a quality standard as prescribed by the Department of Thai Traditional and Alternative Medicine (TTM HA System), in the same as or higher level than that of a community hospital

Rights and Benefits: 5-year CIT exemption, capped at the amount of investment (excluding cost of land and working capital)

- **Specialized Medical Center (7.28.2)**

Conditions: Must be a specialized medical center for inadequate fields namely, heart (i.e. coronary artery disease, heart surgery and heart failure), cancer (i.e. chemotherapy and radiology), and nephrology (i.e. kidney center)

Rights and Benefits: 8-year CIT exemption, capped at the amount of investment (excluding cost of land and working capital)

- **Sanatorium Clinic (7.28.3)**

Conditions: Must be located in area as follows:

- 20 provinces with low capita income per person, such as Buriram, Phrae, Mae Hong Son, Roi Et, etc.
- Southern border provinces, such as Yala, Patani, Narathiwat, and Satun.
- Special economic development zones in border areas

Rights and Benefits: 8 years CIT exemption, capped at the amount of investment (excluding cost of land and working capital)

- **Patient, Doctor or Medical Equipment Transportation Service (by air, land, or boat) (7.28.4)**

Conditions: Must be approved by relevant authorities and comply with regulations in relation to standards for providing patient transportation services set forth by the relevant authorities. In addition must have modern tools and equipment prescribed by the Ministry of Public Health or other standards as prescribed by BOI.

Rights and Benefits: 5 years CIT exemption, capped at the amount of investment (excluding cost of land and working capital)

For Thai Traditional Medicine Service (7.28.1), and Specialized Medical Center (7.28.2) that are located in the Eastern Economic Corridor, the promoted activities will be granted an additional incentive which is a CIT deduction of 50% from the normal CIT rate for 5 years starting from the expiry year of the CIT exemption period.

BOI cancels conditions for investment promotion of the eligible activities under 2.3 and 7.12

On 8 May 2017 the Board of Investment (“BOI”) issued an announcement that cancels the conditions for investment promotion for the eligible activities No. 2.3 and No. 7.12 (“Announcement”).

Prior to the Announcement applying for investment promotion for these two eligible activities must be in accordance with conditions as follows:



- **Manufacture of advanced or nano materials or products produced from advanced or nano materials (2.3)**

Condition: Project must be approved by the National Science and Technology Development Agency (NSTDA).

- **Biotechnology (7.12)**

Condition: Project must use modern biotechnology approved by the NSTDA or the Thailand Centre of Excellence for Life Sciences (TCELS).

To promote the development of targeted technology more efficiently and effectively, the BOI issued the Announcement to cancel these conditions so a proposed project does not need to obtain approval from the NSTDA and the TCELS for either of these eligible activities.

This Announcement came into effect on 8 May 2017.

Recommended practices in case a foreigner loses departure card while in Thailand

When foreigners arrive in Thailand they are required to complete an arrival/departure card and the arrival portion gets filed with Immigration at Airport check-in counter. The departure portion of the card will need to be kept by the foreigner until they will leave Thailand whereas the departure portion of the card must be provided to Immigration at the Airport check-out counter.

In cases where a foreigner loses the departure card while in Thailand then the foreigner must proceed with one of the following:

1. Inform the loss of departure card at the local police station and subsequently visit the local Immigration to request a new departure card. This is not subject to fine or fee.

If the foreigner is staying in Bangkok then the foreigner can contact Bangkok Immigration at Immigration Division 1 located at the Government Complex Commemorating His Majesty Chaengwattana Road, Laksi District, Bangkok.

The documents required for requesting a new departure card include:

- Original Passport
- A copy of passport photo page and the entry stamp certified as a true copy by the foreigner

Remark:

- The foreigner has to contact the Bangkok Immigration in person;
 - Once the foreigner receives a new departure card, the foreigner should keep the card together with the passport to mitigate the likelihood losing the card in the future;
 - If the foreigner has to contact the Immigration Bureau, e.g. for reporting 90 day stay, obtaining a new passport and visa extension, etc., the foreigner must show the departure card to the Immigration officer.
2. In case the foreigner will leave the country, he/she can check in at the airport and request a new departure card from the check in counter. The officer will provide a new departure card for the foreigner fill in. There is no fee or fine in this instance.



Contact

Poljun Divari

Director, Tax & Legal Services

Tel: +66 (0) 2034 0000 ext 11231

Email: pdivari@deloitte.com

Pornpun Niyomthai

Director, Tax & Legal Services

Tel: +66 (0) 2034 0000 ext 10404

Email: pniyomthai@deloitte.com

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 225,000 professionals make an impact that matters, please connect with us on Facebook, LinkedIn, or Twitter.

About Deloitte Southeast Asia

Deloitte Southeast Asia Ltd – a member firm of Deloitte Touche Tohmatsu Limited comprising Deloitte practices operating in Brunei, Cambodia, Guam, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam – was established to deliver measurable value to the particular demands of increasingly intra-regional and fast growing companies and enterprises.

Comprising 270 partners and over 7,300 professionals in 25 office locations, the subsidiaries and affiliates of Deloitte Southeast Asia Ltd combine their technical expertise and deep industry knowledge to deliver consistent high quality services to companies in the region.

All services are provided through the individual country practices, their subsidiaries and affiliates which are separate and independent legal entities.

About Deloitte Thailand

In Thailand, services are provided by Deloitte Touche Tohmatsu Jaiyos Co., Ltd. and its subsidiaries and affiliates.

© 2017 Deloitte Touche Tohmatsu Jaiyos Co., Ltd.