

**INDUSTRIAL ESTATE AUTHORITY OF THAILAND ACT,
B.E. 2522 (1979)**

BHUMIBOL ADULYADEJ, REX.
Given on the 19th Day of March B.E. 2522;
Being the 34th Year of the Present Reign.

His Majesty King Bhumibol Adulyadej is graciously pleased to proclaim that:

Whereas it is expedient to revise the law on industrial estate authority of Thailand;

Be it, therefore, enacted by the King, by and with the advice and consent of the National Legislative Assembly, acting as the National Assembly, as follows:

Section 1. This Act is called the “Industrial Estate Authority of Thailand Act, B.E. 2522”.

Section 2. This Act shall come into force as from the day following the date of its publication in the Government Gazette.¹

Section 3. The Announcement of the National Executive Council No. 339, dated 13th December B.E. 2515 (1972), shall be repealed.

All other laws, rules and regulations in so far as they have already been provided in this Act or are contrary to or inconsistent with the provisions of this Act shall be replaced by this Act.

Section 4.² In this Act:

“Industrial estate” means an industrial zone or an export processing zone;

“Industrial zone” means an area determined for industrial undertaking and any undertaking which is beneficial to, or connected with, industrial undertaking;

“Export processing zone” means an area determined for industrial undertaking, trade or service for exportation to sell abroad and any undertaking which is beneficial to, or connected with, industrial undertaking, trading or service for exportation to sell abroad;

“Industrial entrepreneur” means a person who obtains permission to carry out an industrial undertaking in an industrial estate;

“Export trade” means trade or service for exportation to sell abroad;

“Export trader” means a person who obtains permission to carry out trade or service for exportation in an export processing zone;

“Manufacture” includes make, produce, mix, assemble or pack;

“Excise tax” means the excise tax as prescribed in the Revenue Code;

¹Published in the Government Gazette Vol. 41, Part 10, Special Issue, dated 24th March B.E. 2522 (1979)

²As amended by section 3 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

“Board” means the Board of Directors of the Industrial Estate Authority of Thailand;

“Governor” means the Governor of the Industrial Estate Authority of Thailand;

“Official” means an official of the Industrial Estate Authority of Thailand including the Governor;

“Employee” means an employee of the Industrial Estate Authority of Thailand;

“Competent official” means a person appointed by the Minister for the execution of this Act;

“Minister” means the Minister having charge and control for the execution of this Act.

Section 5. The Minister of Industry shall have charge and control for the execution of this Act and shall have the power to appoint a competent official and issue the Ministerial Regulation for the execution of this Act.

Such Ministerial Regulation shall come into force upon its publication in the Government Gazette.

CHAPTER I

Industrial Estate Authority of Thailand

Part 1

Establishment

Section 6. There shall be established the industrial estate authority called the “Industrial Estate Authority of Thailand,” to be called in brief as “IEAT,” being a juristic person having the following objectives:

(1) to acquire land which is appropriate for the establishment or expansion of an industrial estate or for the carrying out of any undertaking which is beneficial to, or connected with, IEAT;

(2)³ to develop land under (1) with a view to provide service and facility for business undertaking of an industrial entrepreneur and export trader as well as an entrepreneur of any business which is beneficial to, or connected with, industrial undertaking or export trade such as the construction of road, drainage, wastewater treatment plant, electricity, tap water and telecommunication etc.;

(3) to let an immovable or movable property in the industrial estate out on hire or hire-purchase and to sell it for the direct benefit of the industrial estate;

(4) to carry out any other businesses which are beneficial to, or connected with, the undertakings within the scope of objectives of IEAT;

(5) to joint ventures with other persons according to the objectives as prescribed in (1), (2) or (3), including being a partner with limited liability in a limited partnership or being a shareholder in any juristic person which its objectives are beneficial to, or connected with, the undertaking within the scope of objectives of IEAT;

³As amended by section 4 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

(6) to promote and control an industrial estate of private sector or of State agency.

Section 7. All affairs, properties, rights, debts and liabilities of the Industrial Estate Authority of Thailand under the Announcement of the National Executive Council No. 339, date 13th December B.E. 2515 (1972), shall be assigned to IEAT.

