

www.boi.go.th

Think Asia, Invest Thailand

Thailand, a perfect place for your business to grow



BOI Flood Relief Measures January 2012

Measures to Minimize Business Interruption

1. Factories can be allowed to temporarily relocated elsewhere to continue their production for the period of 6 months from the application submission date. This temporary relocation period can be extended if necessary.
2. Manufacturing process can be allowed to be outsourced partially or wholly on a temporary basis.
3. The BOI, the Ministry of Labor and the Immigration Bureau help facilitate companies to bring in foreign experts and technicians to rehabilitate the factories

Measures to Reduce Tax Burdens

1. The importation of machinery for replacement is entitled to duty-free. (submission deadline: by the end of June 2012).
2. Raw materials imported damaged by the flooding can be counted as part of the waste allowance without any tax burden.
3. Additional years of corporate income tax exemption are offered to BOI-promoted companies directly affected by the recent flooding that are still during their tax holidays (Please see details in slide 4 & 5.)
4. Industrial estates that invest in flood prevention systems are also offered 8-year tax holidays with the corporate income tax exemption ceiling of 200% of their investment excluding land cost and working capital. (Please see details in slide 6.)

Tax Incentives for Directly Flood-Affected Companies

THAILAND BOARD OF INVESTMENT

Eligibility

- Existing BOI-promoted projects directly affected by flood
- Still have remaining unused corporate tax exemption period

Remark: An official announcement is to be used issued soon.

Incentives

1. Projects subject to a corporate income tax exemption cap

Remaining at original province	8-year corporate income tax exemption (subject to 150% cap on new investment * + remaining unused cap)
Relocation to another province	8-year corporate income tax exemption (subject to 100% cap on new investment * + remaining unused cap)

*All fixed assets (except land) including repairs of existing machinery and replacement machinery previously imported under the BOI scheme

2. Projects not subject to a corporate income tax exemption cap

Companies can use option 1 above or the following scheme.

Remaining Corporate Income Tax Exemption Period	Additional Years of Corporate Income Tax Exemption to be Granted
≤ 5 years	+ 3 more years
> 5-6 years	+ 2 more years & 2-year 50% tax reduction
> 6-7 years	+ 1 more year & 4-year 50% tax reduction
> 7-8 years	+ 5-year 50% tax reduction

Tax Incentives for Industrial Estates

Conditions

- All industrial estates/zones
- Invest in flood-prevention infrastructure and system

Incentives

- 8-year corporate income tax exemption with cap of 200% of investment excluding costs of land and working capital