# NARIT & ASSOCIATES Attorneys at Law

## LEGAL AND TAX SERVICES BANGKOK, THAILAND

### NEWSLETTER

No. 25 Edition December 2008

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#### **UP COMING EVENT**

Mr. Narit Direkwattanachai will be addressing the Asia Business Forum on:

Corporate Legal Counsels Forum '09 -Legal Aspects of Managing Contract and Subcontract Risks

> Friday, March 27, 2009 Nai Lert Park Hotel, Bangkok, Thailand

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#### **TAX UPDATE**

1. Revenue Department's Warning on Use of Parent Support Deduction (Grateful Child Deduction)

The Revenue Department issues the warning on the use of the parent support deduction in which an individual taxpayer can claim an extra tax deduction for providing the support to individual taxpayer's parents. The Revenue Department highlights the most common mistakes in examination of this deduction as follows:

- 1. A parent is under 60 years old in the year that the tax return is filed.
- 2. A parent whom the deduction is claimed has an assessable income exceeding Baht 30,000. (A parent who is eligible for this deduction must not earn more than Baht 30,000 in the year.)
- 3. Two or more children claim the deduction for the same parent. (Only one of the children can claim the deduction for supporting one parent.)

The Revenue Department emphasizes that only the taxpayers who meet the conditions of this deduction should claim for this deduction.

For more information, please contact us.

#### **TAX UPDATE**

2. Individual Taxpayer's Deductible Amounts for Investments in Retirement Mutual Fund and Long Term Fund Are Temporarily Increased to Baht 700,000

In effort to encourage people to save more and invest for the retirements, the tax law allows an individual taxpayer to claim extra tax deductions for the amounts that such individual taxpayer invests in the Retirement Mutual Fund ("RMF") and the Long Term Fund ("LTF"). In other word, investing in RMF and LFT will entitle an individual taxpayer to claim extra tax deductions equal to the amounts invested in RMF and LTF. The Minister of Finance issues the Ministerial Regulation No. 267 (B.E. 2551) in order to temporarily increase the maximum tax deductible amounts that an individual taxpayer will receive for investing in RMF and LTF from Baht 500,000 to Baht 700,000 for each type of funds.

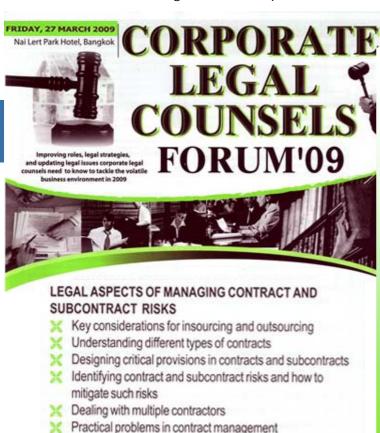
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The maximum amount that each individual taxpayer is allowed to invest and claim the tax deduction is temporarily increased for the purposes of encouraging more investments in RMF and LTF, and preventing the local capital market against any negative impacts derived from the current financial crisis. This increase is only applicable to the individual taxpayer who purchases the investment units in RMF and/or LTF within the prescribed period.

For more information, please contact us.

#### **UP COMING EVENT**

Mr. Narit Direkwattanachai will be addressing the Asia Business Forum in the following event and topic:



#### Speaker Profile

Mr. Narit Direkwattanachai is the Principal at NARIT & Associates, a Bangkok-based international law firm with main areas of practice in Corporate & Commercial, Mergers & Acquisitions, Tax, Real Estate, Construction and Commercial Dispute. Mr. Direkwattanachai earned an LLB (1st class honors) from Chulalongkorn University, an LLM (Chevening Scholar) from the University of Cambridge, UK and an MBA in Finance (GRSP Scholar) from the Georgia Institute of Technology, USA.

Having the right balance between his financial literacy and legal expertise, Mr. Direkwattanachai regularly advises publicly held companies, Thai subsidiaries of multinational corporations and foreign investors across a broad range of matters, including acquisitions of local companies, formation of joint venture companies, investment/divestment, international sales, distributorship, commercial contract tax planning, transfer pricing, cross border tax planning, remittance of profit and tax dispute.

Prior to establishing NARIT & Associates, Mr. Direkwattanachai worked with Baker & McKenzie, Bangkok office, Baker & McKenzie, Sydney office, and the Investment Banking Group of DBS Bank, Singapore.

He can be reached at narit@naritlaw.com

For more information about the event, please contact us.

### NARIT & ASSOCIATES

Attorneys at Law

## LEGAL AND TAX SERVICES BANGKOK, THAILAND

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.

### **NARIT & ASSOCIATES**

Attorneys at Law

## LEGAL AND TAX SERVICES BANGKOK, THAILAND

#### **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.

#### **I**N-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 attorneys, should you require any legal assistance.

### **NARIT & ASSOCIATES**

Attorneys at Law

## LEGAL AND TAX SERVICES BANGKOK, THAILAND

#### 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

Work Permit & Immigration

For more detailed information, please visit our website at

www.naritlaw.com

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