

Taxation of international executives: Thailand



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01

Overview and Introduction

1 Overview and Introduction

Thailand imposes personal income tax on the Thai-sourced income of both residents and non-residents, regardless the Thai source is paid in or outside of Thailand, unless treaty income tax exemption is available.

Income derived from a duty, post, employment, or office performed in Thailand; or from a business or an employer's business carried on in Thailand; or from property located in Thailand; is regarded as income sourced in Thailand.

An individual, resident or non-resident, who derives assessable income from their employment in Thailand, is subject to personal income tax on the whole amount related to their employment in Thailand.

The maximum tax rate applicable to both residents and non-residents is 35 percent, unless qualified for tax privilege rate.

The official currency of Thailand is the Thai Baht (THB) or Baht (B).

Herein, the host country/territory refers to the country/territory to which the employee is assigned. The home country/territory refers to the country/territory where the assignee lives when they are not on assignment.

On 15 September 2023, The Thai Revenue Department issued Departmental Instruction No. Por 161/2566 ("DI No. 161/2566") that foreign-sourced income derives/receives from 1 January 2024 onwards will be subject to Thai personal income tax if:

- I. The individual derives/receives the foreign source income in the year the individual is a Thai resident, and
- II. The individual bring/transfer the foreign source income into Thailand in any calendar year.

A person's liability to Thai tax is determined by residence status for taxation purposes and the source of income derived by the individual.

02

Income tax

2 Income Tax

All income tax information is summarized by KPMG Phoomchai Tax Ltd., a Thai limited company and a member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity, based on the Thai Revenue Code, Revenue Department of Thailand in [Thai](#) and in [English](#).

2.1 Tax Returns and Compliance

When are tax returns due? That is, what is the tax return due date?

Individual tax returns are due by 31 March following the end of the tax year for paper-based return (8 April for electronically return).

What is the tax year-end?

31 December.

What are the compliance requirements for tax returns in Thailand?

Residents

For employment income, a withholding system is in operation, whereby the employer deducts income tax from the employee's salary or wage before paying it. Employers are responsible for submitting a monthly withholding tax return via electronic filing to the Revenue Department within the first 15 days following the month in which the payment was made. The tax due must be paid at the time of filing the return.

Tax is calculated under the assumption that the payments of employment income are made throughout the entire length of the year. The annual amount of tax is calculated at the progressive tax rates prevailing. This tax is then divided by the number of payments; the result shall be the tax to be deducted.

Non-residents

Same as resident for employment income.

2.2 Tax rates

What are the current income tax rates for residents and non-residents in Thailand?

Residents

Income tax is calculated by applying a progressive tax rate schedule to taxable income as follows.

Income tax table for 2024

Taxable income bracket		Total tax income below bracket	Tax rate on income in bracket
From THB	To THB	THB	Percent
0	150,000	0	0
150,001	300,000	7,500	5
300,001	500,000	20,000	10
500,001	750,000	37,500	15

Taxable income bracket		Total tax income below bracket	Tax rate on income in bracket
From THB	To THB	THB	Percent
750,001	1,000,000	50,000	20
1,000,001	2,000,000	250,000	25
2,000,001	5,000,000	900,000	30
5,000,001	Over		35

Non-residents

Employment income shall be taxed at the progressive tax rate, the same tax rate as residents of Thailand.

A non-resident taxpayer is entitled to claim for personal allowance only. Allowances for spouse and child are only available to residents or non-resident whose spouse and child are residents in Thailand in the concerned tax year.

Non-resident may be taxed at 15 percent on gross income for certain income other than employment income.

2.3 Residence rules

For the purposes of taxation, how is an individual defined as a resident of Thailand?

A resident is defined as a person present in Thailand for an aggregate of 180 days or more in any given tax year.

Is there, a de minimus number of days rule when it comes to residency start and end date? For example, a taxpayer can't come back to the host country/territory for more than 10 days after their assignment is over and they repatriate.

No.

What if the assignee enters the country/territory before their assignment begins?

Provided assignees have not commenced work in Thailand, there should be no tax and immigration issues.

2.4 Termination of residence

Are there any tax compliance requirements when leaving Thailand?

Tax returns must be filed. The only special formalities relating to the termination of residence relate to the individual having to obtain a tax clearance certificate in the following circumstances:

- aliens who are liable to pay or remit tax which is due or overdue at the time of departure.
- aliens who are liable to pay tax on behalf of foreign companies doing business in Thailand.
- aliens who receive income from being public entertainers in Thailand.

What if the assignee comes back for a trip after residency has terminated?

Provided assignees no longer work for Thailand, there should be no tax and immigration issues.

Communication between immigration and taxation authorities

Do the immigration authorities in Thailand provide information to the local taxation authorities regarding when a person enters or leaves Thailand?

No (immigration authorities will provide information to local taxation authorities upon request only).

Filing requirements

Will an assignee have a filing requirement in the host country/territory after they leave the country/territory and repatriate?

Departure tax return prior to leaving the country/territory is not required in Thailand. However, a tax return for the year of departure under the normal process is still required should there is income taxable in Thailand. The tax return shall be filed after December but by the end of March of the following year.

2.5 Economic employer approach

Do the taxation authorities in Thailand adopt the economic employer approach¹ to interpreting Article 15 of the Organization for Economic Co-operation and Development (OECD) treaty? If no, are the taxation authorities in Thailand considering the adoption of this interpretation of economic employer in the future?

