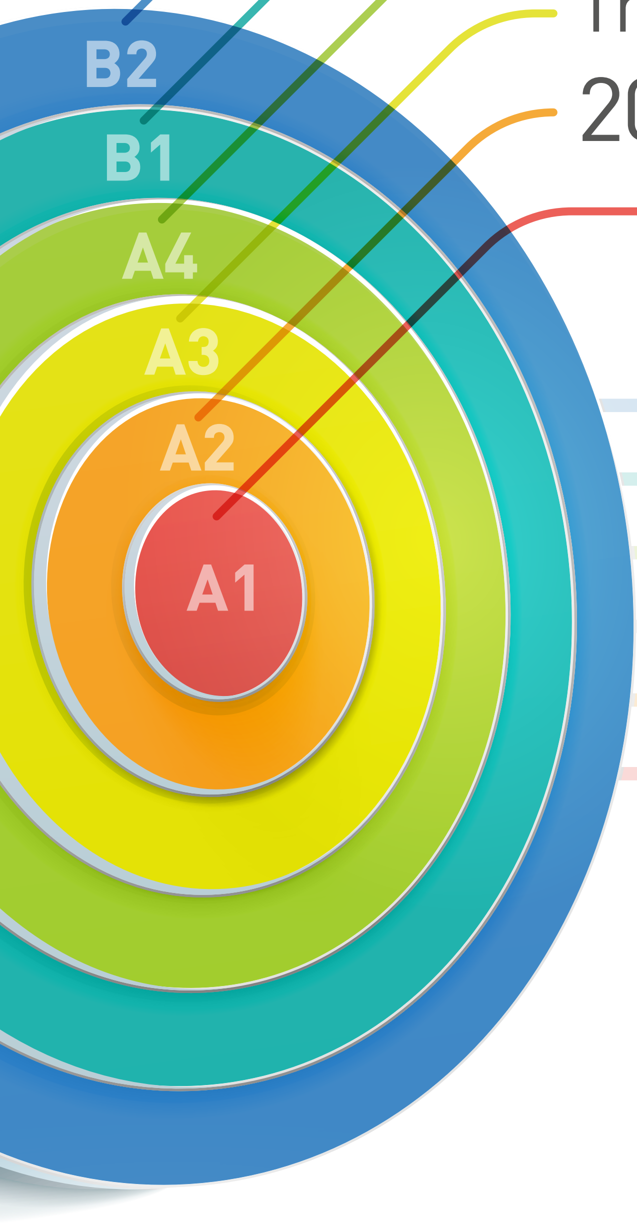
A Guide to The Board of Investment 2018



Thailand Board of Investment
www.boi.go.th

Preface

This Guide to the Board of Investment was prepared by the Office of the Board of Investment to provide basic information on BOI investment promotion for applications submitted from January 1, 2015, onward. This guidebook comprises investment promotion incentives and privileges, the list of activities eligible for investment promotion and related announcements including essential rules and criteria for applying investment promotion.

Since the policies and criteria for granting privileges and the list of the eligible activities for investment promotion are subject to change over time, investors can access updated information from the BOI's website at www.boi.go.th or send their enquiries to head@boi.go.th or contact the Investment Services Center Tel: +66 (0) 2553-8111 and +66 (0) 2553-8216.

Office of the Board of Investment
December 2018

This complimentary guide book is not for sale.
For inquiry, please contact Thailand Board of Investment.

Contents

Chapter 1
Criteria and Policies

Chapter 2
Procedures of Applying for BOI Promotion

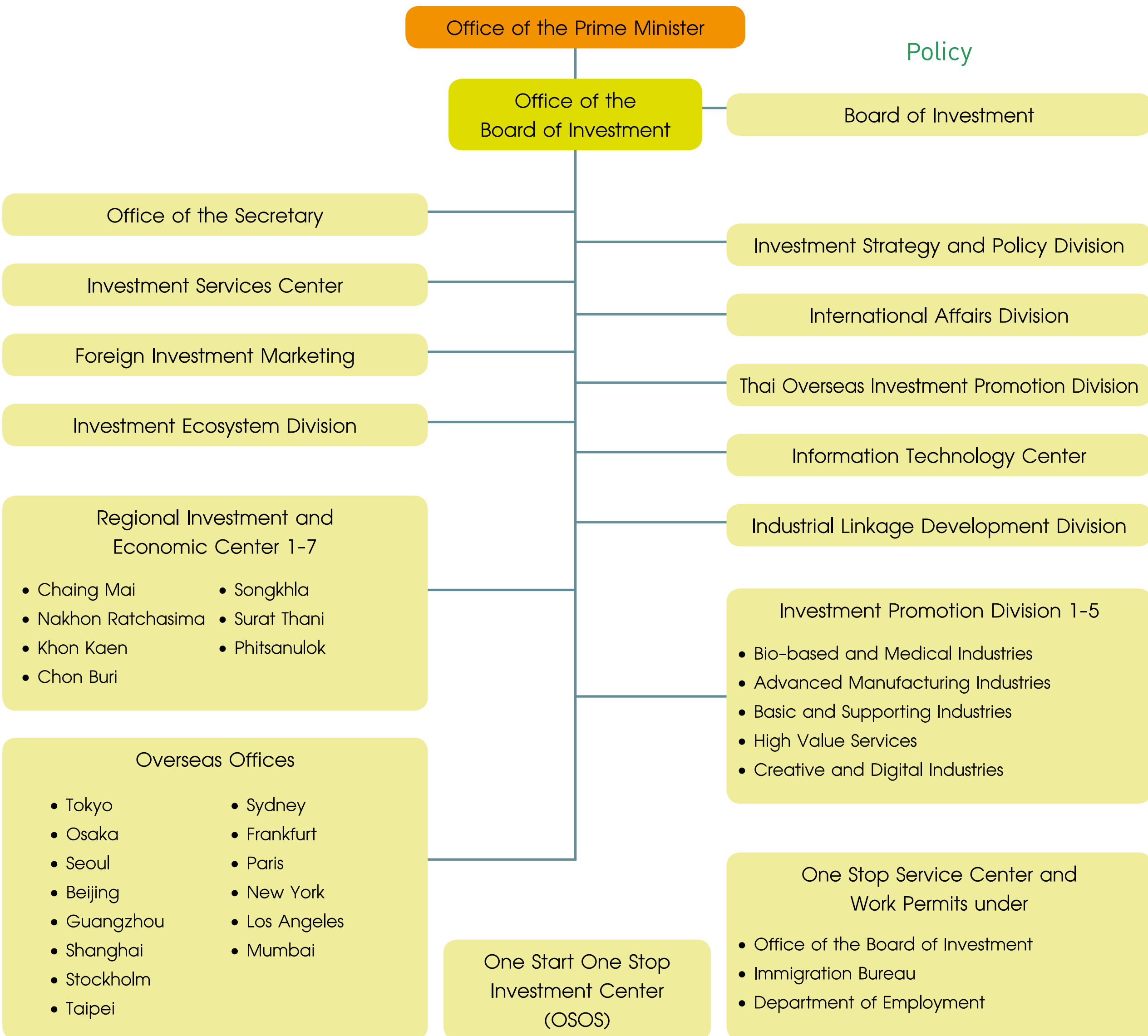
Chapter 3
Feasibility Study

Chapter 1 Criteria and Policies

About The Office of The Board of Investment

The Office of the Board of Investment is a government agency under the Office of the Prime Minister. Its main roles and responsibilities are to promote direct investment. The Board of Investment prescribes the investment promotion policies under Investment Promotion Act B.E. 2520 and Amendment Acts No. 2 B.E. 2534 and No. 3 B.E. 2544.

Organization Chart of Office of the Board of Investment



Division Supervising and Analyzing Investment Promotion Projects and Division Providing Advisory Services

Investment Promotion Division

Investment Promotion Division 1

Supervising and analyzing investment promotion projects

» Bio-based and Medical Industries

Investment Promotion Division 2

Supervising and analyzing investment promotion projects

» Advanced Manufacturing Industries

Investment Promotion Division 3

Supervising and analyzing investment promotion projects

» Basic and Supporting Industries

Investment Promotion Division 4

Supervising and analyzing investment promotion projects

» High Value Services

Investment Promotion Division 5

Supervising and analyzing investment promotion projects

» Creative and Digital Industries

Division Providing Advisory Services

Investment Service Center

Provides advice and facilitation on investment promotion

One Start One Stop Investment Center (OSOS)

Provides advice on business operation and obtaining licenses

Industrial Linkage Development Division

Provides support on industrial linkage and business matching

Incentives Under The Investment Promotion Act

In order to obtain investment promotion, the BOI applicant must follow the conditions prescribed by the Board of Investment as specified in the BOI promotion certificate in which the following incentives will be granted:

Incentives

Tax Incentives	Non-Tax Incentives
• Exemption/reduction of import duties on machinery (Section28/29) • Reduction of import duties for raw or essential materials (Section 30) • Exemption of import duties on materials imported for R&D purposes (Section 30/1) • Exemption of corporate income tax on the net profit and dividends derived from the promoted activity (Section 31 and 34) • Exemption of corporate income tax on net profit and dividends derived from the promoted high technology and innovation activity (Section 31/1) • A 50 percent reduction of the corporate income tax (Section 35(1)) • Double deduction from the costs of transportation, electricity and water supply (Section35(2)) • Additional 25 percent deduction of the cost of installation or construction of facilities (Section35(3)) • Exemption of import duty on raw or essential materials imported for use in production for export (Section 36)	• Permit for foreign nationals to enter the Kingdom for the purpose of studying investment opportunities. (Section 24) • Permit to bring into the Kingdom skilled workers and experts to work in investment promoted activities (Section 25 and 26) • Permit to own land (Section 27) • Permit to take out or remit money abroad in foreign currency (Section 37)

Use of Corporate Income Tax Incentives

To ensure that the incentives are granted effectively and exercised correctly in accordance with promotion conditions and to ensure the clear cost-and-benefit evaluation of investment promotion, promoted persons must report operating results for their projects to the Office of the Board of Investment for review prior to being granted corporate income tax incentives for that year. The reporting criteria and method shall be as prescribed by the Office of the Board of Investment.

Seven-year Investment Promotion Strategy (2015 – 2021)

According to the Announcement of the Board of Investment No.2/2557 Policies and Criteria for Investment Promotion announced on December 3, 2014 which is enforced on BOI applications submitted from January 1, 2015, onward:

Vision

To promote valuable investment, both investment in Thailand and Thai overseas investment to enhance Thailand's competitiveness, to overcome the "Middle Income Trap" and to achieve sustainable growth in accordance with the sufficiency economy philosophy.

Investment Promotion Policies

1. Promote investment that helps enhance national competitiveness by encouraging R&D, innovation, value creation in the agricultural, industrial and services sectors, SMEs, fair competition, and reduce social and economic disparity.
2. Promote activities that are environment-friendly, save energy or use alternative energy to drive balanced and sustainable growth.
3. Promote clusters to create investment concentration in accordance with regional potential and to strengthen value chains.
4. Promote investment in border provinces in Southern Thailand to help develop the local economy, which will support efforts to enhance security in the area.
5. Promote the special economic zones, especially in border areas, both inside and outside industrial estates, to create economic connectivity with neighboring countries and to prepare for entry into the ASEAN Economic Community (AEC).
6. Promote Thai overseas investment to enhance the competitiveness of Thai businesses and role of Thailand in the global economy.

Criteria for Project Approval

1. In order to develop competitiveness in the agricultural, industrial and service sectors, projects submitted for BOI promotion must have the following qualifications:
   - 1.1 The value-added of the project must not be less than 20% of revenues, except for projects in agriculture and agricultural products, electronic products and parts, and coil centers, all of which must have value-added of at least 10% of revenues.
   - 1.2 Modern production processes must be used.
   - 1.3 New machinery must be used. In case of imported used machinery, the criteria for consideration will be classified into 3 cases, as follows:

     1) General Case

Type of Machinery	Allowed to be used in the project	Counted as investment capital for calculation of CIT exemption cap (If Section 31 is granted)	Import Duty Exemption	Conditions
New machinery	✓	✓	✓	–
Used machinery not exceeding 5 years. (from manufacturing year to import year)	✓	✓	–	The machinery performance certificate must be submitted on the same date in which the master list of machinery is submitted
Used machinery exceeding 5 years but not exceeding 10 years.	✓	–	–	

2) Factory Relocation Case

Type of Machinery	Allowed to be used in the project	Counted as investment capital for calculation of CIT exemption cap (If Section 31 is granted)	Import Duty Exemption	Conditions
New machinery	✓	✓	✓	–
Used machinery not exceeding 5 years.	✓	✓	–	The machinery performance certificate must be submitted on the same date in which the BOI application and master list of machinery are submitted
Used machinery exceeding 5 years but not exceeding 10 years.	✓	✓ (Investment cap shall be based on 50% of the machinery value from the list of machinery)	–	
Used machinery exceeding 10 years	✓	–	–	

3) Other Cases

Type of Machinery	Allowed to be used in the project	Counted as investment capital for calculation of CIT exemption cap (If Section 31 is granted)	Import Duty Exemption	Conditions
Sea and Air Transport Services* Mold and Dies	✓	✓	✓	–

<u>*Remarks*</u>

- *Relocation of factory refers to the relocation of the production line either partially or in its entirely from a foreign country where the machinery to be used in the project belongs to affiliates or related companies.*
- *Machinery Performance Certificate refers to a certificate issued by a trusted institute that grants a machinery performance certificate, which includes a certified report on reconditioned machinery together with detailed documentation of the reconditioning. The inspection of certified machinery and equipment shall include a full test run of the machinery to evaluate its capacity and functionality, as prescribed by requirements of the testing procedure. An environmental impact report, a safety standards check and an energy consumption report must be compiled in accordance with the acceptable criteria. A certified report must identify 6 significant details, as follows:*
    1) *Details on reconditioning and an analysis of the remaining lifecycle of the machinery;*
    2) *Year of manufacture;*
    3) *Test-run results;*
    4) *An environmental impact report, safety standards check and an energy consumption report;*
    5) *Appropriate price estimation (the price estimation certificate can be submitted separately);*
    6) *Inspection report with date and place of inspection.*

* *note: Planes in the Air Transportation Services project must be no more than 14 years old. (Please see condition under activity 7.3.4)*

1.4 Projects that have investment capital of 10 million baht or more (excluding cost of land and working capital) must obtain ISO 9000 or ISO 14000 certification or similar international standard certification within 2 years from the full operation start-up date, otherwise the corporate income tax exemption shall be reduced by one year.

1.5 For a concession project and the privatization of a state enterprise project, the Board's criteria shall be based on the Cabinet's decisions dated May 25, 1998, and November 30, 2004, as follows:

(1) An investment project of state enterprise according to the 1999 State Enterprise Corporatization Act shall not be entitled to investment promotion.

(2) For Build-Transfer-Operate or Build-Operate-Transfer projects, the state agency that owns the project must submit its project to the Board for consideration prior to any invitation to bid, and bidders shall be informed of any promotional privilege entitled to them, prior to the bidding. In principle, the Board will not promote a project where the private sector pays the state for a concession, unless such payment is deemed reasonable in comparison with what the state has invested in the project;

(3) For Build-Own-Operate projects, including those leased to or managed by the private sector, which in return pays rent to the state, the Board shall use normal criteria for investment promotion.

(4) For the privatization of state enterprises according to the 1999 State Enterprise Corporatization Act, in case of expansion after the privatization, only the expansion investment shall be eligible for promotion. Incentives shall be granted according to normal criteria for investment promotion.

2. Environmental protection

2.1 Adequate and efficient guidelines and measures to protect environmental quality and to reduce environmental impact must be installed. The Board will give special consideration to the location and pollution treatment of a project with potential environmental impact.

2.2 Projects or activities with type and size that are required to submit environmental impact assessment reports must comply with related environmental laws and regulations or Cabinet resolutions.

2.3 Projects located in Rayong must comply with the Announcement of the Office of the Board of Investment No. Por 1/2554 dated May 2, 2011, on Industrial Promotion Policy in Rayong Province.

3. Minimum capital investment and project feasibility

3.1 The minimum capital investment requirement of each project is 1 million baht (excluding cost of land and working capital) unless specified otherwise on the list of activities eligible for investment promotion that is attached to this announcement.
As for knowledge-based services, the minimum capital investment requirement is based on the minimum annual salaries expense specified in the list of activities eligible for investment promotion.

3.2 For newly established projects, the debt-to-equity ratio must not exceed 3 to 1. Expansion projects shall be considered on a case-by-case basis.

3.3 For project with an investment value over 750 million baht (excluding cost of land and working capital) the project's feasibility study must be submitted with details as specified by the Board.

Criteria for Foreign Shareholding

The Board stipulates the following criteria for foreign shareholding in projects that apply for investment promotion:

1. For projects in activities under List One annexed to the Foreign Business Act, B.E. 2542, Thai nationals must hold shares totaling not less than 51% of the registered capital.
2. For projects in activities under List Two and List Three annexed to the Foreign Business Act, B.E. 2542, there are no equity restrictions for foreign investors except as specified in other laws.
3. The Board may set foreign shareholding limits for certain activities eligible for investment promotion, as deemed appropriate.

Investment Promotional Measure for Companies Receiving Supports for Registration in Market for Alternative Investment (MAI)

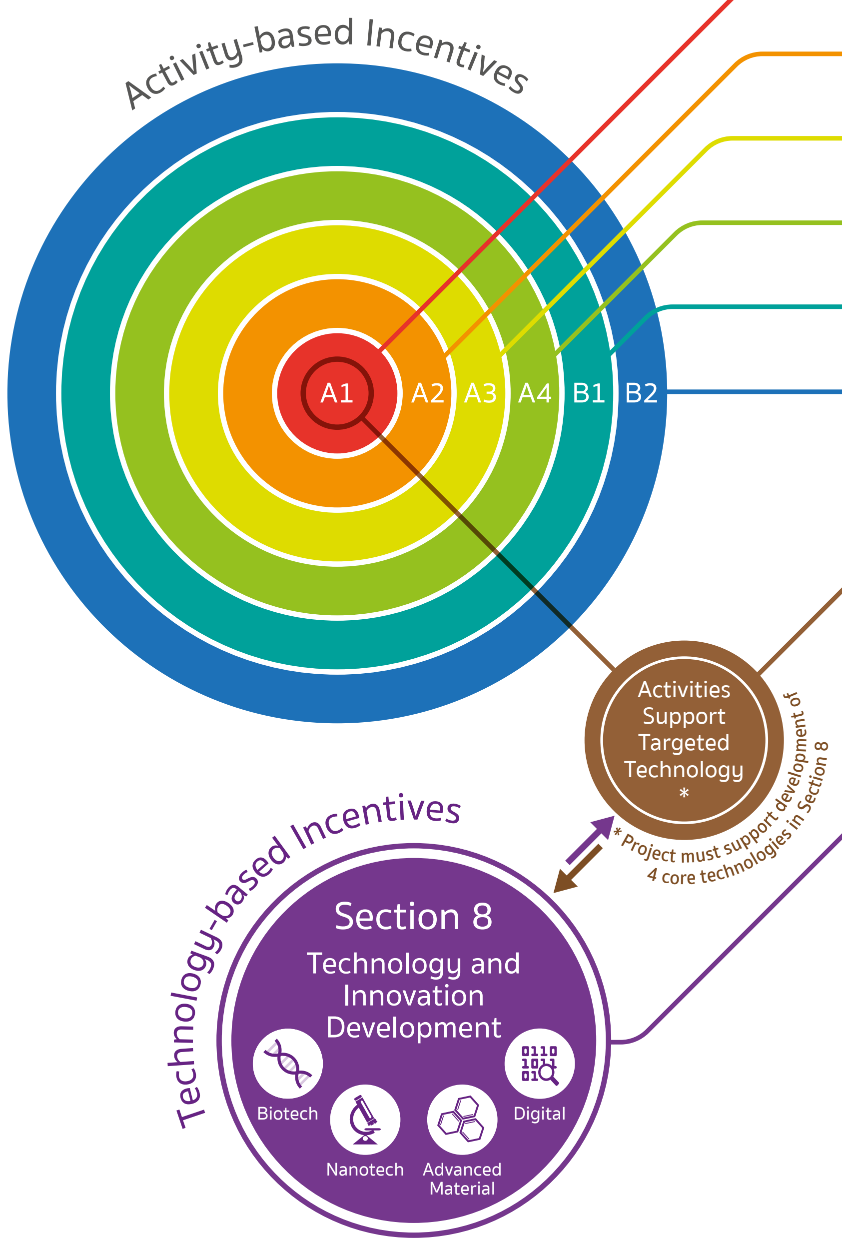
(Announcement by Board of Investment No. 1/2561)

In order to encourage Thai entrepreneurs to develop their capabilities and to grow in the sustainable manner by registering in Market for Alternative Investment (MAI).

1. The companies that have received investment supports in the form of the exempt of corporate income tax as in Paragraph One of Article 31, and have registered in Market for Alternative Investment (MAI), are entitled to receive privilege in the form of additional exempt of 100 percent of invested money (excluding the price of land and working capital).
2. Even though being able to generate income, investment projects that have received approved supports, can request for additional privilege, provided that on the day on which the request for privilege as in this measure is submitted, there must be privilege as in Paragraph One of Article 31 remaining in terms of time and amount of money that are subjected to corporate income tax exempt.
3. The companies must register in Market for Alternative Investment (MAI) before submitting the request for supports within this measure. The day of the registration in Market for Alternative Investment (MAI) means the day on which Market for Alternative Investment (MAI) orders the common stocks of the company to be the securities that are registered in Market for Alternative Investment (MAI).
4. The company must submit the request for additional privilege in this measure by December 30, 2020.
5. The companies that have already registered in Market for Alternative Investment (MAI) before November 23, 2017 are not entitled to the privilege in this measure.

