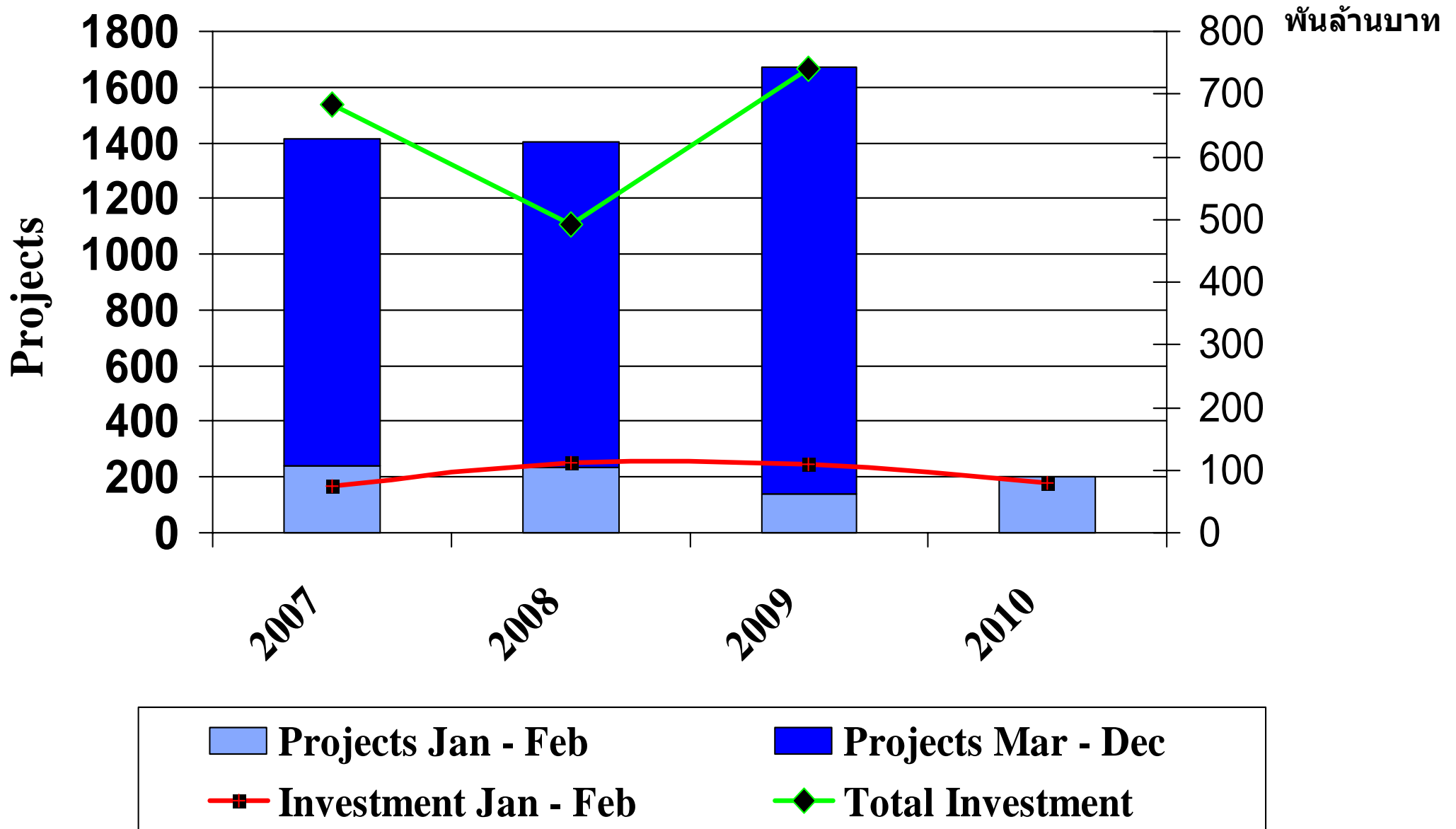


Electronics/Electrical Appliances Industry



