

**INDUSTRIAL ESTATE AUTHORITY OF THAILAND ACT,  
B.E. 2522 (1979)<sup>1</sup>**

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BHUMIBOL ADULYADEJ, REX.

Given on the 19<sup>th</sup> day of March B.E. 2522 (1979);

Being the 34<sup>th</sup> 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 the 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 (1979)”

**Section 2** This Act shall come into force as from the day following the date of its publication in the Government Gazette.<sup>2</sup>

**Section 3** The Announcement of the National Executive Council No. 339, dated 13<sup>th</sup> December B.E. 2515 (1972), shall be repealed.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** In this Act:

“Industrial estate” means a general industrial zone or a free zone;

“General industrial zone” means an area designated for the operation of industrial activities, service activities or other businesses which are beneficial to or in connection with operation of industrial or service activities.

“Free zone” means an area designated for the operation of industrial activities, commercial activities or other businesses relating thereto, for the purposes of

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<sup>1</sup>As last amended by the Industrial Estate Authority of Thailand Act (No. 5), B.E. 2562 (2019)

<sup>2</sup>Published in the Government Gazette Vol. 41, Part 10, Special Issue, dated 24<sup>th</sup> March B.E. 2522 (1979)

economics, national security, public well-being, environmental management, or other needs as prescribed by the Board, whereby the goods taken into the said area shall be entitled to additional rights and privileges on taxes, duties and fees as prescribed by law;

“Industrial entrepreneur” means a person who is permitted to engage in industrial or service operation in an industrial estate;

“Commerce” means a trading or service in a free zone;

“Commercial entrepreneur” means a person who is permitted to engage in trade or service in a free zone;

“Manufacture” includes to make, build, mix, assemble or pack;

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

“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 of the execution of this Act, and shall have the power to appoint the competent official and issue Ministerial Regulations of the execution of this Act.

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

## CHAPTER 1

Industrial Estate Authority of Thailand

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## Part 1

Establishment

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**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 lands which are suitable for establishment or expansion of industrial estates, or for operation of other businesses beneficial to or in connection with IEAT;

(2) to develop the lands under (1) including to provide necessary facilities for business undertaking and quality living for servicing an industrial entrepreneur, a commercial entrepreneur as well as an entrepreneur of other businesses which are beneficial to, or involved in, industrial undertaking or commercial undertaking together with providing and managing public utility, accommodation, land and marine transportation, port, telecommunication or other businesses which are necessary to, or beneficial to, industrial estate operation, entrepreneur or resident in an industrial estate<sup>3</sup>;

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

(3/1) to carry out port operation business<sup>4</sup>;

(3/2) to establish limited company or listed company in order to engage in business related to, or involved in, the undertakings within the scope of objectives of IEAT<sup>5</sup>;

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

(5) to cooperate or start a joint venture with other persons under the objectives prescribed in (1), (2), (3) or (4), including to become a partner with limited liability of a limited partnership, or to hold shares in any other juristic person whose objectives or businesses

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<sup>3</sup> Amended by Section 3 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

<sup>4</sup> Amended by Section 4 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

<sup>5</sup> Amended by Section 4 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

are beneficial to, or involved in, the undertakings within the scope of objectives of IEAT, both domestically and internationally<sup>6</sup>;

(6) to promote and control industrial estate of private sector or of State Agency;

(7) to develop nearby community or to collaborate with local administrative organization on providing public service and public activity for nearby community<sup>7</sup>.

**Section 7** The businesses, assets, rights, debts and liabilities of the Industrial Estate Authority of Thailand under Announcement No. 339 dated 13<sup>th</sup> December B.E. 2515 (1972) of the National Executive Council shall be transferred to the IEAT.

The assets under paragraph one, after deduction of debts shall be regarded as the capital of IEAT.

**Section 8** The capital of IEAT consists of:

(1) assets transferred under Section 7;

(2) appropriation from the national budget;

(3) other funds or properties received from the Government or other persons;

(4) funds or properties received as aids from a local or foreign source or from an international organization.

