

## Section 5: Electronic Industry and Electrical Appliance

| Activities  | Conditions  |
|---|---|
| 5.1 Manufacture of electrical equipment for industrial use  | <u>Rights and benefits</u><br>Shall be according to investment promotion policy for electronics and electrical appliances industry  |
| 5.2 Manufacture of electrical products  | <u>Rights and benefits</u><br>Shall be according to investment promotion policy for electronics and electrical appliances industry  |
| 5.3 Manufacture of parts or equipment used for electrical products<br>5.3.1 Manufacture of electric lamps<br>5.3.2 Manufacture of batteries (except vehicle batteries)<br>5.3.3 Manufacture of electric wires or enamel wires<br>5.3.4 Manufacture of parts or equipment for other appliances   | <u>Rights and benefits</u><br>Shall be according to investment promotion policy for electronics and electrical appliances industry  |
| 5.4 Manufacture of electronic products<br>5.4.1 Manufacture of consumers electronics<br>5.4.2 Manufacture of office electronics<br>5.4.3 Manufacture of industrial electronics<br>5.4.4 Manufacture of telecommunication equipment<br>5.4.5 Manufacture of agricultural electronics<br>5.4.6 Manufacture of other electronic products   | <u>Rights and benefits</u><br>1. Shall be according to investment promotion policy for electronics and electrical appliances industry<br>2. The manufacture of industrial electronics, telecommunication equipment and agricultural electronics shall receive the following rights and benefits:<br>2.1 Classified as a priority activity<br>2.2 Exemption of import duty on machinery according to investment promotion policy for electronics and electrical appliances industry  |
| 5.5 Manufacture of electronic parts and/or equipment or parts and/or equipment used for electronic apparatus<br>5.5.1 Manufacture of semiconductors<br>5.5.2 Manufacture of memory storage equipment<br>(1) Manufacture of Hard Disk Drive(HDD) and Hard Disk Drive parts<br>(2) Manufacture of other memory storage equipment<br>5.5.3 Manufacture of transmission cables or cable sets<br>5.5.4 Manufacture of parts for telecommunication equipment<br>5.5.5 Manufacture of parts for medical electronics<br>5.5.6 Manufacture of parts for agricultural electronics | <u>Conditions</u><br>1. Investment in reconditioning machinery in the following activities shall be regarded as part of investment promoted projects.<br>1.1 Manufacture of Integrated Circuit<br>1.2 Manufacture of Hard Disk Drive and parts for Hard Disk Drive<br>1.3 Manufacture of media/platter for Hard Disk Drive<br><br>2. The following activities must have the manufacturing process as approved by the Board:<br>2.1 Manufacture of flexible printed circuit or multi layer printed circuit board<br>2.2 Manufacture of solar cells<br>2.3 Manufacture of media/platter for Hard Disk |

