



COVID-19: Dangerous Communicable Disease under the Notification of the Ministry of Public Health on Name and Symptom of Dangerous Communicable Diseases (No. 3) B.E. 2563 (2020)

On 29 February 2020, the Notification of the Ministry of Public Health on Name and Symptom of Dangerous Communicable Diseases (No. 3) B.E. 2563 (2020) was published, and went into effect on 1 March 2020, one day after its publication. Currently, Coronavirus Disease 2019 (COVID-19) is announced as dangerous communicable disease according to Communicable Diseases Act B.E. 2558 (2015) for benefits in surveillance, prevention and control of dangerous communicable disease.

Coronavirus Disease 2019 (COVID-19) displays in the form of fever, cough, sore throat, panting, or symptoms of pneumonia. For people who have severe symptom, there will be a respiratory failure, and may even die.

The Notification of Public Health on Name and Symptom of Dangerous Communicable Diseases apply penalties from Communicable Diseases Act B.E. 2558 (2015). The owner of the residence or the physician who provides treatment, where there is a person who is, or is reasonably suspected to have contacted such communicable disease in the house shall notify the Communicable Disease Control Officer. Whoever fails to comply with these rules shall be liable to the punishment of a fine not exceeding twenty thousand Baht.

The Communicable Disease Control Officer is empowered to take action to require any person who is in any suspected case, or may contact any dangerous communicable disease to receive medical treatment or medical examination. Whoever

fails to comply with the requirement shall be liable to the punishment of a fine not exceeding twenty thousand Baht.

Face masks and alcohol-based hand sanitiser are now under the state price control list

According to the outbreak of Coronavirus or COVID-19, the demand for the face masks and alcohol-based hand sanitiser has been surging. Therefore, the Department of Internal Trade (DIT) is responsible to control the price and quantity of these products.

By virtue of Section 9 and Section 24 of the Price of Goods and Services Act B.E. 2542 (1999), the Central Committee on the Price of Goods and Services (CCP) has issued the latest Notification of the Central Committee on the Price of Goods and Services in relation to the additionally controlled goods No. 1 B.E. 2563 (2020). This Notification went into effect on 4 February 2020.

According to the Notification, the face masks, Polypropylene (Spunbond) used for produce the face masks, alcohol-based hand sanitiser, and recycled paper are included in the price control list.

Once on the price control list, manufacturers, distributors, exporters and importers have to inform the DIT production cost, sale prices, production volume, export and import volume and stocks as wells as price labels. Any exporter who exports more than 500 pieces is required to obtain a prior written approval from the DIT.

Any seller, manufacturer, exporter, or importer who refuses to comply with the Notification will face

five years of imprisonment, a fine of not more than 100,000 baht, or both.

The Revenue Department plans to issue the new measures to stimulate the company to invest in Thailand

To encourage corporate income taxpayers to invest in Thailand, the Revenue Department plans to issue law to allow additional deduction of expenses paid by corporate income taxpayers for investment in new machines. The significant points of this measure are set forth below:

- Corporate income taxpayers are allowed to claim 250% additional deduction on expenses paid from 1 January 2020 to 31 December 2020 for investment in any new machine.
- The above machine shall:
 - not have been previously used;
 - be machine which qualifies for deduction of and are acquired and ready for use within 31 December 2020;
 - the machines shall be used in Thailand;
 - not be the machines which receive tax benefits under another Royal Decree.

The Extension of Schedule for Executing the Land and Building Tax Act B.E.2562 (2019)

Since ministerial regulations pursuant to the Land and Building Tax Act, have not been issued within the prescribed time which is 10 July 2019, the Local Administrative Organization is still unknowing of the practice of implementation and unable to prepare the accurate and complete lists of valuation of land and buildings. Resulting from the delay, on 11 December 2019, the Ministry of Interior approved the extension of schedule for the execution of the Land and Building Tax Act for the taxation in 2020 as follows:

1. Lists of valuation of land and building shall be completely prepared by the Local Administrative Organization within March 2020;
2. A valuation of land and buildings, taxation rate and other necessary particulars in taxation shall be announced by the Local Administrative Organization prior to 1 June 2020;
3. A notice of tax assessment and tax assessment form shall be sent to a taxpayer within June 2020;
4. A tax payment in accordance with the tax assessment form shall be made within August 2020;
5. A tax payment may be made in 3 installments which shall be made within August 2020, September 2020 and October 2020 respectively; and
6. A letter of tax arrears shall be sent to a taxpayer within September 2020.

New Tax Measures are announced due to the Outbreak of Coronavirus.

According to the result of coronavirus outbreak which is currently hitting Thai economy, especially in tourism and hotel businesses, the cabinet has approved new tax policies with aim to boost Thai economy and stimulate investment in Thailand.

New Tax Policies are as follows:

1. **Extension of Tax filing for personal income tax (PND.90 or PNC.91)**
 - To provide the breathing room for individuals who have born tax burden.
 - New deadline of tax filling will be at the end of June 2020 in lieu of the end of March 2020.
 - The measure covers both e-Filing and paper-based filing.
2. **Tax Measure related to organize seminars events**

- The measure is only for corporates and partnerships.
- Expenses incurred from organizing seminars such as renting conference room, accommodation, transportation, and other related expenses including service fees for local guides can be claimed as double tax deduction expenses.
- Expenses must incur during the period from 1 January 2020 to 31 December 2020.

3. Tax Measure for tourism and hotel businesses

- Expenses incurred from addition, change, expansion or improvement of hotel building can be claimed 1.5 times additional deduction on actual expenses.
- Expenses must incur during the period from 1 January 2020 to 31 December 2020.