The properties under paragraph one, after deducting of all debts, shall be regarded as the capital of IEAT.

Section 8. The capital of IEAT consists of:

- (1) assigned properties under section 7;
- (2) money received from budgetary appropriation;
- (3) money or other properties received from the Government or other persons;
- (4) assistance in form of money or properties derived from domestic or foreign source or from international organisation.

Section 9. IEAT shall have head office in Bangkok Metropolis or its adjacent *Changwat* and may establish branch office or agent in any *Changwat* which an industrial estate is located.

Section 10. IEAT shall have the power to carry out any business within the scope of its objectives under section 6, including the powers as follows:

- (1)⁴ to conduct survey, make plan, design, construct and maintain all facilities, and to provide service related thereto to an industrial entrepreneur, export trader and entrepreneurs of other businesses which are beneficial to, or connected with, industrial undertaking or export trade, as the case may be;
- (2)⁵ to determine category and size of beneficial or relevant industry, export trade or other businesses which should be permitted to operate in an industrial estate in accordance with the rules and conditions as laid down by the Board;
- (3) to inspect living condition of workers in an industrial estate;
- (4)⁶ to supervise operation of an industrial entrepreneur, export trader, entrepreneurs of other businesses which are beneficial to, or connected with, industrial undertaking or export trade and that of any person utilizing of land in an industrial estate to be in compliance with the rules, regulations and laws, including all requirements relating to public health or environmental quality;
- (5) to carry out an investment;
- (6) to borrow money for IEAT's affairs;
- (7) to issue bonds or other instruments for investment.

Section 11. IEAT shall have the powers to inspect and certify types and quantities of raw materials or products or types and numbers of machines where the certificate thereon is required or where such things is imported to, or exported from, an industrial estate. In this case, service charge shall be collected at the rate as determined by the Board.

⁴As amended by section 5 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

⁵As amended by section 5 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

⁶As amended by section 6 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

Section 12. IEAT shall determine the rent of immovable or movable property which is let out on hire, facilities maintenance fee and service charge for service to be provided within an industrial estate at a reasonable rate so as to ensure sufficient income for the following matters:

(1) the expenditure necessary for the carrying out of IEAT's undertakings, including interest, depreciation, bonus, aid fund or other aids for the welfare of IEAT's staffs and their families;

(2) the performance of debts in an amount which exceeds the amount allocated as depreciation and expenditure incurred in acquiring new properties in place of the existed properties;

(3) the adequate reserve and expenditure necessary for the expansion of business and investment.

Section 13. IEAT shall determine the rent of hire-purchase and selling price of immovable or movable property as it deems appropriate.

Section 14. If any area has been notified as the industrial estate under section 39, IEAT shall, after having considered business suitability, have the power to determine selling price, rent on hire and hire-purchase of immovable or movable property and maintenance fee as well as other service charges for services to be provided in such industrial estate.

Section 15. Income derived by IEAT from its annual business undertaking shall devolve on IEAT and after having deducted all expenses incurred during its undertaking and such appropriate charges as maintenance fee and depreciation, as well as reserves under section 16, considerations and bonus under section 32 and section 35, or contribution to aid fund or other aids under section 34 and investment under section 66, the balance shall be remitted as State revenue.

If income is inadequate for all expenses under paragraph one other than deduction of reserve under section 16 and bonus under section 32 and section 35 and IEAT is unable to earn money from other sources, the State shall pay money to IEAT in an amount equal to the deficit.

Section 16. The reserve of IEAT shall consist of the ordinary reserve for contingency, reserve for expansion of business undertaking, reserve for repayment of debts and reserve for other specific purposes as the Board thinks fit

Reserves may be spent upon the approval of the Board.

Section 17. All properties of IEAT shall not be subject to the execution of judgment.

Part 2

Board and Governor

Section 18. There shall be a Board called the "Board of Directors of the Industrial Estate Authority of Thailand" consisting of the Chairperson and not more than ten other Directors which includes the Governor as *ex-officio* Director.

The Council of Ministers shall appoint the Chairperson and other Directors who are not *ex-officio* Directors.

