

BOI Supporting Measures for Investment in Thailand

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泰国投资促进委员会 秘书长

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BOI Support to Investors



Ease of Doing
Business

business
ownership

100%
Foreign
Ownership



Attractive
Investment Tax
Incentives



Investment-
Related Services

Attractive Investment Tax Incentives

CIT exemption up to 13 years

50% reduction of corporate income tax

ITA- Investment Tax Allowance

Double deduction of public utilities costs

25% deduction of qualified infrastructure costs

Exemption of import duties on Machinery / Raw or essential materials imported for use in production for export / Materials for R&D activities

Matching funds for R&D and advanced training in strategic pioneer investment projects



Focus of Current Investment Promotion Policies



Technology and Innovation

- Priority Industry and Services
- Research and Development



Human Capital

- Domestic HR Development
- Attracting Foreign Talents



Target Area Development

- The Eastern Economic Corridor
- Border Special Economic Zones



Productivity Enhancement

- Automation
- Digitalization
- Renewable energy
- R&D & engineering design



Activity-based Incentives

Incentives are largely based on several key factors
i.e. level of technology, role in supply chain

 **Bio-based & Medical**

 **Advanced Industries**

 **Basic & Supporting**

 **High Value Services**

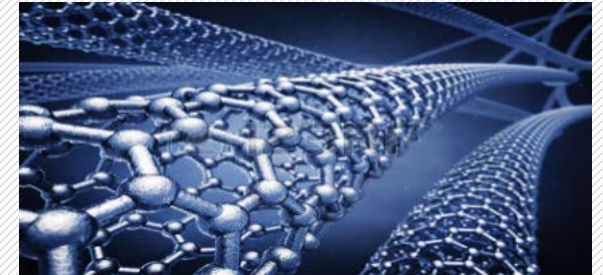
 **Creative & Digital**

Targeted Core Technologies

Biotechnology



Nanotechnology



Advanced Material
Technology



Digital Technology



Competitiveness Enhancement Incentives (Merit-Based Incentives)

Additional years of tax holidays can be granted if expenditures/investments in the following categories reach the minimum threshold.

- 1. R&D: In-house, outsourced in Thailand or joint R&D with overseas institutions**
- 2. Donations to technology and human resource development funds, educational institutions, specialized training centers, R&D institutes or governmental agencies in the S&T field**
- 3. IP acquisition/licensing fees for commercializing technology developed in Thailand**
- 4. Advanced technology training**
- 5. Development of local suppliers with at a least 51% Thai shareholding in advanced technology training and technical assistance**
- 6. Product & packaging design: In-house or outsourced in Thailand**

Merit-Based Incentives-Optional Scheme

**Product-Based
Incentives**

**Technology-Based
Incentives**

+

**Merit-Based
Incentives**

Total CIT Exemption => Maximum 13 Years

Area-based Incentives



Eastern Economic Corridor (EEC)

(Chachoengsao, Chonburi and Rayong)



Special Economic Development Zones (SEZs)

(Tak, Sa kaew, Trat, Mukdahan, Songklah, Nongkhai, Narathiwat, Chiang Rai, Nakhon Panom, Kanjanaburi: 10 provinces, 23 districts, 90 sub-districts)