**Section 9** IEAT shall have its head office in Bangkok Metropolis or in a nearby province and branch offices or agents may be set up or appointed in any province with industrial estate.

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

(1) To survey, plan, design, construct and maintain facilities and to render services to industrial entrepreneurs, commercial entrepreneurs and entrepreneurs of other businesses which are beneficial to or in connection with industrial or commercial operation, as the case may be;

(2) To prescribe the types and sizes of industrial or commercial businesses or other businesses which are beneficial thereto or in connection therewith that should be allowed to operate in the industrial estate, in accordance with the rules and conditions as laid down by the Board;

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<sup>6</sup> Amended by Section 5 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

<sup>7</sup> Amended by Section 6 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

(3) To inspect the living condition of workers in the industrial estates;

(4) To oversee the operations of the industrial entrepreneurs, commercial entrepreneurs, entrepreneurs of other businesses which are beneficial to or in connection with the industrial or commercial operation and of the users of lands in the industrial estates so as to ensure observance of rules, regulations and laws, including the work relating to public health or affecting the environmental quality;

(4/1) to supervise or to provide accident prevention system, security system and environmental maintenance system including wastewater management and control, waste management and any pollution management in an industrial estate<sup>8</sup>;

(5) To make investment;

(6) To raise loans for financing the business of IEAT;

(7) To issue bonds or any other instruments for investment purposes.

**Section 11** IEAT shall have the power to inspect and certify the types and quantities of raw materials or products, or the types and quantities of machinery, where a certificate is required or in case they are brought into or taken out of the industrial estate, for which service charge shall be collected at the rates fixed by the Board.

**Section 12** Rentals for immovable or movable properties and charges for maintaining facilities and for services provided in the industrial estate shall be fixed by IEAT at reasonable rates so as to ensure sufficient revenue for:

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

(2) repayment of debts in the amount equal to the amount which exceeds that appropriated, for depreciation and for additional expenses incurred in acquisition of new properties to replace the existing ones;

(3) provision of reserve funds and expenses necessary for expansion of its business and investment.

**Section 13** IEAT shall determine the hire-purchase and selling prices of immovable or movable properties as deemed appropriate.

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<sup>8</sup> Amended by Section 7 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

**Section 14** After having designated any land area as an industrial estate under Section 39, IEAT shall have the authority to fix the selling prices, rentals, and hire-purchase prices of immovable or movable properties, and maintenance charges of facilities, as well as service charges in such industrial estate as is suitable for the business.

**Section 15** The revenue earned by the IEAT from its business operations each year shall belong to the IEAT. After deduction of operational expenditures and other proper expenses such as those for maintenance, depreciation, and reserves under Section 16, remunerations and bonuses under Section 32 and Section 35, or contributions to welfare fund or other aids under Section 34, and investment fund under Section 66, any balance therefrom shall be remitted as state revenue.

If the amount of revenue is insufficient to cover the expenses under paragraph one other than reserves under Section 16 and bonuses under Section 32 and Section 35, the IEAT is unable to procure fund from any other sources, the State shall pay IEAT in the amount equal to the amount of deficit.

**Section 16** The reserve fund of IEAT shall consist of contingency reserve, business expansion reserve, debt redemption reserve, and other reserves for each specific purpose as deemed appropriate by the Board.

The reserve fund may be spent only when approved by the Board.

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

## Part 2

### Board of Directors and Governor

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**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 including the Governor, who is *ex-officio* Director.

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

**Section 19** Persons to be appointed as Chairperson, Directors or Governor must have knowledge and experience in business administration, industry, science, engineering, architecture, town planning, economics, commerce, public finance or law.

**Section 20** The Chairperson or the Directors appointed by the Council of Ministers must possess the qualifications stated in (1) and (2), and must not have the prohibited characteristics as mentioned in (3), (4), (5), (6) and (7), as follows:

- (1) being of Thai nationality;
- (2) being not over 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 director or an official of a political party;
- (7) being a person having an interest in a contract made with IEAT or in a business transacted for the IEAT or in a business of a similar nature as that of, and in competition with, the IEAT, either directly or indirectly, except in the case of being a mere shareholder for investment in good faith in a juristic person undertaking a business with such interest.