|  |   |
|--|---|
| <p>5.5.7 Manufacture of electronic parts for vehicles</p> <p>5.5.8 Manufacture of flexible printed circuit or multi layer printed circuit board</p> <p>5.5.9 Manufacture of other electronic parts and/or equipment or parts and/or equipment used for electronic apparatus</p> <p>5.5.10 Manufacture of solar cells and raw materials for solar cells</p> <p>(1) Manufacture of solar cells</p> <p>(2) Manufacture of raw materials for solar cells i.e. solar-grade silicon (99.9999%), wafers and Transparent Conductive Oxide (TCO) coating glass</p> <p>5.5.11 Manufacture of media/platter for Hard Disk Drive</p> <p>5.5.12 Manufacture of flat panel display</p> | <p>Drive</p> <p>2.4 Manufacture of flat panel display</p> <p><u>Rights and benefits</u></p> <p>1. Shall be according to investment promotion policy for electronics and electrical appliances industry</p> <p>2. The following:</p> <p>2.1 Manufacture of semiconductors</p> <p>2.2 Manufacture of Hard Disk Drive(HDD) and Hard Disk Drive parts</p> <p>2.3 Manufacture of parts for telecommunication equipment</p> <p>2.4 Manufacture of parts for medical electronics</p> <p>2.5 Manufacture of parts for agricultural electronics</p> <p>2.6 Manufacture of electronic parts for vehicles</p> <p>2.7 Manufacture of flexible printed circuit or multi layer printed circuit board</p> <p>Shall receive rights and benefits as follows:</p> <p>(1) Classified as a priority activity</p> <p>(2) Exemption of import duty on machinery according to investment promotion policy for electronics and electrical appliances industry</p> <p>3. The following:</p> <p>3.1 Manufacture of solar cells and raw material for solar cells</p> <p>3.2 Manufacture of media/platter for Hard Disk Drive</p> <p>3.3 Manufacture of flat panel display</p> <p>Shall receive rights and benefits as follows:</p> <p>(1) Classified as a priority activity of special importance and benefits to the country</p> <p>(2) Exemption of import duty on machinery according to investment promotion policy for electronics and electrical appliances industry</p> |
| <p>5.6 Manufacture of material for microelectronics</p> <p>5.6.1 Wafer</p> <p>5.6.2 Thin film technology</p>   | <p><u>Conditions</u></p> <p>1. Must have the manufacturing process as approved by the Board</p> <p>2. Investment in reconditioning machinery shall be regarded as part of investment promoted project.</p> <p><u>Rights and benefits</u></p> <p>1. Classified as a priority activity of special importance and benefits to the country</p> <p>2. Exemption of import duty on machinery according to investment promotion policy for electronics and electrical appliances industry</p>  |

|  |  |
|--|--|
| <p>5.7 Electronic design</p> <p>5.7.1 Micro electronics design</p> <p>5.7.2 Prototype design</p> <p>5.7.3 Embedded system design</p>   | <p><u>Conditions</u></p> <p>Revenues derived from sales or the provision of services that are directly related to a promoted business or which are from downstream production for commercial purposes, either carried by the promoted companies or sub-contractors, will be regarded as revenue of such promoted business.</p> <p><u>Rights and benefits</u></p> <ol style="list-style-type: none"> <li>1. Classified as a priority activity of special importance and benefits to the country</li> <li>2. Exemption of import duty on machinery according to investment promotion policy for electronics and electrical appliances industry</li> </ol>  |
| <p>5.8 Software</p> <p>5.8.1 Enterprise Software</p> <p>5.8.2 Digital Content</p> <ol style="list-style-type: none"> <li>(1) Animation, cartoon &amp; character</li> <li>(2) Computer-Generated Imagery (CGI)</li> <li>(3) Web-based applications and cloud computing</li> <li>(4) Interactive Application</li> <li>(5) Games such as Windows-based, mobile platform, console, PDA, online games, massive multi-player online games(MMOG)</li> <li>(6) Wireless location-based service content</li> <li>(7) Visual effects</li> <li>(8) Multimedia video conferencing application</li> <li>(9) E-learning content via broadband and multimedia</li> </ol> <p>5.8.3 Embedded software</p> | <p><u>Conditions</u></p> <ol style="list-style-type: none"> <li>1. Projects must include software development processes specified by the Software Industry Promotion Agency (SIPA)</li> <li>2. Project with an investment of 10 million baht or more (excluding cost of land and working capital) must obtain a quality standard certificate from SIPA or receive a Capability Maturity Model Integration (CMMI) quality standard certificate or any equivalent standard within 2 years from the start-up date. If the project fails to meet such condition, one-year corporate income tax exemption shall be withdrawn.</li> <li>3. Revenues derived from sales or the provision of services that are directly related to a promoted software business shall be regarded as revenue of such promoted businesses.</li> </ol> <p><u>Rights and benefits</u></p> <p>Classified as a priority activity of special importance and benefit to the country</p> |
| <p>5.9 E-commerce business</p>   | <p><u>Rights and benefits</u></p> <p>Exemption from import duty on machinery only according to investment promotion policy for electronics and electrical appliances industry</p>  |