

Investment promotion application form filling guidelines

1. **Applicant's number, receiver and date** In the box on the top right of page 1. This is for officer, applicant is not required to fill this.
2. **Eligible activity.....** Identify your activity according to the type of business or service as stipulated in the Announcement No. 2/2543 "Type, size and conditions eligible for promotion" by identifying the type of your business activity as detailed as possible, ie.1.5.1 Livestock (For more details, please refer to the current investment promotion handbook or website: boi.go.th)
3. **Section 1 Applicant**
 - Applying for investment promotion can be made under the name of a company/cooperative/foundation or a person (hereby stipulated as "Referred person").
 - Applying under a company means the company has been established on the day of application and the company certificate must be attached.)
 - Applying under a person means the company has not been established or is in the process of establishment. (Upon being approved, the company must be established before applying for the promotion certificate. The company must have the number of shares, registered capital and Thai's shareholding ratio according to the promoted conditions).

Sub-section 1.1 covers the details of the applicant. Please fill the following details.

- In case of applying promotion for an established company, the applicant's name must be the person authorized by the company's current Article of Association or authorized by the company (a letter of authorization must be attached). The status of establishment shall be then specified as "is established".

- If the company has not yet been established, the application shall be done under a person and specify the status of establishment as “will be established later”.

Sub-section 1.2 The representative to contact on matters relating to this application in Thailand. Here, please fill the details of the applicant’s representative for this project. The representative must have a permanent residence in Thailand. The person will be authorized to act equally as the applicant, namely to provide details of the project, to make changes to the project details which will be binding on the project in the future.

Sub-section 1.3 The company’s details. Fill the information only for the established company.

Remarks: Documents from the Office will be sent to the company’s address in case of established companies, and to the applying person’s address in case of later establishment. Change of address without notifying the Office may result in inability to contact the applicant or return of application.

4. Section 2 Finances

Sub-section 2.1

- Please divide the fund by the source of fund.
- If the company decides to use its accumulated retained earnings in the investment, it must have, according to its balance sheet, accumulated retained earnings of greater amount than the fund to be used in the project.
- The total fund here must equal to the total capital investment as specified in 3.1)

Sub-section 2.2

- Please fill the company’s overall registered capital information.
- Fill only the case of new establishment and registered capital increase.

- Fill the information identifying the sources of loans and credits to be used in the project as specified in sub-section 2.2.

5. section 3 Investment

In Sub-section 3.1, please fill the following information.

- Cost of construction
 1. In case of own construction, includes cost of construction of office building, infrastructure, facilities and modifications.
 2. In case of acquiring or using existing buildings, includes the value specified in the purchase agreement or the book value in the latest accounting period.
 3. In case of office or factory rental, includes rent specified in the lease agreement, of which the duration must exceed three years.
- Cost of machinery
 1. In case of purchasing machinery, includes the machines (including molds and dies, work fixing equipments, in-factory transportation system), installation cost, test-run cost, professional fees included in the machinery cost such as engineers' cost, design cost. For software activities, e-business and services, this includes computers and software.
 2. In case of hire purchase or leasing, means the value specified in the hire purchase or leasing agreement.
 3. In case of machinery rental, means the value as specified in the rental agreement, only for those with duration exceeding one year.
 4. In case of granted machinery from related company for free of charge, means the value in the book of the granter converted into Thai baht on the day of application.
- Preliminary expenses includes only those incurred in establishing the new company, namely traveling expenses, lawyer fees, registration fees and article of association fee.

- Other assets includes
 1. Office equipment and vehicles
 2. Concession fees, privilege fees and assets related to natural resources paid to the government
- Cost of expertise includes fees for patents, copyrights, know-how, trademarks and rights to produce
- Working capital means the amount of money in the company sufficient for the payment of raw materials, labor and utilities before receiving sales revenue corresponding to the projection in Sub-section 8.1

Sub-section 3.2 Factory site. At least specify the province where the factory/business is located, and the name of the industrial estate or industrial zone, if located in an industrial estate or industrial zone.

6. Section 4 Details regarding nature of project

Sub-section 4.1 Production capacity. Please specify the information regarding the product applied for promotion as follows.