**Section 21** The Chairperson or Directors appointed by the Council of Ministers shall hold office for a term of three years.

Upon completion of the term of office stated in paragraph one, if new directors have not been appointed, the retiring Chairperson and directors shall remain in office until the new directors have assumed office.

The retiring Chairperson or Directors are eligible for reappointment.

**Section 22** Other than retirement by rotation under Section 21, the Chairperson or directors appointed by the Council of Ministers vacate 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.

When an appointment of director is made during the period the previously appointed directors are still holding office, whether it be an additional or a replacement

appointment, the appointee shall hold office only for the remainder of the term of office of the previously appointed directors.

**Section 23** The Board shall have the power to establish policies, and generally supervise activities of IEAT. Such power includes:

- (1) issuance of rules or regulations for carrying out Section 6 and Section 10;
- (2) issuance of rules or regulations of the meetings and on the businesses of the Board and of the sub-committees;
- (3) issuance of rules or regulations on division of work units, procedures for performance, and finance of IEAT;
- (4) issuance of rules or regulations fixing the positions, salary scale or wages of officials and employees;
- (5) issuance of rules or regulations on placement, appointment, increment of salaries or wages, dismissal, disciplines, punishment, and appeal against punishment of officials and employees;
- (6) issuance of rules or regulations regarding transportation and traveling allowances, lodging expenses, overtime pay, and other payments;
- (7) issuance of rules or regulations regarding the uniforms of officials and employees;
- (8) issuance of rules or regulations regarding filing a complaint by officials and employees;
- (9) issuance of rules or regulations regarding the identity card or uniform of persons working in a free zone;
- (10) issuance of rules or regulations regarding persons entering or staying in a free zone;
- (11) issuance of rules or regulations regarding the welfare fund or other aids for the welfare of the persons working in IEAT and their families, with the approval of the Council of Ministers;
- (12) issuance of rules or regulations relating to safety in the use and maintenance of IEAT's properties;
- (13) fixing the selling prices, rental rates, hire-purchase prices, and the term of lease and hire-purchase of immovable or movable properties, maintenance charges for facilities, and the rates of service charges in an industrial estate;



(14) carrying out any other acts as prescribed by this Act or other laws to be within the powers and duties of the Board.

If the rules or regulations stated in (3) include any provision that limits the power of the Governor in entering into a juristic act, the Minister shall publish the same in the Government Gazette.

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

**Section 25** The Board shall appoint the Governor and determine 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) being not over sixty years of age;
- (3) being able to do full-time work for 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 organization or a local government official;
- (7) holding a political position, including being a member of local assembly or a local administrator;
- (8) being a director or an official of a political party;
- (9) being a person having an interest in a contract made with IEAT or in a business transacted for IEAT or in a business of the similar nature as that of, and in competition with IEAT directly or indirectly, except in the case of being a mere shareholder for investment in good faith in a juristic person undertaking a business with such interest.

**Section 27** The Governor vacates office upon:

- (1) death;
- (2) resignation;
- (3) being an incompetent or quasi-incompetent;

- (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, rules, regulations and policies established by the Board, and shall have the power to control and supervise all officials and employees.

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

**Section 29** The Governor has the powers as follows:

- (1) prescribe regulations and procedures for performance of work of officials or employees;
- (2) issue regulations concerning management of business of IEAT, without conflicting with the rules or regulations of the Board;
- (3) place, appoint and remove, promote, decrease and cut down the salaries or wages of, as well as to take disciplinary actions against, officials and employees, in accordance with the rules or regulations laid down by the Board.

**Section 30** In a business involving a third person, the Governor shall be representative of IEAT. For this purpose, the Governor may assign any person to conduct any specific assignment on his behalf in accordance with the rules or regulations of the Board.

Any juristic act executed by the Governor in violation of the rules or regulations 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 duties, or the position of Governor becomes vacant, the Board shall appoint an official to act on his behalf or to be Acting Governor, as the case may be. In this case, section 26 shall apply mutatis mutandis.