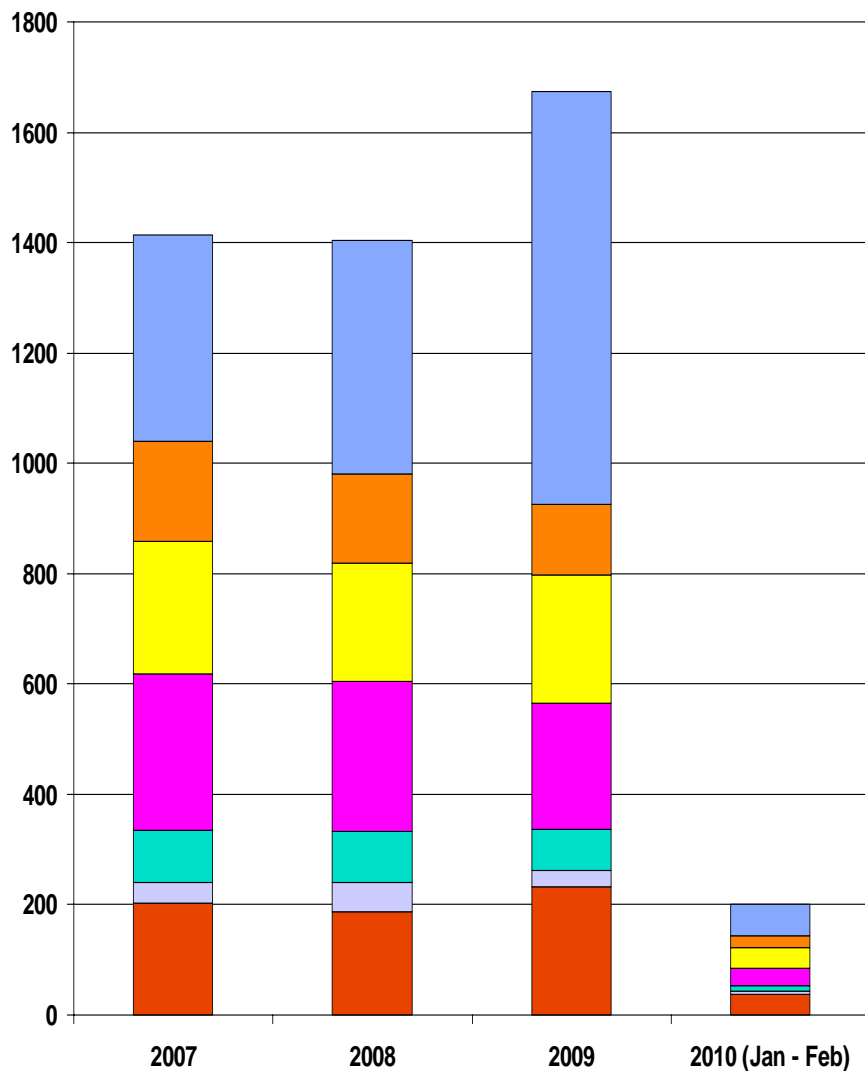
**Mr.Pittaya Lertmaharit
Thailand Board of Investment**

