

# **VICKERY & WORACHAI LTD.**

**LAWYERS**

## **LEGAL NEWSLETTER**

JANUARY 2004

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### **New Laws and Regulations**

- Determination of the Rate of Minimum Wage.
- Notifications of the Ministry of Interior describing the extension of the implementation of the measures for supporting debt restructuring.

### **Laws and Regulations Updated**

- Draft of the Ministerial Regulation describing the standard of administration and management for safety, professional sanitary and environment of work concerned with hazardous chemical substance B.E. ...
- Cancellation of reduction of the specific business tax rate levied on real estate business.
- Extension of the implementation of the tax measures promoting debt restructuring.

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### Determination of the Rate of Minimum Wage

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**Effective:** 1 January 2004

**Relevant Authority:** Ministry of Labour

The effective rates of minimum wage determined by the Cabinet on 16 December 2003 are detailed as follows:

Applied Province(s)		Rate of Minimum Wage (Baht / Day)
1.	Bangkok Metropolis, Nonthaburi, Nakhon Pathom, Pathumthani, Samut Prakan and Samut Sakhon	170
2.	Phuket	168
3.	Chonburi	153
4.	Saraburi	151
5.	Chiang Mai, Phang Nga and Nakhon Ratchasima	145
6.	Ranong and Rayong	143
7.	Phra Nakhon Si Ayutthaya	142
8.	Krabi and Chachoengsao	140
9.	Kanchanaburi, Chanthaburi, Phetchaburi, Ratchaburi, Samut Songkhram, and Ang Thong	138
10.	Chumphon, Lamphun, Sakaeo, Sukhothai	137
11.	Kamphaeng Phet, Khon Kaen, Trang, Prachinburi, Buriram, Lopburi, Singburi and Suphanburi	136
12.	Kalasin, Chainat, Chaiyaphum, Tak, Trat, Nakhon Phanom, Narathiwat, Nakhon Si Thammarat, Nakhon Sawan, Prachuap Khiri Khan, Pattani, Phitsanulok, Phetchabun, Phattalung, Mukdahan, Yala, Roi Et, Lampang, Loei, Sisaket, Sakhon Nakhon, Songkhla, Satun, Surat Thani, Nong Khai, Nongbua Lamphu, Udon Thani, Uttaradit, Uthai Thani, and Amnat Charoen.	135
13.	Nakhon Nayok and Phichit	134
14.	Chiang Rai, Nan, Phayao, Phrae, Maha Sarakham, Mae Hong Son, Yasothon, Surin and Ubon Ratchathani	133

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**Notifications of the Ministry of Interior describing the extension of  
the tax measures for supporting debt restructuring**

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**Effective:** 1 January 2004

**Relevant Authority:** Ministry of Interior

Whereas many debt restructuring cases of private sector remain pending, the tax measures for supporting such debts restructuring should be extended for the another one (1) year, ending 31 December 2004. The following Notifications of the Ministry of Interior were issued to implement such extension:

1. The Notification Re: Collection of government fees for right and juristic act registrations according to the Land Code, in case of debt restructuring under the principles described by the Cabinet (No. 4) issued on 1 January 2004.
2. The Notification Re: Collection of government fees for right and juristic act registrations according to the law governing condominium, in case of debt restructuring under the principles described by the Cabinet (No. 4) issued on 1 January 2004.
3. The Notification Re: Collection of government fees for right and juristic act registrations according to the Land Code, in case of proceedings under bankruptcy law (No. 2) issued on 1 January 2004.
4. The Notification Re: Collection of government fees for right and legal act registrations according to the law governing condominium, in case of proceedings under bankruptcy law (No. 2) issued on 1 January 2004.

The significant issue of the above notifications is that the time period for collecting government fees for right and juristic act registrations in case of debt restructuring and proceedings under bankruptcy laws according to the Land Code and the laws governing condominium, at the reduced rate of 0.01%, shall be extended for another one (1) year from the previous termination date of 31 December 2003 to be until 31 December 2004.

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**Draft of the Ministerial Regulation describing the standard of  
administration and management for safety, professional sanitary and  
environment of work concerned with hazardous chemical substance B.E. ....**

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**Status:** *Approved in principle by the Cabinet on 16 December 2003 and forwarded to the Council of State for consideration and further proceeding.*

**Relevant Authority:** *Ministry of Labour*

The significant issues of this draft Ministerial Regulation are as follows:

1. Specify definition of “*Usage of Hazardous Chemical Substance in Work*” to be that any action which may cause employee to suffer hazardous chemical substance, including manufacturing, labeling, wrapping, moving, storing, transporting, disposing and demolishing, storing of non-used chemical substance, maintaining, repairing and cleaning up of tool, device and container therefor.
2. An employer of a place where there is a use or possession of hazardous chemical substance shall be responsible to the specified duties, including consideration of claim, inspection of fact and arrangement for the list of hazardous chemical substance for notifying to a relevant authorized person.
3. An employee shall be entitled to know information related to the prescribed hazardous chemical substance, and shall have the right to take leave if the operation will be harmful to safety of health.
4. An employer shall provide accessory for preventing against personal safety in compliance with the prescribed standard, and regulate the employee to use or wear such accessory. If the employee fails to comply with same accordingly, the employer shall have right to order the employee to take leave from work.
5. An employer shall provide health risk assessment according to the prescribed regulation, and control the surrounding in compliance with the prescribed standard.
6. An employer shall take care and observe against health, and provide health check service for employees for the period of not less than five (5) years.

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**Cancellation of reduction of the specific business tax rate  
levied on real estate business**

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**Status:** *Approved by the Cabinet*

**Relevant Authority:** *Ministry of Finance*

The Cabinet acknowledged the cancellation of the reduction of specific business tax rate on real estate business as proposed by the Ministry of Finance. The specific business tax reduction which was effective from July 2000 till December 2003 is viewed as tax mechanism to help boosting up the new demand on property. Nowadays, the real estate business is recovered to the normal status that the extension of specific business tax reduction is no longer needed.

With effect from 1 January 2004, onwards, the specific business tax shall be collected at the rate of 3.3% (inclusive of municipal tax).

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**Extension of the implementation of the tax measures  
for supporting debt restructuring**

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**Status:** *Approved by the Cabinet*

**Relevant Authority:** *Ministry of Finance*

Whereas many debt restructuring cases of private sector remain pending, the Cabinet then considered and approved to extend period of tax measures for such debts restructuring for the another one (1) year, ending 31 December 2004.

The relevant laws and regulations are as follows:

1. Draft Royal Decree issued according to the Revenue Code describing revenue exemption (No.....) B.E.....
2. Draft Ministerial Regulation No..... (B.E.....) issued according to the Revenue Code describing conditions on writing of bad debts.

The significant issue for issuance of the above laws and regulations is that the time period for tax exemption of and providing tax privileges in case of debt restructuring shall be extended for the another one (1) year, from the previous termination date of 31 December 2003 to be until 31 December 2004.