A Guide to The Board of Investment 2018

1 Basic Incentives



Group	Exemption of corporate income tax	Exemption of import duties on machinery	Exemption of import duties on raw materials used in R&D	Exemption of import duties on raw materials used in production for export	Non-tax incentives
A1	8-years no cap	✓	Activities 7.11 and 7.12.1 - 7.12.4	✓	✓
A2	8-years	✓	–	✓	✓
A3	5-years	✓	–	✓	✓
A4	3-years	✓	–	✓	✓
B1	–*	✓	–	✓	✓
B2	–*	–	–	✓	✓
Activities Support Targeted Technology	10-years no cap	✓	Activity 7.11	✓	✓
8	10-years no cap	✓	✓	✓	✓

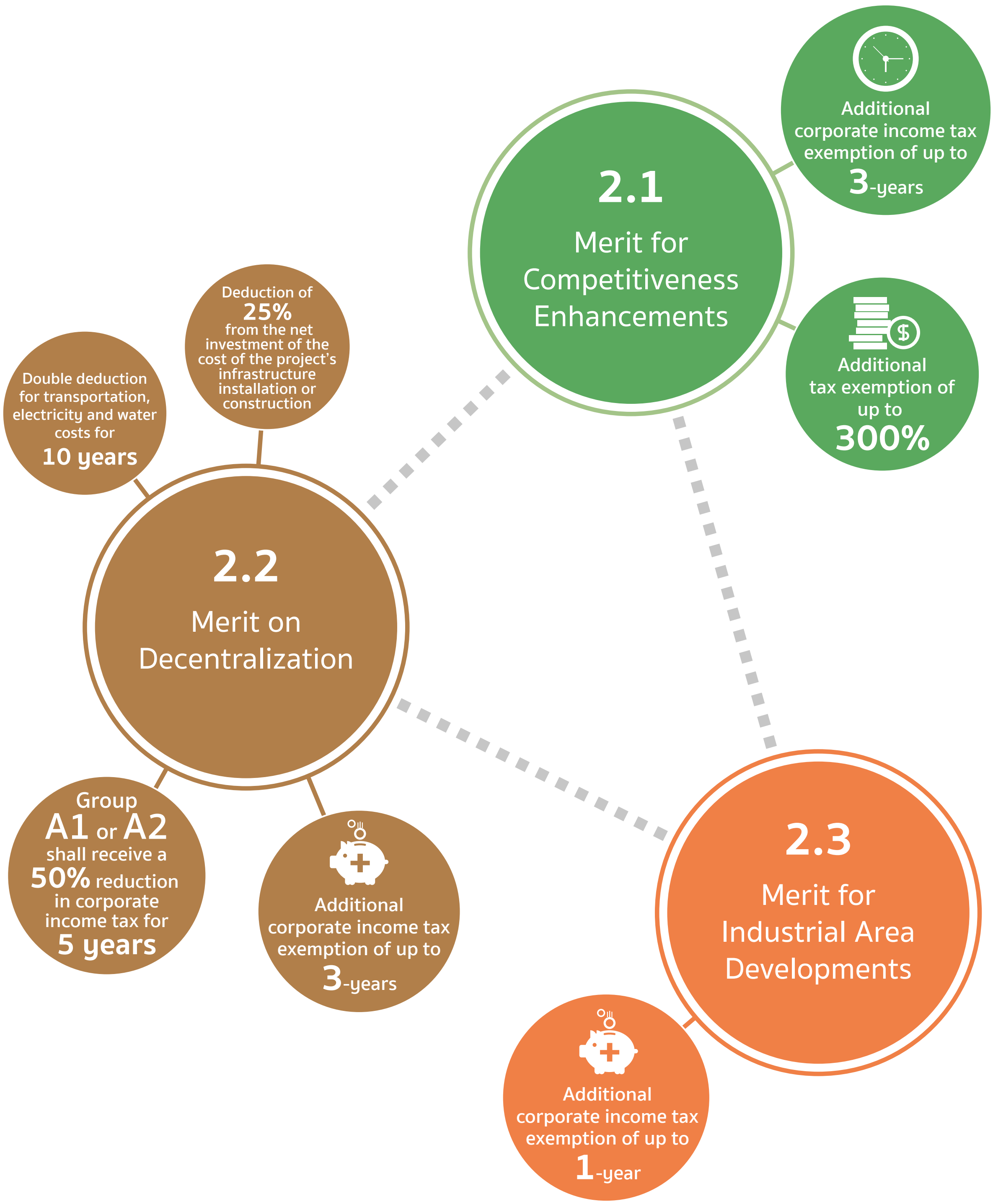
General List of Activities Eligible for Investment Promotion

- **A1** Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness.
- **A2** Infrastructure activities for the country's development, activities using advanced technology to create value-added, with no or very few existing investments in Thailand.
- **A3** High technology activities which are important to the development of the country, with a few investments already existing in Thailand.
- **A4** Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain.
- **B1**, **B2** Supporting industry that does not use high technology, but is still important to the value chain.
- Activities which support the development of targeted technology and have cooperation according to the conditions presented by the Board including activities 5.6, 7.11, 7.13, 7.14, 7.15 and 7.19.
- **8** Section 8: Technology and Innovation Development includes targeted core technology development such as development of biotechnology, nanotechnology, advanced materials technology and digital technology.

** Activities in Group B1 and Group B2 shall receive additional three-years corporate income tax exemption on the revenue in case of:*
- investments in automation systems, the corporate income tax exemption cap will be raised to 100% of the investment excluding land cost and working capital if the value of linkages to the Thai automation industry reaches at least 30% of the total value of the automation system.
- Application is submitted by December 30, 2020

2 Additional Incentives (Merit-based Incentives)

In order to attract and stimulate more investment or spending on activities that benefit the country or industry at large, the Board stipulates additional incentives based on the merits of the project, as follows:



2.1 Merit for Competitiveness Enhancement

Additional Cap (Percentage of Investment or Expense)

Research, Technology Development and Innovation: In-house, outsourced in Thailand or joint R&D with overseas institutes	300%
Donations to technology and human resource development funds, educational institutes, specialized training centers, R&D institutes or governmental agencies in the S&T field in Thailand, as approved by the Board	100%
IP acquisition/licensing fees for commercializing technology developed in Thailand	200%
Advanced technology training	200%
Development of local suppliers with at least 51% Thai shareholding in advanced technology training and technical assistance	200%
Product & packaging design: In-house or outsourced in Thailand, as approved by the Board	200%

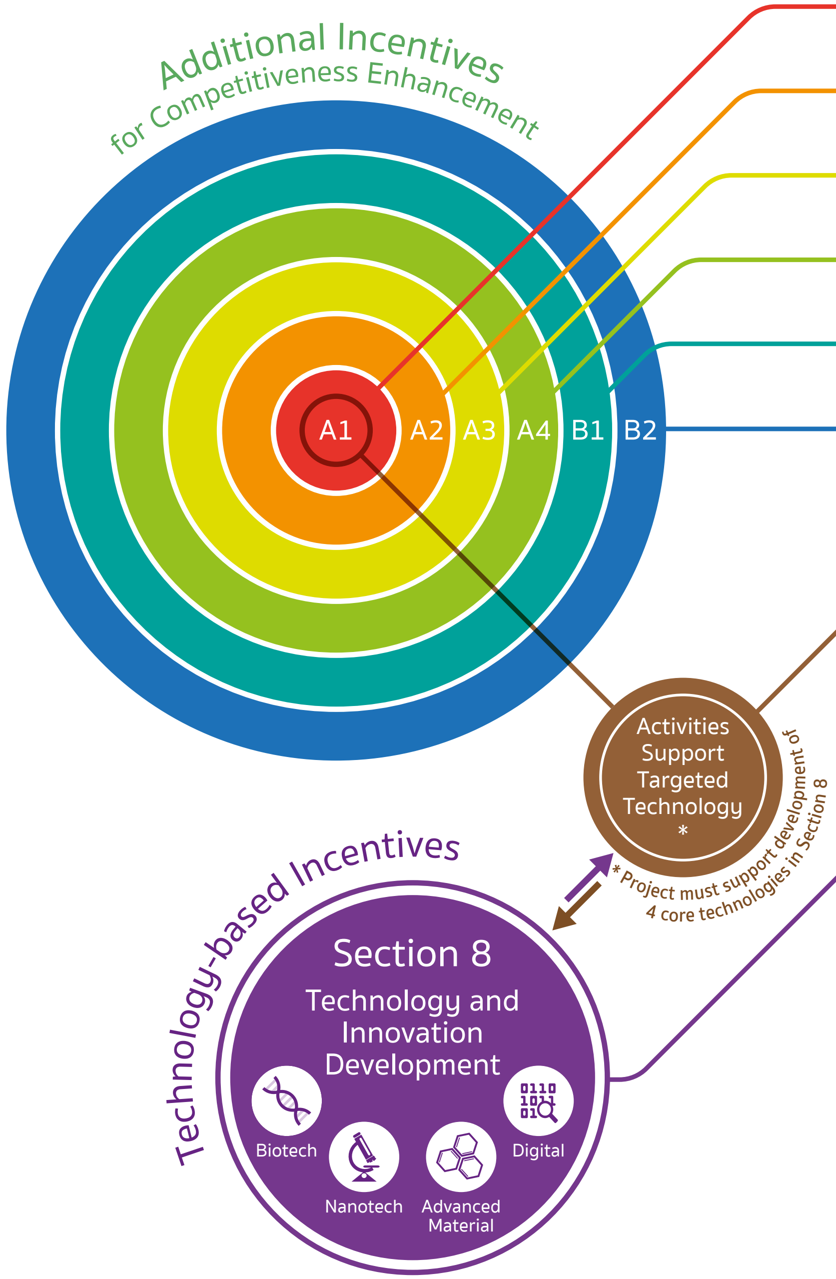
Additional CIT Exemption (with additional cap)

1 year*	1% or not less than 200 million baht, whichever lower
2 year*	2% or not less than 400 million baht, whichever lower
3 year*	3% or not less than 600 million baht, whichever lower

** Total CIT exemption period must not exceed 13 years.*

A Guide to The Board of Investment 2018

2.1 Merit for Competitiveness Enhancement (continued)



	Exemption of corporate income tax	Additional corporate income tax exemption	Total
A1	8-years no cap	1-3 years no cap	9-11 years no cap
A2	8-years	1-3 years with additional cap	9-11 years with additional cap
A3	5-years	1-3 years with additional cap	6-8 years with additional cap
A4	3-years	1-3 years with additional cap	4-6 years with additional cap
B1	–	1-3 years*	1-3 years*
B2	–	–	–
Activities Support Targeted Technology	10-years no cap	1-3 years	11-13 years no cap
8	10-years no cap	1-3 years	11-13 years no cap

General List of Activities Eligible for Investment Promotion for Competitiveness Enhancement

- **A1** Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness.
- **A2** Infrastructure activities for the country's development, activities using advanced technology to create value-added, with no or very few existing investments in Thailand.
- **A3** High technology activities which are important to the development of the country, with a few investments already existing in Thailand.
- **A4** Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain.
- **B1** Supporting industry that does not use high technology, but is still important to the value chain.
- Activities which support the development of targeted technology and have cooperation according to the conditions presented by the Board including activities 5.6, 7.11, 7.13, 7.14, 7.15 and 7.19.
- **8** Section 8: Technology and Innovation Development includes targeted core technology development such as development of biotechnology, nanotechnology, advanced materials technology and digital technology.

* *Tax exemption will depend on the investment amount/ expenditure for enhancing competitiveness*

Applying for Merit–based Incentive*

Applicants can choose to apply for one type or many types of merit-based incentives, but they must be in accordance with the prescribed criteria.

(1) Project entitled to CIT exemption (A1-A4)

- Applicant, who requires Merit-based incentives has to submit a Competitiveness Enhancement Application form (F PA PP 37), together with general application form (F PA PP 01). However, the Competitiveness Enhancement Application form can be submitted later on.
- In case the Competitiveness Enhancement Application form is submitted later on, both time period and capital investment of the promoted project must still have left for corporate income tax exemption under Section 31.

(2) In case the project is not entitled to corporate income tax exemption (B1-B2)

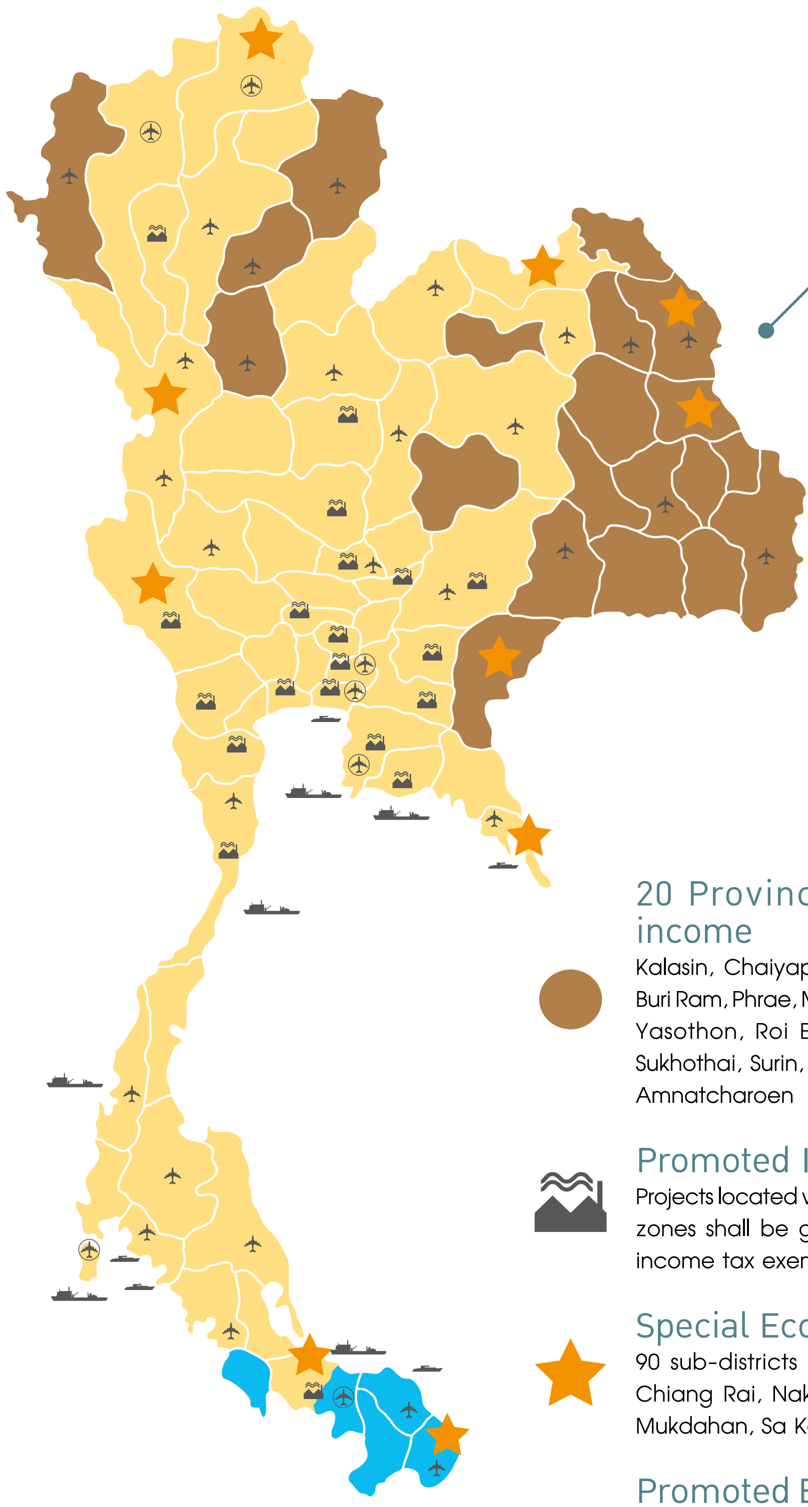
- Applicant who requires Merit-based incentives has to submit a Competitiveness Enhancement Application form (F PA PP 37), together with general application form. The Competitiveness Enhancement Application form is not allowed to be submitted later on.

Explanation for Merit-based incentives granted for donations to Technology and Human Resource Development Fund as follows:

1. Applicant has to submit a supporting plan as approved by the NSTDA Academy**. The supporting plan has to be accomplished before the expiration of corporate income tax incentives granted by normal criteria either CIT period or CIT cap.
2. The applicant has to submit a supporting plan as approved by the NSTDA Academy. The supporting plan has to be accomplished within one year starting from the date of revenue derivation.
3. The criteria to consider the donations to Technology and Human Resource Development Fund, the BOI will consider the accumulated revenue of the project which requires Merit-based incentives. If the actual accumulated revenue is higher than the estimation as submitted to the Board, the applicant will be allow to donate more within 1 year starting from the third year of the ending of accounting period. On the other hand, if the actual revenue is

* *รายละเอียดตามคำชี้แจงลงวันที่ 7 มิถุนายน 2560*

** *Applicants who would like to be granted under condition have to submit an intention form for granting under expenditure for donations to technology and human resource development funds to NSTDA Academy. Applicants have to submit an intention form with approval form after being approved by NSTDA Academy.*



Map of Thailand

20 Provinces with lowest per capita income

Kalasin, Chaiyaphum, Nakhon Phanom, Nan, Bueng Kan, Buri Ram, Phrae, Maha Sarakham, Mukdahan, Mae Hong Son, Yasothon, Roi Et, Si Sa Ket, Sakhon Nakhon, Sa Kaew, Sukhothai, Surin, Nong Bua Lamphu, Ubon Ratchatani and Amnatcharoen

Promoted Industrial Estate / Zone

Projects located within industrial estates or promoted industrial zones shall be granted one additional year of corporate income tax exemption.

Special Economic Zones

90 sub-districts in 23 districts of 10 provinces which are Chiang Rai, Nakhon Panom, Tak, Kanjanaburi, Nongkhai, Mukdahan, Sa Kaew, Trad, Songklah and Narathiwas.

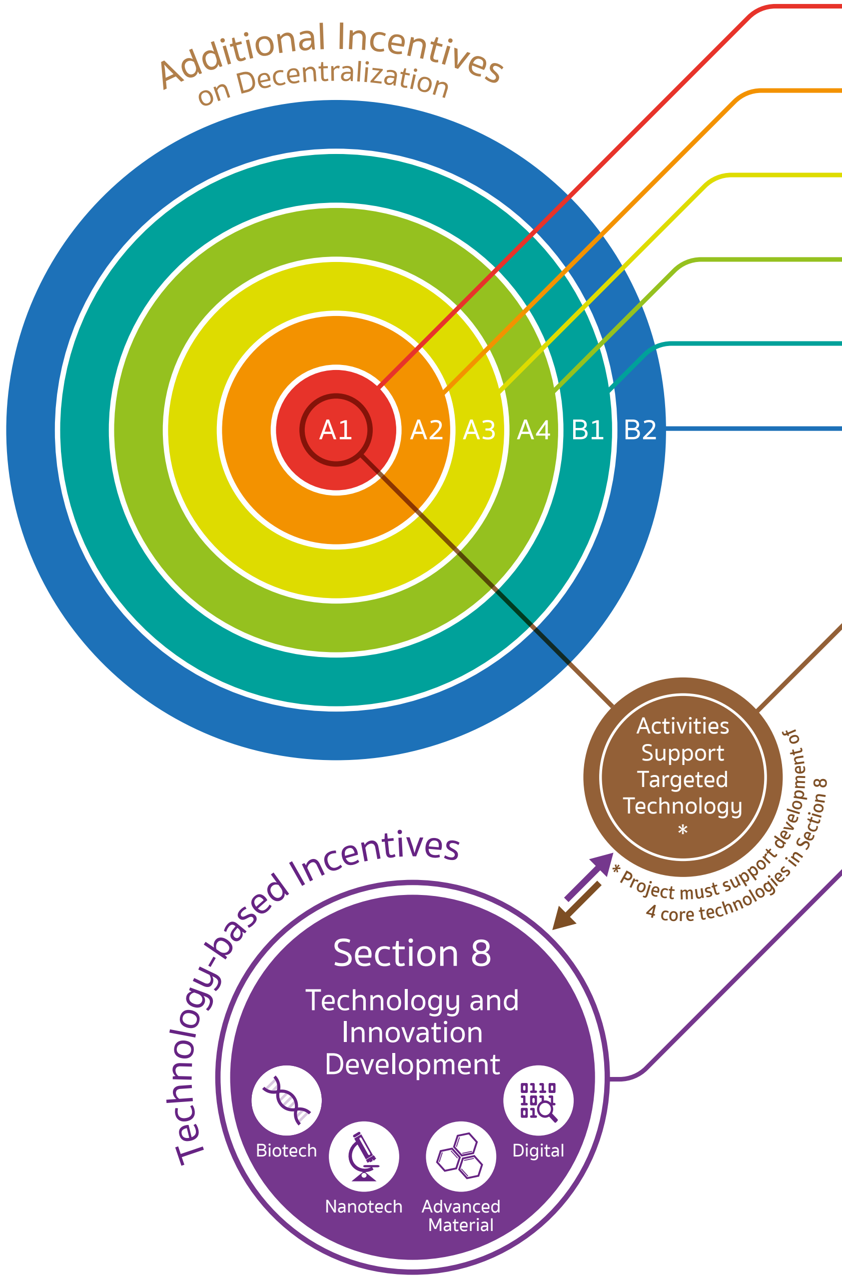
Promoted Border Provinces in Southern Thailand

Southern Border Provinces include Narathiwat, Pattani, Yala, Satun and four districts in Songkhla (Jana district, Natawee district, Saba Yoi district and Taypa district).

Criteria for Granting Promotion Incentives

2.2 Merit on Decentralization

Projects located in 20 provinces with lowest per capita income (see map on page 19) Kalasin, Chaiyaphum, Nakhon Phanom, Nan, Bueng Kan, Buri Ram, Phrae, Maha Sarakham, Mukdahan, Mae Hong Son, Yasothon, Roi Et, Si Sa Ket, Sakhon Nakhon, Sa Kaew, Sukhothai, Surin, Nong Bua Lamphu, Ubon Ratchatani and Amnatcharoen (excluding border provinces in Southern Thailand and Special Economic Development Zones which have separate special incentive packages) shall receive additional incentives, as follows:



	Exemption of corporate income tax	Additional corporate income tax exemption	50% Corporate income tax reduction for 5 years	Total	Deduction of expense*
A1	8-years no cap	–	✓	8-years no cap + 50% corporate income tax reduction for 5 years	✓
A2	8-years	–	✓	8-years + 50% corporate income tax reduction for 5 years	✓
A3	5-years	3-years	–	8-years	✓
A4	3-years	3-years	–	6-years	✓
B1	–	3-years	–	3-years	✓
B2	–	–	–	–	–
	10-years no cap	3-years	–	13-years no cap	✓
8	10-years no cap	3-years	–	13-years no cap	✓

General List of Activities Eligible for Investment Promotion on Decentralization

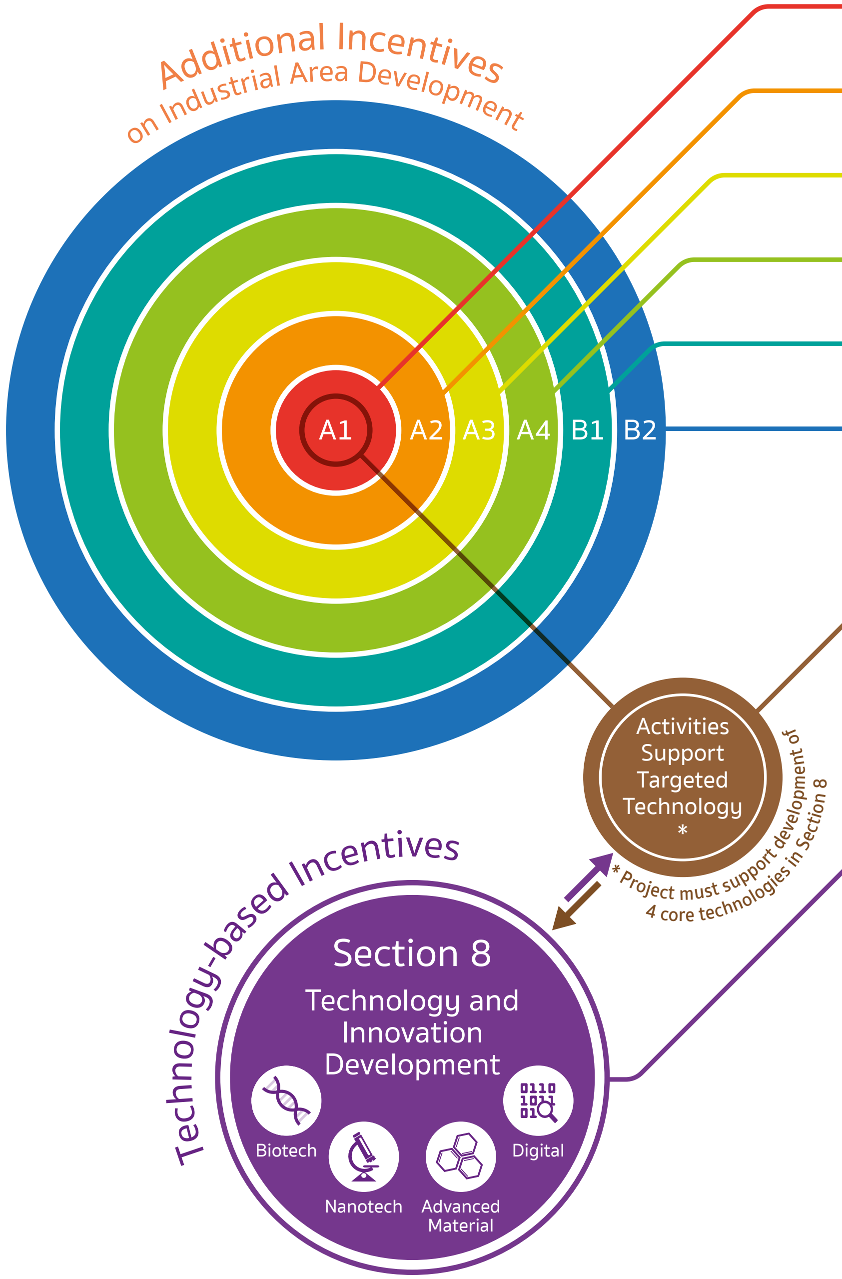
- **A1** Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness.
- **A2** Infrastructure activities for the country's development, activities using advanced technology to create value-added, with no or very few existing investments in Thailand.
- **A3** High technology activities which are important to the development of the country, with a few investments already existing in Thailand.
- **A4** Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain.
- **B1** Supporting industry that does not use high technology, but is still important to the value chain.
- Activities which support the development of targeted technology and have cooperation according to the conditions presented by the Board including activities 5.6, 7.11, 7.13, 7.14, 7.15 and 7.19.
- **8** Section 8: Technology and Innovation Development includes targeted core technology development such as development of biotechnology, nanotechnology, advanced materials technology and digital technology.