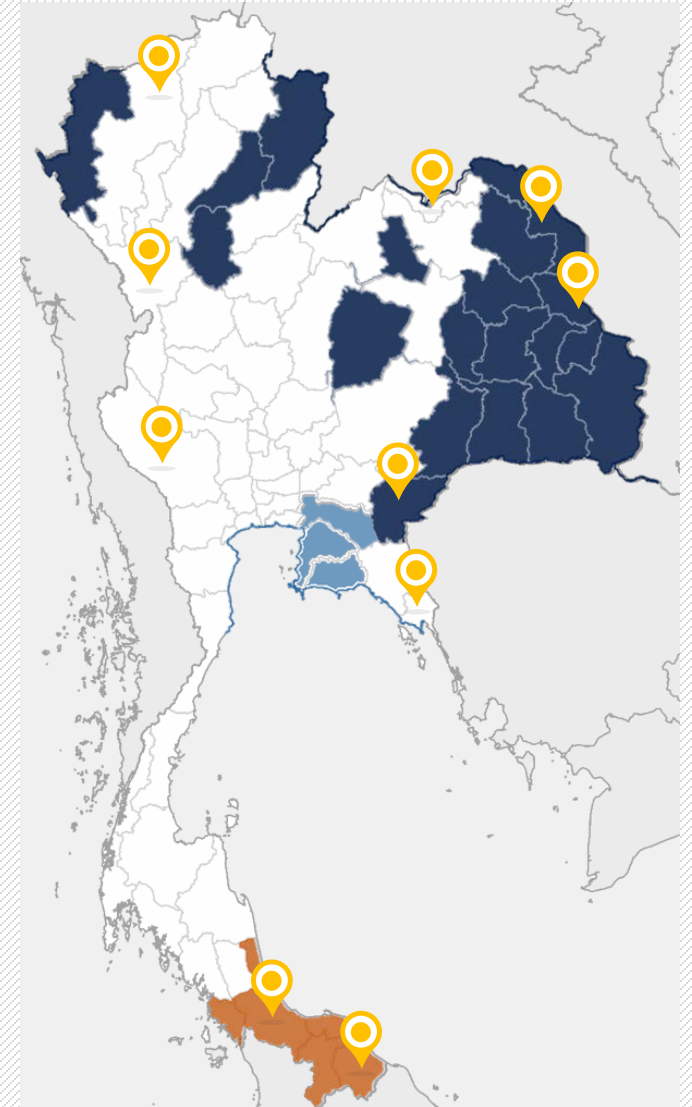
Border Provinces in Southern Thailand

Narathiwat, Pattani, Yala and Satun and 4 districts (Jana, Na Thawee, Saba Yoi, Dhepha) in Songkhla



The 20 Poorest Provinces

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)



BOI's Special Support Measures for the EEC

An **additional incentive package** (additional years of corporate income tax exemption or reduction) is available for investments located in the EEC if they are

- ✓ Engaged in the designated activities
- ✓ Located in the designated areas
- ✓ Engaged in a co-operative education program with an educational institution

Eligible Activities for the BOI Special Package for EEC

Targeted Industries in the
EEC

S-Curve
Industries



Activities Supporting

S&T



Basic
Infrastructure

117

Categories in Total

5 New S-Curve



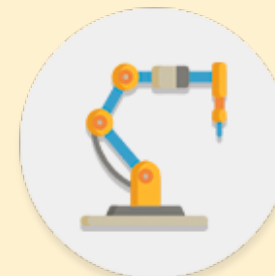
Biofuels and
Biochemical



Digital Economy



Medical Hub



Automation
and Robotics



Aviation
and Logistics

5 First S-Curve



Agricultural and
Biotechnology



Smart
Electronics



Affluent Medical &
Wellness Tourism



Next-Generation
Automotive



Food for
The Future

Designated Areas Eligible for the BOI Special Package for EEC

1. Promoted Zones for Specific Industries (announced by EEC)

- Eastern Economic Corridor of Innovation: **EECi**
(under the Ministry of Science and Technology) *
- Digital Park Thailand: **EECd**
(under the Ministry of Digital Economy and Society)
- EEC Aerotropolis: **EEC-A**

2. Promoted Zones for Targeted Industries (announced by EEC)

- 21 designated industrial estates with focus on targeted S-curve industries

3. Other Industrial Estates + Industrial Parks in the EEC

* Projects are allowed to be temporarily located in the designated science parks and must be relocated to the EECi by 30 December 2023