Section 19. The persons to be appointed as Chairperson, Director or Governor shall have knowledge and experience in business administration, industry, science, engineering, architecture, city planning, economics, commerce, public finance or law.

Section 20. The Chairperson or Director who is appointed by the Council of Ministers shall have the qualifications under (1) and (2) and shall not be under the prohibitions under (3), (4), (5), (6) and (7) as follows:

- (1) being of Thai nationality;
- (2) not more than sixty-five years of age;
- (3) being or having been a bankrupt;
- (4) having been sentenced by a final judgment or legal order to a term of imprisonment, except for an offence committed through negligence or a petty offence;
- (5) being a political official or holding political position;
- (6) being a member of the Board or officer of a political party;
- (7) being a person having direct or indirect interest in a contract with, or in any business conducted for, or in any business having the same nature to and competing with, IEAT, except a person holding shares of the juristic person having such interests through *bona fide* investment.

Section 21. The Chairperson or Director who is appointed by the Council of Ministers holds office for a term of three years.

At the expiration of the term of office under paragraph one, if the newly Directors have not been appointed, the Chairperson and Directors who vacate office shall remain in office to continue their duties until the newly Board of Directors have been appointed.

The Chairperson or Director who vacates from office may be reappointed.

Section 22. In addition to vacating office at the end of the term under section 21, the Chairperson or Director who is appointed by the Council of Ministers vacates from office upon:

- (1) death;
- (2) resignation;
- (3) being dismissed by the Council of Ministers;
- (4) being an incompetent or quasi-incompetent;
- (5) having no qualification or being under the prohibitions under section 20.

If there is an appointment of a Director during the term of office of other Directors who have been appointed, irrespective of whether such appointment is made for additional Director or to fulfill the vacancy, an appointee shall hold the office for the remaining term of the Directors who have been appointed.

Section 23. The Board shall have the powers to lay down policy on, and to generally supervise over, business of IEAT, including the powers as follows:

(1) to issue rule or regulation for the compliance with section 6 and section 10;

(2) to issue rule or regulation on the meeting and the carrying out of duties of the Board and sub-committee;

(3) to issue rule or regulation on organization, working procedure and finance of IEAT;

(4) to issue rule or regulation prescribing positions, rates of monthly salaries or wages of officials and employees;

(5) to issue rule or regulation on recruitment, appointment, increasing or decreasing of monthly salary or wage, removal from office, discipline, punishment and appeal of official and employee;

(6) to issue rule or regulation on payment of traveling expense and allowance, accommodation allowance, overtime and other allowances;

(7) to issue rule or regulation related to uniforms of official and employee;

(8) to issue rule or regulation on petition of official and employee;

(9) to issue rule or regulation related to identification card and dress of person working in an export processing zone;

(10) to issue rule or regulation governing person entering or living in an export processing zone;

(11) to issue rule or regulation related to welfare fund or other aids for welfare of person working with IEAT and his or her family with approval of the Council of Ministers;

(12) to issue rule or regulation related to safety in using and maintaining property of IEAT;

(13) to determine selling price, rent rate, hire-purchase rate and rent and hire-purchase period of immovable or movable property, facilities maintenance fee and rate of any service charge in an industrial estate.

If the rule or regulation under (3) which restricts the power of the Governor in executing any juristic act, the Minister shall published it in the Government Gazette.

Section 24. For the benefit of the business of IEAT, the Board shall have the power to appoint a sub-committee to carry out any business of IEAT and to determine remuneration of the sub-committee.

Section 25. The Board shall appoint the Governor and determine monthly salary of the Governor with approval of the Council of Ministers.

Section 26. The Governor shall have qualifications under (1), (2) and (3) and shall not be under any of the prohibitions under (4), (5), (6), (7), (8) and (9) as follows:

(1) being of Thai nationality;

(2) not exceeding sixty years of age;

(3) being able to do full-time work with IEAT;

(4) being or having been a bankrupt;

(5) having been sentenced by a final judgment or legal order to a term of imprisonment, except for an offence committed through negligence or a petty offence;

(6) being a government official holding permanent position or monthly salary, including a political official, an employee of any Ministry, Sub-Ministry, Department or an equivalent public organisation or a local government official;

(7) holding a political position, including being a member of local assembly or a local administrator;

(8) being a member of the Board of Directors or official of a political party;

(9) being a person having direct or indirect interest in a contract with, or in any business conducted for, or in any business having the same nature to and competing with, IEAT, except a person holding shares of the juristic person having such interests through *bona fide* investment.