* - *Double deductions from the costs of transportation, electricity and water supply for 10 years*
- *Additional 25% deduction of the cost of installation or construction of facilities*

A Guide to The Board of Investment 2018

2.3 Merit on Industrail Area Development

Projects located within industrial estates or promoted industrial zones (see map on page 19) shall be granted one additional year of corporate income tax exemption.



	Exemption of corporate income tax	Additional corporate income tax exemption	Total
A1	8-years no cap	–	8-years no cap
A2	8-years	–	8-years
A3	5-years	1-year	6-years
A4	3-years	1-year	4-years
B1	–	–	–
B2	–	–	–
Activities Support Targeted Technology	10-years no cap	1-year	11-years no cap
8	10-years no cap	1-year	11-years no cap

General List of Activities Eligible for Investment Promotion on Industrial Area Development

- **A3** High technology activities which are important to the development of the country, with a few investments already existing in Thailand.
- **A4** Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain.
- Activities which support the development of targeted technology and have cooperation according to the conditions presented by the Board including activities 5.6, 7.11, 7.13, 7.14, 7.15 and 7.19.
- **8** Section 8: Technology and Innovation Development includes targeted core technology development such as development of biotechnology, nanotechnology, advanced materials technology and digital technology.

General List of Activities Eligible for Promotion

Investors applying for BOI promotion should be well-prepared with information of the activities eligible for promotion and in particular the specific conditions under each activity.

Updated information of types, sizes and conditions of activities eligible for promotion is assembled from the various announcements, details of which an investor is encouraged to thoroughly review before applying for BOI promotion.

Section 1: Agriculture and Agricultural Products

Activities	Conditions	Incentives	Investment Promotion Division
1.1 Manufacture of biological fertilizers, organic fertilizers, nano-coated organo chemical fertilizer and bio-pesticides	1. Biological fertilizers, organic fertilizers and nano-coated organo chemical fertilizer must be registered and obtained license for manufacturing fertilizer for trade from the Department of Agriculture. 2. Bio-pesticides must be registered and obtained certificate of permission to produce from the Department of Agriculture. 3. Projects must use inoculants or innovations that have supporting academic reference.	A 3	1
1.2 Plant or animal breeding (only those that are not eligible for biotechnology activity)	1. Projects must have research and development activities. 2. For breeding of sensitive plants according to the policy of the Ministry of Agriculture and Cooperatives, projects must have Thai nationals holding shares totaling not less than 51 percent of the registered capital. 3. Projects must have expenses for salaries for R&D personnel of at least 1,500,000 baht per year. 4. Projects located in the science and technology park, promoted by BOI or one that is approved by the Board will receive an additional 50 percent reduction of corporate income tax for 5 years after the end of its corporate tax exemption period. 5. Revenue derived from plant propagation after plant breeding in the project shall be regarded as revenue of promoted projects, except for the propagation of cassava.	A 3	1
1.3 Economic forest plantation (except for Eucalyptus)	1. Projects must have research and development activity. 2. Total plantation area in close proximity must not be less than 300 rai, at least 50 rai of which must be adjacent. 3. Projects must receive approval from the Ministry of Natural Resources and Environment.	A 1	1
1.4 Crop drying and silo facilities		B 1	1

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
1.5 Animal propagation or animal husbandry			
1.5.1 Livestock and aquatic animal propagation	1. Projects must use modern technology, e.g. closed house system, evaporative cooling system, automatic watering and feeding system, vector control measure and system, sensor system for tracking and counting animals. 2. Projects must have traceability system. 3. Hatching eggs without breeder-raising process shall not be promoted.	A 4	1
1.5.2 Livestock husbandry or aquaculture (except for shrimp)	1. Projects must have propagation process. 2. Projects must use modern technology, e.g. closed house system, evaporative cooling system, automatic watering and feeding system, vector control measure and system, sensor system for tracking and counting animals and effective environmental protection and impact reduction system. 3. Projects must have traceability system.	A 4	1
1.6 Slaughtering	1. Projects must use modern technology, e.g. stunning method, shackle, cold storage, chilling system, meat quality and contaminant inspection. 2. Projects must have traceability system.	A 4	1
1.7 Deep sea fishery	1. Surrounding net boat must be at least 500 gross tons. 2. Long line boat must be at least 150 gross tons. 3. Boats must have navigation equipment, fish finder and embedded tracking unit.	A 3	1
1.8 Grading, packaging and storage of plants, vegetables, fruits or flowers	1. Projects using advanced technology, e.g. fruit ripeness sensor, radio frequency pest control, nuclear magnetic resonance.	A 2	1
	2. Projects using modern technology, e.g. color sorter, vapor heat treatment to kill fruit fly eggs, seed coating.	A 3	1
	3. Rice grading must use advanced technology only.	A 2	1

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
1.9 Manufacture of modified starch or starch made from plants that have special properties		A 3	1
1.10 Manufacture of oil or fat from plants or animals (except for soybean oil)	1. Manufacture of crude or semi-refined oil from plants must start from agricultural produce. 2. Manufacture of refined oil from plants must start from agricultural produce or crude oil.	A 3	1
1.11 Manufacture of natural extracts or products from natural extracts (except for medicine, soap, shampoo, toothpaste and cosmetics)		A 4	1
1.12 Manufacture of active ingredients from natural raw materials	Projects must be supported by academic study on action and toxicity.	A 2	1
1.13 Tanneries or leather finishing	1. Projects must use environment-friendly technology, e.g. reduction of chemical use, use of enzyme or biological catalysts instead of chemicals. 2. Tanneries must be located in industrial estates or promoted industrial zones.	A 3	1
1.14 Manufacture of natural rubber products (except for rubber bands, rubber balloons and rubber rings)			
1.14.1 Manufacture of primary processed rubber		A 4	1
1.14.2 Manufacture of rubber products		A 2	1
1.15 Manufacture of products from agricultural by-products or agricultural waste (except for those with uncomplicated production processes, e.g. drying, dehydration)		A 4	1
1.16 Manufacture of fuel from agricultural products, including agricultural scrap or garbage or waste			
1.16.1 Manufacture of fuel from agricultural products		A 2	1
1.16.2 Manufacture of fuel from agricultural scrap or garbage or waste, e.g. biomass to liquid (BTL), biogas from wastewater		A 2	1

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
1.16.3 Manufacture of biomass briquettes and pellets		A 3	1
1.17 Manufacture or preservation of food, beverages, food additives or food ingredients using modern technology (except for drinking water, ice cream, candy, chocolate, gum, sugar, carbonated soft drinks, alcoholic beverages, caffeinated beverages and flour or starch made from plants, bakery products, instant noodles, essence of chicken and bird's nest)	1. Project with only mixing or dilution process shall not be promoted. 2. Project with fermentation process must use starter cultures that have supporting study or research.	A 3	1
1.18 Manufacture of medical food or food supplements	1. For the manufacture of medical food, products must be registered as "medical food" by Food and Drug Administration or other agencies with internationally accepted standards. 2. For the manufacture of food supplements, 2.1 Product must be registered as "Food Supplements" by the Thai Food and Drug Administration or other agencies with internationally accepted standards. 2.2 Projects must have an active ingredient extraction process.	A 2	1
1.19 Cold storage, or cold storage and cold storage transportation		B 1	1
1.20 Trading Center for agricultural goods	1. Total area must not be less than 50 rai. 2. The area for operations and services related to agricultural goods must not be less than 60% of the total land area. Space must be allocated for agricultural exhibition or trade, auction center, cold storage and silos. 3. Inspection, grading and pesticide residue inspection services for agricultural products must be provided.	A 3	1
1.22 Manufacture of animal feed production and animal food ingredients.		B 1	1

Remarks: Activity 1.21 has been expired.

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
1.23 Manufacture of modern agricultural products or services related to modern agriculture e.g. detection or tracking systems, resources regulation systems (such as water, fertilizers, medicines) and smart greenhouse systems	Project must include systems and software development processes for resources management. The resources management software and systems must be integrated and capable of collecting, interpreting and analyzing data.	A 3 (No cap)	1

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Section 2: Mineral, Ceramics and Basic Metals

Activities	Conditions	Incentives	Investment Promotion Division
2.1 Prospecting of minerals	1. Prospecting licenses (Prospecting Atchaybat: PA or Exclusive Prospecting Atchayabat: EPA or Special Atchayabat: SA) must be obtained prior to submission of investment promotion application. 2. Not eligible for merit-based incentives.	B 1	3
2.2 Potash mining and/or dressing	Mining licenses (Prathanabat) or mining sublease licenses must be obtained prior to submission of investment promotion application.	B 1	3
2.3 Manufacture of advanced or nano materials or products produced from advanced or nano materials			
2.3.1 Manufacture of Advanced or Nano Materials or products produced from Advanced or Nano Materials with continued manufacturing process from Advanced or Nano Materials within the same project		A 2	3
2.3.2 Manufacture of Products produced from Advanced or Nano Materials		A 3	3
2.4 Manufacture of glass or ceramic products			
2.4.1 Manufacture of Special Quality Glass Products	Project must have melting and/or annealing process.	A 3	3
2.4.2 Manufacture of Glass Products	Project must have melting and/or annealing process.	B 1	3
2.4.3 Manufacture of Ceramic Products (except earthenware and ceramic tiles)	Project must have firing and/or annealing process.	B 1	3
2.5 Manufacture of fire-resistant materials or heat insulation (except aerated, and lightweight brick)	Not eligible for merit-based incentives.	B 2	3
2.6 Manufacture of gypsum board or gypsum products	Not eligible for merit-based incentives.	B 2	3
2.7 Manufacture of up-stream steel, e.g. hot metal, pig iron, sponge iron, Direct Reduction Iron (DRI) and Hot Briquetted Iron (HBI)		A 2	3

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
2.8 Manufacture of intermediate steel, e.g. Slab, Billet and Bloom	1. Intermediate steel with continuous production process from manufacturing of up-stream steel in the same project.	A 2	3
	2. Intermediate steel production only.	A 4	3
2.9 Manufacture of down-stream steel			
2.9.1 Manufacture of High Tensile Strength Steel	The value of Ultimate Tensile Strength (UTS) of product must exceed 700 MPa.	A 2	3
2.9.2 Manufacture of down-stream steel with continuous production process from manufacturing of upstream and intermediate steel within the same project		A 2	3
2.9.3 Manufacture of long steel products for industrial use e.g. steel wire rods, wires, shafts and bars		A 4	3
2.9.4 Manufacture of long steel products for construction use, e.g. steel wire rods, wires, shafts and bars		B 1	3
2.9.5 Manufacture of flat rolled steel products for industrial use, e.g. hot or cold rolled stainless steel sheets, steel plates, hot or cold rolled steel sheets and coated steel sheets		A 4	3
2.9.6 Manufacture of flat rolled steel products for construction use, e.g. hot or cold rolled stainless steel sheets, steel plates, hot or cold rolled steel sheets and coated steel sheets		B 1	3
2.9.7 Manufacture of Tin Mill Black Plate		A 3	3
2.9.8 Manufacture of Cold-Rolled Electrical Steel Sheet	Non-oriented (NO) and Grain-Oriented (GO) only.	A 3	3
2.10 Manufacture of steel pipes or stainless steel pipes			
2.10.1 Seamless steel pipes and semi-seamless steel pipes		A 3	3
2.10.2 Other steel pipes		B 1	3

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
2.11 Manufacture of metal powder (except Shot Blasting)		A 3	3
2.12 Manufacture of ferro-alloy		A 4	3
2.13 Manufacture of cast iron/steel parts	Project must use induction furnace in the production process.		
2.13.1 Ductile cast steel parts		A 2	3
2.13.2 Other cast steel parts		A 3	3
2.14 Manufacture of forged iron/steel parts		A 3	3
2.15 Rolling, drawing, casting or forging of non-ferrous metals		A 4	3
2.16 Coil center	Not eligible for merit-based incentives.	B 2	3
2.17 Manufacture of construction materials and pre-stressed concrete for public utilities	1. Must set up a factory in Special Economic Zone (SEZ) or in Model cities "Stable, Affluent and Sustainable Triangle" as followed; - Nong Chik District, Pattani Province. - Betong District, Yala Province. - Su-ngai Kolok District, Narathiwat Province. 2. Application must be submitted by 31 December 2020.	A 2	3

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Section 3: Light Industry

Activities	Conditions	Incentives	Investment Promotion Division
3.1 Manufacture of textile products or parts			
3.1.1 Manufacture of natural or synthetic fibers			
3.1.1.1 Manufacture of technical fiber or functional fiber	Projects must be approved by related agencies, e.g. Thailand Textile Institute, National Innovation Agency.	A 2	5
3.1.1.2 Manufacture of recycled fiber	Projects must use domestic scraps or waste only.	A 4	5
3.1.1.3 Manufacture of other fibers		B 1	5
3.1.2 Manufacture of yarn or fabric			
3.1.2.1 Manufacture of functional yarn or functional fabric	Projects must be approved by related agencies, e.g. Thailand Textile Institute, National Innovation Agency.	A 3	5
3.1.2.2 Manufacture of functional yarn or functional fabric	1. Projects with investments or expenditures on research, design or product development of not less than 0.5% of the project's total revenue of the first 3 years combined.	A 4	5
	2. Projects with no investment or expenditures on research, design or product development or if the investment on research, design or product development is less than 0.5% of the project's total revenue of the first 3 years combined.	B 1	5
3.1.3 Bleaching, dyeing and finishing, or printing and finishing, or printing.	1. Projects must be located or expand in industrial estates or promoted industrial zones that have waste treatment and environmental protection and control systems according to section 30 of the announcement of the Ministry of Industry. 2. In case projects are not located in 1., only expansion of existing projects will be permitted. Projects must also have measures to reduce environmental impact. 3. For the textile industry, digital printing businesses can be located in all areas.	A 3	5

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	4. Projects applying for investment promotion under the Measure to Promote Improvement of Production Efficiency by reducing environmental impact are allowed to be located in the existing business area, whether the business is located in industrial estates or promoted industrial zones according to Section 30 of the announcement of the Ministry of Industry or not. 5. Environment-friendly technology must be used in all cases.		
3.1.4 Manufacture of garments, clothing accessories, and household textiles	1. Projects with investments or expenditures on research, design or product development of not less than 0.5% of the project's total revenue of the first 3 years combined.	A 4	5
	2. Projects with no investment or expenditures on research, design or product development or if the investment on research, design or product development is less than 0.5% of the project's total revenue of the first 3 years combined.	B 1	5
3.2 Manufacture of non-woven fabric or hygienic products made of non-woven fabric		A 4	5
3.3 Manufacture of bags or shoes or products made of leather or artificial leather	1. Projects with investments or expenditures on research, design or product development of not less than 0.5% of the project's total revenue of the first 3 years combined.	A 4	5
	2. Projects with no investment or expenditures on research, design or product development or if the investment on research, design or product development is less than 0.5% of the project's total revenue of the first 3 years combined.	B 1	5
3.4 Manufacture of sports equipment or parts		B 1	5
3.5 Manufacture of musical instrument		B 1	5

CIT Exemtion	*A 1 = 8 years (No Cap)*	*A 2 = 8 year*	*A 3 = 5 year*	*A 4 = 3 year*

Activities	Conditions	Incentives	Investment Promotion Division
3.6 Manufacture of furniture or parts	1. Projects with investment or expenditures on research, design or product development of not less than 0.5% of the project's total revenue of the first 3 years combined.	A 4	5
	2. Projects with no investment or expenditures on research, design or product development or if the investment on research, design or product development is less than 0.5% of the project's total revenue of the first 3 years combined.	B 1	5
3.7 Manufacture of toys	1. Projects with investments or expenditures on research, design or product development of not less than 0.5% of the project's total revenue of the first 3 years combined.	A 4	5
	2. Projects with no investment or expenditures on research, design or product development or if the investment on research, design or product development is less than 0.5% of the project's total revenue of the first 3 years combined.	B 1	5
3.8 Manufacture of gems and jewelry or parts including raw materials and prototype		A 4	5
3.9 Creative product design and development center	1. Projects must consist of 2 components, as follows: 1.1 Information system for design 1.2 Conceptual design and creation system. 2. Projects must consist of one of the following components: 2.1 Engineering design system 2.2 Prototype design creation and performance testing system 2.3 Prototype standard testing and user acceptance testing system. 3. At least 70% of total employees in the project must be Thai. 4. Projects must have expenses for salaries for creative product design and development personnel of at least 1,500,000 baht per year.	A 1	5

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	5. Project located in the science and technology park promoted by BOI or one that is approved by the Board will receive an additional 50 percent reduction in corporate income tax for 5 years after the end of its corporate tax exemption period.		
3.10 Manufacture of lenses			
3.10.1 Manufacture of lenses that are not medical devices, sunglass lenses or cosmetic lenses, e.g. camera lenses		A 4	2
3.10.2 Manufacture of sunglass lenses, cosmetic lenses, eyeglass frames and parts		B 1	2
3.11 Manufacture of medical devices or parts			
3.11.1 Manufacture of high-risk or high-technology medical devices, (e.g. x-ray machine, MRI machine, CT scan machine and implants) or medical devices that are commercialized from public sector research or collaborative public-private sector research	1. In case projects include R&D and innovation	A 1	1
	2. In case projects exclude R&D and innovation	A 2	1
3.11.2 Manufacture of other medical devices (except for medical devices made of fabrics or fibers)		A 3	1
3.11.3 Manufacture of medical devices made of fabrics or fibers, e.g. gowns, drapes, caps, face masks, gauze and cotton wool	Manufacture of gauze or cotton wool must start from raw cotton fabric or cotton yarn.	A 4	1

CIT Exemtion	*A 1 = 8 years (No Cap)*	*A 2 = 8 year*	*A 3 = 5 year*	*A 4 = 3 year*

Section 4: Metal Products, Machinery and Transport Equipment

Activities	Conditions	Incentives	Investment Promotion Division
4.1 Manufacture of metal products including metal parts			
4.1.1 Products from metal or alloy powder	Project must have sintering process.	A 3	3
4.1.2 Metal products or metal parts	Project must have metal forming process continuing from iron/steel casting process (using induction furnace) or iron/steel forging process, e.g. machining and stamping within the same project.	A 3	3
4.1.3 Other metal products including other metal parts	1. Continuous forming process from pressing, pulling casting or forging of non-ferrous metal within the same project.	A 4	3
	2. Forming process, e.g. machining and stamping.	B 1	3
4.2 Surface treatment or anodized surface treatment (except coating or coloring treatment for decoration purpose)			
4.2.1 Plating, Coating, modifying or changing the surface using Advanced Technologies		A 4	3
4.2.2 Plating, Coating, modifying or changing the surface using Basic Technologies		B 1	3
4.3 Heat Treatment	Cyanide is prohibited in the process of heat treatment.	A 4	3
4.4 Manufacture of multi-purpose engines and equipment	1. Project must have forming process of main engine parts, e.g. cylinder head, crank case, crankshaft, camshaft, connecting rod, piston and flywheel.	A 4	2
	2. Assembling of multipurpose engine or equipment.	B 1	2
4.5 Manufacture of machinery, equipment and parts			
4.5.1 Automation machinery and/or automation equipment with engineering design			

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.5.1.1 Automation machinery and/or automation equipment with engineering design, including automation system integration and control system configuration		A 1	2
4.5.1.2 Automation machinery and/or automation equipment with engineering design, including control system configuration		A 2	2
4.5.2 Machinery, equipment and parts and/or repair of mould and die	Projects must have part forming process and/or with engineering design.	A 3	2
4.5.3 Assembling of machinery and machinery equipment	Projects must have assembling process as approved by the Board.	A 4	2
4.5.4 Assembling of Robots or Automation Equipment and/or Automation Parts		A 3	2
4.6 Manufacture of general automobile[1, 2, 3]	Not eligible for merit-based incentives.	B 1	2
4.7 Manufacture of automobile engines			
4.7.1 Manufacture of automobile engines	1. Must have forming process of not less than 4 out of 5 parts as follows: Cylinder Head, Cylinder Block, Crankshaft, Camshaft and Connecting Rod.	A 3	2
	2. Must have engine assembly process	A 4	2
4.7.2 Manufacture of motorcycle engines	1. Must have forming process as follows: Cylinder Head, Cylinder Block, Crankcase, Crankshaft, Camshaft, Camshaft and Connecting Rod.	A 3	2

1. *This category is not eligible for a promotion under Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560) under these following measures:*
   - Measure to promote energy conservation, alternative energy utilization or reduction of environmental impact
   - Measure to promote the investment on research and development and engineering designs for efficiency improvement
2. *This category is not eligible for a promotion under the measure to promote improvement in production efficiency by upgrading and replacing machinery for manufacturing according to Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560).*
3. *This category is not eligible for a promotion for additional rights and benefits to promote a utilization of modern machinery and robotics system for manufacturing (Announcement of the Board of Investment No. 10/2560)*

CIT Exemtion	*A 1 = 8 years (No Cap)*	*A 2 = 8 year*	*A 3 = 5 year*	*A 4 = 3 year*

Activities	Conditions	Incentives	Investment Promotion Division
	1.1 Must have forming process of not less than 4 out of 6 parts for manufacturing engine that have a cylinder capacity starting from 248 cc. but not exceeding 500 cc. 1.2 Must have forming process of not less than 2 out of 6 parts for manufacturing of engine that have a cylinder capacity of 500 cc. or more.		
	2. Must have engine assembly process.	A 4	2
4.8 Manufacture of vehicle parts			
4.8.1 Manufacture of vehicle parts using high technology including:			
4.8.1.1 Substrate for Catalytic Converter		A 2	2
4.8.1.2 Electronic Fuel Injection System		A 2	2
4.8.1.3 Automotive Transmission		A 2	2
4.8.1.4 Electronic Control Unit (ECU)		A 2	2
4.8.2 Manufacture of automobile safety and energy-saving parts			
4.8.2.1 Anti-Lock Brake System (ABS) or Electronic Brake Force Distribution (EBD)		A 2	2
4.8.2.2 Electronic Stability Control (ESC)		A 2	2
4.8.2.3 Regenerative Braking System		A 2	2
4.8.2.4 Idling Stop System		A 2	2
4.8.2.5 Autonomous Emergency Braking System		A 2	2
4.8.3 Manufacture of parts for Hybrid, Battery Electric Vehicle (BEV) and Plug-in Hybrid Electric Vehicles (PHEV)			

