

## NEWSLETTER

No. 31  
Edition June 2009

### INSIDE THIS EDITION

1. Exemption of Annual Fee for Factory Operators ..... 1
2. Conditions for Double Deduction for Seminar and  
Accommodation Rooms Expenses ..... 1
3. Conditions for Home Purchase Deduction ..... 2

Disclaimer: The materials on this document have been prepared for informational purposes only and are not intended to be legal advice. The reader should not act in any way on the basis of the information without seeking where necessary appropriate professional advice concerning their own individual circumstances. NARIT & ASSOCIATES assumes no responsibility for, and disclaims all liabilities (including responsibility for any action or inaction taken) to the fullest extent permitted by law.

## LEGAL UPDATE

### 1. Exemption of Annual Fee for Factory Operators

As the industrial production sector is growing at a slow rate, the Cabinet issues the policy to stimulate the economy. The Ministerial Regulation on Exemption of Annual Fee for Factory Operators, B.E. 2552 (2009) is prescribed by virtue of the Factories Act, B.E. 2535 (1992) (the "Act") to exempt the annual fee under the Act that is due from June 1, 2009 from May 31, 2010 for category 2 factory operators and category 3 factory operators.

For more information, please contact us.

## TAX UPDATE

### 2. Conditions for Double Deduction for Seminar and Accommodation Rooms Expenses

Earlier this year (2009), the government introduced this tax incentive to stimulate the use of services in the nation's tourism industry. A corporate taxpayer can hold the seminar/training in Thailand to enhance the knowledge within the country and claim 200% of the actual expenses for seminar and accommodation rooms in Thailand as its deductible expense in its corporate income tax computation. The Director-General of the Revenue Department issues the notification to outline the conditions for this double deduction as follows:

1. A corporate taxpayer must do a seminar project evidenced by documents for presentation to a revenue official.
2. An expense for seminar, which is eligible for double deduction, means an expense for seminar rooms or seminar room and accommodation rooms for seminars and stay in the country. A seminar room and accommodations rooms may not necessarily be in the same business premises, but must be related to the seminar at the time.

A seminar room expense includes any expense that a seminar room service provider collects for food and drinks from the use of a seminar room.

3. A seminar must be completed within the accounting period that commences on or after January 1, 2009. This double deduction privilege must be used solely and cannot be used in combination with the double deduction privilege for employee's education or training.

For more information, please contact us.

## TAX UPDATE

### 3. Conditions for Home Purchase Deduction

In order to grant a tax relief to a homebuyer and support the real estate business, the Ministerial Regulation No. 271 (B.E. 2552) was enacted to provide the tax deduction up to Baht 300,000 for a home price that an individual taxpayer pays for a building, a building with land or a condominium unit in a condominium building to be used for the residential purpose. The Director-General of the Revenue Department issues the notification to prescribe the conditions for this deduction.

1. A homebuyer must purchase a building, a building with a land plot or a condominium unit in a condominium building for taxpayer's dwelling in 2009. A property eligible for this deduction must never be registered for ownership transfer either partially or entirely.
2. An assessable income will be exempt from the personal income tax equal to the actual purchase price, but up to Baht 300,000, provided that the purchase price is paid in 2009.
3. If a taxpayer purchase many properties, an assessable income will be exempt from the personal income tax equal to the sum of all properties' purchase prices, but up to Baht 300,000 in total.
4. A taxpayer must have a certification from a seller to prove the payment of the price of a property.
5. A taxpayer must have his or her name registered as an owner of a purchased property for a consecutive period of three years from a registration date, except in the case where a taxpayer dies.

For more information, please contact us.

### GENERAL COUNSEL SERVICES

### OUTSOURCED LEGAL SERVICES AT COST SAVING, FIXED RATE

General Counsel Services arrangement is a great solution for corporate companies who do not have in-house lawyers or have a stretched legal department, but require additional legal support in the cost-effective and flexible way.

NARIT & Associates proudly presents our General Counsel Services, unique outsourced in-house general counsel legal services, a new approach to your business at more affordable rates. General Counsel Services is a unique arrangement in which for a monthly fixed retainer fee, the clients are provided with the legal services that are traditionally rendered by the in-house legal counsels.