Section 27. The Governor vacates from office upon:

(1) death;

(2) resignation;

(3) being an incompetent or quasi-incompetents person;

(4) having no qualification or being under the prohibitions under section 26;

(5) being dismissed by the votes of not less than three-fourths of all members of the Board, excluding the Governor, and the Council of Ministers so approved.

Section 28. The Governor shall have the duty to administer the business of IEAT in accordance with the law, rule, regulation and policy as laid down by the Board and shall have the power to control and supervise all officials and employees.

In administration of business, the Governor shall be responsible to the Board.

Section 29. The Governor has the powers as follows:

(1) to lay down rule and procedure on working of official and employee;

(2) to lay down rule on business administration of IEAT, provided that it shall not be contrary to, or inconsistent with, the rule or regulation of the Board;

(3) to recruit, appoint and remove from office, promote, reduce and stop paying salary or wage of, and to impose disciplinary punishment on, official and employee in accordance with the rule or regulation of the Board.

Section 30. In respect of external relations, the Governor shall be the representative of IEAT. For this purpose, the Governor may delegate power to any person so as to conduct any specific business on his or her behalf in accordance with the rule or regulation of the Board.

Any juristic act executed by the Governor in violation of the rule or regulation under section 23 paragraph two shall not be binding on IEAT unless it has been ratified by the Board.

Section 31. If the Governor is unable to perform his or her duty or the position of Governor is vacant, the Board shall appoint an official to act on his or her behalf or to be Acting Governor, as the case may be. In this case, section 26 shall apply *mutatis mutandis*.

A person who acts on behalf of the Governor or the Acting Governor shall have the same powers and duties as the Governor, except the powers and duties of the Governor in the capacity of member of the Board.

Section 32. The Chairperson and Director are entitled to remuneration and may be entitled to bonus in accordance with the rule laid down by the Council of Ministers.

Part 3 Official and Employee

Section 33. The official and employee shall have the right to appeal against punishment or file a petition in accordance with the rule or regulation of the Board.

Section 34. IEAT shall provide welfare fund or other aids for the welfare of person working with IEAT and his or her family in case of vacating from office, accident, sickness, death or other cases deserving such aids.

Section 35. The official and employee may be entitled to bonus in accordance with the rule laid down by the Council of Ministers.

CHAPTER II Industrial Estate

Part 1 Establishment

Section 36. There shall be two categories of industrial estates, *viz.*

- (1) industrial zone;
- (2) export processing zone;

The establishment, boundary changing and dissolution of an industrial zone shall be published in the Government Gazette and a map specifying boundary thereof shall be annexed therewith.

The establishment, boundary changing and dissolution of an export processing zone shall be made by a Royal Decree and a map specifying boundary thereof shall be annexed therewith.

An export processing zone may be designated as an export processing zone with export trading upon approval of the Council of Ministers and such designation shall be published in the Government Gazette.⁷

⁷As amended by section 7 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

Section 36 bis.⁸ If there is an enactment of the Royal Decree establishing the export processing zone or changing its boundary under section 36 paragraph three, the public domain within the boundary specified therein shall devolve on IEAT upon the completion of the conditions as follows:

(1) as for the public domain for common use. In the case where such public domain is no longer used by public or it has been changed from being the public domain for common use and the consent of the Ministry of Interior to revoke the status of such public domain is given and the price of such public domain in an amount determined by the Ministry of Interior is paid by IEAT to the Ministry of Finance, or where the public domain still be in use of public or it still be the public domain for common use and the consent of the Ministry of Interior to revoke the status of such public domain is given and another land is provided by IEAT, by notifying in the Government Gazette, to be used by public in lieu of such public domain, such Royal Decree shall revoke the status of that public domain without regard to proceed the revocation or assignment under the Land Code;

(2) as for the public domain for the special use of the State or the land which is preserved or restricted for official use. In the case where the consent of the Ministry of Finance to revoke the status of such public domain or land is given and the price of such public domain in an amount determined by the Ministry of Finance is paid by IEAT to the Ministry of Finance, such Royal Decree shall revoke the status of that public domain or land without regard to proceed the revocation or assignment under the law on *Ratchaphatsadu* land;

(3) as for the public domain which is waste land or land surrendered, abandoned or otherwise reverted to the State according to the land law. Upon the giving of consent of the Ministry of Interior to revoke the status of such public domain and the price of such public domain in an amount determined by the Ministry of Interior is paid by IEAT to the Ministry of Finance.