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.8.3.1 Battery		A 2	2
4.8.3.2 Traction Motor		A 2	2
4.8.3.3 Air-condition system		A 2	2
4.8.3.4 Battery Management Systems (BMS)		A 2	2
4.8.3.5 Drive Control Units (DCU)		A 2	2
4.8.3.6 On-Board Charger		A 2	2
4.8.3.7 EV Connector with plug and socket		A 2	2
4.8.3.8 DC/DC Converter		A 2	2
4.8.3.9 Inverter		A 2	2
4.8.3.10 Portable Electric Vehicle Charger		A 2	2
4.8.3.11 Electrical Circuit Breaker		A 2	2
4.8.3.12 EV Smart Charging System Development		A 2	2
4.8.3.13 Front/rear axle for battery electric bus		A 2	2
4.8.4 Manufacture of rubber tire for vehicle		A 2	2
4.8.5 Manufacture of Fuel System Parts including			
4.8.5.1 Fuel Pump	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
4.8.5.2 Injection Pump	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
4.8.5.3 Injector	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
4.8.5.4 Fuel Pipe/Tube		A 4	2
4.8.6 Manufacture of Transmission System Parts including			
4.8.6.1 Sun Gear		A 3	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities			Conditions	Incentives	Investment Promotion Division
	4.8.6.2	Ring Gear		A 3	2
	4.8.6.3	Shift Gear		A 3	2
	4.8.6.4	Transfer Case	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.6.5	Torque Converter	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.6.6	Carrier	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.6.7	Propeller Shaft	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.6.8	Drive Shaft	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.6.9	Universal Joint	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.6.10	Differential	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.6.11	Transmission Case		A 3	2
4.8.7	Manufacture of Engine System Parts including				
	4.8.7.1	Turbocharger	Projects must have part forming process and assembling process as approved by the Board.	A 3	2
	4.8.7.2	Turbocharger Parts including Turbine Blade,Turbine Housing and Bearing Housing		A 4	2
	4.8.7.3	Cylinder Head		A 4	2
	4.8.7.4	Cylinder Block		A 4	2
	4.8.7.5	Crankshaft		A 4	2
	4.8.7.6	Camshaft		A 4	2
	4.8.7.7	Connecting Rod		A 4	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities			Conditions	Incentives	Investment Promotion Division
	4.8.7.8	Valve		A 4	2
	4.8.7.9	Piston		A 4	2
	4.8.7.10	Gear		A 4	2
	4.8.7.11	Starting Motor or Parts	Projects must have part forming process and assembling process as approved by the Board.	A 4	2
	4.8.7.12	Alternator or Parts	Projects must have part forming process and assembling process as approved by the Board.	A 4	2
	4.8.7.13	Rocker Arm	Projects must have part forming process and assembling process as approved by the Board.	A 4	2
	4.8.7.14	Waste Gate Actuator	Projects must have part forming process and assembling process as approved by the Board.	A 4	2
4.8.8	Manufacture of Safety Parts including				
	4.8.8.1	Air Bag/Safety Belt		A 4	2
	4.8.8.2	Airbag Inflator, Gas Generator, Gas Generant		A 3	2
	4.8.8.3.	Parts for Air Bag, e.g. Initiator and Coolant Filter		A 4	2
	4.8.8.4.	Parts for Safety Belt, e.g. Interlock and Retractor		A 4	2
4.8.9	Manufacture of Brake System Parts including		Projects must have part forming process and assembling process as approved by the Board.		
	4.8.9.1	Brake Booster		A 4	2
	4.8.9.2	Brake Caliper		A 4	2
	4.8.9.3	Brake Master Cylinder		A 4	2
	4.8.9.4	Brake Wheel Cylinder		A 4	2
	4.8.9.5	Wheel Hub		A 4	2
	4.8.9.6	Brake Pipe/ Tube		A 4	2
	4.8.9.7	Brake Set		A 4	2
	4.8.9.8	Brake Drum		A 4	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.8.10 Manufacture of Suspension System Parts including	Projects must have part forming process and assembling process as approved by the Board.		
4.8.10.1 Shock Absorber		A 4	2
4.8.10.2 Ball Joint		A 4	2
4.8.10.3 Leaf / Coil Spring		A 4	2
4.8.11 Manufacture of Steering System Parts including	Projects must have part forming process and assembling process as approved by the Board.		
4.8.11.1 Power Steering Pump / Motor		A 4	2
4.8.11.2 Rack and Pinion Steering		A 4	2
4.8.12 Manufacture of Cooling System Parts including	Projects must have part forming process and assembling process as approved by the Board.		
4.8.12.1 Water Pump		A 4	2
4.8.13 Manufacture of Exhaust System Parts including	Projects must have part forming process and assembling process as approved by the Board.		
4.8.13.1 Catalytic Converter		A 4	2
4.8.13.2 Exhaust Catalyst		A 4	2
4.8.13.3 Exhaust Manifold		A 4	2
4.8.14 Manufacture of Air Conditioning System Parts including	Projects must have part forming process and assembling process as approved by the Board.		
4.8.14.1 Air Compressor		A 4	2
4.8.15 Manufacture of Body Parts Using Ultimate Tensile Strength Steel	Projects must use Ultimate Tensile Strength (UTS) Steel higher than 700 MPa.	A 4	2
4.8.16 Manufacture of Ball Bearing for Vehicles		A 4	2
4.8.17 Manufacture of other vehicle parts		B 1	2
4.9 Building or repair of ships	Projects must obtain ISO 14000 within 2 years from starting date of operation.		
4.9.1 Building or repair of ships not less than 500 tons gross		A 2	2
4.9.2 Building or repair of ships less than 500 tons gross (only steel or fiber glass ships with installed engine and equipment)		A 2	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.10 Manufacture of train or electric train or equipment or parts (only rail system)			
4.10.1 Manufacture of train, electric train or equipment or parts (only rail systems)		A 2	2
4.10.2 Restoration of train, electric train or equipment or parts (only rail systems)	Overhaul and repair using advanced technology	A 3	2
4.11 Manufacture or repair of Aircraft, or Aerospace Devices and Equipment			
4.11.1 Manufacture of Aircraft or Aircraft Parts such as airframe, critical parts, appliance equipment or other components		A 1	2
4.11.2 Manufacture of Onboard devices or equipment (except disposable and reusable aircraft utilities and supplies) such as seats, life vests, trolley, galley, etc.		A 3	2
4.11.3 Repair of Aircraft or Aircraft parts.		A 2	2
4.11.4 Repair of Onboard Devices or Equipment (except disposable and reusable aircraft utilities and supplies)		A 4	2
4.11.5 Manufacture of Aerospace Devices and Equipment such as devices or equipment related to rockets/spacecraft/ space vehicles/propulsion units and auxiliary equipment, etc.	Must be approved by related agencies such as Geo-Informatics and the Space Technology Development Agency (Public Organization).	A 1	2
4.11.6 Aerospace Operating Systems such as search, detection, navigation, guidance, aeronautical, nautical systems and instruments, etc.	Must be approved by related agencies such as Geo-Informatics and the Space Technology Development Agency (Public Organization).	A 1	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.12 Manufacture of motorcycles (except less than 248 cc engine displacement) [1, 2]	1. Project must have forming process of engine parts, as follows: Cylinder Head, Cylinder Block, Crankshaft, Crankcase, Camshaft and Connecting Rod 1.1 For manufacturing motorcycles with more than 248 cc engine displacement but less than 500 cc, project must have forming of not less than 4 out of 6 parts. 1.2 For manufacturing of motorcycles with more than 500 cc engine displacement, project must have forming of 2 out of 6 parts.	A 3 (must follow conditions 1-3)	2
	2. Project must have structural welding process and spray painting process. 3. Investment plan for manufacturing and utilization of parts must be submitted and approved by the Board.	B 1 (must follow conditions 2-3)	2
4.13 Manufacture of Fuel Cells		A 2	2
4.14 Fabrication industry or platform repair for petroleum industry			
4.14.1 Fabrication industry or platform repair with engineering design		A 3	3
4.14.2 Fabrication industry or platform repair for petroleum industry		A 4	3
4.15 Manufacture of science equipment			
4.15.1 Scientific equipment using high technology	Scientific equipment must be able to measure parameter value, process data and self-report the result or automatically measure and control the parameter.	A 2	2
4.15.2 Other scientific equipment		A 3	2

1. This category is not eligible for a promotion under Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560) under these following measures:
- Measure to promote energy conservation, alternative energy utilization or reduction of environmental impact
- Measure to promote the investment on research and development and engineering designs for efficiency improvement

2. This category is not eligible for a promotion under the measure to promote improvement in production efficiency by upgrading and replacing machinery for manufacturing according to Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560).

3. This category is not eligible for a promotion for additional rights and benefits to promote a utilization of modern machinery and robotics system for manufacturing (Announcement of the Board of Investment No. 10/2560)

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.17 Manufacture of Plug-In Hybrid Electric Vehicles (PHEV) and parts	1. Must propose an integrated package consisting of vehicle assembly and key parts production or sourcing project, the import and installation plan of machinery, vehicle assembly plan in the 1st - 3rd year, general parts production and sourcing plan, waste management plan for used batteries and technical training and support plan for local suppliers with not less than 51 percent of Thai shareholders. 2. At least 1 out of the following 4 key parts must be manufactured or used, e.g. Battery, Traction Motor, Battery Management Systems (BMS) or Drive Control Unit (DCU). 3. Manufactured vehicles must comply with UN Regulation Type Approval standard in categories L, M or N. 4. Vehicle Assembly and key parts production or sourcing of at least one part must commence within three years from the issuance date of the BOI Promotion Certificate. Nonetheless, the machinery importation period shall not be extended, except deem it appropriate. 5. Application must be submitted by December 31, 2018. 6. Additional incentives 6.1 For project which produces more than one key part, one additional year of the corporate income tax exemption shall be received for each additional production of key part annually but the total exemption period must not exceed 6 years. 6.2 For an Eco-car project, the investor is allowed to count the production of Plug-In Hybrid Electric Vehicle (PHEV) produced as the actual production of the Eco-car. For the domestic market, the manufactured vehicles must comply with the environmental specifications in the Eco-car announcement.	A 4	2

Remarks: Activity 4.16 has been expired.

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.18 Manufacture of Battery Electric Vehicle (BEV) and parts	1. Must submit an integrated package consisting of vehicle assembly and key parts production or sourcing project, the import and installation plan of machinery, vehicle assembly plan in the 1st - 3rd years, general parts production and sourcing plan, waste management plan for used batteries and technical training, and support plan for local suppliers with not less than 51 percent of Thai shareholders. 2. At least 1 out of the following parts must be manufactured or used, e.g. Batteries, Traction Motors, Battery Management Systems (BMS) or Drive Control Units (DCU). 3. Manufactured vehicles must comply with UN Regulations Type Approval standards in categories L, M or N. 4. Schedules are as follows: 4.1 Within two years from the issuance date of the BOI Promotion Certificate, the import of CBU with the exemption of import duties is allowed for market testing under the board's decision. The machinery importing period will not be extended without a valid reason and reasonable prospects of acceptance of the change. 4.2 Within three years from the issuance date of the BOI Promotion Certificate, the assembling of the Battery Electric Vehicles (BEVs) must commence. 4.3 Within six years from the issuance date of the BOI Promotion Certificate, the manufacturing of at least one key part must be commenced. 5. Application must be submitted by December 31, 2018. 6. <u>Additional incentives</u> 6.1 An additional corporate income tax exemption for three years for project that manufacture or use at least one key part within three years from the issuance date of the BOI Promotion Certificate.	A 3	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	6.2 An additional corporate income tax exemption for two years for project that manufacture or use at least one more keys part in the fourth year from the issuance date of the BOI Promotion Certificate. 6.3 An additional corporate income tax exemption of one year for project that manufacture or use at least one more key part in the fifth year from the issuance date of the BOI Promotion Certificate 6.4 For project that manufacture or use more than one key part, the corporate income tax exemption will increase one-year per each key part. However, the total corporate income tax exemption period shall not exceed ten years. In case the corporate income tax exemption period exceeds eight years, the project must be engaged in technology transfer by cooperating with educational/research 6.5 For an Eco-car project, the investor is allowed to count the production of Plug-in Hybrid Electric Vehicle (BEV) produced as the actual production of the Eco-car. For the domestic market, the manufactured vehicles must comply with the environment specifications in the Eco-car announcement .		

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
4.19 Manufacture of Battery Electric Bus and parts	1. Must submit an integrated package consisting of project vehicle assembly and key parts production or sourcing project, the import and installation plan for machinery, vehicle assembly plan in the 1^{st} - 3^{rd} years, general parts production and sourcing plan, waste management plan for used batteries and technical training and support plan for local suppliers with not less than 51 percent of Thai shareholders. 2. At least 1 out of following parts must be manufactured or used, e.g. Battery, Traction Motor, Battery Management Systems (BMS) or Drive Control Unit (DCU). 3. Vehicle Assembly and key parts production or sourcing of at least one part must proceed within three years from the issuance date of the BOI Promotion Certificate. In addition, the machinery importation period shall not be extended, unless otherwise deemed necessary. 4. Application must be submitted by Decembera 31, 2018. 5. Additional incentive - Projects which produce or utilize more than one essential part shall be granted additional one year of CIT exemption per part. However, the total exemption period must not exceed 6 years.	A 4	2

Section 5: Electronics and Electrical Appliances Industry

Activities	Conditions	Incentives	Investment Promotion Division
5.1 Manufacture of electrical products			
5.1.1 Manufacture of advanced technology electrical products	The electrical products must be able to connect to Internet of Things; or The electrical products must have circuits or operation control systems, processing systems, embedded systems or embedded software to allow for more complex or variety of functions		
5.1.1.1 With own-design process of the product		A 2	2
5.1.1.2 Without own-design process of the product		A 3	2
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.	A 4	2
5.1.3 Manufacture of other electrical products		B 1	2
5.2 Manufacture of parts and/or equipment used for electrical products			
5.2.1 Manufacture of electrical parts and/or equipments used for industry: Power Inverter, Distribution Transformer, Main Circuit Breaker			
5.2.1.1 With own-design process of the product		A 3	2
5.2.1.2 Without own-design process of the product		A 4	2
5.2.2 Manufacture of LED lamps		A 4	2
5.2.3 Manufacture of compressors and/or motors for electrical appliances	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.	A 4	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
5.2.4 Manufacture of wire harnesses		B 1	2
5.2.5 Manufacture of parts and/or equipment for other electrical products		B 1	2
5.2.6. Manufacture of High Density Energy Storage			
5.2.6.1 High Density Battery	Specific power and number of cycles must be approved by the Board.	A 2	2
5.2.6.2 Supercapacitor	Specific energy and number of cycles must be approved by the Board.	A 2	2
5.3 Manufacture of electronic products			
5.3.1 Manufacture of organic and printed electronics (OPE)		A 2	2
5.3.2 Manufacture of telecommunication products			
5.3.2.1 Manufacture of emission, transmission and reception devices used in fiber-optic and wireless communication systems		A 2	2
5.3.2.2 Manufacture of other telecommunication products		A 3	2
5.3.3 Manufacture of electronic control and measurement instruments for industrial/ agricultural use		A 2	2
5.3.4 Manufacture of security control equipment		A 2	2
5.3.5 Manufacture of audio visual products		A 4	2
5.3.6 Manufacture of office electronics		A 4	2
5.3.7 Manufacture of other electronics		B 1	2
5.4 Manufacture of parts and/or equipment used for electronic products			
5.4.1 Manufacture of parts for organic and printed electronics (OPE)		A 2	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities			Conditions	Incentives	Investment Promotion Division
5.4.2	Manufacture of solar cells and/ or raw materials for solar cells		The manufacturing process and energy yield for the production of solar cells must be approved by the Board.	A 2	2
5.4.3	Manufacture of parts for telecommunication products				
	5.4.3.1	Manufacture of parts for emission, transmission and reception devices used in fiber-optic and wireless communication systems		A 2	2
	5.4.3.2	Manufacture of parts for other telecommunication products		A 3	2
5.4.4	Manufacture of parts for electronic control and measurement instruments for industrial/agricultural use, medical/scientific devices and automotive industry			A 2	2
5.4.5	Manufacture of parts for security control equipment			A 2	2
5.4.6	Manufacture of hard disk drive and/or parts for hard disk drive				
	5.4.6.1	Manufacture of advanced technology hard disk drives and/ or parts (excluding top covers, base plates or peripherals)	1. The areal density of hard disk drives must not be less than 2,000 gigabits per square inch. 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.	A 2	2
	5.4.6.2	Manufacture of hard disk drives and/or parts (excluding top covers, base plates or peripherals))	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.	A 3	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities			Conditions	Incentives	Investment Promotion Division
	5.4.6.3	Manufacture of top covers, base plates or peripherals for hard disk drives		A 4	2
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.	A 2	2
5.4.8	Manufacture of parts and/or equipment for solar-powered products			A 3	2
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	A 3	2
5.4.10	Manufacture of equipment and/or parts for photonic devices and/or for photonic integrated systems			A 3	2
5.4.11	Manufacture of flat panel displays		The manufacturing processes must be approved by the Board.	A 3	2
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.		
	5.4.12.1	Manufacture of Flexible Printed Circuits and/or Multi-Layered Printed Circuit Boards and/or parts with circuit design process		A 2	2
	5.4.12.2	Manufacture of Flexible Printed Circuits and/or Multi-Layered Printed Circuit Boards and/or parts without circuit design process		A 3	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
5.4.13 Manufacture of other memory storage equipment		A 4	2
5.4.14 Manufacture of printed circuit board assembly (PCBA)		A 4	2
5.4.15 Manufacture of electro-magnetic products		A 4	2
5.4.16 Manufacture of passive components		A 4	2
5.4.17 Manufacture of parts for audio visual products		A 4	2
5.4.18 Manufacture of parts for office electronics		A 4	2
5.4.19 Manufacture of parts for other electronic products		B 1	2
5.5 Manufacture of material for microelectronics	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 used machines shall not be regarded as an investment.		
5.5.1 Manufacture of wafers		A 2	2
5.5.2 Manufacture of material based Thin Film Technology		A 3	2
5.6 Electronics 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 or sub-contractors, shall be regarded as revenue of such promoted businesses. 3. If located in the science and technology park, promoted by the Board, 50 percent reduction of the corporate income tax for 5 years after the end of its corporate income tax exemption period.		
5.6.1 Microelectronics design		A 1	2
5.6.2 Embedded system design		A 1	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
5.7 Software			
5.7.1 Embedded software	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 Digital Economy Promotion Agency: DEPA. 3. Projects with an investment of 10 million baht or more (excluding cost of land and working capital) must obtain a quality standard certificate from DEPA 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 of the corporate income tax exemption shall be withdrawn. 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.	A 1	5
5.7.2 Enterprise Software and/or Digital Content		A 3 (no cap for corporate income tax exemption)	5
5.7.3 High Value-Added Software - Develop and provide analysis and data management software services, including big data, data analytics and predictive analytics software - Develop information security and cyber security software - Develop system software for advanced-technology devices, including business process management - Develop industrial software used to support manufacturing		A 1	5

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
5.8 E-commerce[1, 2, 3]	Not eligible for merit-based incentives.	B 2	5
5.9 Digital Services - Software platform - Managed service - Digital architecture design service - Digital services such as FinTech, DigiTech, MedTech, AgriTech, etc.	1. Projects must hire digital specialists and have capital investment (excluding cost of land and working capital) not less than 1,000,000 baht. 2. Projects must include digital service processes as approved by the Board. 3. Projects with an investment of 10 million baht or more (excluding cost of land and working capital) must be certified with ISO 20000 or other quality standard certificate as approved by the Ministry of Information and Communication Technology within 2 years from the full operation start-up date, otherwise the corporate income tax exemption shall be reduced by 1 year. 4. Revenue derived from sales or the provision of services that are directly related to a promoted digital service business shall be regarded as revenue of such promoted businesses. 5. Projects must gain approval from the Ministry of Digital Economy and Society before applying for investment promotion.	A 3	5

1. This category is not eligible for a promotion under Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560) under these following measures:
- Measure to promote energy conservation, alternative energy utilization or reduction of environmental impact
- Measure to promote the investment on research and development and engineering designs for efficiency improvement

2. This category is not eligible for a promotion under the measure to promote improvement in production efficiency by upgrading and replacing machinery for manufacturing according to Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560).