Yes. KPMG in Thailand notes that the Thai tax authority does not refer to economic employer but instead adopts the general rule that is, during the assignment period the assignee works for Thai entity and if the Thai entity absorbs the assignee's remuneration or the Thai entity sponsor the work permit and visa, the Thai entity is a payer of income and is deemed employer, DTA does not protect.

De minimus number of days

Are there a de minimus number of days² before the local taxation authorities will apply the economic employer approach? If yes, what is the de minimus number of days?

No.

2.6 Types of taxable compensation

What categories are subject to income tax in general situations?

As a general rule, all types of remuneration and benefits received by an employee for services rendered constitute taxable income, regardless of where paid, including the following:

- share option exercises cost-of-living allowances.
- accommodation allowances provided.
- unsubstantiated moving expenses home-leave payments.
- children's education allowances reimbursed tax.
- employer payment of income tax employer provided.
- domestic assistance subsidized/interest-free loans.
- other remuneration and benefits in relation to Thai employment.

Intra-group statutory directors

Will a non-resident of Thailand who, as part of their employment within a group company, is also appointed as a statutory director (i.e., member of the Board of Directors in a group company situated in Thailand) trigger a personal tax liability in Thailand, even though no separate director's fee/remuneration is paid for their duties as a board member?

No, as there is no separate director's fee/remuneration is paid/received in respect to their duties as the Board of Directors.

Will the taxation be triggered irrespective of whether or not the board member is physically present at the board meetings in Thailand?

No, as there is no separate director's fee/remuneration is paid/received in respect to their duties as the Board of Directors.

Will the answer be different if the cost directly or indirectly is charged to/allocated to the company situated in Thailand (i.e., as a general management fee where the duties rendered as a board member is included)?

It depends on whether the general management fee included any separate director's fee/remuneration in respect to their duties as the Board of Directors.

In the case that a tax liability is triggered, how will the taxable income be determined?

The tax liability is triggered on the amount the individual received or portion of their remuneration received in respect to their duties as the Board of Directors recharged to Thailand.

2.7 Tax-exempt income

Are there any areas of income that are exempt from taxation in Thailand? If so, please provide a general definition of these areas.

Medical expenses

Medical expenses of an employee and dependent for treatment that takes place in Thailand and medical expenses of employees only for treatment that takes place outside Thailand while temporarily working outside Thailand.

Moving expenses

Substantiated actual moving expenses (moving expenses for the first time to commence the Thai employment and for returning upon termination of Thai employment).

2.8 Expatriate concessions

Are there any concessions made for expatriates in Thailand?

Qualified expatriates working and receiving employment income from a Thai entity with a status of International Business Center (IBC) is taxable in Thailand at a flat tax rate of 15 percent. Qualified expatriates working for the IBC must be in Thailand for at least 180 days (except for the first and last tax year) and receiving a minimal monthly income of THB200,000 or annual income of THB2,400,000 to qualify for the tax incentive.

Flat rate of 17% for highly skilled professionals with Long-Term Resident ("LTR") visa.

2.9 Salary earned from working abroad

Is salary earned from working abroad taxed in Thailand? If so, how?

For Resident – Salaries receive from employment exercises outside of Thailand are exempt from Thai tax, if it is not paid in or remitted into Thailand and provided the cost is not recharged into Thailand.

For non-resident, it's not taxable.

2.10 Taxation of investment income and capital gains

Are investment income and capital gains taxed in Thailand? If so, how?

Most types of capital gains are taxable as ordinary income. Capital gains from the sale of shares in a company listed on the Stock Exchange of Thailand (if the sale is made through a licensed broker) or from the sale of investment units in a mutual fund are exempt from tax.

Any capital gain or investment income from sources outside Thailand should be regarded as foreign sourced income and not subject to Thai taxation as long as such gains or investment are not transferred or brought into Thailand.

Dividends, interest, and rental income

In general, dividend, interest, and rental income from local sources by residents and non-residents are taxable income in Thailand.

Interest earned on savings deposits with a bank in Thailand (which are repayable on demand) is tax-exempt if the interest is below a maximum limit of THB20,000 per year, any excess is taxed at 15%.

A resident of Thailand may elect not to include dividend income which subject to withholding tax of 10% in their annual tax return provided that a tax credit /refund on dividend are not requested.

Interest, dividend, and rental income derived from sources outside Thailand (should be regarded as foreign sourced income) by resident of Thailand are taxable in Thailand to the extent such income is paid or remitted into Thailand. The foreign sourced income derives/receives by a non-resident is not subject to Thai tax, in any case.

Gains from stock option exercises

Residency status	Taxable at:		
	Grant	Vest	Exercise
Resident	N	N	Y
Non-resident	N	N	Y/N

Foreign exchange gains and losses

If income is paid or determined in a foreign currency, the conversion rate as specified by the Revenue Department's guideline should be used in computing and paying Thai tax. Gain derived from actual exchange is not taxable and loss is not deductible.

Principal residence gains and losses

Gain from principal residence in Thailand is general taxable income to the individual whereas loss is not deductible.

Capital losses

Capital loss is not deductible.

Personal use items

Gain on sale of personal use items is not taxable income to the individual provided it is not for commercial purpose.

