



Announcement of the Board of Investment
No. Sor 2/2562
Promotion of Rail System Industry

Subsequent to the Announcement of the Board of Investment No.2/2557 dated December 3, 2014, Re: Policies and Criteria for Investment Promotion;

In order to encourage and accelerate the investment on the production of trains, parts, or equipment relating to rail system industry in conformity with the government's future plan on rail mass transit system, by virtue of Section 16, paragraph two, Section 18, Section 33, and Section 35 of the Investment Promotion Act, B.E. 2520 (A.D.1977), the Board of Investment hereby announces the followings:

Clause 1: The terms in Activity 4.10 of Section 4 in the List of Activities Eligible for Investment Promotion annexed to the Announcement of the Board of Investment No.2/2557 dated December 3, 2014 shall be repealed and replaced with the following terms.

Section 4 Metal Products, Machinery, and Transport Equipment

Activities	Conditions	Incentives
4.10 Manufacture and/or repair of rolling stocks, parts or equipment for rail system		
4.10.1 Manufacture of trains and/or rolling stocks, e.g. passenger cars and cargo cars, etc.		
4.10.1.1 Manufacture of trains and/or rolling stocks, e.g. passenger cars and cargo cars, that requires engineering design.	1. Project must have engineering design process. 2. Project must conform to international standard or related government agencies' specifications.	A1
4.10.1.2 Manufacture of trains and/or rolling stocks, e.g. passenger cars and cargo cars.		
4.10.2 Repair of trains or parts, or rail system equipment.	Project must conform to international standard or related government agencies' specifications. Project must have overhaul or repair activities using high level of technology.	A2 A3

Activities	Conditions	Incentives
<p>4.10.3 Manufacture of rail system parts or equipment, i.e.</p> <ul style="list-style-type: none"> - Main structure - Rolling stocks - Cab and equipment - Bogie - Break system and/or major parts - Couplers - Air condition and ventilation system and/or major parts - Air compressor and distributor and/or major parts - Door system and/or major parts - Lighting system and/or major parts - Communication and observation systems and/or major parts - Controlling and signaling systems and/or major parts - Electric power and distribution system - Track and parts 	<p>Manufacturing process must comply to the approval of the Board.</p>	<p>A2</p>

Clause 2: This special measure for investment promotion of rail system industry and related industries shall be valid for the applications submitted between January 11, 2019 and December 30, 2021.

2.1 All provinces except Bangkok are eligible for this investment promotion.

2.2 Additional incentives:

2.2.1 Projects located in Khon Kaen and Nakhon Ratchasima provinces shall be eligible for an additional 50% corporate income tax deduction from that of the Announcement of the Board of Investment No. 2/2557 dated December 3, 2014 for a period of 5 years from the expiry date of the corporate income tax exemption period.

2.2.2 Projects located in all provinces except Bangkok, Khon Kaen and Nakhon Ratchasima shall be eligible for an additional 50% corporate income tax deduction from that of the Announcement of the Board of Investment No. 2/2557 dated December 3, 2014 for a period of 3 years from the expiry date of the corporate income tax exemption period.

2.3 Conditions:

2.3.1 It must be a business on manufacture and/or repair of trains, parts, or rail system equipment. The project must have received not more than 8 years in total of corporate income tax exemption from various investment promotion measures.

2.3.2 No time extension is allowed for all processes (from acceptance of resolution to starting operation) in order to stimulate and accelerate the investment.

2.3.3 Application for operating business and evidence of project qualifications in accordance with the conditions must be submitted to the BOI before the expiry of the corporate income tax exemption period according to Section 31 for both time duration and amount of income exempted.

Clause 3: This Announcement shall apply to any investment promotion applications submitted as from January 11, 2019

This Announcement shall be effective from now on.

Announced on February 12, 2019.

General Prayut Chan-o-cha

(Prayut Chan-o-cha)

Chairman of the Board of Investment