3. This category is not eligible for a promotion for additional rights and benefits to promote a utilization of modern machinery and robotics system for manufacturing (Announcement of the Board of Investment No. 10/2560)

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Section 6: Chemicals, Paper and Plastics

Activities	Conditions	Incentives	Investment Promotion Division
6.1 Manufacture of industrial chemicals	Chemical products, which are consumer products such as paints, cleaning products, automobile lubricants, compound chemical fertilizers, insecticides or herbicides, cement based adhesives, etc. are not eligible for promotion.	A 4	3
6.2 Manufacture of eco-friendly chemicals or polymers or products from eco-friendly polymers			
6.2.1 Manufacture of eco-friendly chemicals or polymers or manufacture of products from eco-friendly chemicals or polymers that is incorporated within the same project as the manufacture of eco-friendly chemicals or polymers	1. The chemicals or polymers need to have less overall impact, assessed throughout their life cycles, on the environment. These products must be certified or can be proved to use raw materials from renewable resources, or use sustainable green chemistry in the production process, or they must be products that are biodegradable, and do not generate toxic substances. 2. Must be assessed with an internationally-accepted standard such as Life Cycle Assessments (LCA), etc. before the full operation start-up date.	A 2	1
6.2.2 Manufacture of products from eco-friendly polymers	Must have plastic forming or coating process using eco-friendly plastics or polymers.	A 3	1
6.3 Oil refinery		B 1	3
6.4 Manufacture of petrochemicals		A 3	3
6.5 Manufacture of specialty polymers or specialty chemicals		A 2	3
6.6 Manufacture of plastic products for industrial goods	Must have plastic forming process.	B 1	3
6.7 Manufacture of plastic packages with special properties:			
6.7.1 Multilayer plastic packaging	Must integrate more than 3 layers of plastics, or in case pf products produced through a co-extrusion process, must integrate not less than 3 layers of plastics.	A 3	3

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
6.7.2 Aseptic plastic packaging	Must be certified with ISO 14611 level 7 (Clean Room) or Federal Standard 209 E Class 10000 or above or an equivalent international standard within 2 years from the full operation start-up date.	A 3	3
6.7.3 Antistatic plastics packaging	Must be certified with ISO 14611 level 7 (Clean Room) or Federal Standard 209 E Class 10000 or above or an equivalent international standard within two years from the full operation start-up date.	A 3	3
6.8 Manufacture of plastic products from recycled plastic.	Must have plastic forming process using domestic plastic raw materials only.	A 4	3
6.9 Active pharmaceutical ingredients	Must be for production of active or raw materials of active pharmaceutical ingredients (APIs).	A 2	1
6.10 Manufacture of medicine	1. For conventional medicine projects, such promoted projects must achieve GMP standard prescribed by PIC/S within two years from the full operation start-up date. 2. For traditional medicine projects, such promoted projects must achieve GMP standard within two years from the full operation start-up date. 3. For the improvement of existing projects, existing machinery can be used in the promoted project but its value shall not be included in the investment amount eligible for corporate income tax exemption.	A 3	1
6.11 Manufacture of chemical fundamental fertilizers		A 2	3
6.12 Manufacture of pulp or paper			
6.12.1 Hygienic pulp or hygienic paper	Must be certified with ISO 14611 level 5 (Clean Room) or Federal Standard 209 E Class 100 or above or an equivalent international standard two years from the full operation start-up date.	A 2	3
6.12.2 Specialty pulp or specialty paper	Must be certified with relevant standards such as GMP or Food Grade within two years from the full operation start-up date.	A 3	3
6.13 Manufacture paper articles			

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
6.13.1 Manufacture of products from hygienic paper	Must have a hygienic production process and must be certified with relevant standard such as GMP or Food Grade within two years from the full operation start-up date.	A 4	3
6.13.2 Manufacture of paper container coated with bio-plastics	The production process must contain product coating process using biodegradable plastic.	A 4	3
6.13.3 Manufacture of high performance paper products	Must have an engineering design process such as special load-bearing capacity or shockproof capacity, etc.	A 4	3
6.14 Production of printed matter			
6.14.1 Production of digital printed matter	Must have printing and designing process using Digital Media Software in the project.	A 3	5
6.14.2 Production of printed matter		B 1	5
6.15 Manufacture of body care products such as soap, shampoo, toothpaste and cosmetics	1. Must set up a factory in Special Economic Zone (SEZ) or in Model cities "Stable, Affluent and Sustainable Triangle" as followed; - Nong Chik District, Pattani Province. - Betong District, Yala Province. - Su-ngai Kolok District, Narathiwat Province. 2. Application must be submitted by 31 December 2020.	A 2	1
6.16 Manufacture of plastic products for consumer goods (e.g. plastic pakage)	1. Must set up a factory in special economic zone. 2. Application must be submitted by 31 December 2020.	A 2	3
6.17 Manufacture of pulp or paper, e.g. paper boxes	1. Must set up a factory in special economic zone. 2. Application must be submitted by 31 December 2020.	A 2	3

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Section 7: Service and Public Utilities

Activities	Conditions	Incentives	Investment Promotion Division
7.1 Public utilities and basic services	Must be approved by relevant government agencies.		
7.1.1 Production of electricity or electricity and steam			
7.1.1.1 Production of electricity or electricity and steam from garbage or refuse derived fuel		A 1	3
7.1.1.2 Production of electricity or electricity and steam from renewable energy, such as solar energy, wind energy, biomass or biogas, etc. except from garbage or refuse derived fuel		A 2	3
7.1.1.3 Production of electricity or electricity and steam from other energy sources	1. In case of cogeneration.	A 4	3
	2. If the project uses coal, it must only use clean coal technology.	A 4	3
7.1.2 Production of tap water, industrial water or steam		A 3	3
7.1.3 Container yards or inland container depots		A 3	4
7.1.4 Loading/unloading facilities for cargo ship	Must use modern technology approved by the Board.	A 3	4
7.1.5 Commercial airports		A 2	4
7.1.6 Digital Infrastructure			
7.1.6.1 International high-speed marine communication circuits	Must obtain a license for international high-speed marine communication circuits from the Broadcasting Commission (BC) and the Office of The National Broadcasting and Telecommunications Commissions (NBTC) before applying for the promotion	A 2	5
7.2 Natural gas station[2, 3]		B 1	3

1. *This category is not eligible for a promotion under Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560) under these following measures:*
   - Measure to promote energy conservation, alternative energy utilization or reduction of environmental impact
   - Measure to promote the investment on research and development and engineering designs for efficiency improvement
2. *This category is not eligible for a promotion under the measure to promote improvement in production efficiency by upgrading and replacing machinery for manufacturing according to Measures to Promote Improvement of Production Efficiency (Announcement of the Board of Investment No. 9/2560).*
3. *This category is not eligible for a promotion for additional rights and benefits to promote a utilization of modern machinery and robotics system for manufacturing (Announcement of the Board of Investment No. 10/2560)*

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
7.3 Mass transit systems and transportation of bulk goods			
7.3.1 Rail transport	Must be approved by relevant government agencies.	A 2	4
7.3.2 Pipeline transportation (except for water pipeline)		B 1	4
7.3.3 Maritime transportation services		A 2	4
7.3.4 Air transportation services	Planes in the project must be no more than 14 years old from their manufacturing date to BOI application submission date.	A 3	4
7.4 Logistics service centers	1. The paid-up registered capital must not be less than 10 million baht. 2. Must provide a goods storage facility that is controlled by a modern computerized system. 3. International distribution center projects will have additional conditions, as follows: 3.1 Must have a minimum investment (excluding cost of land and working capital) of at least 100 million baht. 3.2 The center must distribute goods to at least 5 countries. 4. Distribution Center (DC) projects are not eligible for merit-based privileges.		
7.4.1 Distribution Centers: DC		B 1	4
7.4.2 International Distribution Centers - IDC		A 3	4
7.7 Trade and Investment Support Office: TISO[1, 2, 3]	1. Annual sales and administrative expenses must be at least 10 million baht. 2. Must have a business plan and scope of business approved by the Board, as follows: 2.1 Monitoring and/or servicing associated enterprises including providing or letting office or factory building to company's associated enterprises.	B 2	4

Remarks: Activity 7.5 and 7.6 are withheld according to the Announcement No. Ngor 1/2561 dated December 11, 2018.

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	2.2 Advisory services on business operations, except those engaged in buying and selling securities and foreign currency exchange. Accounting, legal, advertising, architecture and civil engineering businesses must obtain business licenses from the Department of Business Development or related government agencies prior to submitting the investment promotion application. 2.3 Information services on goods sourcing. 2.4 Engineering and technical services, except those related to architecture and civil engineering services. 2.5 Business activities related to machinery, engines, tools and equipment, such as: - Importing for wholesaling - Training services - Installation, maintenance and repair - Calibration 2.6 Wholesaling products manufactured in Thailand. 2.7 International business process outsourcing whose services are provided through telecommu-nication networks, such as administrative services, finance & accounting services, human resource services, sales & marketing services, customer services, data processing, etc. 3. Trade and investment support office projects are not eligible for merit-based privileges.		
7.8 Energy Service Company (ESCO)	Must be approved by Ministry of Energy before submitting an investment promotion application.	A 1	3

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
7.9 Real estate development for industrial use			
7.9.1 Industrial zone or industrial estate			
7.9.1.1 Industrial zone or industrial estate	1. Projects in Bangkok and Samut Prakarn are not eligible for promotion. 2. Total land area of the project must not be less than 500 rai. 3. Factory-designated area must not be less than 60 percent and not more than 75 percent of the total area, except projects with a total area of over 1,000 rai, whose factory-designated area must be approved by the Board of Investment. 4. Other conditions as specified by the Board are as follows: 4.1 The main road If the total area is over 1,000 rai, the road must have four lanes of not less than 30 meters wide, including road surface of not less than 14 meters wide, traffic island and pavement of not less than 2 meters wide each side and road shoulder or surface wide enough for an emergency stop. If the total area is over 500 and up to 1,000 rai, the road must have two lanes with road not less than 20 meters wide, including road surface of not less than 7 meters wide and pavement of not less than 2 meters wide each side and a road shoulder or surface wide enough for an emergency stop. 4.2 The minor road must have a surface of not less than 8.5 meters wide and a shoulder of not less than 2 meters wide each side. 4.3 Wastewater treatment must be suitable for wastewater characteristics and according to legal effluent standards. Projects must have a post-treatment effluent pool.	A 3	3

Activities	Conditions	Incentives	Investment Promotion Division
	4.4 Wastewater discharge system must be completely separate from rainwater discharge system. 4.5 Projects must have an approved system of collection and elimination of garbage, as approved by the Board. 4.6 Factories located in industrial zones must be according to target industries, and not on the list of forbidden industries, specified in the environmental impact assessment report approved by the Expert Review Committee of the Office of Natural Resources and Environmental Policy and Planning (ONEP). 4.7 The zone must provide factories located in the zone with sufficient public utilities, electricity, water, telephone service and post office. 4.8 The zone must develop about 25 percent of its total land area, or as approved by the Board, for public utility services within two years from the date of investment promotion certificate issuance.		
7.9.1.2 Gem and jewelry industrial zone	1. The total area must not be less than 100 rai. 2. Area for operations related to gems or jewelry must not be less than 40 percent of the total area. 3. Projects must have a sales area for gems and jewelry. 4. Projects must provide appropriate security systems. 5. Projects must have meeting rooms, exhibition halls and business centers.	A 3	5
7.9.1.3 Logistics Park	1. The total area must not be less than 200 rai and the project must invest in establishing a warehouse for lease or sale with a total area of not less than 50,000 square meters.	A 3	4

Activities		Conditions	Incentives	Investment Promotion Division
		2. Must be located either within 50 kilometers of a port, an airport, a customs checkpoint and an inland container depot (ICD) or in a Free Zone. 3. Projects must designate some or the entirety of its area as a Free Zone. 4. Projects must have a station to load and unload containers, or a truck terminal and a container depot that can handle at least 50 containers. 5. Projects must install main telecommu-nication infrastructure that provides hi-speed commu-nications that link the logistics park to domestic and international communication hubs. 6. Thai nationals must hold not less than 51 percent of the total registered capital. 7. Projects must be approved by relevant government agencies.		
7.9.1.4	Industrial zone for motion picture production (Movie Town)	Must provide the following facilities: - Indoor studio and outdoor studio - Post production services, e.g. film developing and duplicating, special effects, computer animation, sound lab	A 3	5
7.9.1.5	Industrial estate or industrial zone for environmental protection	Must be approved by Ministry of Industry before submitting the investment promotion application.	A 3	3
7.9.1.6	Rubber industrial zone (Rubber City)	As specified by the Board.	A 3	1
7.9.1.7	Aircraft or Aerospace Industrial Zone or Industrial Estate	1. The total area must not be less than 100 rai. 2. Projects must allocate some or all of its area for bonded warehouse or free zone. 3. Project must have an area for aircraft and parts maintenance and repair centers.	A 3	2

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	4. Project must have sufficient public utilities and facilities such as roads, rainwater drainage and flood prevention systems, waterworks, wastewater treatment system, telecommunications and electricity systems, fire protection system, industrial waste management system and an appropriate security system as approved by the Board. 5. Project must be approved by related agencies.		
7.9.1.8 Food Innovation Industrial Zone (Food Innopolis)	1. Projects must be located in the areas approved by the Ministry of Science and Technology and the Office of the Board of Investment. 2. Project must have the science, technology and innovation infrastructure ready to support commercial R&D such as operational R&D laboratories, pilot plants, production trial areas, market testing areas (living lab), and space for rent for the private sector to establish R&D and innovation center. 3. Project must have a central lab with equipment and apparatus necessary for R&D and innovation activities, as well as stationed technicians to support the private sector in conducting R&D and innovation activities. 4. Project must provide facilities such as conference room, seminar room, communication systems and electrical backup system. 5. Project must have appropriate wastewater and sewage treatment system in accordance with the regulation.	A 1	1
7.9.2 Industrial zone or technology industrial zone			
7.9.2.1 Science and Technology Park	1. Must have an incubation center. 2. Must have a modern system for both domestic and international communication and telecommunication.	A 1	4

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	3. Must have a continuous electricity backup system. 4. Must have other facilities, as approved by the Board.		
7.9.2.2 Digital Park	1. The total area must not less than 5,000 square meters. 2. There must be a digital or digital development plan approved by the Ministry of the Digital Economy and Society. The details are as follows 2.1 Must have a digital infrastructure, - such as High-speed fiber-optic communication throughout the digital terrain 2.1.2 There must be a primary telecommunications system that has high-speed digital lines wired to national and international telecommunications centers. - There must be a continuous power supply system 2.2 It must have an innovative infrastructure that supports commercial research and development, such as research and development laboratories. Experimental area The Living Lab and the rental space for the establishment of a private research and development center. 2.3 Must have facilities to serve the people in the area as approved by the Board, such as conference room, etc.	A 1	5
7.9.2.3 Data center	1. Must provide complementary service for customers located in project, e.g. server co-location, managed service, customer's server backup service, disaster recovery service (DRS), etc. 2. Area of data center must not be less than 3,000 square meters.	A 1	5

CIT Exemtion	*A 1 = 8 years (No Cap)*	*A 2 = 8 year*	*A 3 = 5 year*	*A 4 = 3 year*

Activities	Conditions	Incentives	Investment Promotion Division
	3. Must have a main hi-speed telecommunications system linking the data center with domestic and international telecommunication centers for at least 4 systems. The domestic telecommunication system must have a speed of at least 10 Gbps each, for at least 3 systems, and the total speed of the whole system must be at least 60 Gbps. 4. Must be able to service clients during maintenance or during equipment replacement in the system. (concurrently maintainable). 5. Must have a "Continuous Rating" generator, which is capable of supporting the entire electricity needs of the Data Center, with a backup generator that can support the need for electricity when one of the generators doesn't function properly. 6. Must have equipment or backup system for UPS IT Cooling and UPS Cooling. This system or equipment needs to be able to function immediately after a main system fails to function properly and this must ensure the failure in the main system does not affect service. 7. Must have backup independent distribution paths in electricity distribution system. 8. Must have a failure prevention system to prevent risks from damage or any malfunction in any equipment. 9. Must have a highly efficient air conditioning system, with backup system. 10. Must have fire prevention system for the entire area. 11. Must have a 24-hour security system. 12. Must be certified with ISO/IEC 27001 (data center).		
7.9.2.4 Innovation Incubation Center	1. Project must have high-speed fiber optic (FTTX) main communication system. 2. Continuous back-up of an electricity supply must be installed. 3. Project must have mentors to provide business consultation.	A 1	5

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	4. Project must have plans to establish a technology ecosystem or technology community. 5. The total service area must not be less than 300 square meters. 6. Project must have technical or technology development training session as approved by the Board.		
7.10 Cloud Service	1. Must be located in at least 2 data centers in Thailand that are certified with ISO/IEC 27001 (data center). 2. Must have connection among all related data center with speed of at least 10 Gbps for each connection, with backup connection at the same speed. 3. Must be certified with ISO/IEC 27001 (cloud security) and ISO/IEC 20000-1 (cloud service).	A 1	5
7.11 Research and development*	1. Must have scope of business, as follows: 1.1 Basic research refers to theoretical or operational activities that are conducted to explore new knowledge from basic natural phenomena and factual observation, without initially considering the application. 1.2 Applied Research refers to research that applies basic knowledge to solve or develop a concept for commercial purpose, with the objective to obtain a new product or process. Applied research includes related activities such as formula development, product design, and production process design for use at an industrial or commercial level.	A 1	
- Bio and Medical Industries			1
- Advanced Manufacturing Industries			2
- Basic and Supporting Industries			3
- High Value Services			4
- Creative and Digital Industries			5

** Relating to activity supervised or analyzed by Investment Promotion Division 1-5*

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	1.3 Pilot development refers to activities performed to magnify a production scale from basic research and applied research. Pilot development is the development of a prototype and/or production process testing at a semi-industrial level to test the market and/or collect information on suitable conditions for a production process to use a product design at an industrial level. 1.4 Demonstration development refers to research and development that further develops results from a pilot development in order to test a production process at an industrial level to verify a technology and production process and to demonstrate the level of integrity of such process and viability on a commercial scale production in both quality control and cost estimation. 2. Must provide the Board with the details and scope of such research and development projects, information on projects' researchers, including number of researchers, academic profiles and work experiences. 3. Revenues derived from sale of 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 company or sub-contractor, shall be regarded as revenue of the promoted business. 4. Project located in the science and technology park, promoted by the BOI or one that is approved by the Board will receive an additional 50 percent reduction of corporate income tax for 5 years after the end of its corporate tax exemption period. 5. Must have expenses for salaries of research and development personnel of at least 1,500,000 baht per year.		

Activities	Conditions	Incentives	Investment Promotion Division
7.12 Biotechnology	Project located in a science and technology park, promoted by BOI or one that is approved by the Board will receive an additional 50 percent reduction of corporate income tax for 5 years after the end of its corporate tax exemption period.		
7.12.1 Research and development (R&D) activity and/or manufacturing of seed industry, improvement of plant, animal or microorganism using biotechnology.		A 1	1
7.12.2 Research and development (R&D) activity and/or manufacturing of biopharmaceutical agent using biotechnology		A 1	1
7.12.3 Research and development (R&D) and/or manufacturing of diagnostic kits for health, agriculture, food and environment		A 1	1
7.12.4 Research and development (R&D) and/or manufacturing of bio-molecule and bioactive substance using microorganism, plant cell and animal cell		A 1	1
7.12.5 Manufacture of raw materials and/or essential materials for molecular biological research and development, experiment, testing or quality control service and/or production of biological substance		A 1	1
7.12.6 Biological substance analysis and/or synthesis service and/or quality control service and/or product validation service		A 1	1
7.13 Engineering design	1. Project located in the science and technology park, promoted by the BOI or one that is approved by the Board will receive an additional 50 percent reduction of corporate income tax for 5 years after the end of its corporate income tax exemption period. 2. Must have expense for salary of engineering personnel of at least 1,500,000 baht per year.	A 1	4

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
7.14 Scientific laboratories	Projects located in the science and technology park, promoted by the BOI or one that is approved by the Board will receive an additional 50 percent reduction of corporate income tax for 5 years after the end of its corporate income tax exemption period.	A 1	4
7.15 Calibration services	Projects located in the science and technology park, promoted by the BOI or one that is approved by the Board will receive an additional 50 percent reduction of corporate income tax for 5 years after the end of its corporate income tax exemption period.	A 1	4
7.16 Product sterilization services		A 2	4
7.17 Recycling and reuse of unwanted materials	1. Must be approved by relevant government agencies. 2. Must be located in an industrial estate or promoted industrial zone. Exceptions to this requirement may be granted by the Board on a case-by-case basis. 3. Unwanted materials in the project must be generated from domestic sources only. 4. Must have separation or processing of unwanted materials using modern technology, as approved by the Board. 5. Promoted projects will receive rights and privileges, as follows:		
	- Sorting/separation	A 3	3
	- Sorting/separation with additional processing of recycling or recovery of valuable substances.	A 2	3
7.18 Waste treatment or disposal	Project must be approved by relevant government agencies.	A 2	3
7.19 Human Resources Development			
7.19.1 Vocational training centers	1. Must teach or train technical courses in specific fields, including design training center, as approved by the Board.	A 1	4

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	2. Must have necessary equipment, vocational training lab, and others. 3. Projects located in a promoted science and technology park or one that is approved by the Board will receive an additional 50 percent corporate income tax reduction from net profits for 5 years after the end of corporate income tax exemption period.		
7.19.2 High-potential academies and institutions for higher education	<u>High-potential academies</u> 1. Must be high-potential academy, which focuses on science and technology education 2. Must be located in the Eastern Economic Corridor (EEC) or other special economic zones for high-potential academies designated by the Cabinet 3. Must comply with rules and regulations as approved by the Board <u>High-potential institutions for higher education</u> 1. Must be high-potential institutions for higher education. In case of foreign investment, projects must be approved by the Commission for High-potential Foreign Higher Education Institutions 2. Must be located in the Eastern Economic Corridor (EEC) or other special economic zones for high-potential institutions for higher education designated by the Cabinet or other zones designated by the Commission for High-potential Foreign Higher Education Institutions 3. Must comply with rules and regulations as approved by the Board	A 1	4
7.20 Thai motion picture production	1. Thai motion picture production shall include production of movies, documentaries or television programs, but does not include production of an advertisement. 2. Revenue exempt from tax shall include:	A 3 (No cap)	5

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	2.1 Revenue obtained from the sale of copyright, including sale of motion pictures in other forms such as CD, video CD, DVD, etc. 2.2 Revenue obtained from a revenue sharing scheme from movie theaters and motion picture distributor.		
7.21 Motion picture support services	Motion picture support services shall include documentaries, television programs, animation and commercials, which have a scope of business, as follows: 1. Rental services of movie production equipment and/or movie production props must have main equipment machinery, such as camera, grip equipment, light set, etc. 2. Film development and duplication services must have main equipment/ machinery, such as film development machine, film duplication machine, digital film duplication machine, etc. 3. Sound recording services must have main equipment/machinery, such as digital sound recorder, digital sound editing machine, digital sound mixing machine, etc. 4. Picture technical services must have machines and equipment capable of creating special pictures that are not possible with cameras. The service providers must have main equipment and machinery, such as standard definition/high definition digital recorders, editing suites, digital compositing and special effect creation, etc. 5. Coordination services for foreign movie production in Thailand must include coordinating with related government agencies for permits, location scouting and sourcing of staff and movie equipment. 6. Studio rental services for movie and television program production.	A 3	5

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
7.22 Tourism promotion services			
7.22.1 Ferry services or tour boat services or tour boat renting	Must be approved by relevant government agencies	A 3	4
7.22.2 Tour boat port services	Must have facilitating equipment, such as boat lifting equipment, inland boat deck, or boat garage for maintenance purpose.	A 3	4
7.22.3 Amusement parks	1. Must have a minimum investment (excluding cost of land and working capital) of not less than 500 million baht. 2. The project details must be approved by the Board.	A 3	4
7.22.4 Cultural center or art and crafts centers	Must have a minimum investment (excluding cost of land and working capital) of not less than 30 million baht.	A 3	4
7.22.5 Open zoo	1. Must have a minimum investment (excluding cost of land and working capital) of not less than 500 million baht, with a total area of not less than 500 rai. 2. Project details must be approved by the Board. 3. Fifteen percent of the total area must be allocated as green area and another fifteen percent as car park.	A 3	4
7.22.6 Aquariums	1. Projects must have a minimum investment (excluding cost of land and working capital) of not less than 100 million baht. 2. An environmental impact assessment report must be submitted within 12 months after the issuance of its investment promotion certificate.	A 3	4
7.22.7 Race tracks	1. Projects must be approved by relevant government agencies. 2. Projects must obtain a standard certificate from FIA (Federation Internationale de L' Automobile) or FIM (Federation Internationale de Motocyclisme).	A 3	4

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	3. Projects must have appropriate preventive and controlling measures against environmental damage or against danger or trouble to neighbors. 4. An environmental impact assessment report must be submitted within 12 months from the date of issuance of its investment promotion certificate.		
7.22.8 Cable cars	Projects must be approved by relevant government agencies.	A 3	4
7.23 Activities to support tourism			
7.23.1 Hotels	Each hotel must have at least 100 rooms or a minimum investment (excluding cost of land and working capital) of not less than 500 million baht. A promoted hotel will receive its rights and benefits, as follows:		
	1. Promoted hotels located in one of the 20 special investment promotion provinces.	A 4	4
	2. Hotels in other provinces are not eligible for merit-based incentives.	B 2	4
7.23.2 Convention halls	1. Total convention area must not be less than 4,000 square meters. Total area of the largest hall must not be less than 3,000 square meters. 2. Must have suitable facilities and equipment. 3. Project's blueprints must be approved by the Board.	A 3	4
7.23.3 International exhibition center	1. Indoor exhibition area must not be less than 25,000 square meters. 2. Every hall must have a business meeting room.	A 3	4
7.23.4 Health rehabilitation center	1. Must use medical technology for medical treatment and health rehabilitation. 2. Must have continuous rehabilitation programs, including overnight treatment. 3. Projects are not eligible for merit-based incentives.	B 1	4

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
7.24 Factory Development for Industrial Plant and Warehouse	1. Project must be located in the Special Economic Zone (SEZ). 2. Application must be submitted by December 30, 2020	A 2	3
7.27 Manufacture of Electric Vehicle Charging Stations	1. Must submit a plan for equipment and sourcing of parts. 2. Must submit a plan for the development of EV Smart Charging System. 3. Must have at least four chargers with at least one type of quick charge. 4. Must not obtain any rights or benefits from other government sectors. 5. Must obtain ISO 18000 within three years from the date of the issuance of the BOI Promotion Certificate. 6. Application must be submitted by December 30, 2020	A 3	2
7.28 Medical services			
7.28.1 Traditional Thai medical public services	1. Must employ officers who received qualifications or professional certificates in Thai Traditional Medicine. 2. The establishment must pass the evaluation in quality standards approved by the Department of Thai Traditional and Alternative Medicine (TTM HA System) at the same level or higher than community hospitals.	A 3	4
7.28.2 Specialty medical centers	Provide investment promotion only in areas with shortages namely, heart related issues (coronary artery disease, heart surgery, and heart failure), cancer related issues (chemotherapy and radiology), and kidney related issues (dialysis center) with the following conditions: 1. Must have appropriate human resource recruitment plans. 2. Must have tools and equipment that are approved by the Board of Investment.	A 2	4

Remarks: Activities 7.25 and 7.26 have been expired.

