

Ministerial Regulation No. 6, B.E. 2514 (1971)

Issued Under the Mineral Royalty Rates Act B.E. 2509

Translation

By virtue of Section 7, Section 8, and Section 9 of the Mineral Royalty Rates Act, B.E. 2509, the Minister of Industry has issued the Ministerial Regulation as follows:

Section 1

The Ministerial Regulation No. 1 (B.E. 2509) issued under the Mineral Royalty Rates Act B.E. 2509 shall be repealed.

Section 2

Determination of the mineral market price shall be prescribed as follows:

(1) Tin⁶

- a. The price of tin metal in the ore shall be posted at the price per sixty kilograms, based on the market price in the following order:
 1. The latest market price in the Federation of Malaysia where the transactions have been made consecutively for no less than twenty working days.
 2. In the case that the market price in the Federation of Malaysia is posted in accordance with 1, if no transaction has been made for more than three consecutive working days in the Federation of Malaysia, the market price shall be based on the market price at that time in London, England, where the transactions are made. However, the cost of transportation and insurance from the port in London to the port in Bangkok shall be deducted at the rates prescribed by the Director-General.
 3. In the case that the market price in the Federation of Malaysia or in London, England, is unable to be based on according to 1 or 2, the market price shall be based on the market price at that time in New York City, the United States of America, where the transactions are made. However, the cost of transportation and insurance from the port in New York City to the port in Bangkok shall be deducted at the rates prescribed by the Director-General.
 4. In the case that no transaction is made at that time in the Federation of Malaysia, in London, England, and in New York City, the United States of America, the market price shall be based on the price in Thailand, where the transactions are made, at the rate prescribed by the Director-General.
- b. Whenever there is a fluctuation in the market price over or under that latest posted in excess of fifty Baht per sixty kilograms, it shall be reposted.

(2) Minerals containing Tungstic Oxide⁷

- a. The price of minerals containing tungstic oxide shall be posted, based on the latest market price of the minerals with seventy percent of tungstic oxide per picul⁸, being traded in New York City, the United States of America. However, the cost of transportation and insurance from the port in New York City to the port in Bangkok shall be deducted at the rates prescribed by the Director-General.

- b. Whenever there is a fluctuation in the market price over or under that latest posted in excess of twenty-five Baht per picul, it shall be re-posted.

(3) Gold⁹

- a. The price of gold shall be posted at the price per gram of pure gold based on the latest market price in London, England, where the transactions are made.
- b. Whenever there is a fluctuation in the market price over or under that latest posted in excess of one Baht per gram of pure gold, it shall be re-posted.
- c. (repealed by the Ministerial Regulation No. 19, B.E. 2522)

(3 bis.) Silver¹⁰

- a. The price of silver shall be posted at the price per gram of pure silver based on the latest market price of silver metal in London, England, where the transactions are made.
- b. Whenever there is a fluctuation in the market price over or under that latest posted in excess of one Baht per gram of pure silver, it shall be re-posted.

(3 ter.) Compound of Tantalite and Columbite¹¹

- a. The price of tantalite and columbite compound shall be posted at the price per metric ton based on the latest market price of tantalite containing thirty percent of tantalum pentoxide, in London, England, where the transactions are made.
- b. Whenever there is a fluctuation in market price over or under that latest posted in excess of four hundred Baht per metric ton, it shall be re-posted.

(3 quarter.) Slag containing Columbium Pentoxide or Tantalum Pentoxide or combination of both¹²

- a. The price of slag containing columbium pentoxide or tantalum pentoxide, or combination of both shall be posted at the price per metric ton based on the latest average market price of tantalite containing thirty percent of tantalum pentoxide, in London, England, where the transactions are made. However, the cost of smelting shall be deducted at the rates prescribed by the Director-General, based on the percentage of tantalum pentoxide according to the regulations as follows:
 - 1. For slag containing tantalum pentoxide no more than five percent, the rate shall be calculated at five percent.
 - 2. For slag containing tantalum pentoxide more than five percent, but no more than eight percent, the rate shall be calculated at eight percent.
 - 3. For slag containing tantalum pentoxide more than eight percent, the rate shall be calculated at thirteen percent.
- b. Whenever there is a fluctuation in market price over or under that latest posted in excess of four hundred Baht per metric ton, it shall be re-posted.

(3 quinque.) Lead or Zinc¹³

- a. The price of lead or zinc shall be posted at the price per metric ton based on the latest market price of lead or zinc metal in London, England, where the transactions are made. However, the cost of transportation and insurance from the port in London to the port in Bangkok shall be

deducted at the rates prescribed by the Director-General, depending on the type of such mineral.