The 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 his capacity as a director.

**Section 32** The Chairperson and Directors shall be entitled to remunerations and may be given a bonus, in accordance with the regulations laid down by the Council of Ministers.

**Part 3**  
**Officials and Employees**

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**Section 33** The officials and employees shall have the right to appeal against punishment or file a petition in accordance with the rules or regulations of the Board.

**Section 34** IEAT shall provide welfare fund or other aids for the welfare of persons working with IEAT and their families upon retirement, accident, sickness, death or other cases deserving such aids.

**Section 35** The officials and employees may be entitled to bonuses in accordance with the rules laid down by the Council of Ministers.

**CHAPTER 2**  
**Industrial Estate**

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**Part 1**  
**Establishment**

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**Section 36** There are two categories of industrial estates, namely.

- (1) general industrial zone;
- (2) free zone;

Establishment, boundary changes and dissolution of an industrial estate shall be published in the Government Gazette by the Board, and there shall be a boundary map attached to such notification.

**Section 36/1** In case there has been issued a notification under Section 36, paragraph two, to establish or change an industrial estate, and there is a public domain within the said area, a Royal Decree may be enacted to change the status of the public domain, by specifying, in such Royal Decree, the plots and the estimated amount of land whose ownership IEAT wishes to acquire. And upon the said Royal Decree having been enacted, the public domain located within the said area shall be vested in IEAT, upon the following conditions having been fulfilled:

(1) For the land which is a public domain for common use by the citizens, in case the citizens have abandoned the use of such land, or its status as the land for common use by the citizens has been transformed, when the Ministry of Interior has given consent thereto and IEAT has paid the price of the land to the Ministry of Finance according to the price fixed by the Ministry of Interior, or in case the citizens are still using the said land, or the status of the land as one for common use by the citizens has not yet been transformed, when the Ministry of Interior has given consent according to the rules and procedures prescribed by the Ministry of Interior, by hearing the opinion of the public, and IEAT has arranged other plots of lands for common use by the citizens in replacement thereof as prescribed in a Royal Decree, the said Royal Decree shall produce an effect of revoking the status of the said land as a public domain, whereby there is no need to go through the process of status revocation or transfer under the Land Code;

(2) For the land which is a public domain used specifically for the benefit of the state, or the land reserved or restricted according to the requirement of the authorities, when the Ministry of Finance has given consent and IEAT has paid the price of the land to the Ministry of Finance as fixed by the Ministry of Finance, the said Royal Decree shall produce an effect of revoking the status of the said land as a public domain, whereby there is no need to go through the process of status revocation or transfer under the law governing state land;

(3) The land which is a public domain and which is vacant land, or which is the land that has been expropriated or abandoned, or which has become a state property by other means under the Land Code, when the Ministry of Interior has given consent and IEAT has paid the price of the land to the Ministry of Finance according to the price fixed by the Ministry of Interior.

For benefit of the undertakings within the scope of objectives of IEAT, IEAT shall have the power to transfer the land, acquired by (1), to any collaborator of industrial estate establishment, industrial entrepreneur, commercial entrepreneur or an entrepreneur of other businesses which are beneficial to, or involved in, industrial undertaking or commerce, as the case may be<sup>9</sup>.

**Section 37** An industrial estate established under this Act must be in accordance with the rules, procedures and conditions stipulated in the Ministerial Regulations.

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<sup>9</sup> Amended by Section 8 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

**Section 38** When it is necessary to acquire an immovable property for the purpose of establishing or expanding an industrial estate, IEAT shall be authorized to proceed with expropriation under the law on expropriation of immovable properties.

For such purpose, a Royal Decree may be promulgated in advance designating the land areas to be expropriated, and the provisions of the law on expropriation of immovable properties shall apply mutatis mutandis.

The immovable property acquired through expropriation under paragraph one shall become the property of IEAT, and IEAT shall have the power to transfer it to the industrial entrepreneurs, commercial entrepreneurs or entrepreneurs of other businesses which are beneficial to or in connection with the industrial or commercial operation, as the case may be.

