

(Unofficial Translation)

**Announcement of the Board of Investment**

**No. 5/2546**

**Re: Policy on Promotion of the Gem and Jewelry Industry**

-----

To promote and develop the gem and jewelry industry with the objective of enhancing both the potential and international competitiveness, and to support gem and jewelry industrial estates and industrial zones to becoming centers for entrepreneurs in the Thai gem industry,

By virtue of Section 16 and Paragraph 2 of Section 31 of the Investment Promotion Act of B.E. 2520, as amended in B.E. 2544 (3rd amendment), the Board of Investment issues this Announcement, containing the following criteria:

1. Designation of gem and jewelry industrial zones as businesses of special importance and benefit to the country and shall not be subject to the cap on amount of corporate income tax exemption specified in Paragraph 2 of Section 31.

2. Conditions for Category 3.2 and Clause 7 of the Conditions for Category 7.5.5 on the list of promoted businesses attached to Announcement of the Board of Investment No. 2/2543, dated 1 August 2000, shall be repealed and replaced with the following:

Business Category	Conditions
3.2 Production related to the gem and jewelry industry	<p>1. In the event a factory is located in a promoted gem and jewelry industrial estate or zone, rights and benefits received shall include:</p> <ul style="list-style-type: none"><li>- Exemption from machinery import duty, regardless of zone</li><li>- If located in Zone 1, the business shall be exempted from corporate income tax for a period of 5 years</li><li>- If located in Zone 2, the business shall be exempted from corporate income tax for a period of 7 years</li><li>- If located in Zone 3, the business shall be exempted from corporate income tax for a period of 8 years</li><li>- Other privileges will be granted according to Board of Investment Announcement No. 1/2543</li></ul> <p>2. In the event a factory is located outside of a promoted gem and jewelry industrial estate or zone, rights and benefits received shall be according to BOI Announcement No. 1/2543</p>

Business Category	Conditions
7.5.5 Gem and jewelry industrial zones	<p>7. Projects will receive an 8-year corporate income tax exemption, regardless of zone. Other privileges will be granted according to BOI Announcement No. 1/2543.</p> <p>8. Projects will not be subject to the cap on amount of corporate income tax exemption</p>

3. Projects that relocate into promoted gem and jewelry industrial zones or industrial estates will receive an 8-year corporate income tax exemption, regardless of zone.

Effective from 18 August 2003 onwards.

Announced on 16 October 2003

Mr. Somkid Jatusripitak  
Deputy Prime Minister  
Acting Chairman of the Board of Investment