1. Column 1 'product(s) and byproduct(s)' Specify the name of the product generally understood, not specific name or brand.
2. Column 2 'maximum annual production capacity'
Use the figures calculated from all main machineries in the project specified in sub-section 4.4 according to the working time specified in the column 'Hours of operation', and not according to the production plan or sales plan.
3. Column 3 'unit' Specify the unit of the product selecting from one of the 14 choices, namely gram, kilogram, piece, pair, set, meter, cubic meter, square meter, liter, carat, square yard, kilowatt-hr, metric ton.
4. Column 4 'hours of operation' Specify the operation time in normal operation in hours/day and days/year.

Remarks: The information given in this section affects the promotion privileges of the project as the applicant will be exempted from corporate income tax on the activity related only to the products of the name, unit and quantity not exceeding the production capacity applied.

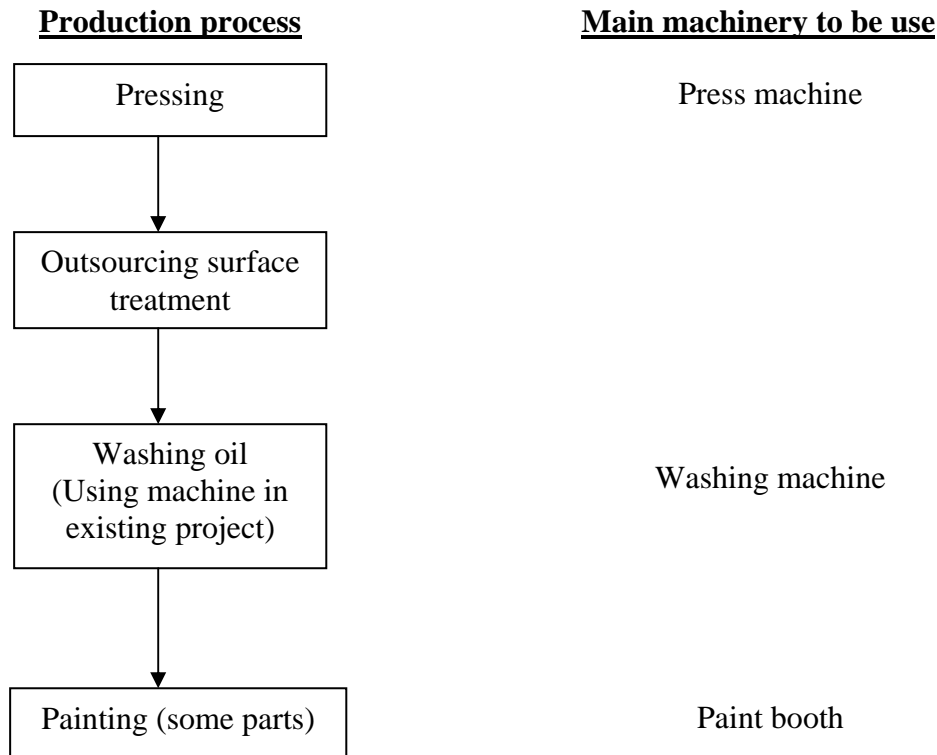
Sub-section 4.2 Projected production of products means the production plan that the applicant projects for the first three years.

- Each annual production calculated by calendar year or accounting year starting from the commencement of production and must not exceed the maximum annual production capacity specified in sub-section 4.1
- If the production in the third year is below 50% of the maximum annual production capacity specified in sub-section 4.1, the projected production in the following three years up to the sixth year must be attached.

Sub-section 4.3 Production process.

- Please specify production process in the flow chart format, explaining comprehensively with the name of main machinery in each process.
- If outsourcing is used in any of the processes, please specify so in that process.
- If any machinery in existing projects is used, please specify so in that process.
- If any product or model does not need to use any particular process, please specify in that process as “for some products or parts”
- If the applicant has other format or document that fully explains the production process as stipulated above, it can be attached in stead.

Example Production process for pressed metal parts



Sub-section 4.4 Main machinery. This means the machineries to be used in the applied project.