- b. Whenever there is a fluctuation in market price over or under that latest posted in excess of fifty Baht per metric ton, it shall be re-posted.

(3 sext.) Cadmium Metal ¹⁴

- a. The price of cadmium metal shall be posted at the price per metric ton based on the monthly average market price of cadmium metal, containing cadmium no less than ninety-nine point nine five percent, in London, England, where the transactions are made.

However the cost of transportation and insurance from the port in London to the port in Bangkok shall be deducted at the rates prescribed by the Director-General.

- b. Whenever there is a fluctuation in market price over or under that latest posted in excess of four hundred Baht per metric ton, it shall be re-posted.

(3 septem.) Marble and Dimensional Granite ¹⁵

- a. The price of marble and dimensional/decorative granite shall be posted at the price per cubic meter, based on the average value of total reserves of marble or dimensional granite, as the case may be, calculated by using the steps and methods prescribed by the Director of Primary Industries and Mines.

- b. In every period of a calendar year, the price of marble and dimensional granite shall be re-posted.

(4) Other Kinds of Minerals

- a. The price of minerals other than those under (1), (2), and (3) and minerals otherwise prescribed by Ministerial Regulations shall be posted at the price per metric ton, depending upon the type and nature of such minerals, based on the latest average price in Bangkok, where the transactions are made.
- b. In case of mineral production for domestic industries, inventions, or energy other than metallurgical works, the price shall be posted based on the domestic average buying prices of the consumers depending upon the type and nature of such minerals.
- c. Whenever the latest posted price of any kinds and forms of mineral, being less than one thousand Baht per metric ton, fluctuates over or under the posted price in excess of thirty Baht per metric ton, it shall be re-posted.
- d. Whenever the latest posted price of any kinds and forms of mineral, being between one thousand Baht and ten thousand Baht per metric ton, fluctuates over or under the posted price in excess of fifty Baht per metric ton, it shall be re-posted.
- e. Whenever the latest posted price of any kinds and forms of mineral, being more than ten thousand Baht per metric ton, fluctuates over or under the posted price in excess of four hundred Baht per metric ton, it shall be re-posted.

Section 3

Determination of the rates for currency exchange in order to calculate the mineral market prices shall be prescribed as follows: ¹⁶

- (1) In case that the par value of the Baht is prescribed, it shall be applied as the set value in calculating the rate for currency exchange. A fraction of one satang shall be discarded.
- (2) In case that the par value of the Baht is not prescribed, the average of the current buying and selling rates of such foreign currency posted daily by the Exchange Equalization Fund shall be applied in calculating the rate for currency exchange.

Section 4 Procedures for the control of payment of mineral royalties shall be prescribed as follows: ¹⁷

- (1) **Payment of Royalties on Tin** shall be collected according to its actual metal content based on the result of analysis carried out by the Department of Primary Industries and Mines or a tin smelting plant, or an institute approved by the Department of Primary Industries and Mines.

In case tin analysis has not yet been carried out, the principle to be based on shall be such that tin content is seventy-two percent except where a certificate is issued by the Department of Primary Industries and Mines to the effect that tin content does not exceed fifty percent or not exceed thirty-five percent, in such case it shall first be assumed that the tin content is fifty percent or thirty-five percent, as the case may be.

- (2) **Payment of Royalties on Tantalite and Columbite compounds** shall be collected according to the content of tantalum pentoxide compound based on the result of analysis carried out by the Department of Primary Industries and Mines or an institute approved by the Department of Primary Industries and Mines.

In case that the analysis of tantalite and columbite compounds has not yet been carried out, the principle shall be based on such that tantalum pentoxide compound content is thirty percent, except when a certificate is issued by the Department of Primary Industries and Mines that tantalum pentoxide compound content does not exceed twenty percent or not exceed ten percent, in that case it shall first be assumed that the tantalum pentoxide compound content is twenty percent or ten percent, as the case may be.

- (3) **Payment of Royalties on slag containing Columbium Pentoxide or Tantalum Pentoxide or combination of both** shall be collected at the rates prescribed under the item 2(a) of (3 quarter.) based on the result of analysis carried out by the Department of Primary Industries and Mines or an institute approved by the Department of Primary Industries and Mines.

