
Thailand : BOI issues new list of machinery that can be sourced in Thailand and may no longer qualify for duty exemptions

February 2013

Board of Investment (“BOI”) promoted companies are eligible to import machinery and equipment for promoted projects and enjoy an import duty exemption or reduction, depending on the BOI Zone and whether the imported goods meet certain conditions. Generally, imported machinery and equipment can enjoy the BOI privilege provided that they cannot be manufactured or sourced domestically, and the domestic supply of the machinery is insufficient. In addition, the machinery and equipment must be destined to be used in a manufacturing process, i.e. it must machinery/equipment for product design, manufacturing, inspection-quality control etc.

In January 2013, the BOI issued a guideline on the provision of duty reductions/exemptions on imported machinery and equipment. The guideline lists specific machinery and equipment that can be sourced domestically and which will no longer be able to enjoy the BOI privilege. The affected machinery and equipment includes that used in various industries including timber, agricultural and food, metal, ceramic and glass, electronics, quality control, conveyors, construction, plastics, petrochemical , energy-power plant and paper-publications.

As such, a BOI promoted company operating in any of the affected industries may need to revise their machinery / equipment importation plan as these may now be in the list issued by the BOI and no longer eligible for the BOI import duty privilege.

Contact us

If you would like further advice or information in relation to the topic outlined above, please contact:

Paul Sumner
Partner
Paul.sumner@th.pwc.com
+66 (2) 3441305



The information contained in this article is of a general nature only. It is not meant to be comprehensive and does not constitute the rendering of legal, tax or other professional advice or service by PricewaterhouseCoopers WMS Pte Ltd (“PwC”). PwC has no obligation to update the information as law and practices change. The application and impact of laws can vary widely based on the specific facts involved. Before taking any action, please ensure that you obtain advice specific to your circumstances from your usual PwC client service team or your other advisers.

© 2013 PricewaterhouseCoopers WMS Pte Ltd. All rights reserved. “PricewaterhouseCoopers” and “PwC” refer to the network of member firms of PricewaterhouseCoopers International Limited (PwCIL). Each member firm is a separate legal entity and does not act as agent of PwCIL or any other member firm.