โครงการขอรับการส่งเสริม



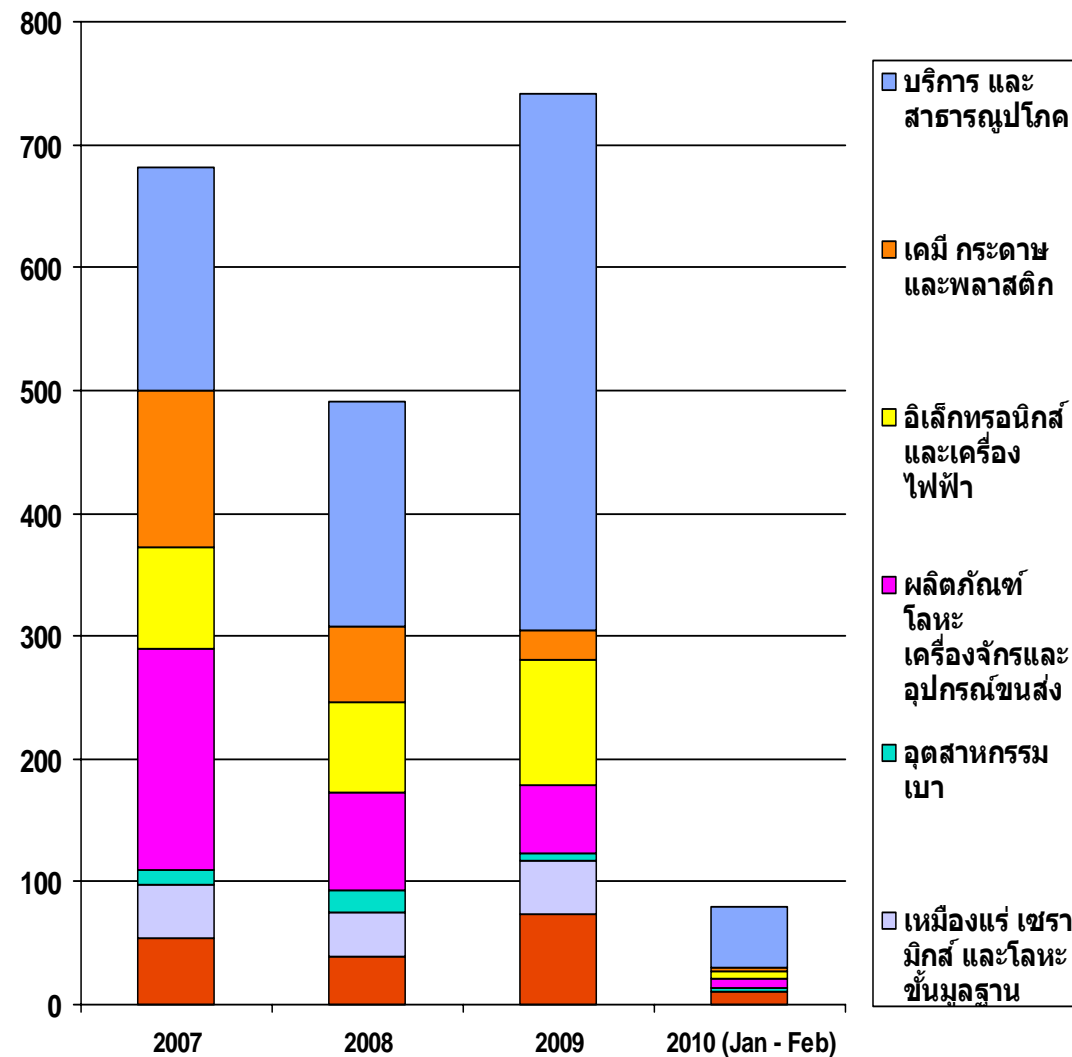
โครงการขอรับการส่งเสริมรายอุตสาหกรรม

คำขอรับการส่งเสริม

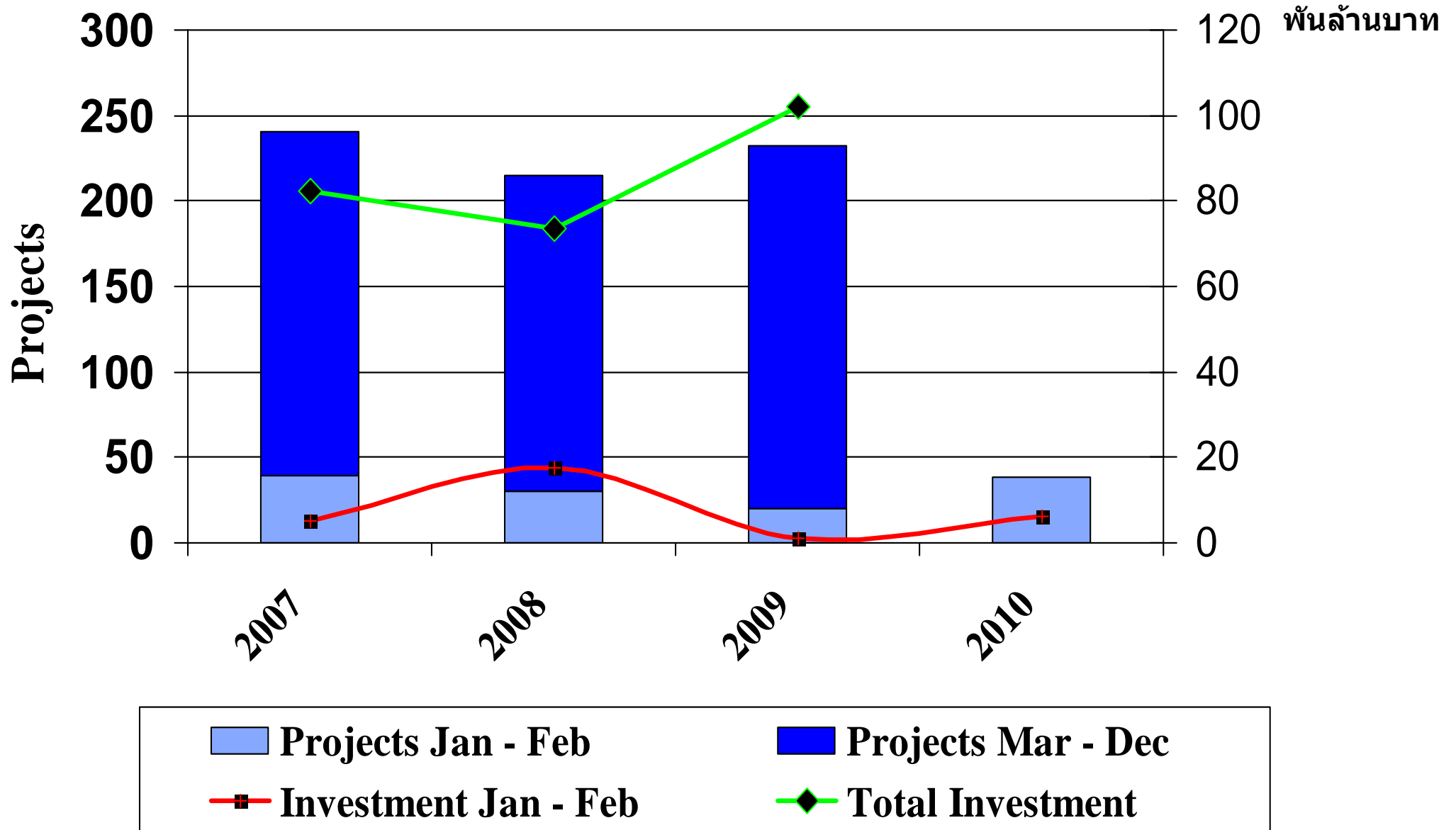


มูลค่าโครงการ

พันล้านบาท

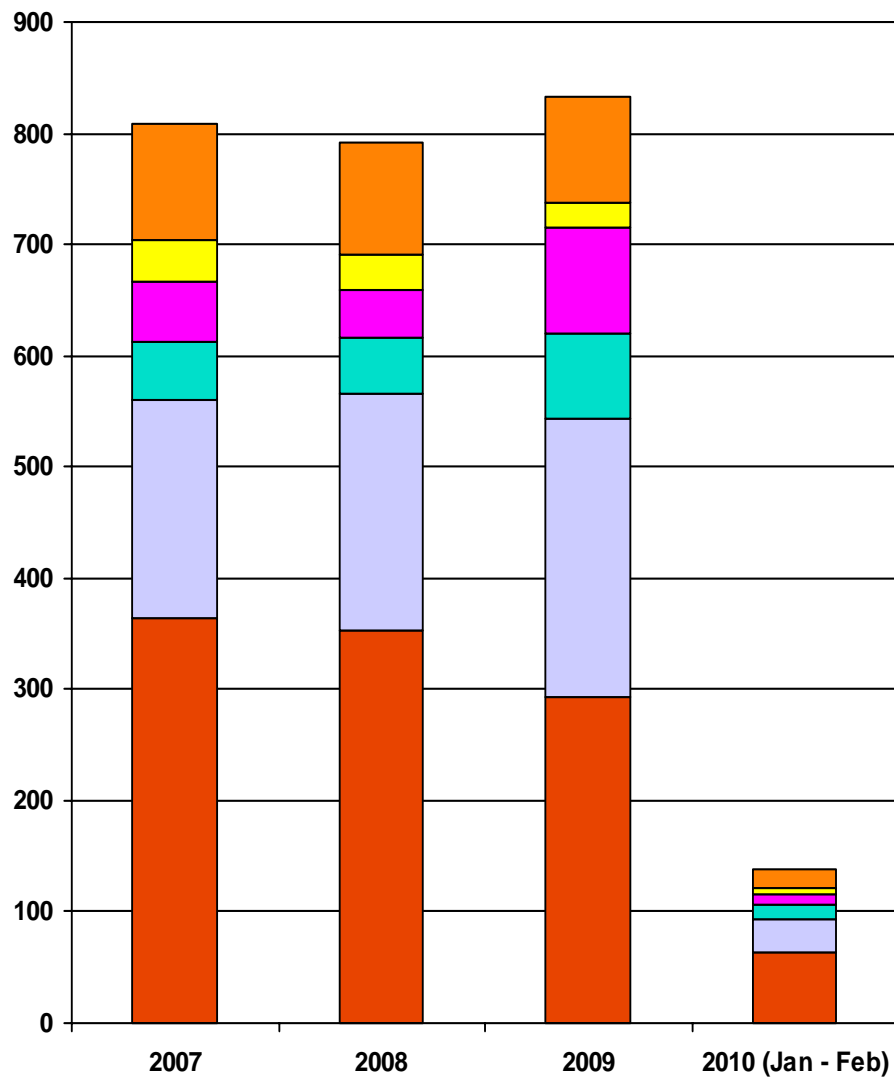


โครงการขอรับการส่งเสริมประเภท เครื่องใช้ไฟฟ้าและอิเล็กทรอนิกส์



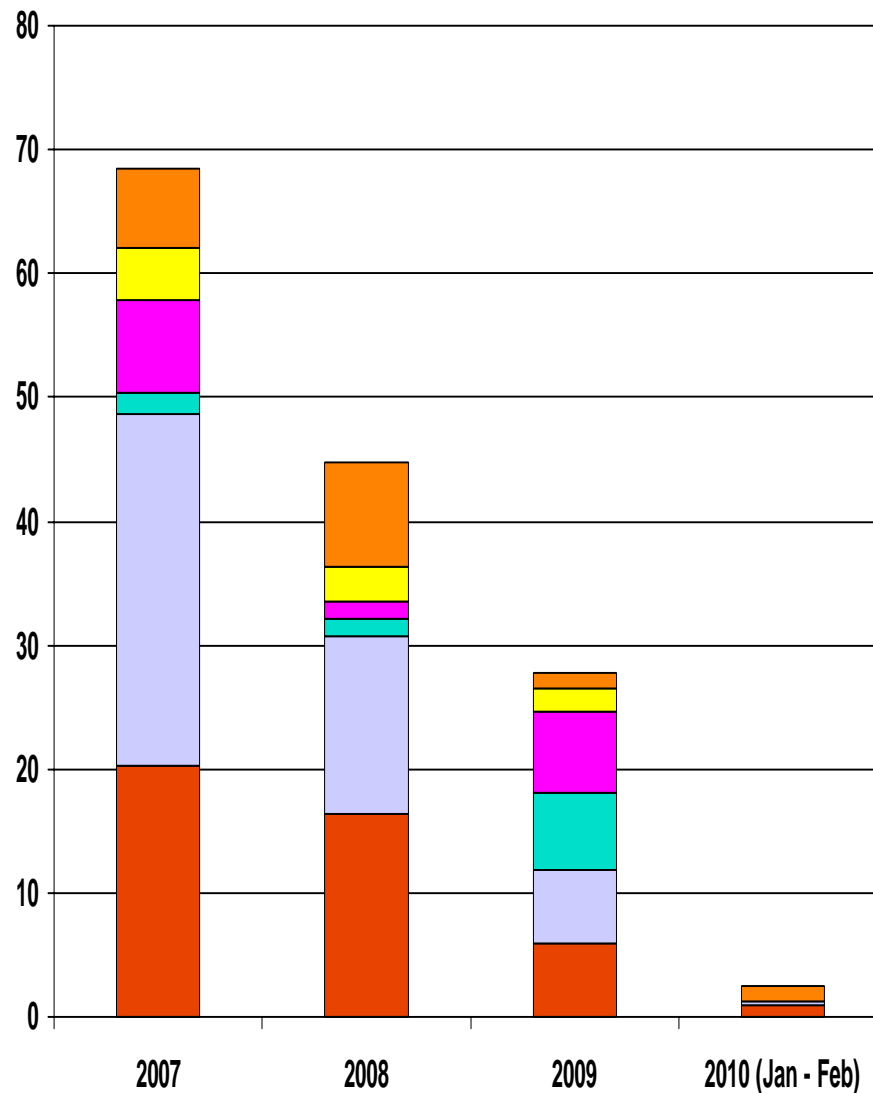
เครื่องใช้ไฟฟ้าและอิเล็กทรอนิกส์

ค่าขอรับการส่งเสริม



มูลค่าโครงการ

พันล้านบาท



Objectives of E&E Investment Policies

- **To Enhance Competitiveness of E&E Industry**
- **To Promote Investments Along the Entire Value Chain**
- **To Attract High-Value, Long-Term Investments**
- **To Encourage Development of Skills, Technology and Innovation (STI)**

New E&E Investment Incentives

1. General investment projects
2. Priority activity projects
3. Special priority activity project
4. High value long-term investment projects
 1. investment value > 15 billion baht
 2. investment value > 30 billion baht
5. Existing projects

