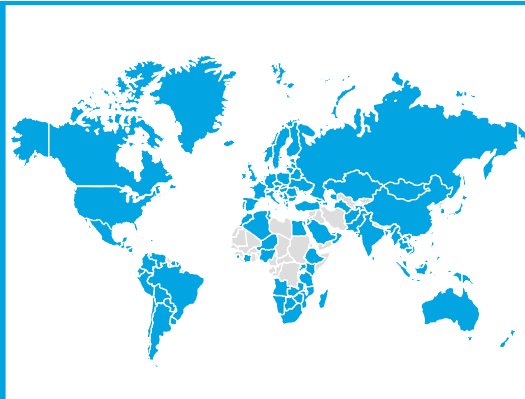


# EXPATRIATES

## Thailand

### Tax facts for international assignees



#### INCOME TAX: WHO IS LIABLE

Every person, resident or non-resident, who derives assessable income from employment or business carried on in Thailand is subject to Thai personal income tax, unless exempted under the provisions of a Double Tax Agreement (DTA). This is regardless of whether such income is paid in or outside of Thailand.

Resident individuals are also subject to personal income tax on foreign source income to the extent that it is paid in or remitted to Thailand in the year it is received.

Employers are required to withhold income tax from salaries and other benefits paid to employees.

#### Residency

An individual who is present in Thailand for a total of at least 180 days in a tax year (calendar year) is treated as a resident of Thailand for tax purposes.

Non-residents are individuals other than residents. Non-residents who derive assessable income from employment or business carried on in Thailand are subject to Thai personal income tax on such income. This is regardless of the resident status of the recipient, where the payments are made or whether the employment is permanent or temporary in nature.

#### Taxable Income

Thailand imposes personal income tax on the Thai-source income of both resident and non-resident individuals.

Thai source income includes income from employment in Thailand and property situated in Thailand.

Foreign-source income would not be subject to Thai tax unless an individual is regarded as a Thai tax resident and remits the income to Thailand in the same year it is received.

#### Tax Return Filing

A personal income tax return must be filed with the Thai Revenue Department on or before 31 March in respect of taxable income received during the preceding (calendar) year. Any outstanding tax on this income must also be paid when filing the return.

In the case where the return is not filed by the due date, the individual shall be subject to a surcharge of 1.5% of the tax due per month and a late filing fine of Baht 200.

#### BREAKING RESIDENCY - EXIT PROCEDURES

A Thai national who works outside Thailand does not have an obligation to file a personal income tax return in Thailand unless they stay in Thailand for an aggregate period of 180 days and remit foreign-source income to Thailand in the year the income is received, or unless they receive Thai-source income.

The following individuals are required to submit a personal income tax return in Thailand if they receive taxable income in Thailand:

- a person who has no spouse and receives income of more than Baht 60,000;
- a person who has no spouse and receives income from an employment in Thailand of more than Baht 120,000;
- a person who has a spouse and receives income of more than Baht 120,000; and
- a person who has a spouse and receives income from employment in Thailand of more than Baht 220,000.

## INCOME TAX RATES

Net Assessable Income (THB)	Rate
0 - 150,000	0%
150,001 - 300,000	5%
300,001 - 500,000	10%
500,001 - 750,000	15%
750,001 - 1,000,000	20%
1,000,001 - 2,000,000	25%
2,000,001 - 5,000,000	30%
Over 5,000,000	35%

*The current personal income tax scales are for both residents and non-residents*

## SOCIAL SECURITY CONTRIBUTIONS

An employer and employee are required to contribute to the Social Security Fund. The current contribution rate is 5% of the employee's wages but not exceeding Baht 750 per month.

The employer is required to deduct the appropriate amount of social security contribution from the salaries payable to each employee and remit such contributions together with its matching contribution to the Social Security Fund by the 15<sup>th</sup> of the month following the month in which the salaries are paid. Surcharges at the rate of 2% per month apply to the late payment of social security contributions.

Generally, an individual and their employer would be required to make contributions to Social Security Fund in the case that the wage is paid in Thailand. An individual who work aboard and their salary is paid outside Thailand may elect to contribute to Social Security Fund.

For further information and to register for future updates contact [expat@bdo.global](mailto:expat@bdo.global)

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