

## **Defence Industry Is Now Eligible to BOI Promotion**

On 8<sup>th</sup> June 2018, the BOI (Board of Investment Promotion) of Thailand issued its Notification No. Sor. 2/2018 to include the defence industry in the list of promotion eligible businesses, consisting of manufacturing and repairing of (1) military vehicles and weaponry systems for national defence, (2) unnamed systems and parts for national defence, (3) weapons and training systems and parts for national defence, (4) equipment used for battle support.

The defence industry businesses promoted by the BOI will receive 8-year exemption from the corporate income tax without a maximum tax amount or 100% of investment capital depending on the types of business activities and exemption of import duties for import of machinery and import of raw and essential materials for manufacturing defence products for export for 1 year, extendable as the BOI may consider. Non-tax privileges are also given.



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