Gifts

Starting on 1 February 2016, gifts from the following are exempt to the recipients from personal income tax:

- Income derived from the transfer of ownership or possessory right in an immovable property without consideration by the parent to a legitimate, non-adopted child, only for the portion not exceeding B20 million per tax year;
- Income derived from maintenance or gift from ascendants, descendants or spouse, only for the portion not exceeding B20 million per tax year;
- Income derived from maintenance under moral purposes or gift received in a ceremony or on occasions in accordance with custom and tradition from persons who are not ascendants, descendants or spouse, only for the portion not exceeding B10 million per tax year; and
- Income from gift received for use for religious, educational or public purposes according to the rules and conditions under a ministerial regulation yet to be issued.

Gifts with net value exceeding the above exemption threshold is tax at a flat tax rate of 5 percent.

2.11 Additional capital gains tax (CGT) issues and exceptions

Are there additional capital gains tax (CGT) issues in Thailand? If so, please discuss?

Not applicable.

Are there capital gains tax exceptions in Thailand? If so, please discuss?

Not applicable.

Pre-CGT assets

Not applicable.

Deemed disposal and acquisition

Not applicable.

2.12 General deductions from income

What are the general deductions from income allowed in Thailand?

A number of deductions are available to a resident depending upon the type of income and family status.

Deductible expenses

A taxpayer may deduct from their income either a standard amount or actual expenditures depending on the type of income involved. Standard deductible expense rates are as follows.

Income Type	Standard deductible expense rates for 2021
Employment income - s.40(1) Income from hiring of services - s.40(2)	50 percent of assessable income capped at THB100,000
Goodwill, copyright and other rights income – s.40(3)	Actual expense or 50% of income capped at THB100,000
Interest, dividend and cryptocurrency – s.40(4)	No expense allowed
Rental income – s. 40(5)	10-30% of income or actual expense
Income from liberal professional – s. 40(6)	30 or 60% of income or actual expense
Construction income – s.40(7)	60% of income or actual expense

Income from business, commerce, agriculture, transportation or not specified	40% or 60% of income or actual expense
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The deduction of expenses in relation to rental income and income from liberal, professional, from contract work, from business, commerce or other income not specified may be made on an actual basis only if satisfactory evidence of the expenditures can be provided to the tax authority.

Taxpayers whose derive income from 5), 6), 7) and 8) above must file a mid-year tax return (PND.94) by 30 September in respect of income derived during the first half of the tax year to 30 June (unless the income is less than the filing threshold). Tax paid at the time of the mid-year filing is creditable against the annual tax liability.

Allowances

A resident may deduct personal and specific allowances:

2024 (Baht)	
Personal Allowances	
Taxpayer	60,000
Spouse (legally married, spouse has no income earning in Thailand)	60,000
Dependent, each (Child under 25 years of age and studying at an educational institution or is a minor and earns income less than THB30,000)	30,000 per child, no limit except to with adopted children * Taxpayer can claim for additional 30,000 each child tax deductible allowance for 2nd child onwards who born in/after 2018.
Thai Parental care, each (Thai national parents and/or parents-in-law who are 60 years or over and earns less than THB 30,000 and under the care and support of the taxpayer. Parental allowance can only be claimed by one taxpayer. Prescribed form needs to be completed and submit with the tax return).	30,000
Care of disabled or incapacitated family members, each (Thai national individual who is disabled carrying a disabled identification card with income less than THB 30,000 and is under the care and maintenance of the taxpayer. A doctor's certification is required).	60,000
Care of a disabled or an incapacitated person other than a family member, one person per year (For Thai national individual who is disabled carrying a disabled identification card with income less than THB 30,000 and is under the care and maintenance of the taxpayer. A doctor's certification is required).	60,000

Specific allowances

Taxpayer's contributions to the social security fund Actual amount not exceeding THB 9,000

Life insurance premiums for taxpayer (Insurance policy for the duration of 10 years or more paid to a Thai insurer)	maximum of THB 100,000 per annum
Life insurance premiums for spouse (Where spouse does not have any income and marital status exists throughout the tax year)	Maximum of THB 10,000 per annum
Health insurance premium for taxpayer (a life or non- life insurance business in Thailand)	Maximum of THB 25,000 per annum, including Life Insurance not exceeding THB 100,000 per annum
Health insurance premium to a life or non- life insurance business in Thailand for taxpayer's parents and/or parents-in-law (Thai national parents and/or parents-in-law earning less than THB 30,000)	Up to 15,000
Mortgage interest incurred for the purpose of purchase or construction of a residential building in Thailand	maximum of 100,000 per annum
Qualified pension life insurance premium for taxpayer paid to a Thai insurer (This allowance together with contribution to registered provident fund, civil servant pension fund, welfare fund and investment in SSF and RMF may not exceed THB500,000)	Premium paid with a limit of 15% of assessable income subject to tax with a maximum allowance of THB200,000
Contributions to Provident Fund (PF) (Contributions to PF together with premium paid to qualified pension life insurance and contributions to RMF, investment in SSF, civil servant pension fund and welfare fund may not exceed THB500,000.)	Contributions with a limit of 15% of total wages but not exceeding allowance of THB500,000
Contributions to Retirement Mutual Fund (RMF) (Contributions to RMF together with premium paid to qualified pension life insurance, investment in SSF and contributions to PF, civil servant pension fund and welfare fund may not exceed THB500,000)	Contributions with a limit of 30% of total assessable income subject to tax with a maximum allowance of THB500,000
Investment in a Super Savings Fund (SSF) (Investment in SSF together with the contributions to RMF, premium paid to qualified pension life insurance, contributions to PVF and contributions to civil servant pension fund and welfare fund may not exceed THB 500,000)	Amount invested with a limit of 30% of total assessable income subject to tax with a maximum allowance of THB200,000
Medical expense for prenatal and childbirth delivery (Expenses incurred from January 2018 onwards.)	Amount actual paid not exceeding THB 60,000 for pregnancy each time. If payment of antenatal care and child delivery expenses each time are not paid in the same taxable year, exemption shall be granted according to the amount actually paid in each taxable year, but altogether it must not exceed THB 60,000.

