



Legal News

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The Announcement of the Office of the Board of Investment Re: Categories of the Activities Not Eligible for Obtaining Rights and Benefits according to the Announcement of the Board of Investment No. 9/2560 and No. 10/2560

On 21 December 2017, the Office of the Board of Investment promulgated the Announcement of the Office of the Board of Investment No. Por. 4/2560 Re: Categories of Activities Not Eligible for Obtaining Rights and Benefits according to the Announcement of the Board of Investment No. 9/2560 Re: Measure to Promote Improvement of Production Efficiency ("BOI Announcement No. 9/2560") and the Announcement of the Board of Investment No. 10/2560 Re: Measures for Eligibility to Receive Additional Rights and Benefits according to the BOI Announcement No. 2/557 ("BOI Announcement No. 10/2560") ("Announcement"). The details of the Announcement are summarized as follows:

- Stipulates that the following categories of activities are not eligible for investment promotion under measure to promote energy conservation, alternative energy utilization or reduction of environmental impact and measure to promote the investment on research and development and engineering designs for efficiency improvement, according to the BOI Announcement No. 9/2560:-
 - Category 5.8 E-commerce;
 - Category 7.5 International Headquarters (IHQ);
 - Category 7.6 International Trading Centers (ITC); and
 - Category 7.7 Trade and Investment Support Office (TISO).

- Stipulates that the following categories of activities are not eligible for investment promotion under measure to promote improvement in production efficiency by upgrading and replacing machinery for manufacturing, according to the BOI Announcement No. 9/2560, and categories of activities which are not eligible for receiving additional rights and benefits in order to promote usage of modern machinery and usage of robots in the production, according to the BOI Announcement No. 10/2560:-
 - Category 4.6 Manufacture of General Automobile;
 - Category 4.12 Manufacture of Motorcycles (except less than 248 cc engine displacement);
 - Category 4.16 Manufacture of Hybrid Electric Vehicles-HEV and Parts
 - Category 5.8 E-commerce;
 - Category 7.2 Natural Gas Station;
 - Category 7.5 International Headquarters (IHQ);
 - Category 7.6 International Trading Centers (ITC); and
 - Category 7.7 Trade and Investment Support Office (TISO).

Draft Act on Property with Rights

On 9 January 2018 the Cabinet approved in principle, the Draft Act on Property with Rights ("**Draft Act**"), which was proposed to the Cabinet by the Ministry of Finance. The Draft Act aims to improve limitations on the usage of immovable properties in order to allow a greater flexibility. The details of the Draft Act are summarized as follows:

- The property owner of immovable property is entitled to register his/her immovable property as the property with rights with the competent officer of the Department of Land. The competent officer shall then issue a letter certifying the rights to the property owner.

- The right holder is able to rent, sell or transfer the property with rights to others. Furthermore, the property with rights can also be passed to the heirs of the right holder without having an advance consent from the property owner who has registered the rights to his/her property. The property with rights shall be effective for a period of up to 30 years from the date of its registration and when the period is due, the last right holder shall return the property with rights to the property owner.

- The right holder is able to mortgage the property with rights as collateral for debts.
- The right holder has the right to modify, extend or construct buildings on the property with rights without having the advance consent from the property owner who has registered the rights to his/her property unless the contract between the parties states otherwise. When the period of 30 years ends, the abovementioned modifications, extensions or constructions shall immediately belong to the property owner unless the contract states otherwise.
- The property owner who has registered the rights to his/her property does not need to be held responsible for any defects that have occurred during the transaction of renting, selling or transferring the property with rights. The right holder shall be responsible for the costs to repair everything that is necessary and prudent to maintain the property with rights unless the contract states otherwise.
- The right holder shall perform the following actions and must immediately notify the property owner who has registered the rights to his/her property;
 - The right holder shall prevent dangers which may occur to the property with rights; and
 - The right holder shall perform actions when any third parties trespass into the property with rights or any third parties claim against the property with rights.

After the approval of the Draft Act by the Cabinet, the Draft Act must be brought into the consideration proceedings by the Office of the Council of State and the National Legislative Assembly.

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