CIT Exemtion	*A 1 = 8 years (No Cap)*	*A 2 = 8 year*	*A 3 = 5 year*	*A 4 = 3 year*

Activities	Conditions	Incentives	Investment Promotion Division
	3. Must receive permission from relevant agencies and must be in accordance with the professional standards, regulations or other relevant standards of the Ministry of Public Health. 4. Must consider the distribution of services and the people's access to the centers.		
7.28.3 Hospitals	The eligible areas that can request support are as follows: 1. Areas under the 20 provinces with low per capita income according to the Announcement of the Board of Investment No. 2/2557 dated December 3, 2014. 2. Areas under the following Southern border provinces: Narathiwat, Pattani, Yala, Satun, and 4 districts in Songkla namely, Jana District, Nathawi District, Sabayoy District, and Tepa District. 3. Special Economic Development Zones	A 2	4
7.28.4 Transportation services for patients, doctors, or medical equipment (maritime, land or air transport)	1. Must receive approval from relevant agencies and operate in accordance with their standard regulations with regard to transportation services for patients. 2. Must have modern tools and equipment in accordance with the Ministry of Public Health's standard or other standards approved by the BOI	A 3	4
7.29 Trading Center and One-stop Service Product Development	Must invest at least 1 project in the following activities in Special Economic Zone per 1 investment project outside of Special Economic Zone: - 1.20 Trading Center for agricultural goods (Total area must be no less than 10 rais) - 7.4.1 Distribution Centers: DC - 7.29 Trading Center and One-stop Service Product Development		

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	<u>Conditions for projects located outside of Special Economic Zone</u> 1. The paid-up registered capital must be no less than 10 million Baht. 2. Shares must be held by Thai nationals no less than 51% of the registered capital. 3. Must have construction area in total no less than 100,000 sq.m. for exhibition and buying and selling products and distribution center with warehouse controlled by modern computer system 4. Must provide product buying and selling service system through website and other online system (e-Commerce Platform) with quality control system for products on the website. 5. Must provide trade supporting service such as logistic services, financial services, insurance services and document services, etc. 6. Must have product development and service center for SMEs according to the following conditions: 6.1 Provide specialist for business consulting. 6.2 Provide training for technical, design and product development as agreed by the committee. 6.3 Must have operating expenses of product development and service center for SMEs no less than 15 million Baht within 3 years from the date of the first revenue 6.4 Must submit cooperation plan with provincial authorities or local authorities, etc. for procurement and/or community products distribution and developing local SMEs as approved by the committee. 7. Projects located in Bangkok and Samutprakarn will be out-of-scope for investment promotion.	A 3	4

Activities	Conditions	Incentives	Investment Promotion Division
	8. Must submit promotion application forms for all projects at the same time and shall not apply for deadline extension of any procedure for the projects located in Special Economic Zone. 9. Application must be submitted by December 30, 2020 <u>Incentives</u> 1. Corporate income tax exemption for 5 years, capped at 100% of the investment amount, excluding land price and working capital for the project located in Special Economic Zone. Note that incentives of corporate income tax exemption will be applicable after investment in the Special Economic Zone take place, and the amount of exemption will be no more than the actual invested amount for projects located in Special Economic Zone. 2. Revenue eligible for corporate income tax exemption shall include: 2.1 Revenue from the renting area in the project. 2.2 Revenue from exhibition. 2.3 Revenue from the management of product distribution (excluding revenue from local transportation, revenue from custom clearance and revenue from freight charge (air freight and sea freight)) 2.4 Revenue from training and developing enteprenuer. <u>Conditions for projects located in Special Economic Zone</u> 1. Shares must be held by Thai nationals no less than 51% of the registered capital. 2. Must have construction area in total no less than 10,000 sq.m. for exhibition and buying and selling products and distribution center with warehouse controlled by modern computer system 3. Must provide product buying and selling service system through website and other online system (e-Commerce Platform) with quality control system for products on the website.	A 3 (8-year corporate income tax exemption (no cap) and 5-year 50 percent reduction of corporate income tax)	4

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Activities	Conditions	Incentives	Investment Promotion Division
	4. Must provide trade supporting service such as logistic services, financial services, insurance services and document services, etc. 5. Must have product development and service center for SMEs according to the following conditions: 5.1 Provide specialist for business consulting. 5.2 Provide training for technical, design and product development as agreed by the committee. 5.3 Must have operating expenses of product development and service center for SMEs no less than 10 million Baht within 3 years from the date of the first revenue 5.4 Must submit cooperation plan with provincial authorities or local authorities, etc. for procurement and/or community products distribution and developing local SMEs as approved by the committee. 6. Must submit investment promotion application form no later than 30 December, 2018. <u>Incentives</u> 1. 50 percent reduction of corporate income tax for 5 years after the end of its corporate income tax exemption period. 2. Other incentives according to the investment promotion policy for Special Economic Zone. 3. Revenue eligible for corporate income tax exemption shall include: 3.1 Revenue from the renting area in the project. 3.2 Revenue from exhibition. 3.3 Revenue from the management of product distribution (excluding revenue from local transportation, revenue from custom clearance and revenue from freight charge (air freight and sea freight)) 3.4 Revenue from training and developing entrepreneur.		

CIT Exemtion	*A 1 = 8 years (No Cap)*	*A 2 = 8 year*	*A 3 = 5 year*	*A 4 = 3 year*

Section 8: Technology and Innovation Development

Activities	Conditions	Incentives	Investment Promotion Division
8.1 Targeted core technology development*	1. Target technology development procedures shall be used as a base for the manufacturing process or service provision in the target industry as approved by the BOI 2. There must be a technology transfer with an educational institution or research institute as approved by the BOI e.g. Technology Research Consortium. 3. Project located in a science and technology park promoted by the BOI or one that is approved by the Board will receive an additional 2-year corporate income tax exemption. 4. Project may apply for merit based incentives and be granted the corporate income tax exemption for not exceeding 13 years. 5. Project shall be granted import duty exemption on goods.	Section 8 (10-year corporate income tax exemption without cap)	
8.1.1 Biotechnology Development			1
8.1.2 Nanotechnology Development			3
8.1.3 Advanced Material Technology Development			2 3
8.1.4 Digital Technology Development			2 5

** Relating to activity supervised or analyzed by Investment Promotion Division 1, 2, 3 and 5*

CIT Exemtion	A 1 = 8 years (No Cap)	A 2 = 8 year	A 3 = 5 year	A 4 = 3 year

Other Policies and Special Measures

1 Measure for Improvement of Production Efficiency

2 Investment Promotion Policy for Industrial Development in Border Provinces in Southern Thailand and Investment Promotion Policy for Industrial Development for model cities of Border Provinces in Southern Thailand

3 Investment Promotion Policy for Investment in Special Economic Zones

1 Measure for Improvement of Production Efficiency

BOI Announcement No.1/2557, regarding promoting and upgrading technology and machinery for energy conservation, alternative energy utilization or reduction of environmental impacts, as well as to encourage research and development and advanced engineering design involvement to improve production efficiency.

This measure is used with:

1. Existing projects, whether BOI or non-BOI promoted. In the case of non-BOI promoted projects the activity must be eligible for investment promotion by the Board of Investment.
2. BOI promoted projects can also apply for this measure when the corporate income tax exemption or reduction period expires, or in case the respective project(s) does not receive a corporate income tax exemption.

Conditions

1. The minimum capital investment must not be less than 1 million Baht (excluding cost of land and working capital).
2. The application must be submitted by December 30, 2020, and project must complete implementation within three years from the date the promotion certificate is issued.

1. Measure to promote energy conservation, alternative energy utilization or reduction of environmental impact

The applicant must submit an investment plan for machinery change or upgrade to save energy, to introduce alternative energy into the project, or to reduce environmental impact by implementing one of the following:

1. Project must invest in upgrading machinery to modern technology that reduces energy consumption at the stipulated ratio.
2. Project must invest in upgrading machinery to use alternative energy at the stipulated ratio to total energy consumption.
3. Project must invest in upgrading machinery to reduce environmental impact; namely, reducing waste, waste water or exhaust air, according to the stipulated criteria.

Incentives

1. Exemption of import duty for machinery.
2. 3-year corporate income tax exemption on the revenue of an existing project, accounting for 50 percent of the investment under this measure (excluding cost of land and working capital).
3. Corporate income tax exemption period shall start from the date of revenue derivation after promotion certificate is issued.

List of activity is not eligible for a promotion under Measure to promote energy conservation, alternative energy utilization or reduction of environmental impact such as:

- 5.8 E-commerce
- 7.5 International Headquarters: IHQ
- 7.6 International Trading Center: ITC
- 7.7 Trade and Investment Support Office: TISO

2. Measure to promote improvement in production efficiency by upgrading technology and machinery for manufacturing

The applicant must submit an investment plan for machinery replacement or upgrade according to the stipulated criteria, for instance, an upgrade of a production line to an automation system for production efficiency improvement.

Incentive

1. Exemption of import duty on machinery.
2. Three-year corporate income tax exemption on the revenue of an existing project, with corporate income tax exemption cap not exceeding 50 percent of the investment capital (excluding cost of land and working capital)
3. In case of investments in automation systems, the corporate income tax exemption cap will be raised to 100% of the investment excluding land cost and working capital if the value of linkages to the Thai automation industry reaches at least 30% of the total value of the automation system.
4. Corporate income tax exemption period shall start from the date of revenue derivation after promotion certificate issuance.

This category is not eligible for a promotion under the measure to promote improvement in production efficiency by upgrading and replacing machinery for manufacturing according to Measures to Promote Improvement of Production Efficiency such as:

- 4.6 Manufacture of general automobile
- 4.12 Manufacture of motorcycle (except less tahn 248 cc engine displacement)
- 4.16 Manufacture of Hybrid Electric Vehicle (HEV) and parts
- 5.8 E-commerse
- 7.2 Natural gas station
- 7.5 International Headquarter:IHQ)
- 7.6 International Trading Center: ITC
- 7.7 Trade and Investment Support Office:TISO

3. Measure to promote investment in research and development and advanced engineering designs for efficiency improvement

The applicant must submit an investment plan for research and development or engineering designs according to the stipulated criteria. Investment or expenses on research and development or engineering design must not be less than one percent or less than 0.5 percent for SMEs of the total sales over the first three years counting from the submission date of investment promotion application.

Incentive

1. Exemption of import duties on machinery.
2. Three-year corporate income tax exemption on the revenue of an existing project, with corporate income tax exemption cap not exceeding 50 percent of the investment capital (excluding cost of land and working capital).
3. Corporate income tax exemption period shall start from the date of revenue derivation after promotion certificate issuance.

This category is not eligible for a promotion under Measure to promote the investment on research and development and engineering designs for efficiency improvement such as:

- 5.8 E-commerse
- 7.5 International Headquarters: IHQ
- 7.6 International Trading Center: ITC
- 7.7 Trade and Investment Support Office: TISO

4. Measure to promote investment beneficial to agro-industry's upgrade towards international standards

The applicant must propose Investment plans to upgrade agroindustry to meet international standards must be submitted, for instance, Good Agriculture Practices (GAP), Forest Stewardship Council (FSC), Program for the Endorsement of Forest Certification Scheme (PEFCS), Food Safety Management System (ISO 22000), Sustainable Forest Management System (SFM, ISO 14061) or other equivalent international standards. Investment or expenditures according to the plans is required and such international standards must be achieved within 3 years after issuance of the investment promotion certificate.

Incentive

1. Exemption of import duties on machinery.
2. Three-year corporate income tax exemption on the revenue of an existing project, with corporate income tax exemption cap not exceeding 50 percent of the investment capital (excluding cost of land and working capital).
3. Corporate income tax exemption period shall start from the date of revenue derivation after promotion certificate issuanc

2 Investment Promotion Policy for Industrial Development in Border Provinces in Southern Thailand and Investment Promotion Policy for Industrial Development for model cities of Border Provinces in Southern Thailand

To promote investment in the Southern Border Provinces, and to boost model cities under the slogan "Stable, Affluent and Sustainable Triangle". The Broad also wants to promote investment on private sectors in order to generate incomes toward people in border provinces in Southern Thailand that can lead to economic expansion in the future. The investment criteria will be showed as follow:

<table>
<tr><th></th><th>Investment Promotion Policy for Industrial Development in Border Provinces in Southern Thailand</th><th>Investment Promotion Policy for Industrial Development for model cities under the slogan "Stable, Affluent and Sustainable Triangle"</th></tr>
<tr><td>1. Area</td><td>Southern Border Provinces refers to
1. Narathiwat
2. Yala
3. Satun
4. Songkhla
5. Four Districts in Songkhla which consist of Jana District, Natawee District, Saba Yoi District and Taypa District</td><td>1. Nong Chik Distric, Pattani to be the model city of Agricultural Development Industry City
2. Betong Distric, Yala to be the model city of Sustainable Development City
3. Su-ngai Kolok District, Narathiwat to be the model city of International Border City</td></tr>
<tr><td>2. Activities Eligible for Investment Promotion</td><td>Activities under BOI Announcement No. 2/2557 on December 3, 2014 (Include the announcements that alleviate the conditions of some activities)</td><td>1. Activities under BOI Announcement No. 2/2557 on December 3, 2014 (Include the announcements that alleviate the conditions of some activities)
2. Six additional activities
1) Animal food products and animal food ingredients
2) Manufacture of construction materials, and manufacture of prestressed concrete for public utility (except manufacture of Ceramic tile roof, floor tile and wall tile)
3) Production of body used ingredients (except cosmetics)
4) Production of plastic products for consumption goods
5) Production of fiber products
6) Office and building development for industrial use/warehouses</td></tr>
<tr><td>3. Existing Investment Projects</td><td colspan="2">- All implemented projects, whether promoted or not, in which the activity must be eligible for investment promotion
- Activities-based do not necessary to located in the areas according to No.1</td></tr>
<tr><td>4. New Investment Projects</td><td colspan="2">- New investment project applying for investment, in which an existing juridical person or a new juridical person, in which the group of owners of the existing project must be the principal shareholders
- Activities-based must locate in the areas according to No.1</td></tr>
<tr><td>5. Conditions (Existing Investment Project)</td><td colspan="2">1. Minimum capital investment requirement is at least 500,000 baht (excluding cost of land and working capital)
2. Projects are allowed to utilize domestic used machinery in the promoted project with a value not exceeding 10 million baht and required investment in new machinery must account for at least one fourth of the value of the used machinery
3. Applications must be submitted by December 30, 2020.</td></tr>
</table>

	Investment Promotion Policy for Industrial Development in Border Provinces in Southern Thailand	Investment Promotion Policy for Industrial Development for model cities under the slogan "Stable, Affluent and Sustainable Triangle"
6. Conditions (New Investment Project under promoted areas)	1. Minimum capital investment requirement is at least 500,000 baht (excluding cost of land and working capital) 2. Projects are allowed to utilize domestic used machinery with a value not exceeding 10 million baht and investment in new machinery must account for at least one fourth of the value of used machinery 3. Applications for existing projects must be submitted when the new projects are complete and ready for commencement of operation 4. Applications for new projects must be submitted by December 30, 2020, with confirmation letter on existing investment	
7. Incentives for New Investment Project	8-year corporate income tax exemption (without cap)	
	Additional 50% reduction of corporate income tax for a period of 5 years	
	Double deductions on the cost of transportation, electricity and water supply for a period of 15 years	Double deductions on the cost of transportation, electricity and water supply for a period of 20 years
	Additional 25% deduction of the cost of installation or construction of facilities	
	Exemption of import duty on machinery	
	90% import duty reduction on raw materials used in manufacturing for domestic sales for 5 years	90% import duty reduction on raw materials used in manufacturing for domestic sales for 10 years
	Exemption on import raw materials used in manufacturing for export for 5 years	Exemption on import raw materials used in manufacturing for export for 10 years
	Permit to bring unskilled foreign labors into the Kingdom on the activities that are eligible for investment promotion	
8. Incentives for Existing Investment Project	3-year corporate income tax exemption (subject to cap which accounts for 100% of investment capital in new projects)	5-year corporate income tax exemption (subject to cap which accounts for 100% of investment capital in new projects)
	Other similar incentives as investing in existing projects	

3 Investment Promotion Policy for Investment in Special Economic Zones

In order to create economic connectivity with neighboring countries and support integration of the ASEAN Economic Community, the Board has issued Announcement of the Board of Investment No.4/2557, Investment Promotion in Special Economic Zones especially border areas both in and around industrial estates which will be granted incentives, as follows:

Incentives for general activities on BOI general list	Incentives for targeted activities for Special Economic Zones (13 targeted industries)
3-year additional exemption of corporate income tax (CIT), not exceeding 8 years in total	Exemption of corporate income tax up to 8 years
Projects with activities in Group A1 or A2 which are already granted 8-year CIT shall receive additional 50% reduction CIT for 5 years.	Additional 50% corporate income tax exemption for 5 years.
- 10-year double deductions from the costs of transportation, electricity, and water supply - 25% deduction of the cost of installation or construction of facilities (apart from normal depreciation deduction) - Exemption of import duties on machinery - Exemption of import duty on raw materials imported, used in production for export. - Non-tax incentives e.g. permission to own land and permission to bring in experts to work. - Permission to employ foreign unskill labour	

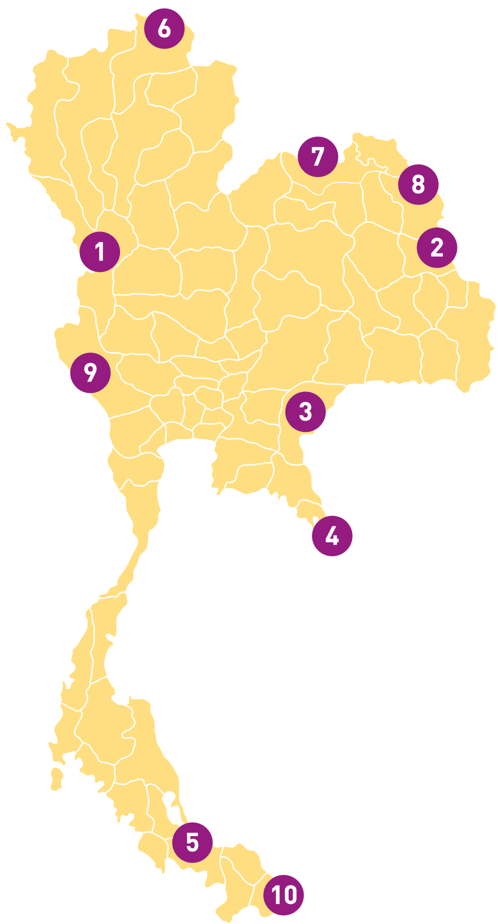
Special Economic Zones in accordance with the Announcement of the Policy Committee of Special Economic Development Zones consist of:

1. Tak Special Economic Zone consists of 14 sub-districts with border areas in 3 districts in Tak
   - 8 sub-districts in Mae Sot District: Mae Sot, Mae Tow, Ta Sai Luad, Phra That Pha Dang, Mae Gasa, Mae Pa, Mae Ku and Mahawan.
   - 3 sub-districts in Pob Phra District: Phob Phra, Chong Kab and Valet
   - 3 sub-districts in Mae Ramad District: Mae Ja Rao, Mae Ramad, Ka Ne Jue

2. Mukdahan Special Economic Zone consists of 11 sub-districts with border areas in 3 districts in Mukdahan
   - 5 sub-districts in Muang District: Sri Bun Ruang, Mukdahan, Bang Sai Yai, Kam Ar Huan and Na Si Nuan
   - 4 sub-districts in Wanyai District: Bang Sai Noi, Cha Note, Wanyai and Bongkham
   - 2 sub-districts in Don Tan District: Pho Sai and Don Tarn
3. Sa Kaew Special Economic Zone consists of 4 sub-districts with border areas in 2 districts in Sa Kaew
   - 3 sub-districts in Aranyaprathet District: Ban Dan, Pa Rai and Tha Kam
   - 1 sub-district in Wattananakorn District: Pak Kha

4. Trat Special Economic Zone consists of 3 sub-districts in Klongyai District in Trat: Khlong Yai, Had Lek, and Mai Rood

5. Songklah Special Economic Zone consists of 4 sub-districts in Sadao District in Songklah: Sadao, Samnak Kham, Samnak Taew, Padang Bazar



6. Chiang Rai Special Economic Zone consists of 21 sub-districts in 3 districts
   - 7 sub-districts in Chiang Khong district: Krueng, Boon Ruang, Rim Khong, Vieng, Sri Don Chai, Sa Tan, HuayKho
   - 6 sub-districts in Chiang Saen district: Baan Saew, Pa Sak, Mae Ngern, Yo Nok, Vieng, Sri Don Moon
   - 8 sub-districts in Mae Sai district: Koh Chang, Baan Dai, Pong Ngam, Pong Pha, Mae Sai, Vieng Pang Kam, Sri Muang Chum, Huay Krai

7. Nongkhai Special Economic Zone consists of 13 sub-districts in 2 districts
   - 12 sub-districts in Muang district: Kai Bok Wan, Nai Muang, Baan Duer, Phra Tat Bang Puan, Pho Chai, Pon Sawang, Mee Chai, Vieng Kook, See Kai, Nong Kom Kor, Hat Kam, Hin Ngom
   - 1 sub-district in Sa Krai district : Sa Krai

8. Nakhon Panom Special Economic Zone consists of 13 sub-districts in 2 districts
   - 10 sub-districts in Muang district: Gu Ru Ku, Tha Kho, Na Sai, Na Raj Kwai, Nai Muang, Baan Pueng, Pho Tak, Nhong Yat, Nhong Saeng, Art Samart
   - 3 sub-districts in Tha U Ten district: Non Tarn, Ram Raj, Vern Phra Baht

9. Kanjanaburi Special Economic Zone consists of 2 sub-districts in Muang district: Kang Sian, Baan Kao

10. Narathiwas Special Economic Zone consists of 5 sub-districts in 5 districts
    - 1 Sub-district in Muang district: Khok Kian
    - 1 sub-district in Tak Bai district: Jae Hae
    - 1 sub-district in La Han district: Yi Ngor
    - 1 sub-district in Wang district: Loh Jood
    - 1 sub-district in Su Ngai Ko Lok district: Su Ngai Ko Lok

Cases for general activities eligible for BOI promotion located in Special Economic Zone which will receive additional corporate income tax, as follows:

Incentives for projects in Special Economic Zone	A1	A2	A3	A4	B1	B2
Activity-based CIT exemption	8 yrs.(no cap)	8 yrs.	5 yrs.	3 yrs.	–	–
Additional CIT Exemption	–	–	3 yrs.	3 yrs.	3 yrs.	3 yrs.
Total CIT Exemption	8 yrs.	8 yrs.	8 yrs.	6 yrs.	3 yrs.	3 yrs.
Additional 50% CIT reduction for a period of 5 years.	✓	✓	–	–	–	–

Cases for target activities in 13 groups of industries for Special Economic Zones* which will receive additional corporate income tax in accordance with the Policy Committee of Special Economic Development Zones as follows:

Incentives for projects in Special Economic Zone	A1	A2	A3	A4	B1	B2
Activity-based CIT exemption	8 yrs.(no cap)	8 yrs.	8 yrs.	8 yrs.	8 yrs.	8 yrs.
Additional 50% CIT reduction for a period of 5 years.	✓	✓	✓	✓	✓	✓

** Application must be submitted by December 31, 2018*

Targeted Activities for Special Economic Zones

The Policy Committee of Special Economic Zones has currently stipulated targeted industries for each zone will have different targeted activities depending on local potential, limitation and needs. Targeted industries are categorized in 13 groups.

