Thai News Update: 21 November 2018

1. New Tax Regime For Foreign Corporate Headquarters
Source: Bangkok Post (Link)

Last Month, the Revenue Department announced the introduction of a new headquarters tax regime called International Business Centre (IBC). The existing tax incentive regimes – International Headquarters (IHQ), Regional Operating Headquarters (ROH) and International Trading Centre (ITC) – as of October 10, 2018 are no longer available to new applicants. The headquarter tax preferential regimes have been a feature of Thai tax law since 2002, as the government has strived to compete with Singapore, Hong Kong and Malaysia for the regional hub status and incentivise multinational companies to locate their headquarters and shared centres in Thailand. This strategy, in combination with the growing economy, improving infrastructure and advancing human capital, has seen some success.

2. Commerce Ministry Sticking With 8% Export Growth Outlook
Source: Bangkok Post (Link)

Despite the state planning agency painting a murky picture of exports, the Commerce Ministry remains resolute in its 8% growth forecast for this year and next. Banjongjitt Angsusingh, director-general of the ministry's International Trade Promotion Department, said Tuesday that exports are relatively strong despite a 5.2% year-on-year decline in September. She predicted that exports would fetch an average US$21 billion (692.37 billion baht) a month for the remaining three months of 2018.

3. Bot Tweaking Lending To Support Smes
Source: Bangkok Post (Link)

The Bank of Thailand is revamping a series of regulations by applying information-based lending in a bid to help financial institutions and small businesses cut costs. Most of the regulations are undergoing amendment. All regulations are expected to be completely rejigged by next March. Under the plan, the central bank will encourage financial institutions to adopt information-based lending for SMEs by relaxing restrictions on credit lines for operator-owned SMEs, while easing regulations on debt-servicing ability for SMEs by allowing lenders to use alternative data in addition to income to give SMEs easier access to financial sources, said governor Veerathai Santiprabhob.

4. Thailand A Non-Mover In Talent Index
Source: Bangkok Post (Link)

Thailand's ranking in the latest global survey on developing and attracting talent remains unchanged at 42nd out of 63 countries. The survey conducted by the IMD World Competitiveness Centre presents a ranking of 63 countries and economies according to their ability to develop, attract and retain talent. The ranking is based on countries' performance in three main categories -- investment and development, appeal and readiness. The three categories assess how countries perform in a wide range of areas. These include education, apprenticeships, workplace training, language skills, cost of living, quality of life, remuneration and tax rates.