



Cyber Security Act B.E. 2562 (2019)

Living in the digital era, cyber security has become more and more in focus by both private and public sectors. This is also not an exception for Thailand.

In accordance with Thai laws, the major legislation governing the cyber security issues is known as “Cyber Security Act B.E. 2562 (2019)” (“Act”), which came into force since 27 May 2019. Under the Act, not only government agencies and the regulatory organizations but also organizations of critical information infrastructure shall comply with the requirements of provisions of a code of conducts and a cyber security standard framework.

It is provided in Section 49 of the Act that 8 businesses, which fall under the scope of organizations of critical information infrastructure, relate to: (i) national security; (ii) substantive public services; (iii) banking and finance; (iv) information technology and telecommunications; (v) transportation and logistics; (vi) energy and public utilities; (vii) public health; and (viii) others as prescribed by the National Cyber Security Commission (the “NCSC”). It was argued that this is still too wide for interpretation to which certain business activities should be subject.

On 11 August 2021, the NCSC finally issued the notification regarding regulations and characteristics of businesses, having a nature or providing services, which are categorized as organizations of critical information infrastructure and as the assignment of control and supervision B.E. 2564 (the “Notification”).

Some interesting matters and services in each business governed under the Act and the Notification are:

Business Areas	Business Activities
national security	Matters relating to legal enforcement and criminal court

	proceedings; surveillance and alert for threat affecting national security
substantive public services;	Services for residents in Thailand covering services relating to civil registration, immigration, Linkage center, digital broadcasting and digital identification and verification
banking and finance	Services relating to payment systems i.e. BAHTNET, ICAS, Prompt pay, Single Payment System, and platforms for matching, clearing and settlement system in the stock market
information technology and telecommunications	Services relating to fixed-line, mobile, and internet
transportation and logistics	Services relating to Bangkok traffic control, sale and reservation of train tickets; port and cargo management, airlines and airport and aviation facilities, and airplane maintenance and aircraft parking bay
energy and public utilities	Services relating to electricity generation, sale of electricity, power transmission line, electricity management, petroleum production, gas and oil transportation, water quality control, water

	production and sale of water
public health	Medical services in hospitals and related supporting services and services relating to disease transmission control

Land and Building Tax for 2022-2023 will be kept at the same rate but not reduced by 90%

Thailand has implemented the Land and Building Tax Act B.E. 2562 (A.D. 2019) (the “LBTA”) to replace Household and Land Tax Act, B.E. 2475 (A.D.1932). The LBTA came into effect on 13th March 2019 while the payment under this LBTA is required from 1st January 2020, onwards. According to the Royal Decree on Land and Building Tax Reduction (No. 2) B.E. 2564 (2021), it reduces land and building tax payments by 90% in 2021 for the following types of land and buildings:

- (1) Land or building used for agricultural purposes;
- (2) Land or building used for residential purposes;
- (3) Land or building used for other purposes; and
- (4) Vacant or unused land or building.

However, the Royal Decree prescribing Land and Building Tax Rates B.E. 2564 (A.D. 2021) dated 13 December 2021 (the “Royal Decree”) issued under the LBTA, was issued to maintain the current land and building tax rates from the 2022 tax year. The land and building tax rates for each type of properties stipulated under the Royal Decree are provided below.

No.	Purpose of Use of Properties	Tax Rates
1	Agricultural Purpose	0.01% - 0.1 %
2	Residential Purpose	0.03% - 0.1% (Land and building owned by an individual whose name is registered in the house registration book.)

		0.02% - 0.1% (Building owned by an individual whose name is registered in the house registration book.)
		0.02% - 0.1% (Land and Buildings other than the above conditions.)

A new EVs charging businesses have been now approved by Thailand BOI

Thailand is encouraging consumers to rapidly change to electric vehicles (“EVs”), with the objective of EVs accounting for 30% of the total automobile industry output by 2030. To achieve such aim, the Board of Investment of Thailand (“BOI”) set out new incentives and conditions for investments in the EV sector, particularly charging stations business.

A project with at least 40 charging dispensers, with at least 25% of the quick charging units, will be eligible for a five-year corporate income tax exemption. While the smaller charging stations will qualify for three-year tax breaks.

To take advantage of the BOI promotion, a charging station investor must comply with the regulatory standards and submit a plan to address a safety EV Smart Charging System or connect to an EV Charging Network Operator Platform. The prior two requirements that prevented investors from receiving extra benefits from other agencies, as well as the necessity of ISO 1800 certification, have no longer applied.

From January to March 2022, as revealed by BOI, the automobile sector led the list of targeted industries with an investment value of 41.6 billion baht, followed by agriculture and food processing with 12 billion baht and electronics with 10.3 billion baht.

Foreign owned-land in EEC zone

Please note that the EEC zone consists of 3 eastern provinces of Thailand; Chonburi, Rayong, and Chacheongsao. The main focus of EEC Project is the development of infrastructure, technology, and transportation business. Therefore, certain benefits have been given to the foreign investors in order to boost the direct investment within the EEC. Due to the fact that while Land Code of Thailand prohibits a foreigner to own land in Thailand, the Board of Investment (“BOI”) grants the privileges for a foreign investor to own land, situated in EEC zone, in case the foreigner’s business has been promoted by the BOI. In other words, it allows the foreign investor to have a 100% ownership over the land plots.

However, with this advantage, it rises significant controversy regarding the foreign owned-land in the EEC area, especially in economic aspect. The crucial concern is that foreigner may take control over most of EEC plots through acquiring of BOI incentives. Responding to this issue, the government states that granting full ownership of land in EEC area would benefit the country, as it would attract more foreign direct investment into the EEC. In addition, the promoted activity guarantees only for business purposes. Finally, any foreigner who fails to start operating its businesses within a specified period, will be required to transfer back the rights of land ownership.

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