1. General E&E Investment Project

Manufacture of: E&E Products and parts

Incentives

=

Basic
Incentives
for E&E

+

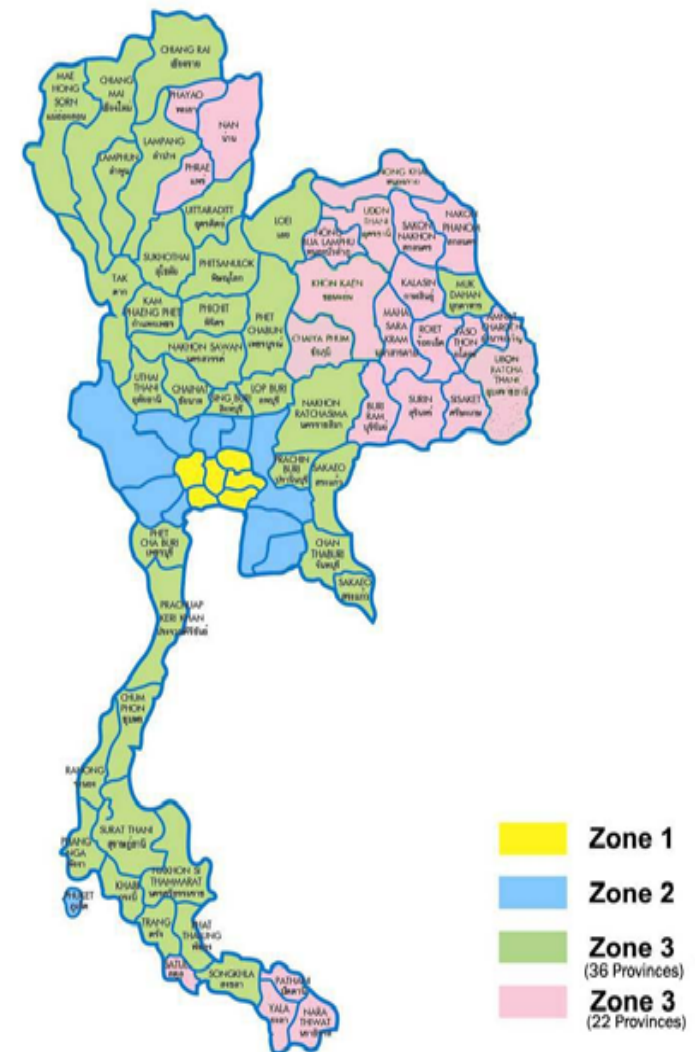
STI Incentives
(Optional)

Basic Incentives for E & E

Exemption on import duties for machinery
 Permission to import machinery to improve or replace existing machinery for the life of the project

Tax holidays

Zone 1 : 5 years
 Zone 2 : 6 years
 Zone 2 in IE : 7 years
 Zone 3 : 8 years



Remarks: Priority activities such as production of wafers and solar cells still receive maximum 8-year exemption regardless of location

IE = Industrial estates/industrial parks

Additional STI Incentive (Optional)

Criteria

Investments and expenditures on:

- Research and development or design
- Advanced technology training
- Funding educational, research institutions & STI Funds

% of first 3-year sales

Additional corporate income tax exemptions

A. 1% or 150 million baht whichever is less

1 Year

B. 2% or 300 million baht whichever is less

2 Years

C. 3% or 450 million baht whichever is less

3 Years

Note: With the STI incentive, there is no limit on the amount of tax exemption

2. Priority Activity Projects

**Manufacture of: Semiconductor , HDD and parts,
Telecom equipments and parts, Medical electronic
parts, Agritronics products and parts, Industrial
automation equipments, Automotive electronic parts,
Flexible Printed Circuit and multi-layer PCB**

**Incentives = 8 years corporate income tax exemption
regardless of location
+
STI Incentive (Optional)**

3. Special Priority Activity Projects

Manufacture of:

- **Solar cell and its raw materials, Media/Platter for HDD, Flat panel display, Wafers and thin film technology**
(production process must be approved by the BOI)
- **Electronic Design, Software**

Incentives = 8 years corporate income tax exemption
without cap (regardless of location)

