

- Real estate ownership by alien investors

A Promoted Company is permitted to own land for industrial activities in excess of the amount normally allowed under the law.

- **Exemption from Taxes and Tariff Duties**

- Corporate income taxes

A Promoted Company will be granted an exemption from corporate income taxes on the income derived from the promoted activities for a period of three to eight years from the date that income is first derived from the promoted activity.

- Taxes on imported capital goods

A Promoted Company is granted an reduction ranging from %0% to a complete exemption of the import duties and business taxes on imported machinery if it can be shown that no similar machinery of comparable quality is available from Thai manufacturers.

- Taxes on imported raw materials

A Promoted Company engaged in export is granted an exemption from the import duties and business taxes on imported raw materials and components to be used in the production or assembly of products made for export purposes.

Promoted Companies not engaged in export can receive a one year reduction of import duties and business taxes of up to 90% of the normal rates on raw or essential materials provided it can be shown that similar materials are not available in the same quality or in sufficient quantity.

- Withholding tax on interest on foreign loans (tax credit)

If the interest income is repatriated by the Government of Thailand or by specific laws for the purpose of lending money to promote agriculture (including aquaculture), commerce or industry it is exempt from withholding taxes. Normally withholding taxes on interest on loans from foreign financial institutions is subject to a 10% withholding tax while interest on loans from other foreign sources is normally subject to a withholding tax of 25%.

- Taxes on royalties

Payments for royalties, copyrights and goodwill are not subject to income tax for a period of five years from the date that income is first earned by a Promoted Company.

- Other miscellaneous taxes and fees

Promoted Companies located in an Investment Promotion Zone qualify for additional incentives including:

- A maximum reduction of 90% of the business tax on the sales of products for up to five years.
- A further reduction of 50% of the corporate income tax on net profit for five years after the initial income tax holiday has come to an end.