Donations to specified charities (Listed registered charities listed on RD website)	Actual donated amount up to 10% of taxable income after all other allowances are deducted
Donations for rendering educational support to a state education institute, a government organization education institute, a private school established under the law of governing private schools or a private university established under the law governing private universities	200% of actual donation not exceeding 10% of taxable income after all other allowances are deducted
Domestic purchase of goods and services rendered in Thailand between 1 January to 15 February 2024.	Actual amount purchasing but not exceeding THB 50,000 (The rules and conditions specified in the Ministerial Regulation No. 391)

A non-resident taxpayer may be entitled to claim some personal and specific allowances.

2.13 Tax reimbursement methods

What are the tax reimbursement methods generally used by employers in Thailand?

Tax paid by employer which requires tax to be computed on gross-up method (tax on tax).

2.14 Calculation of estimates/ prepayments/ withholding

How are estimates/prepayments/withholding of tax handled in Thailand? For example, Pay-As-You-Earn (PAYE), Pay-As-You-Go (PAYG), and so on.

Pay-as-you-go (PAYG) withholding

For employment income, the withholding tax will be imposed whereby the employer shall withhold tax every time it makes payment to employees and/or taxable benefits for employees.

PAYG Installments

Individual who earns certain non-employment income e.g., rental income or legal, engineer, architecture or accounting profession is required to pay tax on income earned for the first half-year.

When are estimates/prepayments/withholding of tax due in Thailand? For example: monthly, annually, both, and so on.

Withholding tax on employment income is due on monthly basis via electronic filing by the 15th day of the month following the month in which employment income is paid.

Tax on certain non-employment income received during the first half-year (January to June) is due at the end of September of the said tax year.

2.15 Relief for foreign taxes

Is there any Relief for Foreign Taxes in Thailand? For example, a foreign tax credit (FTC) system, double taxation treaties, and so on?

Foreign tax cannot be taken as credit against Thai tax unless permitted under a double tax treaty.

2.16 General tax credits

What are the general tax credits that may be claimed in Thailand? Please list below.

There is a host of credits that may be claimed as relieves on taxpayers' annual tax liability, such as the following:

- tax withheld at source.
- dividend tax credit for the corporate income tax paid by a Thai incorporated company paying the dividend in respect of that portion of its profit out of which the dividend is paid. The dividend tax credit must be included as assessable income (in addition to the dividend income) for the purposes of the tax computation.

2.17 Sample tax calculation

This calculation¹ assumes a married taxpayer resident in Thailand with two children whose 3- year assignment begins 1 January 2022 and ends 31 December 2024. The taxpayer's base salary is 100,000 US dollars (USD) and the calculation covers 3 years.

Calendar	2022 USD	2023 USD	2024 USD
Salary	100,000	100,000	100,000
Bonus	20,000	20,000	20,000
Cost-of-living allowance	10,000	10,000	10,000
Housing allowance	12,000	12,000	12,000
Company car	6,000	6,000	6,000
Moving expense reimbursement/ repatriation	20,000	0	20,000
Home leave	0	5,000	0
Education allowance	3,000	3,000	3,000
Interest income from non-local sources	6,000	6,000	6,000

Exchange rate used for calculation: USD1.00 = THB31.00.

Other assumptions

- All earned income is attributable to local sources. Bonuses are paid at the end of each tax year.
- Interest income is not remitted to Thailand.

¹ Sample calculation generated by KPMG Phoomchai Tax Ltd., a Thai limited company and a member firm of KPMG International Cooperative, based on the [Thai Revenue Code, Revenue Department of Thailand](#).

- The company car is used for business and private purposes and the cost for private used is USD6,000.
- The employee is deemed resident throughout the assignment.
- Tax treaties and totalization agreements are ignored for the purpose of this calculation. Moving expenses reimbursement is actual expenses incurred with supporting evidence. Spouse does not work and children study in Thailand.

Calculation of taxable income

Year-ended 31 March	2022 THB	2023 THB	2024 THB
Days in Thailand during year	365	366	365
Earned income subject to income tax			
Salary	3,100,000	3,100,000	3,100,000
Bonus	620,000	620,000	620,000
Cost-of-living allowance	310,000	310,000	310,000
Net housing allowance	372,000	372,000	372,000
Company car	186,000	186,000	186,000
Moving expense reimbursement	0	0	0
Home leave	0	155,000	0
Education allowance	93,000	93,000	93,000
Total earned income	4,681,000	4,836,000	4,681,000
Other income	0	0	0
Total income	4,681,000	4,836,000	4,681,000
Deductions	289,000	289,000	289,000
Total taxable income	4,392,000	4,547,000	4,392,000
Tax payable	1,082,600	1,129,100	1,082,600
Effective tax	23.13%	23.35%	23.13%

Calculation of tax liability

Year-ended 31 March	2022 THB	2023 THB	2024 THB
Taxable income as above	4,392,800	4,547,000	4,392,000
Thai tax thereon	1,082,600	1,129,100	1,082,600
Less:			
Foreign tax credits	0	0	0
Total Thai tax	1,082,600	1,129,100	1,082,600

03

Special considerations for short term assignments

3 Special considerations for short-term assignments

For the purposes of this publication, a short-term assignment is defined as an assignment that lasts for less than 1 year.

