



INVESTMENT SERVICES CENTER

THE BOARD OF INVESTMENT

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PRESS RELEASE

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The BOI's Board Approves Measure to Expedite Investments for Applications submitted since January 1, 2014, and List of 10 Target Business Activities in the SEZs

Mrs. Hirunya Suchinai, Secretary General of the Thailand Board of Investment (BOI), revealed after a BOI board meeting chaired by Prime Minister, General Prayuth Chan-o-cha, that in order to expedite the investment project operation, which will help boost Thailand's economy, the board has approved the amendment of investment promotion conditions. Projects applying for investment promotion between 1 January 2014 and 30 June 2016 and operates, or provides service within 2017 will be granted one to four years additional corporate income tax exemption. Degree of incentives will vary depending on the investment value in each period of time set by the board as follows:

Case	Conditions	Incentive on Corporate Income Tax (CIT)	
		General Areas	Special Economic Zones
1	Invest in building construction or purchase of machinery no less than 70% of the total investment value within June 2016	Additional 4 years of CIT exemption + 50% reduction of CIT for 5 years	Additional 4 years of CIT exemption + 50% reduction of CIT for 5 years
2	Invest in building construction or purchase of machinery no less than 50% of the total investment value within June 2016	Additional 3 years of CIT exemption + 50% reduction of CIT for 5 years	Additional 3 years of CIT exemption + 50% reduction of CIT for 5 years

Case	Conditions	Incentive on Corporate Income Tax	
		General Areas	Special Economic Zones
3	Invest in building construction or purchase of machinery no less than 50% of the total investment value within December 2016	Additional 2 years of CIT exemption + 50% reduction of CIT for 5 years	Additional 2 years of CIT exemption + 50% reduction of CIT for 5 years
4	Invest in building construction or purchase of machinery less than 50% of the total investment value within December 2016 but able to operate or provide service within 2017	Additional 1 year of CIT exemption	Additional 2 years of CIT exemption

10 Additional Target Business Activities in the SEZs

Ms. Suchinai further stated that the board has approved of 10 additional business activities in the Special Economic Zones. These activities are considered relevant to local entrepreneurs' capability to promptly invest and start operation to serve demand in the markets of neighboring countries. These additional 10 target business activities include: 1. Crop drying and silo facilities, 2. Manufacture of products from agricultural by-products or agricultural waste, 3. Manufacture of steel products for construction or industrial use, 4. Production of printed matter, 5. Manufacture of animal feed or animal feed ingredients, 6. Manufacture of construction materials and manufacture of prestressed concrete products for utility work (excluding ceramic roof tiles and floor and wall tiles), 7. Manufacture of body care products such as soap, shampoo, and toothpaste(excluding cosmetics) 8. Manufacture of plastic products for consumer goods, 9. Manufacture of pulp or paper, 10. Buildings developed for industrial factory and/or warehouse use.

Presently, activities 1 - 4 are already eligible for investment promotion and are therefore being given 8 years of corporate income tax exemption and a reduction of 50% for years 9 – 13.

Activities 5 – 10 are no longer eligible for investment promotion, hence the condition has been set for investment promotion to be applied within June 2016 and will entitle them to obtain 8 years of corporate income tax exemption.

Special Economic Zone Phase 1 and Phase 2 cover 90 sub-districts and 23 districts in 10 provinces. Special Economic Zones Phase 1 includes Tak, Mukdahan, Sa Kaeo, Trat, and Songkhla, while Special Economic Zones Phase 2 includes Chiang Rai, Nong Khai, Nakhon Panom, Kanjanaburi, and Narathiwat.