BOI's Targeted Industries in SEZ										
13 Industrial Groups (66 Business Types)	Tak	Sa Kaew	Trat	Mukdahan	Songkhla	Chiang Rai	Nong Khai	Nakhon Phanom	Kanchanaburi	Narathiwat
1. Agricultural, fishery and related industries	✓	✓	✓	✓	✓	✓	✓	✓	✓	
2. Ceramics	✓							✓	✓	
3. Textile, garment, and leather industries	✓	✓			✓	✓	✓	✓	✓	
4. Furniture manufacturing	✓	✓			✓	✓		✓	✓	
5. Gem and jewelries	✓	✓				✓		✓	✓	
6. Medical equipment manufacturing	✓	✓				✓		✓	✓	
7. Automotive, machinery, and parts	✓	✓						✓	✓	*
8. Electrical appliances and electronics	✓	✓		✓				✓	✓	
9. Plastic production	✓	✓				✓		✓	✓	
10. Medicine production	✓	✓				✓		✓	✓	
11. Logistics	✓	✓	✓	✓	✓	✓	✓	✓	✓	
12. Industrial estates/zones	✓	✓	✓	✓	✓	✓	✓	✓	✓	
13. Tourism related industries.	✓	✓	✓	✓	✓	✓	✓	✓	✓	

** Incentives are provided under the investment promotion scheme for border provinces in Southern Thailand. Investment projects in Narathivat will be relaxed on conditions stipulated on activities eligible for promotion according to Investment Promotion Policy for Investment in SEZ.*

BOI's Targeted Industries in SEZ (Expanded)										
Business Type	Tak	Sa Kaew	Trat	Mukdahan	Songkhlah	Chiang Rai	Nong Khai	Nakhon Phanom	Kanchanaburi	Narathiwat
1. Manufacture of animal feed production and animal food ingredients	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2. Manufacture of construction materials and prestressed concrete for public utilities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3. Manufacture of body care products such as soap, shampoo, toothpaste and cosmetics	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4. Manufacture of plastic products for consumer goods such as plastic packages	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5. Manufacture of goods from paper pulp or paper such as paper boxes	✓	✓		✓	✓	✓	✓	✓	✓	✓
6. Factory Development for Industrial Plant and warehouses	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

** The application of investment promotion must be submitted within 31st December 2018.*

List of Targeted Industries to Promote in the Special Economic Zones

Announcement related to targeted industries in Special Economic Zone as follow;

- Announcement of the Board of Investment No.1-No.5/2558 dated 23 April, 2015
- Announcement of the Board of Investment No.12-No.21/2558 dated 15 December, 2015
- Announcement of the Board of Investment No.1-No.4/2559 dated 10 January, 2016

Section 1: Agriculture and Agricultural Products

Agro-industry, fisheries and related businesses for the special economic development zone in Tak, Srakaew, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Panom, Kamchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
1.4 Crop drying and silo facilities		B 1 8+5	1
1.5.1 Livestock and aquatic animal propagation	Projects must use modern technology, e.g. closed house system, evaporative cooling system, automatic watering and feeding system, vector control measure and system, and sensor system for tracking and counting animals.	A 4 8+5	1
1.5.2 Livestock husbandry or aquaculture (except for shrimp)	Projects must use modern technology, e.g. closed house system, evaporative cooling system, automatic watering and feeding system, vector control measure and system, sensor system for tracking and counting animals, and effective environmental protection and impact reduction system.	A4 8+5	1
1.6 Slaughtering	Projects must use modern technology e.g. stunning method, shackle, cold storage, chilling system, meat quality and contaminant inspection.	A 4 8+5	1
1.8 Grading, packaging and storage of plants, vegetables, fruits or flowers	Projects using modern technology, e.g. color sorter, vapor heat treatment to kill fruit fly eggs, or seed coating	A 3 8+5	1
1.9 Manufacture of modified starch or starch made from plants that have special properties		A 3 8+5	1
1.10 Manufacture of oil or fat from plants or animals (except for soybean oil)	1. Manufacture of crude or semi-refined oil from plants must start from agricultural produce. 2. Manufacture of refined oil from plants must start from agricultural produce or crude oil.	A 3 8+5	1
1.11 Manufacture of natural extracts or products from natural extracts (except for medicine, soap, shampoo, toothpaste and cosmetics)		A 4 8+5	1
1.14.1 Manufacture of primary processed rubber		A 4 8+5	1

8 = CIT exemption for 8 years (no cap for A1 activities) 5 = Additional 50% CIT reduction for 5 years

Activities	Conditions	Incentives	Investment Promotion Division
1.15 Manufacture of products from agricultural by-products or agricultural waste (except for those with uncomplicated production processes, e.g. drying, dehydration)		A 4 8+5	1
1.17 Manufacture of products from agricultural by-products or agricultural waste (except for those with uncomplicated production processes, e.g. drying, dehydration)	1. Projects with only mixing or dilution process shall not be promoted. 2. Projects with fermentation process must use starter cultures that have supporting study or research.	A 3 8+5	1
1.19 Cold storage, or cold storage and cold storage transportation		B 1 8+5	1
1.20 Trading centers for agricultural goods	1. Total area must not be less than 50 rai. 2. The area for operations and services related to agricultural goods must not be less than 60% of the total land area. Space must be allocated for agricultural exhibition or trade, auction centers, cold storage and silos. 3. Inspection, grading and pesticide residue inspection services for agricultural products must be provided.	A 3 8+5	1
1.22 Manufacture of animal feed production and animal food ingredients		B 1 8	1

Section 2: Ceramics

Ceramic products manufacturing for the special economic development zone in Tak, Kanchanaburi and Nakhon Panom

Activities	Conditions	Incentives	Investment Promotion Division
2.4.3 Manufacture of Ceramic Products (except Earthenware and Ceramic Tiles)	Project must have firing process.	B 1 8+5	3

Manufacture of construction materials and pre-stressed concrete for public utilities for the special economic development zone in Tak, Srakaew, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Panom, Kamchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
2.17 Manufacture of construction materials and pre-stressed concrete for public utilities		A 2 8	3

8 = *CIT exemption for 8 years (no cap for A1 activities)* 5 = *Additional 50% CIT reduction for 5 years*

Section 3: Light Industry

Textile, clothing, and leather manufacturing for the special economic development zone in Tak, Sa Kaeo, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
3.1.1 Manufacture of natural or synthetic fibers	Projects must use domestic scraps or waste only.	A 2 / A 4 / B 1 8+5	5
3.1.2 Manufacture of yarn or fabric		A 3 / A 4 / B 1 8+5	5
3.1.4 Manufacture of garments, clothing accessories, and household textiles		A 4 / B 1 8+5	5
3.2 Manufacture of non-woven fabric or hygienic products made of non-woven fabric		A 4 8+5	5
3.3 Manufacture of bags or shoes or products made of leather or artificial leather		A 4 / B 1 8+5	5
3.4 Manufacture of sports equipment or parts		B 1 8+5	5

Manufacture of furniture or parts for the special economic development zone in Tak, Sa Kaeo, Songkhla, Chiang Rai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
3.6 Manufacture of furniture or parts		A 4 / B 1 8+5	5

Gems and jewelry manufacturing for the special economic development zone in Tak, Sa Kaeo, Songkhla, Chiang Rai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
3.8 Manufacture of gems and jewelry or parts including raw materials and prototype		A 4 8+5	5

8 = CIT exemption for 8 years (no cap for A1 activities) 5 = Additional 50% CIT reduction for 5 years

Medical device manufacturing for the special economic development zone in Tak, Sa Kaeo, Songkhla, Chiang Rai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
3.11 Manufacture of medical devices or parts		A 1 - A4 8+5	1

Section 4: Metal Products, Machinery and Transport Equipment

Automotive, machinery and parts manufacturing for the special economic development zone in Tak, Sa Kaeo, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
4.4 Manufacture of multi-purpose engines and equipment		A 4 / B 1 8+5	2
4.5.2 Machinery, equipment and parts and/or repair of mould and die	Projects must have part forming process and/or with engineering design.	A 3 8+5	2
4.5.3 Assembling of machinery and machinery equipment	Projects must have assembling process as approved by the Board.	A 4 8+5	2
4.8.17 Manufacture of other vehicle parts		B 1 8+5	2
4.12 Manufacture of motorcycles (except less than 248 cc engine displacement)	1. Project must have structural welding process and spray painting process. 2. Investment plan for manufacturing and utilization of parts must be submitted and approved by the Board of Investment.	B 1 8+5	2

Fabrication industry or platform repair for petroleum industry for the special economic development zone in Tak, Sa Kaeo, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
4.14 Fabrication industry or platform repair for petroleum industry		A 3 / A 4 8+5	3

8 = CIT exemption for 8 years (no cap for A1 activities) *5 = Additional 50% CIT reduction for 5 years*

Section 5: Electronics and Electrical Appliances Industry

Electronics and electrical appliances manufacturing for the special economic development zone in Tak, Sa Kaeo, Mukdahan, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities		Conditions	Incentives	Investment Promotion Division
5.1	Manufacture of electrical products		A 2 / A 3 8+5	2
5.2.2	Manufacture of LED lamps		A 4 8+5	2
5.2.3	Manufacture of compressors and/or motors for electrical appliances		A 4 8+5	2
5.2.4	Manufacture of wire harnesses		B 1 8+5	2
5.2.5	Manufacture of parts and/or equipment for other electrical products		B 1 8+5	2
5.3.5	Manufacture of audio visual products		A 4 8+5	2
5.3.6	Manufacture of office electronics		A 4 8+5	2
5.3.7	Manufacture of other electronic products		B 1 8+5	2
5.4.6.2	Manufacture of hard disk drives and/or parts (excluding top covers, base plates or peripherals)	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.	A 3 8+5	2
5.4.6.3	Manufacture of top covers, base plates or peripherals for hard disk drives		A 4 8+5	2
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.	A 2 / A 3 8+5	2
5.4.13	Manufacture of other memory storage equipment		A 4 8+5	2

8 = *CIT exemption for 8 years (no cap for A1 activities)* 5 = *Additional 50% CIT reduction for 5 years*

Activities	Conditions	Incentives	Investment Promotion Division
5.4.14 Manufacture of printed circuit board assembly (PCBA)		A 4 8+5	2
5.4.17 Manufacture of parts for audio visual products		A 4 8+5	2
5.4.18 Manufacture of parts for office electronics		A 4 8+5	2
5.4.19 Manufacture of parts for other electronic products		B 1 8+5	2

Section 6: Chemicals, Paper and Plastics

Plastics manufacturing for the special economic development zone in Tak, Sa Kaeo, Chiang Rai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
6.6 Manufacture of plastic products for industrial goods	Must have plastic forming process.	B 1 8+5	3
6.7.1 Multilayer plastic packaging	Must integrate more than 2 layers of plastics.	A 3 8+5	3
6.7.2 Aseptic plastic packaging	Must be certified with ISO 14611 level 7 (Clean Room) or Federal Standard 209 E Class 10000 or above or an equivalent international standard within 2 years from the full operation start-up date.	A 3 8+5	3
6.7.3 Antistatic plastics packaging	Must be certified with ISO 14611 level 7 (Clean Room) or Federal Standard 209 E Class 10000 or above or an equivalent international standard within 2 years from the full operation start-up date.	A 3 8+5	3
6.8 Manufacture of plastic products from recycled plastic.	Must have the domestic plastic welding process only	A 4 8+5	3

Pharmaceuticals manufacturing for the special economic development zone in Tak, Sa Kaeo, Chiang Rai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
6.10 Manufacture of medicine	1. For conventional medicine projects, such promoted projects must achieve GMP standard prescribed by PIC/S within two years from the full operation start-up date.	A 2 / A 3 8+5	1

8 = CIT exemption for 8 years (no cap for A1 activities) *5 = Additional 50% CIT reduction for 5 years*

Activities	Conditions	Incentives	Investment Promotion Division
	2. For traditional medicine projects, such promoted projects must achieve GMP standard within two years from the full operation start-up date. 3. For the improvement of existing projects, existing machinery can be used in the promoted project, but its value shall not be included in the investment amount eligible for corporate income tax exemption.		

Production of printed matter for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
6.14.2 Production of printed matter		B 1 8+5	5

Manufacture of body care products such as soap, shampoo, toothpaste and cosmetics for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
6.15 Manufacture of body care products such as soap, shampoo, toothpaste and cosmetics		A 2 8	1

Manufacture of plastic products for consumer goods for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
6.16 Manufacture of plastic products for consumer goods		A 2 8	3

Manufacture of pulp or paper for consumer goods for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
6.17 Manufacture of pulp or paper, e.g. paper boxes		A 2 8	3

8 = *CIT exemption for 8 years (no cap for A1 activities)*   5 = *Additional 50% CIT reduction for 5 years*

Section 7: Service and Public Utilities

Logistics businesses for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities		Conditions	Incentives	Investment Promotion Division
7.1.3	Container yards or inland container depots (ICD)		A 3 8+5	4
7.4.1	Distribution Center: DC	1. The paid-up registered capital must not be less than 10 million baht. 2. Must provide a goods storage facility that is controlled by a modern computerized system.	B 1 8+5	4
7.4.2	International distribution Center (IDC)	1. The paid-up registered capital must not be less than 10 million baht. 2. Must provide a goods storage facility that is controlled by a modern computerized system. 3. International distribution center projects will have additional conditions, as follows: 3.1 Must have a minimum investment (excluding cost of land and working capital) of at least 100 million baht 3.2 The center must distribute goods to at least 1 country.	A 3 8+5	4

Industrial zones or industrial estates for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities		Conditions	Incentives	Investment Promotion Division
7.9.1.1	Industrial zones or industrial estates	1. Total land area of the project must not be less than 500 rai. 2. Factory-designated area must not be less than 60 percent and not more than 75 percent of the total area, except projects with a total area of over 1,000 rai, whose factory-designated area must be approved by the Board of Investment. 3. Other conditions as specified by the Board are as follows:	A 3 8+5	3

8 = *CIT exemption for 8 years (no cap for A1 activities)* 5 = *Additional 50% CIT reduction for 5 years*

Activities	Conditions	Incentives	Investment Promotion Division
	3.1 The main road - If the total area is over 1,000 rai, the road must have four lanes of not less than 30 meters wide, including road surface of not less than 14 meters wide, traffic island and pavement of not less than 2 meters wide each side and road shoulder or surface wide enough for an emergency stop. - If the total area is over 500 and up to 1,000 rai, the road must have two lanes with road not less than 20 meters wide, including road surface of not less than 7 meters wide and pavement of not less than 2 meters wide each side and a road shoulder or surface wide enough for an emergency stop. 3.2 The minor road must have a surface of not less than 8.5 meters wide and a shoulder of not less than 2 meters wide each side. 3.3 Wastewater treatment must be suitable for wastewater characteristics and according to legal effluent standards. Projects must have a post-treatment effluent pool. 3.4 Wastewater discharge system must be completely separate from rainwater discharge system. 3.5 Projects must have an approved system of collection and elimination of garbage, as approved by the Board. 3.6 Factories located in industrial zones must be according to target industries and forbidden industries specified in the environmental impact assessment report approved by the Expert Review Committee of the Office of Natural Resources and Environmental Policy and Planning (ONEP).		

8 = CIT exemption for 8 years (no cap for A1 activities) *5 = Additional 50% CIT reduction for 5 years*

Activities	Conditions	Incentives	Investment Promotion Division
	3.7 The zone must provide factories located in the zone with sufficient public utilities, electricity, water, telephone service and post office. 3.8 The zone must develop about 25 percent of its total land area, or as approved by the Board, for public utility services within two years from the date of investment promotion certificate issuance.		
7.9.1.2 Gem and jewelry industrial zones	1. The total area must not be less than 100 rai. 2. Area for operations related to gems or jewelry must not be less than 40 percent of the total area. 3. Projects must have a sales area for gems and jewelry. 4. Projects must provide appropriate security systems. 5. Projects must have meeting rooms, exhibition halls and business centers.	A 3 8+5	5
7.9.1.3 Logistics Park	1. The total area must not be less than 200 rai and the project must invest in establishing a warehouse for lease or sale with a total area of not less than 50,000 square meters. 2. Must be located either within 50 kilometers of a port, an airport, a customs checkpoint and an inland container depot (ICD) or in a Free Zone. 3. Projects must designate some or the entirety of its area as a Free Zone. 4. Projects must have a station to load and unload containers, or a truck terminal and a container depot that can handle at least 50 containers. 5. Projects must install main telecommunication infrastructure that provides hi-speed communications that link the logistics park to domestic and international communication hubs.	A 3 8+5	4

8 = CIT exemption for 8 years (no cap for A1 activities) *5 = Additional 50% CIT reduction for 5 years*

Activities	Conditions	Incentives	Investment Promotion Division
	6. Thai nationals must hold not less than 51 percent of the total registered capital. 7. Projects must be approved by relevant government agencies.		

Businesses that Support Tourism for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
7.22.1 Ferry services or tour boat services or tour boat renting	Must be approved by relevant government agencies.	A 3 8+5	4
7.22.2 Tour boat port services	Must have facilitating equipment, such as boat lifting equipment, inland boat deck, or boat garage for maintenance purpose.	A 3 8+5	4
7.22.3 Amusement parks	1. Must have a minimum investment (excluding cost of land and working capital) of not less than 500 million baht. 2. The project details must be approved by the Board.	A 3 8+5	4
7.22.4 Cultural centers or arts and crafts centers	Must have a minimum investment (excluding cost of land and working capital) of not less than 30 million baht.	A 3 8+5	4
7.22.5 Open zoos	1. Must have a minimum investment (excluding cost of land and working capital) of not less than 500 million baht, with a total area of not less than 500 rai. 2. Project details must be approved by the Board. 3. Fifteen percent of the total area must be allocated as green area and another fifteen percent as car park.	A 3 8+5	4
7.22.6 Aquariums	1. Projects must have a minimum investment (excluding cost of land and working capital) of not less than 100 million baht. 2. An environmental impact assessment report must be submitted within 12 months after the issuance of its investment promotion certificate.	A 3 8+5	4

8 = CIT exemption for 8 years (no cap for A1 activities) *5 = Additional 50% CIT reduction for 5 years*

Activities	Conditions	Incentives	Investment Promotion Division
7.23.3 International exhibition centers	1. Indoor exhibition area must not be less than 25,000 square meters. 2. Every hall must have a business meeting room.	A 3 8+5	4
7.23.4 Health rehabilitation centers	1. Must use medical technology for medical treatment and health rehabilitation. 2. Must have continuous rehabilitation programs, including overnight treatment.	B 1 8+5	4

Factory Development for Industrial Plant and Warehouse for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
7.24 Factory Development for Industrial Plant and Warehouse		A 2 8	3

Trading Center and One-stop Service Product Development for the special economic development zone in Tak, Sa Kaeo, Trat, Mukdahan, Songkhla, Chiang Rai, Nong Khai, Nakhon Phanom, Kanchanaburi and Narathiwat

Activities	Conditions	Incentives	Investment Promotion Division
7.29 Trading Center and One-stop Service Product Development	1. Shares must be held by Thai nationals no less than 51% of the registered capital. 2. Must have construction area in total no less than 10,000 sq.m. for exhibition and buying and selling products and distribution center with warehouse controlled by modern computer system 3. Must provide product buying and selling service system through website and other online system (e-Commerce Platform) with quality control system for products on the website. 4. Must provide trade supporting service such as logistic services, financial services, insurance services and document services, etc. 5. Must have product development and service center for SMEs according to the following conditions: 5.1 Provide specialist for business consulting.	A 3 8+5	4

8 = *CIT exemption for 8 years (no cap for A1 activities)*   5 = *Additional 50% CIT reduction for 5 years*

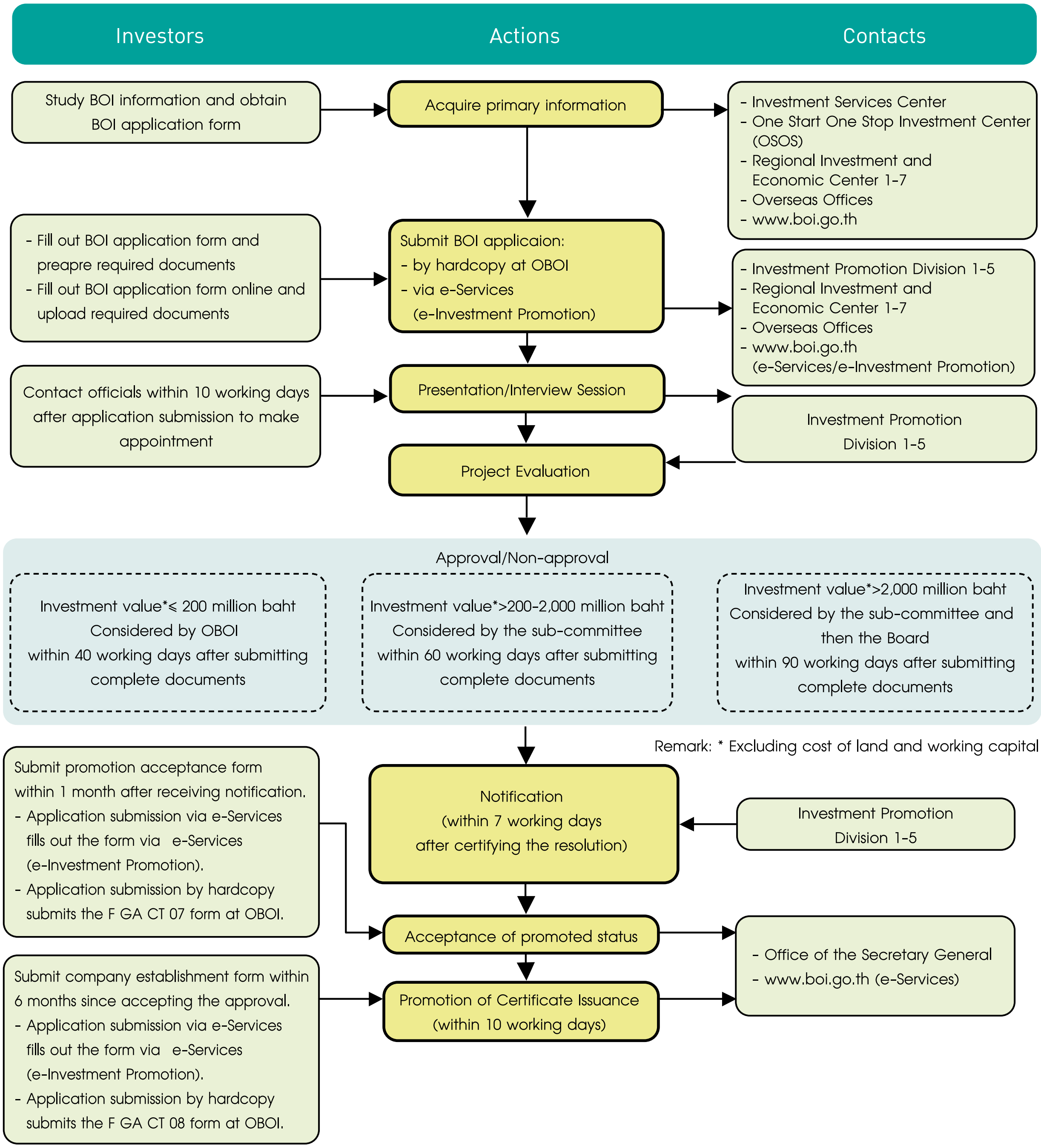
Activities	Conditions	Incentives	Investment Promotion Division
	5.2 Provide training for technical, design and product development as agreed by the committee. 5.3 Must have operating expenses of product development and service center for SMEs no less than 10 million Baht within 3 years from the date of the first revenue 5.4 Must submit cooperation plan with provincial authorities or local authorities, etc. for procurement and/or community products distribution and developing local SMEs as approved by the committee. 6. Must submit investment promotion application form no later than 30 December, 2018. <u>Incentives</u> 1. 50 percent reduction of corporate income tax for 5 years after the end of its corporate income tax exemption period. 2. Other incentives according to the investment promotion policy for Special Economic Zone. 3. Revenue eligible for corporate income tax exemption shall include: 3.1 Revenue from the renting area in the project. 3.2 Revenue from exhibition. 3.3 Revenue from the management of product distribution (excluding revenue from local transportation, revenue from custom clearance and revenue from freight charge (air freight and sea freight)) 3.4 Revenue from training and developing SMEs.		