Upon the publication of the Notification establishing or changing of the boundary of an industrial zone under section 36 paragraph two, a Royal Decree changing of the status of public domain may be enacted. In this case, the plot number and approximate area of such public domain to be acquired by IEAT shall be prescribed in the Royal Decree. Upon an enactment of such Royal Decree, such public domain shall devolve on IEAT upon the completion of the conditions as prescribed in paragraph one.

Section 37. An industrial estate established under this Act shall comply with the rules, procedure and conditions as prescribed by the Ministerial Regulation.

Section 38. If it is necessary to acquire an immovable property for the purpose of establishing or expanding an industrial estate, IEAT shall have the power to execute an expropriation under the law on immovable property expropriation.

For this purpose, a Royal Decree determining the area to be expropriated may be enacted and the provisions of the law on immovable property expropriation shall apply *mutatis mutandis*.

The immovable property acquired by an expropriation under paragraph one shall devolve on IEAT. In this regard, IEAT shall have the power to assign such immovable property to an industrial entrepreneur, export trader or entrepreneur of any

⁸As amended by section 8 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

business which is beneficial to, or connected with, industrial undertaking or export trade, as the case may be.⁹

Section 39. If there is an allocation of land to be an industrial estate by any person, if such allocation comply with the rules, procedure and conditions as prescribed by the Ministerial Regulation issued under section 37, the Board may, with consent of the land owner, proceed to establish it as an industrial estate under this Act.

Section 39 bis.¹⁰ An allocation of land to be an industrial estate under section 39 shall comply with the law controlling real estate development, but the powers and duties in granting of any permission of the committee under such law shall be the powers and duties of the Board under this Act.

Section 40. No person shall use the name with Thai or foreign alphabets which are able to translated or read as “industrial estate”, “industrial zone” or “export processing zone” in any seal, signboard, letter, notice or other documents in connection with his or her business if such person is not an industrial estate under this Act.

Part 2

Business Undertaking, Benefit and Prohibition

Section 41. No person shall carry out business undertaking within an industrial estate without written permission of the Governor or a person entrusted by the Governor.

An application for, and the granting of, permission shall be in accordance with the rules, procedure and conditions prescribed by the Board.

Section 42. The construction of building and factory and the carrying out of factory within an industrial estate shall be in accordance with the law on factory, the law controlling the construction of building and the law on urban planning; provided that the powers and duties in granting of permission or license of the competent official under such laws shall be the powers and duties of the Governor or a person entrusted by the Governor.

Section 43. In the case where a building is constructed without permission or license granted under section 42 or where a construction of building is differentiated from the construction plan or any particular as permitted or licensed or where a construction is not comply with the conditions as specified in the permission or license, IEAT shall have the power to make a suspension order to the construction of such building and to order the builder, owner or occupier of such building, by notifying such order thereto, to modify, change or destruct the building or any part thereof within reasonable period.

After the expiration of the period under paragraph one, if the builder, owner or occupier of such building fails to comply with the order of IEAT, IEAT shall have the power to take any action as it deems appropriate for modifying,

⁹As amended by section 9 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

¹⁰As added by section 10 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

changing or destructing the building or any part thereof. In this case, the builder, owner or occupier of such building shall be responsible for all expenses incurred in so doing.

Section 44.¹¹ An industrial entrepreneur or export trader may be permitted to hold ownership of land within an industrial estate or export processing zone, as the case may be, for his or her business undertaking in an amount as the Board deems appropriate even exceeding the amount permitted under other laws.