**Section 39** The Board may, with the consent of the land owner, proceed to include any land areas allocated by any person to be an industrial estate, as an industrial estate under this Act if he has proceeded correctly according to the rules, procedures and conditions stipulated in the Ministerial Regulations issued under Section 37.

**Section 39/1** A person who desires to conduct land allocation within an area designated as industrial estate under section 39 shall obtain written permission of the Governor or a person assigned by the Governor.

Application for permission and granting of permission, including allocation of permitted land under paragraph one, shall be in accordance with the rules, procedures and conditions determined by the Board.

**Section 40** No person shall use a name with Thai or foreign characters that can be translated or read as "Industrial Estate", "General Industrial Estate", or "Free Zone" in any seal, signboard, letter, notice, or other business documents if not being an industrial estate under this Act.

## Part 2

### Business Undertaking, Benefits and Prohibitions

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**Section 41** Any person who is to operate a business in an industrial estate must have been granted a permit from the Governor or the person authorized by the Governor.

Application for and issuance of a permit shall be in accordance with the rules, procedures and conditions stipulated by the Board.

**Section 42** Any undertaking or act of an industrial entrepreneur or commercial entrepreneur relating to the following laws, if it is required by law that the person who undertakes or performs such act must first be granted approval, permission, license, or consent from the relevant State Agency or the committee under the applicable law, or the person who undertakes or performs such act must register or declare such undertaking or act to the relevant State Agency or the committee under the applicable law, it shall be deemed that the Governor has the authority to grant approval, permission, license, or consent, or has the authority to accept registration or declaration under the applicable law:

- (1) The law governing land excavation and land filling;
- (2) The law governing building control;
- (3) The law governing public health;
- (4) The law governing factory.

After the person who undertakes or performs such act is granted approval, permission, license, or consent from the Governor or authorized person under the first paragraph, it shall be deemed that the person who undertakes or performs such act is granted approval, permission, license, or consent from the relevant State Agency or the committee under the applicable law, or such undertaking or act is registered or declared to the relevant State Agency or the committee under the applicable law. The Governor or authorized person shall also be an official or a competent official who has the duty to execute the applicable law.

In granting approval, permission, license, consent, registration, or declaration under the second paragraph, the Governor or authorized person shall comply with criteria, procedures, and conditions prescribed in the applicable law and inform the relevant State Agency or the committee under the applicable law or the relevant law for evidence. For benefits under this Act, the relevant State Agency or the committee under the applicable law or the relevant law may prescribe information by electronic method<sup>10</sup>.

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<sup>10</sup> Amended by Section 9 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

**Section 42/1** Any undertaking or act in an industrial estate which other laws, except in Section 42, require that the person who undertakes or performs such act must first be granted approval, permission, license, or consent from the relevant State Agency or the committee under the applicable law, or must register or declare such undertaking or act to the relevant State Agency or the committee under the applicable law, the authorized person to approve, permit, issue a license, give consent, accept registration or declaration under the applicable law may authorize the Governor or authorized person, in writing, to be a representative to execute under the criteria, procedures, and conditions prescribed in the applicable law<sup>11</sup>.

**Section 42/2** In granting approval, permission, license, consent, registration, or declaration under Section 42 and Section 42/1, IEAT shall have the power to collect the fees, expenses or other costs that the applicable law, statute or municipal regulation prescribed, and convey to the State Agency authorized to collect such fees, expenses or other costs, according to the criteria and procedures as agreed.

IEAT shall have the power to collect additional service fee for operation under the first paragraph at the rate as determined by the Board. In this case, service fee shall not exceed 10 percent of fees under the first paragraph, and such service fee shall be the revenue of IEAT<sup>12</sup>.

**Section 43** In the case where a building is constructed without permission or license granted under section 42 or where the construction of building is different from its construction plan or any particular as permitted or licensed, or where the construction is not comply with the conditions as specified in the permission or license, IEAT shall have the power to suspend that construction and to order the builder, owner or occupier of such building 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 its order, IEAT shall have the power to take any action as it deems appropriate for modifying, 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.