Procedures of Applying for Boi Promotion

Chapter 2

In order to make the work of the Office of the Board of investment (BOI) faster and more efficient, so as to better facilitate promoted investors, the BOI has laid out procedures for applying and implementing promotion privileges, according to the BOI announcement No.1/2553 regarding the "Time Frame for Investment Promotion Procedures."

Procedures of Applying for BOI Promotion



Project Implementation and Use of Promotion Priviledges

Promoted Companies	Actions	Contacts

Foreign Technicians and Experts

Submit application for approval to bring in foreign technicians and/or experts

Before BOI promotion certificate issuance, foreign nationals enter to the Kingdom for the purpose of studying invesment oppeortunities or any beneficial activities or during the consideration for promotion progress (Section 24).
- Submit an applicaion for bring in foreign technicians and/or experts with the F FR TR 09-07 form

After BOI promotion certificate issuance,foreign nationals enter to the Kingdom (Section 25).
- Register through Single Windows for Visa and Work Permit System (http://swe-expert.boi.go.th) for getting username and password
- Submit an approval form for the position of foreign technicians and/or experts via Single Windows for Visa and Work Permit System
- Submit and approval form for bring in foreign technicians and/or experts to the Kingdom via Single Windows for Visa and Work Permit System
- Submit other approval forms via Single Windows for Visa and Work Permit System

Single Windows for Visa and Work Permit System (considered within 3-10 working days)

Lands

Apply for right of land under Section 27 of the Investment Promotion Act (BOI promotion certificate issuance)

- Submit application for rights and benefits concerning land according to Section 27 with complete information (F LD LO 02)
- Attached documents according to list on land work as stated (F LD LO 01)

Investment Promotion Division 1-5

Machinery

Obtain approval on machinery list

Submit a master list of imported machinery for approval via e-Services (eMT)

Investment Promotion Division 1-5 or Regional Investment and Economic Center 1-7 (considered within 60 working days)

Obtain approval on imported machinery (within 30 months since promotion certificate issuance)

Submit request for import of machinery (F IN MI via e-Service (eMT))

Investor Club Association (processed within 3 hours)

Raw and Essential Materials

Obtain master list on raw and essential materials and the stock of imported materials (Section 36)

Submit a raw and material utilization form (F IN RM 13) in Section 36

Investment Promotion Division 1-5 or Regional Investment and Economic Center 1-7 (considered within 15 working days)

Obtain approval on raw and essential materials

Submit docutments for import of materials through RMTS

Investor Club Association (processed within 3 hours)

Obtain approval on production formula

Submit production formula (F IN RM 13)

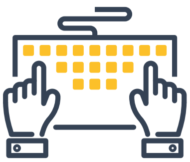
Investment Promotion Division 1-5 or Regional Investment and Economic Center 1-7 (considered within 30 working days)

Obtain approval on material usage and update balance of imported raw and essential materials

Submit an approval form via master list on raw/essential materials system

Investor Club Association (processed within 3 hours)

Project Implementation and Use of Promotion Priviledges (continued)



Project Progress/ Project Performance/ Project Applying Method

Promoted Companies	Actions	Contacts
Submit project progress report after receiving promotion permission (until receiving promotion certificate)	Fill out information to e-Services (e-Monitoring) in February and July of the year	Investment Promotion Division 1-5 or Regional Investment and Economic Center 1-7
Obtain full operation start-up certificate (within 36 months since promotion certificate issuance)	Submit a full-project applying approval form (F PM OP 01)	Investment Promotion Division 1-5 or Regional Investment and Economic Center 1-7
Submit company's project performance every year	Fill out information to e-Services (e-Monitoring) within July of the year	Investment Promotion Division 1-5 or Regional Investment and Economic Center 1-7
Submit company's action under investment promotion criteria e.g. requesting to utilize corporate income tax incentive in Section 31, and ISO report	Submit company's action form	Investment Promotion Division 1-5 or Regional Investment and Economic Center 1-7

Corporate Income Tax Incentive Application

Promoted Companies	Actions	Contacts
- Submit online application via e-Services (e-Tax) for tax incentive approval - Upload auditor's comment with completed form into the system	- Fill out information into e-Services (e-Tax) - Print out application form and submit to auditor for a consideration	Investment Promotion Division 1-5

Remark: From August 31, 2018, investors can submit tax incentive via online application (e-Tax) only.

Investment Promotion Procedures and Time Frame

Consideration of Investment Promotion Application

1. The Office of the Board of Investment (OBOI) will consider investment applications under the OBOI's authority, which is projects with investment value not exceeding 200 million baht, within 40 working days. Projects with investment value exceeding 200 million baht up to 750 million baht will be considered by the sub-committee within 60 working days, and projects with investment value exceeding 750 million baht will be considered by the Board of Investment within 90 working days, counting from the date on which the OBOI receives the complete application form together with documents and supporting evidence. Projects applying for investment promotion must be in accordance with specified criteria.

2. Documents and supporting evidence that applicants are required to submit for consideration are as follows:
    - 2.1 Two sets of complete application forms, as the case may be, as follows:
        - 2.1.1 Application form for Investment Promotion for all Eligible Activities (F PA PP 01)
        - 2.1.2 Application form for Investment Promotion of Services Activities (F PA PP 03)
        - 2.1.3 Application form for Investment Promotion of Software and E-Commerce (F PA PP 04)
        - 2.1.4 Application form for Small and Medium Enterprises (SMEs) (F PA PP 29)
    - 2.2 Projects with investment value of more than 750 million Baht (excluding cost of land and working capital) must submit the project's feasibility study with details as specified in the OBOI Investment Announcement No. 50/2534 dated November 1, 1991 (see more details on pages 87-89)
    - 2.3 Additional information or supporting documents for each activity, which will be informed of by the OBOI.

3. The applicants can submit the investment promotion application at Investment Promotion Division 1-5, Regional Investment and Economic Centers 1-7, or the Overseas Investment and Economic Center.

4. For further details, please directly contact Investment Promotion Division 1-5 of the BOI

Notification of Investment Promotion Approval/Rejection

1. The OBOI will notify applicants of investment promotion approval or rejection in writing within 7 working days, counting from the date of certified resolution.

2. For further details, please directly contact Investment Promotion Division 1-5 of the BOI

Promotion Acceptance

1. Applicants must submit the Investment Promotion Certificate Acceptance Form (F GA CT 07) within one month after the date of receiving notification.

2. In case the applicants can not submit the Investment Promotion Certificate Acceptance Form (F GA CT 07-01) within the due date, the request form for Promotion Acceptance Expansion (F GA CT 01) can be submitted 3 times. The OBOI will consider the 1st and 2nd extensions for promotion acceptance within 3 working days and the 3rd extension within 7 working days, counting from the date on which the OBOI receives the extension request from the applicant.

3. Applicants must submit the Investment Promotion Certificate Acceptance Form or the request form for Promotion Acceptance Expansion (F GA CT 01) to the Promotion Certificate Division, Office of the Secretary General of the OBOI.

Investment Promotion Certificate Issuance

1. Applicants must submit the Promotion Certificate Application Form (F GA CT 08) and supporting documents for consideration within 6 months counting from the date of promotion acceptance, as follows:
   - 1.1 Promotion Certificate Application Form (F GA CT 08) with complete information
   - 1.2 Memorandum of association
   - 1.3 Memorandum of association for capital increase (in the case of capital increase)
   - 1.4 Certificate of Business Registration
   - 1.5 Certificate of the Office of the Company Limited and Partnership Registration
   - 1.6 List of Shareholders and their nationalities, certified by the Office of the Company Limited and Partnership Registration.
   - 1.7 Document showing the transfer of funds from overseas (in the case of foreign investment)
   - 1.8 Joint venture contract, licensing agreement, technical assistance contract (if any)
   - 1.9 Utility and Manpower Requirements Form (F GA CT 13)

   The OBOI will issue the investment promotion certificate within 10 working days, counting from the date on which the OBOI receives the complete promotion acceptance form and all supporting documents.

2. In case applicants cannot submit the Promotion Certificate Application Form and supporting documents for consideration within the due date according to above No.1, applicants can submit the Form of Extension for Documents Submission to Issue the Promotion Certificate (F GA CT 04) which is allowed 3 times. The OBOI will consider the 1st and 2nd extensions for documents submission to issue the promotion certificate within 3 working days and the 3rd extension within 7 working days, counting from the date on which the OBOI receives the extension request from the applicant.

3. Applicants can submit the Promotion Certificate Application Form or the Form of Extension for Documents Submission to Issue the Promotion Certificate or further details directly to the Promotion Certificate Division, Office of the Secretary General of the OBOI.

Amendment of Document Attached to Promotion Certificate

Amendment of document attached to promotion certificate will be completed 1 day after all required documents have been submitted.

Amendment field	Required Document
1.1 Incentive (1) section 28, Exemption of import duties on machinery (2) section 30, Reduction of import duties for raw or essential materials (3) section 31, Exemption of corporate income tax (increase/reduction incentives) (4) section 36 (1)(2), Exemption of import duty on raw or essential materials imported for use in production for export (expansion) (5) cancellation/partial withdrawal of rights and benefits. (6) extension of Machinery Importation Period and Operation Start-up	1. Copy of approved letter from Investment Promotion Bureau 2. Original promotion certificate
1.2 Project specific conditions (1) registered capital (2) modification of shareholding structure (3) product type/business size (4) factory/business location (5) increase/reduction in production capacity (6) change in tax value	1. Copy of approved letter from Investment Promotion Bureau 2. Original promotion certificate Remark In case of increase in foreign shareholding, documents showing the transfer of funds from overseas are required.
1.3 Others (1) office location (2) Company's name	1. Covering letter from the company 2. Copy of certificate from the Office of the Company Limited and Partnership Registration. 3. Original promotion certificate

Chapter 3 Feasibility Study for Projects Applying for Investment Promotion

A Feasibility Study for A Project Applying for Investment Promotion

For a Project with Investment Capital of over 750 Million Baht (Excluding Cost of Land and Working Capital)

A feasibility study for the project must consist of the following details:

1. Summary of the Project

Summary of the project in brief: The applicant's products, investment capital, factory location, the number of workers, raw materials in use, technology, etc.

2. Industry Overview

2.1 The linkage between the products for which investment promotion is requested with other industries. Explain the general situation of these industries both in Thailand and in foreign countries.

2.2 Demand for the project:

2.2.1 Domestic demand:

- Import statistics for the preceding five years.
- Production quantity of other manufactures for similar products (if any).
- The quantity and future trend of the industries using the products for which investment promotion is requested, as their raw materials.
- The demand and future trend of the products.

2.2.2 Major export markets and future trend of these markets

2.3 Local production capacity of similar products:

- The number of non-promoted manufacturers, their product quality and productivity.
- The number of promoted manufactures and utilization of production capacity (at full scale).

3. The Appropriateness of the Project

3.1 Investors:

- Explanation of business and industry experiences of Thai and foreign investors and the company's executives, and the investment ratio of all investors concerned.
- Progress in the negotiations between investors: at the initial stage of negotiation or the contract is signed.
- In the case of utilizing an existing company by not setting up a new one, explanation of the shareholders, business, profit and loss, and the preceding balance sheets of the existing company.

3.2 Financial aspects:
- Source of funds: The amount of equity and/or debt, local and from foreign countries.
- Utilization of investment capital: For land construction, machinery, working capital, etc.
- Cash flow, net present value and internal rate of return (IRR) in the case of exempted corporate income tax and non-exempted corporate income tax.
- Progress in the financial institute's consideration of the application for debt: is it still under consideration or is the debt approved?

3.3 Competitiveness:
- Suitability of import duties and business taxes on the products and the main raw materials.
- Average production cost at 50%, 80% and 100% of production capacity.
- CIF process and cost of imported similar products.
- The advantages of manufacturing the products in Thailand.
- Sensitivity analysis: The effects on the viability of the project of changes in the projection of the raw materials' selling price and changes in the rate of taxes and duties on the main raw materials.

3.4 Technical aspects:
- Available production techniques, the advantages and disadvantages of each technique, techniques used in various countries, the reasons why the project chose the specific technique(s).
- Explanations of technical support, aspects which they assist.
- Conditions and limitations of technology transfer, the cost of know-how.
- The appropriateness of production process.
- The appropriateness of production scales in comparison to those used in factories in other countries.
- Sources and adequacy of raw materials, including opportunities to produce raw materials in Thailand.
- Factory location: reasons for choosing the province as the factory location; the adequacy of water, electricity and other infrastructure.
- Utilization of labor at various levels, training courses.

3.5 Effects on the environment:
- Will the raw materials of the products or production process cause environmental problems?
- Measures to eliminate or control pollution, investment capital for machinery and for expenses of implementation of pollution control plans.

3.6 Research and Development (R&D): Explanation of R&D plan.
- Improvements on production quality and production design.
- Improvements on productivity in conserving raw materials and employees.
- Improvements on production process.
- Improvements in the quality of the raw materials in use.

4. Effects on the Overall Economy

4.1 How much will the government lose in revenue by promoting the project?
- Corporate income tax.
- Import duties on machinery.
- Import duties on raw materials.

4.2 Benefits to the overall economy
- Domestic value-added.
- Saving or bringing in net foreign currency.
- Increases in domestic employment.
- Factory establishment in provincial areas.
- Benefits to linked industries.

5. Assistance from the Government

5.1 The necessity to apply for promotional privileges: requested incentives.

5.2 The degree of necessity to adjust import duties on raw materials and finished products.

5.3 Is it necessary to request special protection from competition from foreign countries or is it necessary to limit the number of local manufacturers?

5.4 Government assistance in various aspects, such as electricity, water, infrastructure etc.

Contact Us

Office of The Board of Investment
555 Vibhavadi-Rangsit Road, Chatuchak,
Bangkok 10900
Tel: +66 (0) 2553-8111
Fax: +66 (0) 2553-8222, +66 (0) 2553-8316
Website: www.boi.go.th
Email: head@boi.go.th

Investment Services Center
555 Vibhavadi-Rangsit Road, Chatuchak,
Bangkok 10900
Tel: +66 (0) 2553-8216
Fax: +66 (0) 2553-8222, +66 (0) 2553-8316
Website: www.boi.go.th
Email: head@boi.go.th

Industrial Linkage Development Division
555 Vibhavadi-Rangsit Road, Chatuchak,
Bangkok 10900
Tel: +66 (0) 2553-8111-7
Fax: +66 (0) 2553-8325
Website: build.boi.go.th
Email: build@boi.go.th

One Stop Service Center for Visas and Work Permits
18th Floor, Chamchuri Square Building,
319 Phayathai Road, Pathumwan, Bangkok 10330
Tel: +66 (0) 2209-1100
Fax: +66 (0) 2209-1194
Email: visawork@boi.go.th

One Start One Stop Investment Center (OSOS)
18th Floor, Chamchuri Square Building,
319 Phayathai Road, Pathumwan, Bangkok 10330
Tel: +66 (0) 2209-1100
Fax: +66 (0) 2209-1199
Website: osos.boi.go.th
Email: osos@boi.go.th

Regional Offices

Regional Investment and Economic Center 1 (Chiang Mai)
Airport Business Park 108-110,
90 Mahidol Road, Amphur Muang,
Chiang Mai 50100
Tel: +66 (0) 5329 4100
Fax: +66 (0) 5329 4199
Email: chmai@boi.go.th

Regional Investment and Economic Center 2 (Nakhon Ratchasima)
2112/22 Mitraphab Road, Amphur Muang,
Nakhon Ratchasima 30000
Tel: +66 (0) 4438 4200
Fax: +66 (0) 4438 4299
Email: korat@boi.go.th

Regional Investment and Economic Center 3 (Khonkaen)
177/54 Moo 17, Mitraphab Road,
Amphur Muang, Khonkaen 40000
Tel: +66 (0) 4327 1300-2
Fax: +66 (0) 4327 1303
Email: khonkaen@boi.go.th

Regional Investment and Economic Center 4 (Chonburi)
46 Moo 5 Laem Chabang Industrial Estate,
Sukhumvit Road, Toongsukhla, Srira-cha,
Chonburi 20230
Tel: +66 (0) 3840 4900
Fax: +66 (0) 3840 4997, +66 (0) 3840 4999
Email: chonburi@boi.go.th

Regional Investment and Economic Center 5 (Songkhla)

7-15 Chaiyong Building Juti Uthit 1 Road,
Hadd Yai, Songkhla 90110
Tel: +66 (0) 7458 4500
Fax: +66 (0) 7458 4599
Email: songkhla@boi.go.th

Regional Investment and Economic Center 6 (Surat Thani)

49/21-22 Sriwichai Road, Makhamtia,
Amphur Muang, Surat Thani 84000
Tel: +66 (0) 7740 4600
Fax: +66 (0) 7740 4699
Email: surat@boi.go.th

Regional Investment and Economic Center 7 (Phitsanulok)

3rd Floor, Thai Sivarat Building, 59/15
Boromtrilokkanat 2 Road, Naimuang,
Amphur Muang, Phitsanulok 65000
Tel: +66 (0) 5524-8111
Fax: +66 (0) 5524-8777
Email: phitsanulok@boi.go.th

Overseas Offices

SHANGHAI

Thailand Board of Investment, Shanghai Office
Royal Thai Consulate-General,
No.18 Wanshan Road, Changning District,
Shanghai 200336 P.R. China
Tel: +86-21-5260-9876, +86-21-5260-9877
Fax: +86-21-5260-9873
Email: shanghai@boi.go.th

BEIJING

Thailand Board of Investment, Beijing Office
Royal Thai Embassy, No.21 Guang Hua Road,
Beijing 100600 P.R. China
Tel: +86-10-8531-8755 to 8757
Fax: +86-10-8531-8758
Email: beijing@boi.go.th

GUANGZHOU

Thailand Board of Investment, Guangzhou Office
Investment Promotion Section,
Royal Thai Consulate-General, Guangzhou
No.36 Youhe Road, Haizhu District,
Guangzhou 510310 P.R. China
Tel: +86-20-8385-8988 Ext. 220-225,
+86-20-8387-7770 (Direct line)
Fax: +86-20-8387-2700
Email: guangzhou@boi.go.th

TAIPEI

Thailand Board of Investment, Taipei Office
Taipei World Trade Center, 3rd Floor, Room 3E 39-40
No.5 Xin-Yi Road, Sec.5 Taipei 110, Taiwan R.O.C.
Tel: +886-2-2345-6663
Fax: +886-2-2345-9223
Email: taipei@boi.go.th

TOKYO

Thailand Board of Investment, Tokyo Office
Royal Thai Embassy, 8th Floor,
Fukuda Building West, 2-11-3, Akasaka, Minato-ku,
Tokyo 107-0052 Japan
Tel: +81 (0) 3-3582-1806
Fax: +81 (0) 3-3589-5176
Email: tyo@boi.go.th

OSAKA

Thailand Board of Investment, Osaka Office
Royal Thai Consulate-General,
Bangkok Bank Building, 7th Floor, 1-9-16
Kyutaro-Machi, Chuo-Ku, Osaka 541-0056 Japan
Tel: +81 (0) 6-6271-1395
Fax: +81 (0) 6-6271-1394
Email: osaka@boi.go.th

SEOUL

Thailand Board of Investment, Seoul Office
#1804, 18th Floor, Koryo Daeyeongak Center,
97 Toegye-ro, Jung-gu, Seoul, 100-706, Korea
Tel: +82-2-319-9998
Fax: +82-2-319-9997
Email: seoul@boi.go.th

MUMBAI

Thailand Board of Investment, Mumbai Office
Express Tower, 12th Floor, Barrister Rajni Patel Marg,
Nariman Point, Mumbai, Maharashtra 400021
Tel: +91-22-2204-1589-90
Fax: +91-22-2282-1525
Email: mumbai@boi.go.th

NEW YORK

Thailand Board of Investment, New York Office
7 World Trade Center, 34th Floor, Suite F,
250 Greenwich Street, New York,
New York 10007, U.S.A.
Tel: +1 (0) 212 422 9009
Fax: +1 (0) 212 422 9119
Email: nyc@boi.go.th
Website: www.thinkasiainvestthailand.com

LOS ANGELES

Thailand Board of Investment, Los Angeles Office
Royal Thai Consulate-General,
611 North Larchmont Boulevard, 3rd Floor,
Los Angeles CA 90004, U.S.A.
Tel: +1 (0)-323-960-1199
Fax: +1 (0)-323-960-1190
Email: boila@boi.go.th

FRANKFURT

Thailand Board of Investment, Frankfurt Office
Investment Section, Royal Thai Consulate-General
Bethmannstr. 58,5.0G, 60311 Frankfurt am Main, Federal
Republic of Germany
Tel: +49 (069) 92 91 230
Fax: +49 (069) 92 91 2320
Email: fra@boi.go.th

PARIS

Thailand Board of Investment, Paris Office
Ambassade Royale de Thaïlande
8, rue Greuze, 75116 Paris, France
Tel: +(33-1) 56 90 26 00
Fax: +(33-1) 56 90 26 02
Email: par@boi.go.th

STOCKHOLM

Thailand Board of Investment, Stockholm Office
Stureplan 4C 4th Floor, 114 35 Stockholm, Sweden
Tel: +46 (0) 8463 1158, +46 (0) 8463 1174-75
Fax: +46 (0) 8463 1160
Email: stockholm@boi.go.th

SYDNEY

Thailand Board of Investment, Sydney Office
Suite 101, Level 1, 234 George Street, Sydney,
New South Wales 2000, Australia
Tel: (+61-2) 9252-4884, (+61-2) 9252-4882
Email: sydney@boi.go.th

Office of The Board of Investment
555 Vibhavadi-Rangsit Road, Chatuchak,
Bangkok, Thailand 10900
Tel: +66 (0) 2553 8111
Fax: +66 (0) 2553 8315
Website: www.boi.go.th
Email: head@boi.go.th

EN 122018