3.1 Residency rules

Are there special residency considerations for short-term assignments?

None.

3.2 Payroll considerations

Are there special payroll considerations for short-term assignments?

None.

3.3 Taxable income

What income will be taxed during short-term assignments?

All income sources in Thailand.

3.4 Additional considerations

Are there any additional considerations that should be considered before initiating a short- term assignment in Thailand?

Protection under a tax treaty may be available provided that all conditions in the tax treaty are met.

04

Other taxes and levies

4 Other taxes and levies

4.1 Social security tax

Are there social security/social insurance taxes in Thailand? If so, what are the rates for employers and employees?

Employer and employee

Employer in Thailand with one or more employees is required to register for social security fund and each is required to contribute at the rate following.

Type of insurance	Paid by employer	Paid by employee	Total
Disability, maternity, and death benefits	1.5%	1.5%	3%
Child and old age benefits	3%	3%	6%
Unemployment benefits	0.5%	0.5%	1.0%
Total social security tax	5%	5%	10%

The Social Security Act is used to finance compensation to employees for maternity, death, unemployment, accidents, illnesses, and physical disabilities occurring outside the workplace.

Employees' contributions are withheld from their wages by employers and are allowed as a tax deduction against employee's assessable income. Employee and employer's contributions are remitted monthly to the appropriate authorities and failure to remit the contributions results in penalties.

Employers (with one or more employees) and the government are each required to contribute 5 percent of the employee's wage to the social security fund, subject in each case to a maximum contribution of THB750 (5 percent of THB15,000) per month.

Employees pay contributions at 5 percent, subject to a maximum contribution of THB750 (5 percent of THB15,000) per month.

4.2 Gift, wealth, estate, and/or inheritance tax

Are there any gift, wealth, estate, and/or inheritance taxes in Thailand?

The gift and inheritance taxes in Thailand have been enforced in February 2016.

4.3 Real estate tax

Are there real estate taxes in Thailand?

In March 2019, the Thai government introduced the new Land and Building Tax Act B.E. 2562, which has been in effect since January 1, 2020 which obligates individuals, corporate entities, or any beneficiaries of land or buildings, to pay land and building tax. The tax will be applied to the following categories of property based on the governmental assessment value:

- Residential (including condominiums);
- Commercial;

- Agricultural; and
- Unused/vacant land.

The ceiling rate sets in different categories as followed:

Property Type	Top Tax Rate
Commercial (land or property used solely for commercial use and not agricultural or residential purposes)	1.20%
Unused or vacant land (property that is either left vacant or is not reasonably used)	1.20%
Residential (place of dwelling)	0.3%
Agricultural (used for agricultural purposes such as farming, aquaculture, animal domestication)	0.15%

There are exemption categories.

4.4 Sales/VAT tax

Are there sales and/or value-added taxes in Thailand?

Thailand has VAT system. Self-employed individual may be subject to VAT if the income is VAT income and if the amount is over the threshold amount.

4.5 Unemployment tax

Are there unemployment taxes in Thailand?

Part of the social security tax.

4.6 Other taxes

Are there additional taxes in Thailand that may be relevant to the general assignee? For example, customs tax, excise tax, stamp tax, and so on.

None.

4.7 Foreign Financial Assets

Is there a requirement to declare/report offshore assets (e.g., foreign financial accounts, securities) to the country/jurisdiction's fiscal or banking authorities?

No.

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Immigration

5 Immigration

Following is an overview of the concept of Thailand's immigration system for skilled labor.

(e.g., which steps are required, authorities involved, in-country and foreign consular processes, review/draft flow chart illustrating the process)

The foreign employees working in Thailand need to have a Non-Immigrant "B" visa ("Non-B visa") and a work permit to work legally.

Every Non-B visa and work permit must be sponsored by a company registered in Thailand. In the same way, their family members need to obtain a Non-Immigrant O visa as well.

Nowadays, foreign nationals from certain countries can apply and pay for their visa through the e-Visa website at www.thaievisa.go.th. After the e-Visa application has been approved, a confirmation e-mail will be sent to applicants. It is kindly requested to print a copy of the confirmation letter to present to airline and Thai Immigration officials to carry out checks when traveling to Thailand.

Available in 38 cities across 23 countries, facilitating the visa application for those wishing to visit the Kingdom.

Upon arrival in Thailand, immigration officers at the airport checkpoint will grant a 90 day stay permit in their passports. The work permit application and visa extension must therefore be submitted and approved within this 90-day period.

There are two types of application and extension procedures:

- General work permit applications
- Special work permit

- 1 Urgent work permit (WP.34): urgent and necessary activities in Thailand applicable for 15 days with an extension up to 15 days
- 2 Applications under Board of Investment (BOI) or Industrial Estate Authority of Thailand (IEAT) promotional privileges 1 or Petroleum Act.

General Work Permit Applications

Each Work Permit issued will require THB2 million of registered, paid-up capital, up to a maximum of 10 expatriate work permits per company (the ratio of employment 4Thais:1expat and local salary of assignee are required for the long-term visa renewal). However, this maximum can be relaxed in certain situations, for example:

- where the employer has paid income tax of not less than THB3 million in the previous year; or
- where the employer employs not less than 100 Thai employees.

However, if the majority ownership is foreign, the paid-up capital must be THB3 million per work permit.