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<sup>11</sup> Amended by Section 10 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

<sup>12</sup> Amended by Section 10 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

**Section 44** An industrial or commercial entrepreneur may be permitted to hold ownership of land in an industrial estate or in a free zone, as the case may be, for operation of business in an amount of area deemed appreciate by the Board, even though it may exceed the limit fixed under other laws.

In the event of an industrial or commercial entrepreneur who is an alien having dissolved his business or having transferred his business to other person, the industrial or commercial entrepreneur shall sell the land whose ownership is permitted to hold and the land's component parts to IEAT or the transferee, as the case may be, within three years from the date of dissolution or transfer of business, otherwise the Director-General of the Department of Lands shall sell the land and its component parts to the IEAT or any other person under the Land Code.

**Section 45** Subject to the law on immigration, insofar as it is not provided otherwise in this Act, an industrial or commercial entrepreneur shall be permitted to bring aliens who are:

(1) skilled workers;

(2) specialists;

(3) spouses and dependents of the persons mentioned in (1) or (2) into the Kingdom in the number and for the length of stay in the Kingdom as the Board deems fit, even though it may exceed the number or the length of stay in the Kingdom permitted under the law on immigration.

**Section 46** Subject to the law on working of aliens, insofar as it is not provided otherwise in this Act, the aliens who are skilled workers or specialists who are permitted to stay in the Kingdom under Section 45 shall be permitted to work specifically in the positions approved by the Board throughout the permitted period of stay in the Kingdom.

**Section 47** An industrial or commercial entrepreneur who has domicile outside the Kingdom shall be permitted to take out or remit a foreign currency abroad if it is:

(1) the capital brought into the Kingdom and dividends or other benefits arising out of the said capital;

(2) a loan from abroad brought in for investment in the industrial or commercial operation under a contract approved by IEAT, including interest thereon;



(3) the money under commitment with a foreign country under a contract concerning exercise of rights and services in the industrial or commercial operation, and such contract has been approved by IEAT.

In case the balance of payment in any period is encountering difficulty whereby it is necessary to set aside a reasonable amount of foreign exchange as a reserve, the Bank of Thailand may temporarily limit the taking out or remittance abroad of such money as a result thereof. However, the remittance abroad of the capital brought into the Kingdom will not be limited to lower than twenty per cent per year of the total amount of the said capital as at the 31<sup>st</sup> December of the year if such remittance is made two years after the money has been brought in, and the remittance of dividends will be not be limited to lower than fifteen per cent per year of the capital brought into the Kingdom and remaining at the time of request for remitting the dividends abroad.

**Section 48** The goods taken into a free zone shall enjoy rights and privileges on duty in the same manner as those taken into a duty free zone under the law governing customs, and it shall also include rights and privileges in the following cases:

(1) Goods imported into the Kingdom and taken into a free zone shall be exempted from special fees under the law governing investment promotion, import duty, value added tax and excise tax, for the goods which are machinery, equipment, tools and appliances, including components thereof which are necessary for the manufacture of goods or for commercial purposes, as the case may be, and goods used in the building, assembly or installation as a factory or building in the free zone, for the quantity imported into the Kingdom and taken into the free zone as approved by the Board, and it shall be in compliance with the rules, procedures and conditions prescribed by the Board;

(2) Goods imported into the Kingdom and taken into a free zone for use in the manufacture of goods or for commercial purposes shall be exempted from special fees under the law governing investment promotion, import duty, value added tax, and excise tax, in accordance with the rules, procedures and conditions prescribed by the Governor;

(3) Goods imported into the Kingdom and taken into a free zone under (2), including products, by-products, and other things obtained from the manufacture within the free zone, if exported, shall be exempted from export duty, value added tax and excise tax.

The goods taken into the free zone under paragraph one shall include those taken out of one free zone to another as well.

**Section 49** In the case of importation of goods into the Kingdom, or in the case of taking raw materials within the Kingdom into a free zone for manufacture, mixing, assembly, packing, or doing anything with such goods, with an aim to export the same out of the Kingdom, such goods shall be exempted from enforcement of the law in the part relating to control of importation, exportation, possession or utilization thereof, or in the part relating to control of standards or qualities, affixing of any marks or signs thereon, but excluding the law governing customs, in accordance with the rules, procedures and conditions prescribed by the Board.

