

Section 5: Electronics and Electrical Appliances Industry

Activities	Conditions	Incentives
5.1 Manufacture of electrical products		
5.1.1 Manufacture of advanced technology electrical products	The advanced technology electrical products must have the capability to connect with the internet network (Internet of Things)	A3
5.1.2 Manufacture of air conditioners, refrigerators, freezers, washing and drying machines	Products must meet Thailand's Energy Efficiency Standards and have the High Energy Efficiency Label (Label No. 5) from the Ministry of Energy or other equivalent standards from acknowledged institutions	A4
5.1.3 Manufacture of other electrical products		B1
5.2 Manufacture of electrical parts and/or equipment or parts and/or equipment used for electrical products		
5.2.1 Manufacture of power inverters		
5.2.1.1 Manufacture of power inverters for industrial use	Product design must be included in the manufacturing process	A3
5.2.1.2 Manufacture of other power inverters		A4
5.2.2 Manufacture of LED lamps		A4
5.2.3 Manufacture of compressors and/or motors for electrical appliances	<ol style="list-style-type: none"> 1. The compressors must be for air conditioners, freezers, refrigerators that meet the Energy Efficiency Standards and have the High Energy Efficiency Label (Label No. 5) from the Ministry of Energy or other equivalent standards from acknowledged institutions 2. For the production of motors, product design must be included in the manufacturing process 	A4
5.2.4 Manufacture of wire harnesses		B1

Activities	Conditions	Incentives
covers, base plates or peripherals)	account in the calculation of corporate income tax exemption cap. The original cost of existing machines shall not be regarded as an investment	
5.4.6.3 Manufacture of top covers, base plates or peripherals for hard disk drives		A4
5.4.7 Manufacture of solid state drives and/or parts for solid state drives	The cost of refurbishment of existing machines shall be regarded as an investment and will be taken into account in the calculation of corporate income tax exemption cap. The original cost of existing machines shall not be regarded as an investment	A2
5.4.8 Manufacture of parts and/or equipment for solar-powered products		A3
5.4.9 Manufacture of semiconductors and/or parts for semiconductors	For the production of integrated circuits, the cost of refurbishment of existing machines shall be regarded as an investment and will be taken into account in the calculation of corporate income tax exemption cap. The original cost of existing machines shall not be regarded as an investment	A3
5.4.10 Manufacture of equipment and/or parts for photonic devices and/or for photonic integrated systems		A3
5.4.11 Manufacture of flat panel displays	The manufacturing processes must be approved by the Board	A3
5.4.12 Manufacture of flexible printed circuits and/or multi-layer printed circuit boards and/or parts	The manufacturing processes must be approved by the Board	A3
5.4.13 Manufacture of other memory storage equipment		A4
5.4.14 Manufacture of printed circuit board assembly (PCBA)		A4

Activities	Conditions	Incentives
5.4.15 Manufacture of electro-magnetic products		A4
5.4.16 Manufacture of passive components		A4
5.4.17 Manufacture of parts for audio visual products		A4
5.4.18 Manufacture of parts for office electronics		A4
5.4.19 Manufacture of parts for other electronic products		B1
5.5 Manufacture of material for microelectronics 5.5.1 Manufacture of wafers 5.5.2 Manufacture of material based on thin-film technology	1. The manufacturing processes must be approved by the Board 2. The cost of refurbishment of existing machines shall be regarded as an investment and will be taken into account in the calculation of corporate income tax exemption cap. The original cost of existing machines shall not be regarded as an investment	A2 A3
5.6 Electronics design 5.6.1 Microelectronics design 5.6.2 Embedded system design	1. Projects must have expenses for salaries for electronics design personnel of at least 1,500,000 baht per year 2. Revenue 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 of sub-contractors, shall be regarded as revenue of such promoted businesses 3. If located in a science and technology park promoted by the Board, 50 percent of the corporate income tax shall be reduced for 5 years after the expiration of the regular tax exemption period	A1 A1
5.7 Software 5.7.1 Embedded software 5.7.2 Enterprise software and/or digital content <u>Digital content includes:</u> - Animation, Cartoons & Characters	1. Projects must have expenses for salaries for IT-personnel of at least 1,500,000 baht per year 2. Projects must include software development processes specified by the Software Industry Promotion Agency (SIPA) 3. Projects with an investment of 10	A1 A3 (not subject to the corporate

Activities	Conditions	Incentives
<ul style="list-style-type: none"> - Computer Generated Imagery (CGI) - Web-Based Applications and Cloud Computing - Interactive Applications - Games: Windows-based, Mobile Platform, Consoles, PDAs, Online Games, Massive Multi-Player Online Games (MMOG) etc. - Wireless Location Based Service Content - Visual Effects - Multimedia Video Conferencing Applications - E-Learning Content via Broadband and Multimedia 	<p>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 two years from the full operation start-up date. If the project fails to meet such conditions, one-year corporate income tax exemption shall be withdrawn</p> <p>4. Revenue 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.</p>	<p>income tax exemption cap)</p>
5.8 E-commerce	Not eligible for merit-based incentives	B2