- A foreign business operating in Thailand (Representative Office or Branch Office of a foreign company) must show the evidence of bringing foreign money into Thailand as the minimum capital required by the Foreign Business Law THB3 million per work permit (the ratio of employment 1Thai:1expat and local salary of assignee are required for the long-term visa renewal).
- In case the foreign employee is married to a Thai national, the above required capital needed to sponsor a work permit is 50% less.

Special work permits

- Urgent work permit: The expatriate who is assigned to perform any work of an "essential and urgent nature" for a period of not exceeding 15 days, may engage in work only after a written notification on the prescribed form signed by the expatriate and endorsed by his employer has been submitted and accepted by the Director-General who then issues a proper receipt thereof.

- The expatriate seeking permission to work in Thailand under the Investment Promotion Law (BOI) or under certain other laws, i.e., Petroleum Act, Industrial Estate Act, will get approval for a period of 1 year or more depending on permission of each Authority.

Applying for a Visa Extension

Visa extension applications can be made either at the Immigration Bureau or, in cases where preferential rights apply, at the One Stop Service Center.

Rules and Obligations:

- The applicant must be in possession of a valid Non-B visa
- The applicant must earn the minimum income prescribed by law and which varies according to nationality.
- It cannot be indicated in the audited financial statements of the employer-company that the company is non-operational.
- The employer company must have an employment ratio of at least 4 Thai permanent staff to 1 expatriate, as evidenced by the monthly income tax return (PND1) and Social Security Fund contribution documentation. However, the following business shall be exempted from an employment ratio to be reduced to 1 Thai permanent staff per 1 expatriate: (1) International Trade Business (Representative Office), (2) Regional Office, (3) Overseas Company (Branch Office)
- Thai staff must earn a minimum monthly salary, as evidenced by the monthly income tax return (PND1) and Social Security Fund contribution documentation.

5.1 International Business Travel/Short-Term Assignments

Describe (a) which nationalities may enter Thailand as non-visa national, (b) which activities they may perform and (c) the maximum length of stay.

Foreign national from certain countries to be granted with entry to the Kingdom as “Visa Exemption Scheme” for tourism purpose for up to 30 days.

The activities to be exempt from work permit including:

- organize or attend a meeting, conference; expression of opinion, a lecture, or present at a meeting, training, workshop, or seminar; to perform art and cultural activities; or to participate in sports competition or any activities to be prescribed by the Council of Ministers;
- establishing a business or investment, or who possess knowledge, ability or a high level of skill (“high level of skills”), which will be beneficial to Thailand’s development, as prescribed by the Council of Ministers; and
- representative of a foreign juristic person licensed to operate business under the foreign business law.

KPMG NOTE

Foreign nationals who plan to conduct the listed activities are advised to strictly limit their activities during their visit.

Overview of visa exemptions for entry into Thailand:

<http://www.consular.go.th/main/contents/filemanager/>

Describe (a) the regulatory framework for business traveler being visa nationals (especially the applicable visa type), (b) which activities they may perform under this visa type and the (c) maximum length of stay.

For short-term work activities conducted for not longer than 15 days, the appropriate work authorization is the Urgent Work Permit ("UWP"). If the work cannot be completed within the said period of time, foreigner may apply for an extension of not exceeding 15 days by notifying the Registrar before the lapse of said period.

The Department of Employment had issued the Announcement regarding prescribing 16 types of work which are necessary and urgent under the UWP category, as follows:

- 1 Meeting, training or seminar organizing
- 2 Special academic lecture
- 3 Aviation management
- 4 Occasionally internal audit
- 5 Technical issues monitoring and resolving
- 6 Quality control of goods and products
- 7 Quality assurance of production process
- 8 Machinery and electric generator equipment system inspection or maintenance
- 9 Machine maintenance or installation
- 10 Electric train technician
- 11 Aircraft or aircraft equipment system technician
- 12 Machinery maintenance or machinery control system maintenance consultant
- 13 Machinery demonstration or machinery testing
- 14 Movie filming and slide photographing
- 15 Worker selection for overseas working
- 16 Skill testing for overseas working

Foreigners covered under this announcement are required to submit an application for the Urgent Work Permit to the Department of Employment within the start of the first working day and receiving approval within 1 working day.

KPMG NOTE

In practice, foreigners who intend to apply for Urgent Work Permit, a visa exemption, visa on arrival or tourist visa are acceptable. In other words, they do not need to hold a Non-B visa. However, we are aware of such visas are for tourist purposes which are not for intended purposes. Visa on arrival and tourist visa would likely be given with the stamp "Employment is prohibited" in the passport.

If foreigner's duty doesn't fall within the above activities, a work permit is required.

Outline the process for obtaining the visa type(s) named above and describe (a) the required documents (including any legalization or translation requirements), (b) process steps, (c) processing time and (d) location of application.

Generally, the documents required by the Royal Thai Embassy or Thai Consulate are as follows:

For a Non-B Visa:

- Application form
- Photograph(s)
 - size 4x6 cm

- taken within the last 6 months
- Passport
 - valid for no less than 6 months,
 - more than two blank pages are necessary
- Invitation letter from a company in Thailand(original)
 - The letter must be typed in the company's letter head and sign by authorized person.
- Various corporate documents of the employer company, such as the Certificate of Incorporation, Shareholder List, Company Affidavit, etc.
- The consular officers may ask the sponsoring company in Thailand to fill out the WP.3 form and submit it to the Office of Foreign Workers Administration (Work Permit), Department of Employment or submit the application to the BOI / IEAT requesting for cooperative letter to support a Non-B visa . Once approved, the officers will issue an approval letter and each assignee has to submit the original approval letter together with the required documents to the embassy in order to apply for a Non-B visa.