In case the goods under paragraph one, are those which affect or may affect the national security or safety, public order, public health, or the environment, or they are goods which Thailand is obligated under commitments according to an international contract or agreement in respect of importation, exportation, possession, or utilization thereof, the Minister shall be empowered to issue Ministerial Regulations prescribing the kinds or categories of such goods which shall not be exempted under paragraph one, and he may also prescribe any rules, procedures and conditions therefor.

The provisions of paragraph one and paragraph two shall apply to a free zone, carrying out of commerce with the objective to export, *mutatis mutandis*<sup>13</sup>.

**Section 50** *Repealed.*

**Section 51** Any goods which, under the provisions of certain laws, when they are exported, are exempted from tax and duty, or the tax and duty thereof can be refunded, though they are not exported but are taken into a free zone for use under Section 48 (1) or (2), shall be exempted from tax and duty, or the tax and duty thereof shall be refunded, whereby it shall be regarded as if they had been exported on the date of their having been taken into the free zone.

**Section 52** The goods imported into the Kingdom and taken into a free zone under Section 48 or Section 49, and the goods under Section 51, including products, by-products, and other things obtained from the manufacture within the free zone, if taken out of the free zone for use or distribution within the Kingdom, shall be subject to special fees under the law governing investment promotion, import duty, value added tax and excise tax, according to the condition, prices and rates of tax and duty enforced on the date of taking them out of the free zone, and shall also be subject to compliance with the law

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<sup>13</sup> Amended by Section 11 of Industrial Estate Authority of Thailand Act (No. 5) B.E. 2562 (2019)

in the part relating to control of importation, exportation, possession or utilization of such goods, or relating to control of standards or qualities thereof, affixing of any marks or signs thereon, from the date of taking them out of the free zone, as the case may be, whereby it shall be regarded as if they had been imported on the date of their having been taken out of the free zone.

**Section 52/1** In case the goods, including products, by-products, and other things obtained from the manufacture within a free zone, which are taken out of such free zone, are goods that are subject to tax and duty, in calculating tax and duty thereof, if there occurs a case of taking of raw materials within the Kingdom into the free zone for manufacture, mixing, assembly, packing, or doing anything with such goods, whereby the raw materials so taken are not entitled to duty refund or exemption, the price of the said raw materials need not be included for calculation of tax and duty, in accordance with the rules, procedures and conditions prescribed by the Director-General of the Customs Department.

**Section 53** The provisions of the customs law relating to the import, export and storage of goods in the warehouse shall apply mutatis mutandis to the taking of goods into or out of a free zone, storage, and control of transportation. It shall also be carried out in compliance with the regulations and procedures prescribed by the Director-General of the Customs Department, and the penal provisions of the said law shall also apply.

**Section 54** For the goods that are not used or are unusable which are in a free zone, in case an industrial or commercial entrepreneur applies in writing to IEAT for permission for destroying the same, or in case IEAT deems it appropriate to order destruction of the said goods, IEAT shall notify the same in writing to the industrial or commercial entrepreneur, as the case may be, or the agent of the said person, and the Director-General of the Customs Department or the person assigned by him, and the Director-General of the Customs Department or the person assigned by him shall order destruction of such goods according to the rules and procedures prescribed by the Director-General of the Customs Department.

In case IEAT is unable to notify the person under paragraph one, when IEAT has posted a notice at the office of the said person within the free zone for seven days, it shall be regarded that the said person has duly been notified.

The goods destroyed in accordance with the rules and procedures under paragraph one shall be exempted from special fees under the law governing investment promotion, import duty, value added tax and excise tax.

**Section 55** No person shall take any things in a free zone out of the free zone, unless with a written permission from the Governor or the person authorized by the Governor.

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

**Section 56** No person shall enter or stay in a free zone unless permitted in writing by the Governor or the person authorized 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, procedures and forms as prescribed by the Board.