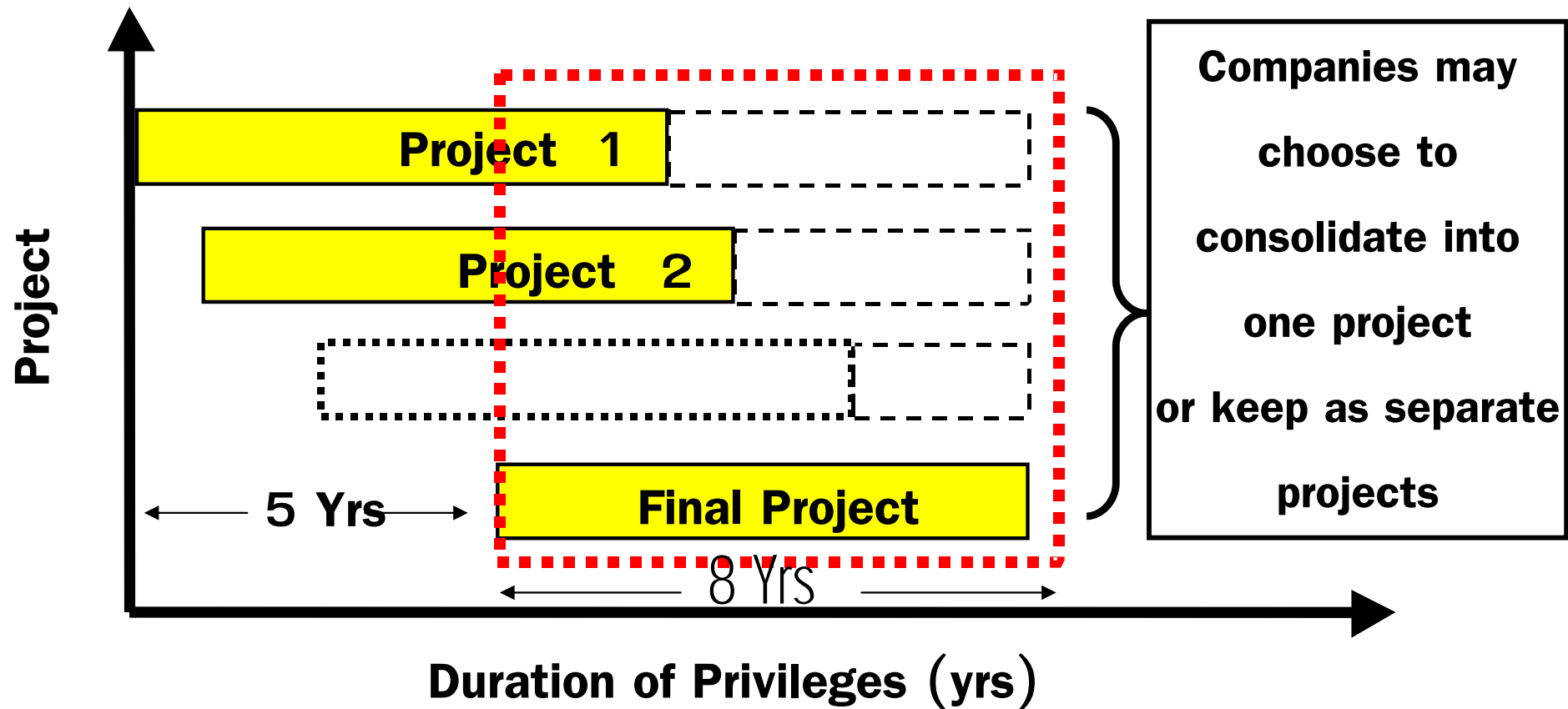
- **Exemption from import tariffs on machinery without time limit**
- **For ICs, HDDs and parts, Wafer, Thin film technology, upgraded existing machinery can be utilized in new investment projects with the approval from the BOI.**

4. High value long-term E&E investment projects

- Investment plan covering at least 5 years must be submitted.
- All projects within the plan must be in the same electrical and electronics supply chain with BOI approval.
- All projects/phases in the plan must be submitted by the same legal entity or have the same group of shareholders as approved by the BOI.
- Total investment value of all projects must be at least Bt 15 billion (excluding cost of land and working capital)
- Final project under the plan must commence within 5 years from the start of the 1st project.
- Tax exemption period of final project will be 8 years.
- The tax exemption period of earlier projects will be extended to end at the same time as the exemption period of the final project.

Privileges for high value long-term E&E Investment projects (15,000 M \$)