In case that the analysis of the slag containing columbium pentoxide or tantalum pentoxide, or combination of both has not yet been carried out, the principle shall be based on such that tantalum pentoxide compound content is thirteen percent, except when a certificate is issued by the Department of Primary Industries and Mines that tantalum pentoxide compound content does not exceed eight percent or not exceed five percent, in that case it shall first be assumed that tantalum pentoxide compound content in the slag containing columbium pentoxide, or tantalum pentoxide, or combination of both, is eight percent or five percent, as the case may be.

- (4) **Payment of Royalties on Lead** shall be collected according to its actual lead content based on the result of analysis carried out by the Department of Primary Industries and Mines or an institute approved by the Department of Primary Industries and Mines.

In case that lead analysis has not been carried out, the principle shall be based on such that lead content is eighty percent, except when a certificate is issued by the Department of Primary Industries and Mines that lead content does not exceed sixty-five percent or not exceed fifty percent or not exceed thirty-five

percent, in that case it shall first be assumed that the lead content is sixty-five percent or fifty percent or thirty-five percent, as the case may be.

- (5) **Payment of Royalties on Zinc** shall be collected according to actual zinc content based on the result of analysis carried out by the Department of Primary Industries and Mines or an institute approved by the Department of Primary Industries and Mines.

In case that zinc analysis has not yet been carried out, the principle shall be based on such that zinc content is fifty percent, except when a certificate is issued by the Department of Primary Industries and Mines that zinc content does not exceed forty percent or not exceed thirty percent, in that case it shall first be assumed that the zinc content is forty percent or thirty percent, as the case may be.

- (6) **Payment of Royalties on Gold** shall be collected according to the content of pure gold based on the result of analysis carried out by the Department of Primary Industries and Mines, or an institute approved by the Department of Primary Industries and Mines.

In case gold analysis has not yet been carried out, the principle shall be based on such that the content of pure gold is eighty percent, except when a certificate is issued by the Department of Primary Industries and Mines to the effect that the content of pure gold does not exceed fifty percent, in that case it shall first be assumed that the content of pure gold is fifty percent.

- (7) **Payment of Royalties on Marble or Dimensional Granite** shall be collected according to the quantity of minerals, rocks, earth, or sand that a Prathanabat holder shall obtain from mining operations in a six-month period, in which he indicates his intention to operate a mine.

The royalty on marble or dimensional granite shall be collected in two installments per year, in advance annually, before the mine operation.

The first installment shall be paid no later than 31st of January, and the second installment shall be paid no later than 31st of July of that year.

A person wishing to operate a mine under the first paragraph shall petition in writing accompanied by a map showing the boundary area within which the mine will be operated and the quantity of minerals, rocks, earth, or sand likely to be obtained from an operation in a six month period beginning on 1st of January of that year, and submit them to the Local Mineral Industry Official at the time each installment of mineral royalty is paid.

If it appears later that, during a six-month period of mine operation, a Prathanabat holder obtains more or less quantity of minerals, rocks, earth, or sand than what he has indicated, the royalties shall be additionally collected or be refunded in proportion to the increased or decreased quantity, as the case may be.

Given on the 21st day of July, B.E. 2514

Signed by Mr. Poj Sarasin

The Minister of National Development

Note:

6 As amended by the Ministerial Regulation No. 34 (B.E. 2529).

7 As amended by the Ministerial Regulation No. 32 (B.E. 2528).

8 1 picul = 60 kilograms.

- 9 As amended by the Ministerial Regulation No. 46 (B.E. 2536).
- 10 As amended by the Ministerial Regulation No. 39 (B.E. 2530).
- 11 As amended by the Ministerial Regulation No. 22 (B.E. 2523).
- 12 As added by the Ministerial Regulation No. 24 (B.E. 2523).
- 13 As amended by the Ministerial Regulation No. 39 (B.E. 2530).
- 14 As added by the Ministerial Regulation No. 51 (B.E. 2538).
- 15 As added by the Ministerial Regulation No. 51 (B.E. 2538).
- 16 As amended by the Ministerial Regulation No. 19 (B.E. 2522).
- 17 As amended by the Ministerial Regulation No. 22 (B.E. 2523) and added by the Ministerial Regulation No. 36 (B.E. 2529), No. 46 (B.E. 2536), and No. 51 (B.E. 2538).

Disclaimer

This translation is intended to help Thais or foreigners to understand Thailand laws and regulations only, not to use as references, because it is only the original Thai version of legislation that carries legal effect. www.ThaiLaws.com, therefore, shall not be held responsible in any way for any damage or otherwise the user may incur as a result of or in connection with any use of this publication for any purposes. It's the responsibility of the user to obtain the correct meaning or interpretation of this publication or any part thereof from Thai version or by making a formal request to the appropriate or related authorities.