General Counsel Services brings the best of both worlds together, namely all the benefits and comfort of having in-house legal counsel as well as outsourcing flexibility and expertise of outside law firms. Corporate clients are benefited from an unlimited access to our legal advice, raising any legal questions to us as many as they wish.

#### LAW FIRM EXPERTISE AT A FIXED FEE

We offer the expertise of traditional international law firms at a fixed fee.

#### COST SAVING

Outsourced general counsel services costs the company less than hiring a fulltime in-house legal counsel. The lower costs and the other benefits of in-house general counsel can be achieved without the need to add another (expensive) person to the company payroll with its associated concerns and overhead costs.

#### HAND-ON SUPPORT

We provide full-time support from a team of experienced legal professionals in the most cost-effective way.

#### FLEXIBILITY

The company fully benefits from all flexibility and cost effectiveness of the outsourcing approach offered by our General Counsel Services.

#### CONTINUITY

Your outsourced general counsel from us is well acquainted with your business issues facing your company and consequently provides focused, relevant, practical, and cost effective legal advice that is becoming increasingly crucial to your business.

### **PART-TIME GENERAL COUNSEL**

If your legal needs do not justify hiring a full time in-house general counsel, all you need is part-time legal advice on various business issues, our General Counsel Services can fill the gap to satisfy your need.

### **EASY BUDGETING**

You can precisely and conveniently budget for legal fees, without worrying about the meter running or incurring additional costs.

### **IN-HOUSE ATTORNEY'S BENEFITS**

You have the advantages of an in-house attorney at a reasonable monthly rate.

### **AVAILABILITY OF TEMPORARY SERVICES**

Temporary general counsel services are also available to fill in the gap when your permanent general counsel takes her maternity leave, is on prolonged sick leave or leaves a job.

### **TAILOR MADE**

We structure our general counsel scheme based entirely on your particular needs. So your retainer scheme or project based scheme is tailor made to meet your particular needs.

## **OTHER LEGAL SERVICES**

- Corporate & Commercial**
- Construction**
- Contracts/Agreements**
- Employment**
- Insurance**
- Litigation & Dispute Resolution**
- Mergers & Acquisitions**
- Notarial Services**
- Private Clients**
- Real Estate**
- Work Permit & Immigration**

Please contact our attorney, should you require any legal assistance.

# NARIT & ASSOCIATES

Attorneys at Law

## LEGAL AND TAX SERVICES

B A N G K O K , T H A I L A N D

### FIRM PROFILE

NARIT & ASSOCIATES is international law firm based in Bangkok, Thailand with principal areas of practice on Corporate & Commercial, Mergers & Acquisitions, Tax Planning, Litigation & Dispute Resolution, Business Contracts/Agreements, Real Estate & Construction, Insurance and Employment.

We have experiences in advising our clients, from publicly held companies, Thai subsidiaries of multinational corporations to foreign and private investors, across a broad range of matters, including acquisitions of local companies, formation of joint venture companies, international sales, investment/divestment, distributorship, commercial contract tax planning, cross border tax planning, transfer pricing, remittance of profit and tax dispute.

As we aspire to be a fast growing legal service provider in Thailand, we are pleased to offer our high quality legal services at a very competitive rate, as compared to those of other international law firms.

Contact our lawyer to find out how we can help you.

### AREAS OF PRACTICE

Corporate & Commercial  
Construction  
Contracts / Agreements  
Employment  
General Counsel Services for Corporate Clients  
Insurance  
Litigation & Dispute Resolution  
Mergers & Acquisitions  
Private Clients  
Real Estate  
Tax  
Work Permit & Immigration

For more detailed information,  
please visit our website at

[www.naritlaw.com](http://www.naritlaw.com)

### CONTACT INFO

OFFICE ADDRESS:  
65/31 Chamnan Phenjati Business Center  
2<sup>nd</sup> Floor, Rama IX Road  
Huay Khwang, Huay Khwang  
Bangkok 10320

TEL: +66 86 785 0793  
+66 2248 2872  
FAX: +66 2248 2873  
E-MAIL: [enquiry@naritlaw.com](mailto:enquiry@naritlaw.com)  
WEBSITE: [www.naritlaw.com](http://www.naritlaw.com)