In the case where an industrial entrepreneur or export trader who is an alien ceases his or her business undertaking or assigns it to another person, such industrial entrepreneur or export trader shall dispose the land held under the permission together with its component part to IEAT or the assignee, as the case may be, within three years as from the date of ceasing or assigning business undertaking. If an industrial entrepreneur or export trader fails to do so, the Director-General of the Land Department shall dispose such land together with its component part to IEAT or other persons in accordance with the Land Code.

Section 45.¹² Subject to the law on immigration, if otherwise is not prescribed herein; an industrial entrepreneur or export trader may be permitted to bring the following aliens, *viz.*

- (1) a skilled worker;
- (2) an expert;

(3) a spouse or dependent of a person under (1) or (2); into the Kingdom. The number of the aliens to be permitted and their period of residence in the Kingdom shall be at the discretion of the Board even exceeding the number or period permitted under the law on immigration.

Section 46. Subject to the law on working of aliens, if otherwise is not prescribed herein; an alien who is a skilled worker or an expert permitted to have residence in the Kingdom under section 45 shall be permitted to work in particular position as approved by the Board through the period as he or she is permitted to have residence in the Kingdom.

Section 47.¹³ An industrial entrepreneur and export trader residing abroad may be permitted to repatriate foreign currency abroad if such money is, *viz.*

- (1) capital brought into the Kingdom and dividend or other benefits arising therefrom;
- (2) external loan invested in business undertaking or export trade under the contract as approved by IEAT, including interest arising therefrom;
- (3) money under obligation with foreign country according to the contract concerning the use of rights and services in business undertaking or export trade as approved by IEAT.

If there is a critical situation to the national balance of payment and it is necessary to preserve an appropriate amount of foreign currency to be national

¹¹As amended by section 11 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

¹²As amended by section 11 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

¹³As amended by section 12 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

reserve, the Bank of Thailand may temporarily limit an amount of foreign currency to be repatriated to serve such necessity. In this regard, no limitation shall be made to the repatriation of the capital, which has been brought into the Kingdom for at least two years, in an amount of less than twenty per cent per annum of the remaining capital on the 31st day of December of each year and to the repatriation of dividend in an amount of less than fifteen per cent per annum of the remaining of capital, which has been brought into the Kingdom, on the date the request for repatriation of dividend is made.

Section 48.¹⁴ An industrial entrepreneur and export trader in the export processing zone shall be exempted from surcharge under the law on promotion of investment, import duty, value added tax and excise tax which are imposed on machinery, accessory, equipment and tool, including the component part thereof, that are necessary for the production of goods or for the export trade, as the case may be, and on any material to be used in construction, assembly or installation of factory or building in the export processing zone. In this regard, those things shall be imported into the Kingdom and the export processing zone under the approval of the Board and the rules and conditions as determined by the Board.

Section 49.¹⁵ All goods imported into the Kingdom and the export processing zone by an industrial entrepreneur and export trader for use in the production of goods or for the export trade, including goods which are taken from one export processing zone to another export processing zone, shall be exempted from surcharge under the law on promotion of investment, import duty, value added tax and excise tax.

Section 50.¹⁶ All goods imported into the Kingdom and the export processing zone under section 49, including product, by-product and other things arising from production in the export processing zone, shall be exempted from export duty, value added tax and excise tax if they are exported abroad.

Section 51.¹⁷ In the case where goods imported into the Kingdom and the export processing zone under section 48, section 49 and section 52, including product, by-product and other things arising from production in the export processing zone, are taken from the export processing zone for use or distribution in the Kingdom, the surcharge under the law on promotion of investment, import duty, value added tax and excise tax shall be imposed thereon in accordance with their conditions and prices and at the specified rates on the date they are taken from the export processing zone as if they are imported into the Kingdom on the date they are taken from the export processing zone.

Section 52. In case of goods which are exempted from, or being able to claim for the refund of, taxes upon their exportation abroad under any provision of

¹⁴As amended by section 13 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

¹⁵As amended by section 13 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

¹⁶As amended by section 3 of the Industrial Estate Authority of Thailand Act (No. 2), B.E. 2534 (1991)

¹⁷As amended by section 14 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

law, they still be exempted from, or able to claim for the refund of, taxes if they are taken to the export processing zone for use under section 48 and section 49 instead of exportation as if they are exported abroad on the date they are taken into the export processing zone.

