



## DBD's e-Registration

On 17 March 2017, the Department of Business Development ("DBD") issued its announcement regarding procedures to apply for username and password for the DBD's e-Registration system. In the future, the e-Registration shall be used by the DBD to provide corporate registrations and filling services. This is to promote Thailand's ease of doing business.

According to the Announcement, to use the e-Registration system, individuals who shall be obligated to sign on behalf of juristic persons e.g. directors of limited companies, shall be required to lodge an application to obtain username and password and verify their identity with the DBD. Application for username and password can be submitted from 20 March 2017.

Application of limited partnership and limited company for registration can be submitted via the DBD's e-Registration system from 1 May 2017 onwards.

Please note that the DBD's application review system (prior internet registration application system) shall be ceased from 1 May 2017. Applications filed via the prior internet registration application system must be edited to comply with the registrar's order and shall be printed out within 31 May 2017.

## E-Court Directive

Directive of the President of the Supreme Court on Submitting, Sending and Receiving Pleadings and Documents via the Electronic Filing System has been published in the Government Gazette on 3 May 2017 and effective on 4 May 2017.

A person requesting to use the electronic filing (E-filing) system shall register with a court by personally submitting a request to use such system to an official of the court together with presenting evidences. Upon permission, a username and a password shall be given to such person, as a user, for accessing into the E-filing system. In this regard, the username and password shall

be deemed as a user's signatory in communicating with the court or other parties via the E-filing system.

Submission of the plaint via E-filing system can be made anytime the system is in operation. A court fee and a minimum trial expense shall be paid at a rate specified by the Office of the Judiciary. Such submission shall be considered complete once the user has correctly followed the process and has paid the entire amount of the court fee and trial expense as shown in the E-filing system. In the event where the completion is made over working hour/day of the court, the plaint shall be deemed to be submitted on the following working hour/day.

Any plaint and other document submitted via the E-filing system shall be produced under each of categories, forms and sizes as determined. Otherwise, such submission shall be rejected and no submission shall be made accordingly.

Notifying the court's order or any other statements relating to submitting, sending or receiving pleading and document via the E-filing system to the user can be conducted through an e-mail or any other information technology methods. It shall be deemed that the user has acknowledged such order from the time of delivery to the user at the address registered in the system.

The user may request for sending of the summons and a photocopy of the plaint together with making a payment via the E-filing system. Upon confirmation of such request by the E-filing system, the said request has been rightfully conducted.

The user can select a method of payment via the E-filing system which is (1) credit or debit card; (2) bank account; or (3) any other method as specified in the Announcement of the Office of the Judiciary. The payment via the E-filing system shall be completed once the court has received the full amount of paid money from a payment service provider.

Any printout produced by the user or the official from the E-filing system shall be deemed a certified copy in accordance with the Civil Procedure Code.

## Excise Tax Act B.E. 2560

The Excise Tax Act B.E. 2560 (2017) (“Act”) has been announced in the Government Gazette on 20 March 2017 and shall be effective on 17 September 2017 onwards.

This Act shall replace, combine and revise the existing seven acts relating to the excise tax such as Excise Act, Tobacco Act, and Liquor Act into one regulation. The key changes introduced by this Act are:

1. Amending the excise tax base from the ex-factory price, last wholesale price, or Cost Insurance Freight (CIF) value to a Recommended Retail Price;
2. Amending the excise tax collection method from collection base on value or quantity, whichever is higher, to collect from both value and quantity base;
3. Amending the maximum rate of excise tax and other fees;
4. Addition of new term definitions such as “Recommended Retail Price”, “Liquor”, and “Production”;
5. Extending the statute of limitation for tax assessment from 2 years to 5 years; and
6. Amending the procedure for appealing the tax assessment.

It is expected that approximately 80 secondary regulations of this Act shall be issued before the effective date of this Act as on 17 September 2017.

The widely-discussed issue of this Act is change of excise tax base to the Recommended Retail Price which will be based on production cost, management cost and standard profit but not lower than the retail price for goods sold to end-users in normal market conditions as stipulated in the Ministerial Regulation. In the event that the Recommended Retail Price is not consistent with the reality, the real market, or the Recommended Retail Price cannot be determined, the director-general of the Excise Department is able to determine the Recommended Retail Price as stipulated in the Ministerial Regulation.

## Order No. 21/2560 (2017): Facilitation of the Ease of Doing Business in Thailand

On 5 April 2017, the Order of the Head of the National Council for Peace and Order No. 21/2560 (2017) (“Order”) was published in the Government Gazette. The Order was issued by virtue of Section 44 of the interim constitution of Thailand to facilitate the ease of doing business in Thailand.

According to the Order, five legislations were amended: the Civil and Commercial Code, the Labour Protection Act B.E. 2541 (1998), the Public Limited Companies Act B.E. 2535 (1992), the Social Securities Act B.E. 2533 (1990) and the Bankruptcy Act B.E. 2483 (1940). Key features of changes under the Order are summarized as follows:

### Company Law

#### Public Limited Companies

- Any shareholders holding shares at least 10% may request for an annual general meeting of shareholders. In case the meeting has not been held by the company's directors within 45 days, shareholders may call for the meeting; and
- Any shareholders holding shares at least 5% may request the registrar of public limited companies to appoint an inspector to inspect operation of the company, financial status of the company and operation of the board of directors.

#### Private Limited Companies

- At the statutory meeting of a limited company, the meeting may consider the Articles of Association of the Company and may consider on resolution to resolve disagreements among directors or shareholders which are deadlock;
- Each share certificate is required to be signed by at least one director. Company's seal is not required to be affixed;
- Dividend payment must be made within one month after it is approved by the general meeting of shareholders or the board of directors meeting; and
- A limited company may be dissolved by the Court if there is any cause resulting that the existence of the company is impossible.

### Labour Law

#### Labour Protection Law

- Employers having 10 or over employees are still required by the law to have work rules, but submission of copy of work rules and the

amendment of the work rules are no longer required.

### Social Security Law

- The Minister of Labour with the approval from the Cabinet may extend or amend the time for the payment of the distribution as specified by the law in case of necessity or force majeure.

### Bankruptcy Law

- A rehabilitation plan can be approved only when any of the following conditions are fulfilled:
  1. A secured creditor shall not enforce secured property for repayment unless (a) it is permitted by the court, or (b) it has been 1 year since the court receiving the petition;
  2. The rehabilitation plan shall be accepted and approved by majority of creditors holding at least 2 of 3 of all debts of creditors attending and voting;
  3. Publication of court's orders, orders of the Receiver in a daily newspaper can be done via electronic means as prescribed by the laws; and
  4. It is assumed that if a receivership order is published in the Government Gazette and daily newspaper or electronic public means as prescribed by the laws, everyone acknowledged it.

### Documents of Government Authorities for Any Application for Approval

From now on, an applicant who submits any application for approval, permit, license or registration to any government authority shall not require to submit any documents issued by any government authority as supporting document.

In case where there is any law or regulation requiring that any documents issued by any government authority must be submitted together with the application, the official in charge of the application is required to obtain such document from the governmental authority who issued such document.

If a photocopy of any documents issued by the any government official is required, the official who is in

charge of the application is obligated to obtain the photocopy of such document by himself. Any expense for the photocopy of the document is prohibited to collect be from the applicant.

Should you have any question, please do not hesitate to contact us:

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