



Thailand - Mixed (Civil and common)

★ Incorporate Now

☎ Consultation

Click request a call for a free, no obligation consultation.
In a hurry? Click incorporate now, and startup your company immediately.

Incorporating a company in Thailand

Thailand taxes

If you want to incorporate in Thailand, you have to know about taxation for a Co. Ltd. which is the most common company type in Thailand.

Thailand taxes corporate income on a worldwide basis. The usual tax rate for offshore income remitted back, from our research, and this is not personal tax advice, is 20%. Foreign branch income and foreign subsidiary profits are taxable when received, with certain exemptions. The headline corporate income tax rate is 20%. This ranks Thailand as 70th overall with regards to corporate tax rate worldwide. SME may be subject to a lower progressive rates, provided that paid-in capital and net taxable profits do not exceed certain amounts. Entities approved by the Board of Investment may have tax holidays up to 8 years. Companies under The International Headquartes (IHQ) and International Trade Center (ITC) regimes may be exempted from CIT up to 15 years, among other tax incentives.

The VAT standard rate in Thailand is 10.00%, reduced at 7.00% until September 2017. That ranks the country as 37th overall in terms of value added tax rate worldwide. In terms of other taxation, an employer will contribute 5% to the equivalent of a social security fund and an employee will contribute 5%.

Thin capitalization rules aren't officially enacted. This refers to any type of requirements on companies' debt-to-asset ratios.

Dividends received are included in corporate tax base. Dividends received from a Thai listed company are exempt from tax. Those received from a local unlisted company may be exempted, provided that the beneficiary holds at least 25% of voting shares for a period of at least 3 months. Dividends received may be 50% tax exempt, provided that the beneficiary has been held the shares for at least three months before and three months after the dividends were received. Dividends received from foreign companies are taxable, but may be exempted if beneficiary holds at least 25% of shares with voting rights of the payer for a period not less than 6 months and profits were subject to at least 15% tax on source. There may be tax exemptions on dividends received by BOI companies and companies under the IHQ and ITC regimes. A dividend is a distribution of earnings of the legal entity, established by the board of directors, to a particular class of shareholders. Dividends can be issued as shares of stock, cash payments, or other property.

Capital Gains are considered ordinary business income and included in corporate tax base. A capital gains tax is levied on the profits that a corporation or natural person realizes when he or she sells a capital asset for a price that is higher than the purchase price.

The interest withholding tax rate is estimated at 15%. Which means that the tax authorities expects relevant legal entities to withhold 15% of interests remitted abroad. The dividends withholding tax rate is 10%. This means that the relevant tax authorities expects Co. Ltd.'s to pay tax on 10% of dividends remitted abroad. Royalties are subject to a withholding tax of 15%. This means that a resident company must pay 15% tax on their payments on royalties to non-resident companies. Withholding tax rates may be reduced under a tax treaty.

There is no known tax on wealth in Thailand. There are inheritance, transfer and real property taxes. There are widely used credits for innovation spend that include tax relief in this country.

The above is not tax or legal advice for your particular situation. Incorporations.io can point you to an expert in Thailand who can properly advise you. Contact us today. Click incorporate now if you are in a hurry, or press the free consultation button above.

The vat rate in Thailand is 7% which ranks 36 in the world.

✗ Patent box

✓ RND credit

✗ Wealth tax

45 Tax treaties

20% Offshore Tax

Thailand Legalese

When incorporating, you must look at the law in the country, in Thailand is mixed (civil and common) law. You will want to get some local advice as to how to best structure a company in Thailand. Electronic signatures are permitted.

The country code TH is for Thailand and the most common company type in Thailand is a Co. Ltd.

The average time to incorporate is 3 Days to setup a Co. Ltd. in TH. The types of currencies you can use to setup your company is frequently any legal currency.

. One is typically not permitted to change the jurisdiction.

There must be at least This means it is not possible for you to own a Co. Ltd. in Thailand as a sole shareholder. You must have other shareholders, they can be nominees or de facto shareholders. Corporate Shareholders are encouraged, which means you can have a corporate shareholder. Foreign ownership is allowed, up to 100% of the total equity of the company.

A company is only required to have one director. Consequently, corporate directors are not permitted. Directors should not expect to be private, as they are disclosed.

A registered agent is normally required, which means the company will have to pay a fee on a yearly basis, for a legal services company which can receive any official legal correspondence on behalf of the registered legal entity. A related requirement, a corporate secretary is not always necessary, at least not by law.

There is an obligation to file yearly tax returns. However, there is oftentimes a requirement to have these accounts audited.

Overall we think Thailand is a good option and have given it a score of 74 as an IO score, using the Incorporations.IO proprietary formula.

- ✗ **Directors not disclosed in a public registry**
- ✗ **Shareholders not disclosed in a public registry**
- ✗ **Redomiciliation permitted**
- ✓ **Registered office required**
- ✗ **Corporate director permitted**
- ✗ **Local Secretary not required**
- ✓ **Local Director not required**
- ✓ **Electronic signature**

- 3 Shareholders required**
- 1 Directors required**
- 3 Days to form**



THAILAND

Thailand - Mixed (Civil and common)

★ [Incorporate Now](#)

☎ [Consultation](#)

Click request a call for a free, no obligation consultation.
In a hurry? Click incorporate now, and startup your company immediately.

Country Info



🇹🇭 National Flag of



(tha)

\$ Currency

THB

☎ Area Code

+66

🏛 Capital

Bangkok

📍 Region

South-Eastern Asia

🗣 Native Languages

Thai