Section 53. As for an importation and exportation of goods into or from the export processing zone, warehousing and controlling of transportation of such goods, the provisions of the customs law on importation, exportation and warehousing of goods shall apply *mutatis mutandis* thereto and it shall comply with the rules and procedure as prescribed by the Director-General of the Customs Department. In this regard, the provisions on penalty under such law shall apply thereto.

Section 54.¹⁸ As for goods which are not used or unable to use in the export processing zone, in the case where the industrial entrepreneur or export trader has a written request to IEAT to destroy them or where IEAT deems that it is appropriate to destroy them, IEAT shall notify in writing the industrial entrepreneur or export trader, as the case may be, or his or her representative and the Director-General of the Customs Department or a person entrusted by the Director-General of the Customs Department for their acknowledgement. The Director-General of the Customs Department or a person entrusted by the Director-General of the Customs Department shall have an order to destroy such goods in accordance with the rules and procedure as prescribed by the Director-General of the Customs Department.

If IEAT is unable to notify the persons under paragraph one but posts such notification at the office of such persons in the export processing zone for the period of seven days, it shall be deemed that such persons have been informed.

All goods which are destroyed in accordance with the rules and procedure under paragraph one shall be exempted from surcharge under the law on promotion of investment, import duty, value added tax and excise tax.

Section 55. No person shall take any goods from the export processing zone without written permission of the Governor or a person entrusted by the Governor.

The granting of permission under paragraph one shall be in accordance with the rules, procedure and forms as prescribed by the Board.

Section 56. No person shall enter or live in the export processing zone without permission of the Governor or a person entrusted by the Governor. The permitted person shall comply with the rules or regulations of IEAT.

The granting of permission under paragraph one shall be in accordance with the rules, procedure and forms as prescribed by the Board.

¹⁸As amended by section 15 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

CHAPTER III Competent Official

Section 57.¹⁹ The competent official shall have the power to enter into any place of an industrial entrepreneur, export trader or entrepreneur of any business which is beneficial to, or connected with, industrial undertaking or export trade, as the case may be, located in an industrial estate during its working hours in order to inquire into fact, or to examine any document or object which relates to business undertaking, from any person presenting at that place as necessary. In this case, such entrepreneur shall render appropriate facilities.

In the case where the competent official is going to enter into the place under paragraph one, the Governor or a person entrusted by the Governor shall have a written notification to an industrial entrepreneur, export trader or entrepreneur of any business which is beneficial to, or connected with, industrial undertaking or export trade, as the case may be, for not less than twenty-four hours in advance, provided that the Governor or a person entrusted by the Governor is of opinion that it is urgent.

Section 58. The competent official or customs official shall have the power to search any factory, building, vehicle and person, including any goods in an export processing zone.

Section 59. Within an industrial estate, if any person is found committing or attempting to commit an offence, or employing, aiding or encouraging another person to commit an offence, under this Act or the customs law, the competent official shall have the power to arrest such person without warrant and shall take such person together with an exhibit to the inquiry official under the Criminal Procedure Code for further proceeding.

Section 60. For the performance of duties under section 57, section 58 or section 59, the competent official shall present his or her identification card which is made in the form as prescribed in the Ministerial Regulation to all related person.

Section 61. The competent official shall be an official under the Penal Code.

CHAPTER IV Control

Section 62. The Minister shall have the power and duties to supervise generally the affairs of IEAT. For this purpose, the Minister may order IEAT to give facts, opinion, submit a report or suspend any action which is contrary to the policy of the Government or the resolution of the Council of Ministers, to order IEAT to act in compliance with the policy of the Government or the resolution of the Council of Minister and to inquire into facts related to the business undertaking of IEAT.

¹⁹As amended by section 16 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

Section 63. In the case where IEAT is required to submit any matter to the Council of Ministers, IEAT shall submit such matter to the Minister for further submission to the Council of Ministers.

Section 64. In conducting its business undertaking, IEAT shall take benefits of the State and the public benefits into its consideration.

Section 65. IEAT shall have an account with a bank in accordance with the rule as laid down by the Ministry of Finance.

