

Interest rate of Financial Institution Act B.E. 2523 (1980)

BHUMIBOL ADULYADEJ, REX.

Given on the 9th day of January B.E. B.E. 2523 (1980)

Being the 35th Year of the Present Reign

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

Whereas it is expedient to have a law on practice of interest rate of financial institution.

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

Section 1. This Act is called the “Interest rate of Financial Institution Act B.E. 2523 (1980)”.

Section 2.¹ This Act shall come into force after the date of its publication in the Government Gazette.

Section 3. In this Act,
“financial institution ” means
(1) The Bank of Thailand
(2) The commercial bank
(3) Finance business, securities business, and credit foncier business
(4) Other financial institutions prescribed by the Minister in a notification by the advice of the Bank of Thailand and published in the Government Gazette.
“Minister” means the Minister in charge of the enforcement of this Act.

Section 4.² In order to solve economic crisis of the country, the Minister by the advice of the Bank of Thailand, is empowered to prescribe interest rate of

* **DISCLAIMER:** “This Translation is provided by the Fiscal Policy Office as the competent authority for information purposes only. Whilst the Fiscal Policy Office has made efforts to ensure the accuracy and correctness of the translation, the original Thai text as formally adopted and published shall in all events remain the sole authoritative text having the force of law.”

¹ Published in the Government Gazette, Vol.97, Part 3, special edition page 1, dated 10th January B.E. 2523 (1980)

² As amended by Section 4 of the Interest rate of Financial Institution Act (No.3) B.E. 2535 (1992)

financial institution which may be calculated from the borrower or to allow the lender obtaining interest rate over 15 per cent per year.

In prescribing the area under paragraph one, the Minister may prescribe interest rate for specific genre or all of financial institutions by prescribing maximum rate or other offered rate and prescribe condition for financial institutions to comply with.

The determination according to this section shall be publicized in the Government Gazette.

Section 5.³ Interest rate prescription in this Act shall not affect power to prescribe the interest rate in other laws. However, interest rate prescription in those laws shall not exceed the interest rate which is prescribed by the Minister as mentioned in Section 4.

Section 6.⁴ When the Minister has prescribed the interest rate as mentioned in Section 4, Section 654 of the Civil and Commercial Code shall not be applied to the interest rate of financial institutions prescribed by the Minister as mentioned in Section 4.

Section 7. The Minister of Finance shall be in charge of the enforcement of this Act.

Countersigned by
S. Hotrakitya
Deputy Prime Minister

³ As amended by Section 5 of the Interest rate of Financial Institution Act (No.3) B.E. 2535 (1992)

⁴ As amended by Section 6 of the Interest rate of Financial Institution Act (No.3) B.E. 2535 (1992)