Extended duration of corporate income tax holidays



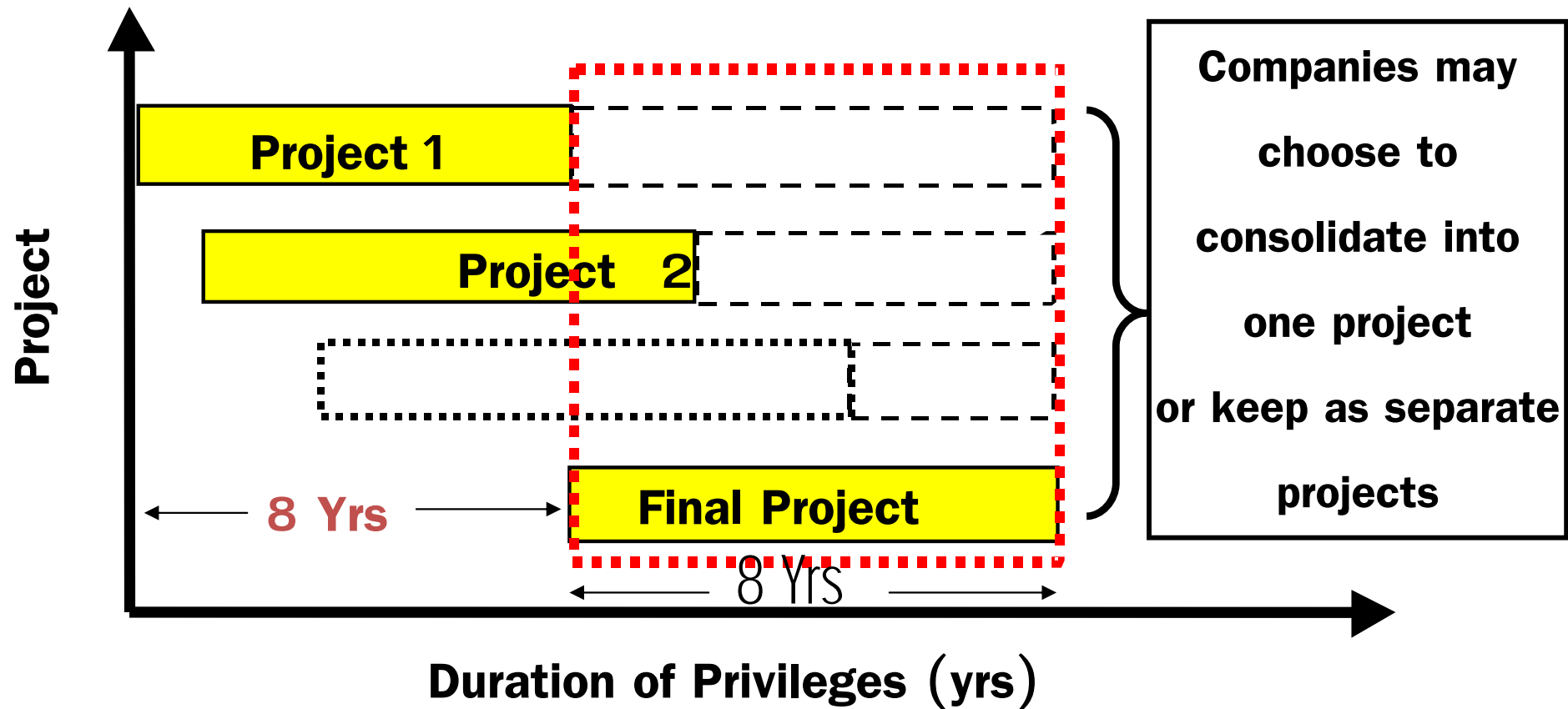
Compulsory STI expenditures for high value long-term E&E investments

Required total STI expenditures are calculated from the first 3-year sales of the final project combined with all previous projects of the package.

Zone	% of First Three Years' Sales
1	2% or at least Bt 500 million
2	1.5% or at least Bt 400 million
3	1% or at least Bt 300 million

Privileges for *Higher* value long-term E&E Investment projects (30,000 M \$)

Extended duration of corporate income tax holidays

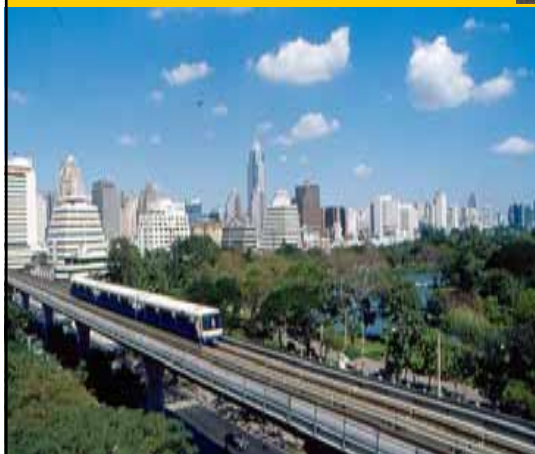
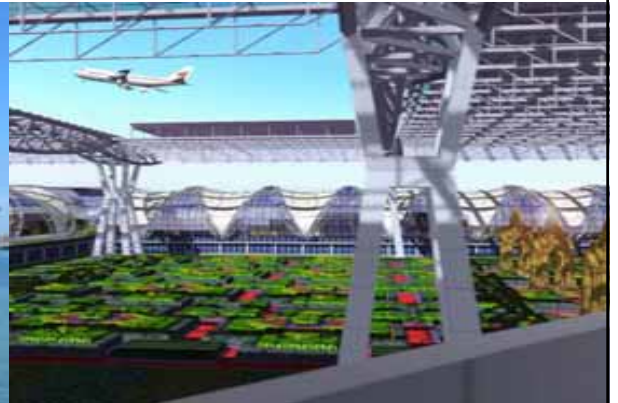


5. Incentives for Existing projects

- Existing projects can import machinery and equipment with duty exemption in order to enhance efficiency and technological capabilities

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