- In case of rental machinery, please specify “rental” to the machine.
- In case of machinery of over 10 years old, application for use of sued machine is required.(Download application form from the Office’s website: www.boi.go.th)
- Domestically acquired used machinery are not eligible for investment promotion.
- In case existing machineries are used in the project applied for promotion, the details of such machineries must be attached specifying acquisition cost, maximum production capacity, capacity currently used and capacity to be used in the project.
- ‘Year of manufacture’ means the year in which the machine is first manufactured, not that in which it is rebuilt, overhauled or reconditioned.

- For the project of which the capital used, not including land cost and working capital, exceeds 500 million baht cannot import all the machineries within 30 months after issuance of promotion certificate, the applicant is required to specify within when all the machineries can be imported, with machinery import plan attached with the application form for consideration on the appropriate import timing, as the import period will not be further extended.

Remarks: Production capacity and production process are crucial in determining number and details of machinery, quantity and details of raw materials which will be approved for tax privileges. Therefore, list of machineries and raw materials must be correctly specified corresponding to the production process.

Section 4.5 Specific details regarding the nature of the product. Explain the details of products applied for promotion, such as usage, characteristics, size etc. with at least 6 digit of Harmonized System (HS) code of each product. Photos or actual product samples may be brought to the presentation.

Sub-section 4.6 Environmental protection plan.

- Specify the information of the pollution caused by the production of the product applied for promotion, including the quantity and the treatment methods according to the application form.
- Check the box on the left of the upper line where the project is subject to obtain an Environmental Impact Assessment (EIA) (Check activities and products subject to obtain an Environmental Impact at website: www.onep.go.th)
- Check the box on the left of the lower line if your existing activity is certified for ISO14000. (Please attach the copy of the ISO certificate)
- The activities in the remarks under this Section 4.6, except those located in industrial estate or industrial zone or projects subject to obtain an EIA approval

and expansion projects with an ISO14000 certification, must attach the preliminary environmental impact evaluation form (F PA PP 15) (Download form from website: www.boi.go.th).

Sub-section 4.7 The applicant's past activities.

- If the applicant already has business activities, indicate the applicant's activities in the past 3 years, both promoted and non-promoted activities.
- In the column 'maximum capacity', in case of promoted activity, indicate the production capacity according to the promotion certificate, in case of non-promoted activity, indicate the maximum capacity of the machinery used to produce the product.
- In the column 'current production', indicate the actual production in the corresponding year, dividing into sales quantity and sales value for domestic and export.

Sub-section 4.8 Employment and net profit in the past 3 years. Indicate the overall company's information.

7. Section 5 Raw materials and essential materials

- Describe the names of the raw materials and essential materials to be used in the applied project, using generic names, not abbreviation nor trade name. such raw materials and essential materials must correspond to the production process in Sub-section 4.3.

8. Section 6 Manpower Indicate the total employment when this project reaches full production or additional employment to be made only for this project, excluding existing projects.

9. Section 7 Market

Sub-section 7.1 Market Plan

- Indicate sales projections in percentage for both domestic and export. (The two combine to 100%)

- If the product is sold domestically then exported or used to produce into other product for export, check the box 'Including indirect export'.

Sub-section 7.2 Major customers. Specify the names and the countries of the project's major customers. If it cannot be specified, describe the type of customer instead, ie. convenience store, exporter, importer, or food industry etc.

10. Section 8 Costs and profits

Sub-section 8.1 Estimate of production costs and profits. Indicate the production cost and profit estimate for the applied project as follows.

- Revenue means the sales revenue for the product in the project. The revenue must correspond to the production in Sub-section 4.2.
- Raw material must equal the total raw material cost in Section 5.
- Labor cost includes salary and wages of the total manpower in Section 6 and that of the management (management's salary to be separated from selling and administrative expenses). Bonus and overtime expenses are included in other expenses.
- Public utilities cost includes water, electricity and telephone expenses
- Depreciation calculated in accordance with the Revenue Code.
- Sales and administrative expenses calculated in accordance with the accounting procedures except the management's salary,
- Technical fees and royalties includes patent fee, copyrights fee, know-how fee, trademark fee and right to produce payable each year.