For a Non-O Visa:

- Application form
- Photograph(s)
 - size 4x6 cm
 - taken within the last 6 months
- Passport
 - valid for no less than 6 months,
 - more than two blank pages are necessary
- Marriage/Birth certificates

Please note: Consular officers reserve the right to ask for additional documents as deemed necessary.

Are there any visa waiver programs or specific visa categories for technical support staff on short-term assignments?

No. The foreign employees working in Thailand need to have a Non-Immigrant "B" visa ("Non-B visa") and a work permit to work legally.

5.2 Long-Term Assignments

What are the main work permit categories for long-term assignments to Thailand? In this context outline whether a local employment contract is required for the specific permit type.

Work permit booklet (blue book) and Digital work permit (for foreigners working for companies receiving BOI incentives) are a legal document that a foreigner's position and a Thai company he/she is working with.

The required documents for obtaining the work permit are as follows:

From the Expatriate Employees

- Original passport and photocopy of the relevant pages of the passport with a Non-Immigrant visa "B"
- Three recent 3x4 cm photographs with white background
- Copy of academic/educational certificate (e.g., university degree, diploma or any certificate)

Please note: Certificates in languages beside English, must be translated into English and certified by an accredited translation center.

- Copy of Employment certificate from prior employer with position/title, job description and length of service time to verify applicant's former experience
 - Incentive (BOI): foreign employees must have a minimal working experience for the applied position -
 - (a) At least 2 years of working experience for general level positions, and must be at least 22 years of age on date of application
 - b) At least 5 years of working experience for positions in managerial level, and must not be under 27 years of age on the date of application
- Certificate of health from a doctor of a Thai hospital or clinic; free from 6 prohibited diseases officially format for obtaining a work permit.

Remark: In terms of the work permits under BOI and IEAT, the certificate of health is not required.

Provide a general process overview to obtain a work and residence permit for long- term assignments (including processing times and maximum validation of the permit).

General work and residence permit:

Item Process	Period of application
1. Company in Thailand apply for WP.3 for supporting the Non-B visa application.	The process takes around 5 working days to get the approval.
2. Assignees apply for (1) the non-immigrant visa from Thai Embassy/ Consulate overseas; and (2) other requirements set by Thai authorities (if required) prior to arriving in Thailand.	3-7 working day processing
3. Once assignee arrives in Thailand with the Non-B visa, and then to apply for a work permit.	5-10 days after receiving the complete required documents
4. After he/she obtains the work permit, he/she must wait until his/her first monthly salary withholding tax is paid in order to get the 1-year visa extension.	The process takes 1 month to get the approval. However, for the sponsoring company has a Registered capital more than 30 MB and the applicant who works as the managerial and up the process takes 1 working day.

Work and residence permit for foreigners working for companies receiving BOI / IEAT incentives

Item	Process	Period of application
1	Company in Thailand to contact the BOI/ IEAT to obtain a username and a password for the e-system	The process takes around 1 working day to get the approval from the BOI/ IEAT
2	BOI - Company in Thailand to submit an application to the BOI for the position and letter for supporting the Non- Immigrant visa. IEAT - Company in Thailand to submit an application to the IEAT for the letter for supporting the Non- Immigrant visa.	The process takes around 5 working days to get the approvals from the BOI/IEAT.
3	Assignees apply for (1) the non-immigrant visa from Thai Embassy/ Consulate overseas; and (2) other requirements set by Thai authorities (if required) prior to arriving in Thailand.	3-7 working day processing
4	BOI - After obtained the position approvals from the BOI, and then to submit an application for placement of expat in the approved position. IEAT - Company in Thailand to submit an application to the IEAT for the work and residence permit.	The process takes around 3-5 working days to get the approvals from the BOI/ IEAT.
5	Collect the work permit and visa extension.	1 working day process

Is there a minimum salary requirement to obtain a long-term work and residence permit for assignments? Can allowances be taken into account for the salary?

The foreign employees must have the local salary as per the table attached to the order as rules and regulations for the visa extension as follows:

Nationality	Minimum income
Countries in Europe (except Russia) and Australia, Canada, Japan, the United States of America	THB 50,000 /month
South Korea, Singapore, Taiwan, and Hong Kong	THB 45,000 /month
Countries in Asia (except Japan, South Korea, Singapore, Taiwan, Hong Kong, Cambodia, Myanmar, Laos, and Vietnam) and South America, countries in Eastern Europe, countries in Central America, Mexico, Russia, and South Africa	THB 35,000 /month

Countries in Africa (except South Africa), Cambodia, Myanmar, Laos, and Vietnam	THB 25,000 /month
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Please note: Allowances can be taken into account. However, these allowances must be received and included in the amount of the monthly salary.

Is there a fast-track process which could expedite the visa/ work permit?

Yes, this is for only the expatriate seeking permission to work in Thailand under BOI and in the (i) Executive level and (ii) Management level (i.e., Director, Manager).

At what stage is the employee permitted to start working when applying for a long-term work and residence permit (assignees/ local hire)?

Under the Thai laws, foreigners are not allowed to work in Thailand, regardless of the type of visa they hold, unless they are granted a work permit.