Section 66.²⁰ IEAT must obtain approval of the Council of Ministers prior to carrying out the followings:

- (1) making an investment with a view to establish or expand an industrial estate;
- (2) increasing of its capital by re-valuation of its properties;
- (3) reducing of its capital;
- (4) borrowing money exceeding ten million Baht;
- (5) issuing bonds or other instruments for investment;
- (6) disposing of immovable property which its value exceeding one million Baht, except the disposal of immovable property in an industrial estate.

Section 67. An annual budget of IEAT shall compose of capital budget and operating budget. The capital budget shall be submitted to the Council of Ministers for consideration and approval. The operating budget shall be submitted to the Council of Ministers for information.

Section 68. IEAT shall set up and maintain an accounting system which is classified by its main works. An internal audit shall be made regularly. There shall also be books of accounts as follows:

- (1) receipt and expenditure;
 - (2) assets and liabilities,
- which states actual works as appropriate by considering classification of the main works and details of each particular.

Section 69. Each year, the Office of the Auditor-General shall examine and audit the account and finance of IEAT.

Section 70. The auditor shall have the power to examine all books of accounts and documents and evidences of IEAT. In this regard, the auditor shall have the power to interrogate the Chairperson, Director, member of the sub-committee, competent official, official and employee.

Section 71. The auditor shall submit an auditing report to the Council of Ministers within one hundred and twenty days after the end of the accounting year and IEAT shall publish the annual report of the lapse year showing the balance-sheet, operating budget and profit and loss account which are certified by the auditor within one hundred and fifty days after the end of accounting year.

²⁰As amended by section 17 of the Industrial Estate Authority of Thailand Act (No. 3), B.E. 2539 (1996)

CHAPTER V Penalties

Section 72. Whoever violates section 40 shall be liable to a fine of not exceeding two thousand Baht and to daily fine of two hundred Baht per day as from the prosecution date until the date he or she stops such violation.

Section 73. Whoever fails to comply with section 41 paragraph one shall be liable to a fine of not exceeding five thousand Baht. In this case, the Court shall order such person to suspend his or her business operation until the permission under this Act is given.

Section 74. Whoever violates section 55 paragraph one shall be liable to imprisonment for a term of not exceeding six months or to a fine of not exceeding sixty thousand Baht or to both.

All goods which are taken in violation of section 55 paragraph one shall be forfeited.

Section 75. Whoever violates section 56 paragraph one shall be liable to imprisonment for a term of not exceeding one month or to a fine of not exceeding one thousand Baht or to both.

Section 76. Whoever fails to render facilities to the competent official under section 57 paragraph one or obstructs or fails to render facilities to the competent official or customs official under section 58 shall be liable to a fine of not exceeding five thousand Baht.

Transitory Provisions

Section 77. The Governor, officials and employees of the Industrial Estate Authority of Thailand under the Announcement of the National Executive Council No. 339 dated 13th December B.E. 2515 (1972) holding offices on the date this Act comes into force shall be the Governor, officials and employees of the Industrial Estate Authority of Thailand under this Act.

Section 78. The Board of Directors of the Industrial Estate Authority of Thailand under the Announcement of the National Executive Council No. 339 dated 13th December B.E. 2515 (1972) shall be the Board of Directors of the Industrial Estate Authority of Thailand under this Act and the Chairperson and Directors shall hold office until the appointment of the new Board of Directors of the Industrial Estate Authority of Thailand.

Upon an appointment of the Board of Directors of the Industrial Estate Authority of Thailand under this Act, the Board of Directors of the Industrial Estate Authority of Thailand under paragraph one shall vacate office.

Section 79. All industrial estates established under the Announcement of the National Executive Council No. 339 dated 13th December B.E. 2515 (1972) shall be regarded as the industrial zones under this Act.

Section 80. All Ministerial Regulations, Notifications, rules, regulations and orders issued or given by virtue of the Announcement of the National Executive Council No. 339 dated 13th December B.E. 2515 (1972) which are in force on the date this Act is published in the Government Gazette shall continue to be in force in so far as they are not contrary to, or inconsistent with, the provisions of this Act.

Countersigned by:

S. Hotrakitya

Deputy Prime Minister