Designated Areas Eligible for the BOI Special Package for EEC

1

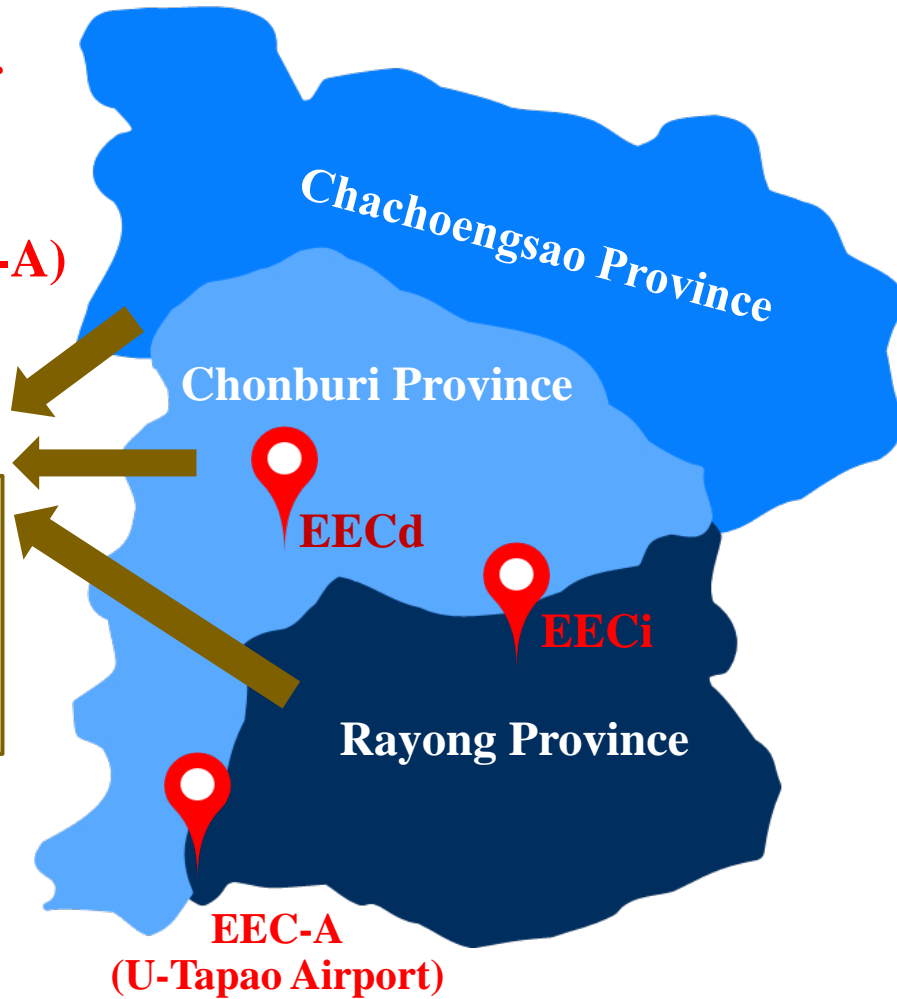
Promoted Zones for Specific Industries



(EECi, EECd, EEC-A)

3

Other Industrial Estates + Industrial Parks in the EEC



Promoted Zones for Targeted Industries (Total 21)

2

Chachoengsao - TFD 2


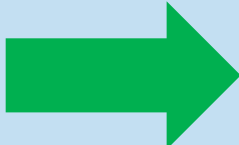
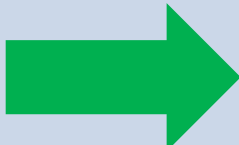
Chonburi Total 12

- Yamato Industries
- Amata city 1-2
- Pinthong 1-5
- Hemaraj Chonburi 1-2
- Hemaraj eastern sea board 2-3

Rayong Total 8

- Smart Park
- Hemaraj eastern sea board 1,4
- Hemaraj west (Map Ta Phut)
- Eastern sea board (Rayong)
- Hemaraj Rayong 36
- Amata city
- CP Rayong

BOI Special Package for EEC (corporate income tax)

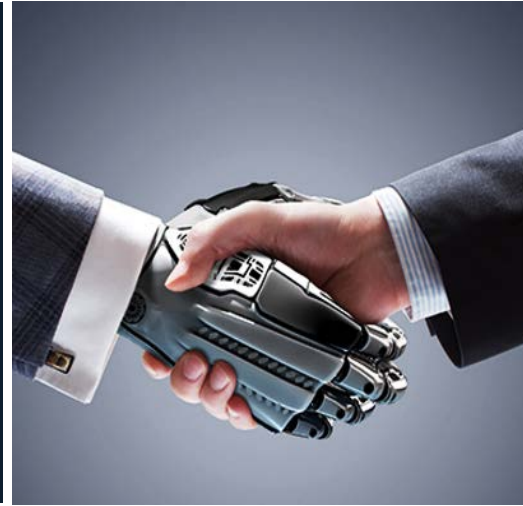
| | Basic Package | | EEC Package |
|--|---|---|---|
| EECi, EECd, EEC Aerotropolis | Industries of Focus 10 yrs. 8 yrs. 5 yrs. |  | 13 yrs. 12 yrs. 7 yrs. + 50% (5 yrs.) |
| | Other Targeted Industries | | Basic + 50% (3 yrs.) |
| Promoted Zones for Targeted Industries | Industries of Focus 10 yrs. 5-8 yrs. |  | 12 yrs. Basic + 50% (5 yrs.) |
| | Other Targeted Industries | | Basic + 50% (3 yrs.) |
| Other Industrial Estates/ Industrial Parks in EEC | All Targeted Industries 10 yrs. 5-8 yrs. |  | 11 yrs. Basic + 50% (3 yrs.) |

Measures to Promote Productivity

3-year tax holidays to existing firms making investments on



Replacing or upgrading machinery for energy conservation, alternative energy utilization, reduction of environmental impacts



Replacing or upgrading machinery for efficiency enhancement, e.g. Automation, Digitalization

R&D /
Advanced
engineering designs



Obtaining sustainability certification or international agricultural industrial standards



One Start One Stop Investment Center



Consolidating staff from numerous investment-related agencies



Easing & speeding procedures for new investors



Provides comprehensive information and advice on establishing operations in Thailand.



Provides useful contacts with key public and private organizations



1-Stop for visas & work permits in 3 hours



Assist investors with various applications

SMART VISA

from **February 1, 2018**

**Taking Thailand to New Heights
with Foreign Talents and Technologies**



Highly-Skilled Experts
(Talents)



Investors



Senior Executives



Spouse and Children
of Smart Visa holders



Startup
Entrepreneurs

The **Smart Visa** Program is intended to attract experts, senior managers, and investors to work or invest in technology companies to help develop the 10 targeted industries which will, in turn, drive technology and innovation in Thailand.

For more information

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