Can a short-term permit/ business visa be transferred to a long-term permit in Thailand?

Technically it would be possible to transfer a short-term permit/ business visa to a long-term permit in country. This needs to be reviewed case by case as it is highly depended on the circumstances. If a transfer would not be possible, the applicant would need to leave Thailand and apply for the Non-B visa from the Thai Embassy/ Consulate overseas.

Is it possible to renew work and residence permits?

Depending on the permit type it would be possible to renew work and residence permits in Thailand.

For general work and residence permit, it is compulsory for the assignee to provide a copy of the latest income tax return (Phor. Ngor. Dor. 91) of the latest year.

For BOI/ IEAT, it is compulsory for a company to provide the evidence of technology transfer to Thai employees. The evidences should cover the information of knowledge-transferred dates, topics, training method, transferee names, results, as well as future plans for next technology transfer.

Is there a quota or system or a labor market test in place?

No. Thailand does not have a quota system.

5.3 General Immigration Related Questions

Would it be possible to bring family members to Thailand?

Family members: spouse, parent or children (under 20 years old) are allowed to join the main applicant who is working in Thailand, and the Marriage certificate and Birth certificate of children are required by the Immigration authority.

- Same-sex marriage or common-household not recognized in Thailand.

Is it possible to obtain a permanent residence permit?

Yes. A foreign national may qualify to apply for a residence permit if he/she holds a passport of his/her current nationality, which was granted a Non-Immigrant Visa and has been permitted to stay in the Kingdom of Thailand on the basis of one-year visa extension for a total at least 3 consecutive years up to the application submission date.

What if circumstances change after the Work and Residence application process (e.g., change of employment or personal situation, including job title, job role or salary)

Foreign employees need to notify the change to Authority in order to amend the permit/visa. The residence permit will be terminated as a result of the following cases:

- Change of reason for continuation upon which this permit was granted.
- Change or juristic person or employer status, termination of duty, expiration of work permit.

How long can a permit holder leave Thailand without his permit becoming invalid?

An expatriate holding a Non-Immigrant or tourist visa who wishes to travel abroad before the expiry of the visa must apply for a re-entry permit with the Immigration Bureau prior to departing Thailand. This permit will allow the expatriate to re-enter Thailand and stay for the remaining period on the visa. Without this permit, the visa will be cancelled automatically upon departure. The residence permit will be terminated and then he/she must leave Thailand to re-submit the Non-Immigrant visa from the Thai Embassy/ Consulate overseas.

Must immigration permissions be cancelled by the end of the assignment/employment?

Yes. Once the assignment has ended, the sponsoring company has to notify the termination of employment to the Thai authorities. Assignees have up to 24 hours from date of receiving the visa cancellation stamp to leave the country.

Are there any penalties for individuals and/or companies in place for non-compliance with immigration law?

The fine for overstaying is 500 Baht per day, reaching a maximum fine of 20,000 Baht (when overstaying 40 or more days)².

When overstaying for a significant amount of time (90 or more days), you can face the possibility of a ban from Thailand. Here are the current guidelines for overstaying and banning:

When caught at immigration while leaving Thailand/ In the case that the foreigner surrenders himself/herself

- Overstay more than 90 Days = 1-year ban from Thailand
- Overstay more than 1 Year = 3-year ban from Thailand
- Overstay more than 3 Years = 5-year ban from Thailand
- Overstay more than 5 Years = 10-year ban from Thailand

In the case that the foreigner is being apprehended

- Overstay less up to 1 Year = 5-year ban from Thailand
- Overstay more than 1 Year = 10-year ban from Thailand

Foreign workers who work without permits will be subject to a fine of THB 5,000 - THB 50,000².

Employers who hire undocumented foreign workers will be liable to a fine of THB 10,000 – THB 100,000 per employee.

A repeated offence committed by the same employer will result in an imprisonment term of up to 1 year or a fine of THB 50,000 – THB 200,000 per employer, or both. The said employer will also be prohibited from hiring foreign workers for 3 years⁴.

Foreigner working on necessity and urgent work without notifying the Registrar will be liable to a maximum fine of THB 50,000⁵.

² Section 81 of Immigration Act B.E.2522 plus Memorandum of the Committee to Carry Out Settlement under Immigration Act (No.6) B.E.2549

³ Section 101 of Foreign Working Management Emergency Decree (No.2) B.E.2561

⁴ Section 102 of Foreign Working Management Emergency Decree (No.2) B.E.2561

⁵ Section 119 of Foreign Working Management Emergency Decree (Bo.2) B.E.2561

5.4 Other Important Items

List any other important items to note, or common obstacles faced, in Thailand when it comes to the immigration processes.

- Re-entry Permit: Foreigner holding a non-immigrant or tourist visa who wishes to travel abroad before the expiry of the single-entry visa must apply for a re-entry permit with the Immigration Bureau prior to departing Thailand. This permit will allow the foreigner to re-enter Thailand under the same visa and stay for the remaining period. Without this permit, the visa will be cancelled automatically upon departure.
- 90-day Notification: Foreigner who has permission to stay in Thailand for a long period must notify the Immigration Bureau of his/her place of residence every 90 days (counting from the most recent arrival date).
- TM.30 Notification: Notification by hotel, landlord, or owner of residence where foreigner stayed within 24 hours of arrival.

Non-compliance may impose monetary fine and other immigration issues.

Cancellation of Visa and Work Permit: Once the assignment has ended, the sponsoring company must notify the termination of employment to the Thai authorities.

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