Section 8.2 Ex-factory price and profit per unit

- To calculate cost, profit and ex-factory price in the third year of production.

- Fill the name of product in each line of 'product'. If there are numerous products, describe the details of each product. In case of insufficient space, attachment may be used.
- Fill the unit of the product in the field 'baht/.....', for example 'baht/piece'.

11. Section 9 Request for additional incentives in accordance with special policies If the applicant wishes to obtain additional privileges other than normal principle, it can check the box corresponding to the desired policy. The applicant needs to fill additional application forms for that particular policy and attach the required documents. The details of each policy is available as follows.

- Investment promotion policy for STI in the Board of Investment Announcement No. 6/2547
 - Investment promotion policy for HDD in the Board of Investment Announcement No. 5/2547
 - Investment promotion policy for SMEs in the Board of Investment Announcement No. 6/2546
- (in the website: www.boi.go.th)

11. Section 10 Date and time for the applicant's interview.

- Indicate the date and time on which the applicant wishes to propose for application interview in all three choices for the officers.
- For environmental interview, only the projects that are required to submit the preliminary environmental impact evaluation form (F PA PP 15) according to the attachment Section 4.6. Please fill all three choices.

12. The applicant and the representative of the project. Both are required to sign their names. The applicant must be the same persons as specified in Section 1.1 and the representative the same as that in Section 1.2.

The applicant must check that the information and the documents meet the requirement.

List of supplementary documents

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| <ol style="list-style-type: none"> 1. All projects <ul style="list-style-type: none"> <input type="checkbox"/> Fully filled investment promotion application form* (F PA PP 01 or F PA PP 03 or F PA PP 04) 2. In case of established company <ul style="list-style-type: none"> <input type="checkbox"/> Latest company registration certificate <input type="checkbox"/> Latest financial report 3. In case of investment exceeding 500 million baht <ul style="list-style-type: none"> <input type="checkbox"/> Project feasibility study 4. In case of used machinery <ul style="list-style-type: none"> <input type="checkbox"/> Less than 10 years old <input type="checkbox"/> More than 10 years old—attach Application for use of machinery exceeding 10 years old (F PA PP 16) 5. In case the project has environment-related issue (Activity 1.5.2, 1.6, 1.9, 1.10, 1.11, 1.12, 1.14, 1.15, 1.16, 1.26, 2.15 that use asbestos, 3.1 that relates to bleaching, 4.11, 5.3.2, 6.1, 6.2, 6.5, 6.7, 6.10, 6.11 except factories located in industrial estates or that requires EIA or ISO14000) <ul style="list-style-type: none"> <input type="checkbox"/> Attach the preliminary environmental impact evaluation form (F PA PP 15) 6. In case of applying for investment privileges under | <p>Check the correctness of the information</p> <ul style="list-style-type: none"> <input type="checkbox"/> Eligible activity <input type="checkbox"/> Debt/registered capital ratio <input type="checkbox"/> Value added <input type="checkbox"/> Minimum investment <input type="checkbox"/> Location <input type="checkbox"/> Production process flowchart with main machineries <input type="checkbox"/> Preliminary environment <input type="checkbox"/> Date for interview <input type="checkbox"/> Others..... <p>If the information in the application form refers any document, the said document must be attached.</p> |
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STI policy.

- ☐ Attach privilege application form under STI (F PA PP 14)
- ☐ Attach privilege application form under SMEs (F PA PP 17)
- ☐ Attach privilege application form under HDD (F PA PP 18)

Remarks: *Please submit 2 sets of documents

- General application forms (F PA PP 01) for all activities except those specified to use service/software application form.
- Service application (F PA PP 03) for 1.8, 1.17, 1.18, 1.19, 1.24, 1.27, 1.29, 7.1.3, 7.18, 7.2 all activities, 7.3 all activities, 7.4 all activities, 7.5 all activities, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11 all activities, 7.12, 7.13, 7.14, 7.15 and 7.22
- Software application for (F PA PP 04) for activities 5.8, 5.9