A royal decree and Ministerial Regulations regarding Land and Building tax were published on the royal gazette.

The significant points of each of Royal Decree and Ministerial Regulations are set forth below:

1. On 20 January 2020, the royal gazette published Royal Decree on land and building tax deduction:

From 1 January 2020, the deduction for land and building tax shall be applied as follows:

Under this degree, 50% tax deduction will be granted to the following properties;

- Inherited land and buildings, building, or condominium unit is used for residence and owned by an individual and an individual's name appears in the household registration before *13 March 2019*.
- Land where a power plant is located.

- Land and buildings used as dam and area relating to dam used for generating electricity.

90% tax deduction will be granted to the following properties;

- Financial institutions' land and buildings awaiting for sale.
- Land and Buildings under development for housing estate, residential condominium, industrial estate for no longer than three years from the date of approval.
- Property under the Industrial Estate Authority of Thailand Act or Condominium Act awaiting for sale for no longer than two years from 13 March 2019.
- Land and buildings used for private school, private university, zoo, and theme park.
- Public transportation's car park.
- Land and buildings where expressway and highway are located.

2. On 7 January 2020, the royal gazette published Ministerial Regulation issued under Land and Building Tax Act, B.E. 2562 regarding exemption or reduction of fines:

This ministerial regulation prescribes rules and procedures for requesting for exemption or reduction of fines of the tax arrears of land or buildings that are seized or attached by law.

3. On 7 January 2020, the royal gazette published Ministerial Regulation issued under Land and Building tax act, B.E. 2562 regarding rules, procedures, and conditions for calculating value in case land or building has no appraisal value:

The calculation of value of land

- Land with title deed or certificate of utilization NS.3K. shall be appraised by analogy to the nearby plot of land which has identical conditions and depth distance.
- Land with other certificate demonstrating an ownership of land or land without the ownership certificate shall be appraised by using the land price in accordance with the

schedule specified an appraised capital value of land provided by the Treasury Department or Treasury Office Area as a base in the calculation of land tax.

- Land which is a well with more than 3 meters depth or well existed from mining under the Minerals Act and the artesian well shall be calculated in amount of 25 percent of an appraised capital value of land in accordance with the schedule specified an appraised capital value of land provided by the Treasury Department or Treasury Office Area. This excludes a lake in a housing development of which its appraised capital value has been specified in accordance with its condition already.
- Land which is passed by high voltage line shall be calculated in amount of 30 percent of an appraised capital value of land provided by the Treasury Department or Treasury Office Area.

The calculation of value of Building

- Building without appraised capital value shall be appraised by analogy to the building in accordance with comparable schedule of the buildings provided by the Treasury Department or Treasury Office Area.
- Buildings which have special features shall be appraised by using the building price in accordance with the schedule of the buildings which have special features as a base in the calculation of building tax.
- In case of buildings which have other features which are non-existence in the comparable schedule of the buildings, the Local Government Organization shall notify the Treasury Department to provide the schedule of buildings which have special features.

The calculation of value of Building which is condominium

- Condominium shall be appraised by using the condominium price as specified in the schedule of an appraised capital value of Condominium

as a base in the calculation of condominium tax.

4. On 10 January 2020, the royal gazette published the notification of the Minister of Finance and the Minister of interior regarding rules and procedures for taxation of land or building used for several purposes.

In case of land and land and building used for several purposes,

- (1) the tax shall be levied in accordance with the proportion of the area used for each purpose according to land and building tax act;
- (2) the value of tax base shall be calculated from the proportion of the area used for each purpose and the appraisal value;
- (3) deducting the tax-exempt value (if any); and
- (4) calculating the sum of value of tax base of each purpose with tax rate which is prescribed for each purpose.

The guidance of land or buildings used for residential purpose

On 25 December 2020, the Ministry of Finance and the Ministry of Interior announced the guidance to specify land or buildings used for residential purposes which are subject to residential use tax rate. The significant points are set forth below:

- An owner of land and buildings for residential use such as land or buildings where the owner uses for own residence or buy-to-let land and building for residential use.
- Land and Buildings for residential use under construction or renovation.

- Land and buildings must not be used as short-term rentals for commercial purpose such as hotel, homestay or Airbnb.
- (6) Hemp seed oil or hemp seed extract, which is considered Cosmetic as identified in the Cosmetics Act.

New Notification of the Ministry of Public Health of Thailand on Name of Narcotics of category 5

On 30 August 2019, the Notification of the Ministry of Public Health of Thailand (MOPH Notification) on Name of Narcotics of category 5 was published in Government Gazette. The MOPH Notification came into effect on 31 August 2019, one day after its publication. The MOPH Notification outlines another Thai Government initiative regarding the free cannabis policy. The MOPH Notification serves to prescribe “exceptions”, meaning aspects and particulars of marijuana and hemp related products that are not considered as Narcotics. The new exceptions are summarized below;

- (1) Hemp which is announced as Narcotics of category 5 according to Narcotics Law
- (2) Marijuana or hemp stalks, stem cores, and fibers are excepted, if dried. The products made of such dry parts are excepted as well.
- (3) Cannabidiol (CBD) extracted from marijuana or hemp is excepted if having at least 99% purity and no more than 0.01 percentages by weight of tetrahydrocannabinol (THC).
- (4) Extracts of marijuana or hemp having CBD as the main constituent and no more than 0.2% by weight of THC, which are considered “drugs” as per the Drug Act, or Herbal Products as identified in the Herbal Products Act.
- (5) Hemp seed or hemp seed oil, which is considered Food as identified in the Food Act.

Should you have any question, please do not hesitate to contact us via info@bgloballaw.com