### CHAPTER 3

#### Competent Official

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**Section 57** A competent official shall have the power to enter the premises of an industrial entrepreneur, commercial entrepreneur or entrepreneur of other businesses that are beneficial to or in connection with industrial or commercial operation, as the case may be, in an industrial estate during office hours for investigation of facts or for examination of documents or any things which are related to the operation of business, from the persons on such premises as necessary. In such event, the said entrepreneur shall reasonably afford convenience.

In case the competent official will enter the premises under paragraph one, the Governor or the person assigned by the Governor shall notify in writing to the industrial entrepreneur, the commercial entrepreneur or the entrepreneur of other businesses which are beneficial to or in connection with industrial or commercial operation, as the case may be, at least twenty-four hours in advance, unless the Governor or the person assigned by the Governor deems it as urgent.

**Section 58** The competent official or the customs official is empowered to inspect factories, buildings, vehicles, persons and any things in the free zone.

**Section 59** If any person is found committing an offence or attempting to commit an offence or assigning or assisting or inciting other person to commit an offence under this Act or the customs law in the industrial estate, the competent official is empowered to arrest such person without a warrant of arrest, and send such person to the inquiry official under the Penal Procedure Code, together with the exhibit, for further proceedings.

**Section 60** In performing his duties under Section 57, Section 58 or Section 59, the competent official shall show his identity card in the form prescribed in the Ministerial Regulations, to the persons concerned.

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

## CHAPTER 4

### Supervision

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**Section 62** The Minister shall have the powers 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.

**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 the affairs of IEAT, the interest of the state and the public shall be taken into consideration.

**Section 65** IEAT shall open deposit accounts with banks according to the regulations of the Ministry of Finance.

**Section 66.**<sup>14</sup> IEAT must obtain approval of the Council of Ministers prior to carrying out the followings:

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

- (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** IEAT shall prepare an annual budget broken down into investment capital and working capital. The investment capital shall be submitted to the Council of Ministers for consideration and approval, and the working capital shall be submitted to the Council of Ministers for their information.

**Section 68** IEAT shall establish and maintain a proper accounting system classified into categories of its main functions, with regular internal audit, and books of accounts for entries of:

- (1) revenues and expenditures;
- (2) assets and liabilities;

to reflect its performance as actually existing and as appropriate based on the categories of works, supported by information on the sources of such entries.

**Section 69** Each year, the Office of the Auditor General of Thailand shall be the auditor, and shall audit the accounts including the finance, of IEAT.

**Section 70** The auditor shall be empowered to examine the books of accounts and documents and evidence of IEAT, and for such purpose the auditor shall have the power to interrogate the Chairperson, directors, sub-committee members, competent officials, officials and employees.

**Section 71** The auditor shall prepare a report on the results of account audit and submit the same to the Council of Ministers within one hundred and twenty days from the end date of the accounting year, and IEAT shall make publication of the annual report of the year just ended showing the balance sheet, working account, and profit and loss account certified by the auditor, within one hundred and fifty days from the end date of the accounting year.

## CHAPTER 5

### Penalties

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**Section 71/1** Whoever violates section 39/1 paragraph one shall be liable to imprisonment for a term of not exceeding two years and to a fine from forty thousand Baht to one hundred thousand Baht.

**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 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.

The things taken out in violation of Section 55, paragraph one, shall be confiscated.

**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 afford convenience to the competent official under Section 57, paragraph one, or obstructs, or fails to afford convenience to, the competent official or the customs official under Section 58 shall be liable to a fine not exceeding Baht five thousand.

### Transitory Provisions

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**Section 77** The Director-General, officers and employees of the Industrial Estate Authority of Thailand under the Announcement No. 339 dated 13<sup>th</sup> December B.E. 2515 (1972) of the National Executive Council who are in office on the date of enforcement

of this Act shall become 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 13<sup>th</sup> 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 general industrial estates established under the Announcement No. 339 dated 13<sup>th</sup> December B.E. 2515 (1972) of the National Executive Council shall be regarded as general industrial estates 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 13<sup>th</sup> 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