

Thailand's New Land and Building Tax Act B.E.2562

Thailand's new Land and Building Tax Act B.E. 2562 (2019) has come into force on March, 13th 2019, in order to replace the House and Land Tax Act B.E. 2475 (1932).

Under the new Act, the local administrative authorities are empowered to collect land and buildings taxes from individuals or juristic persons that own, possess, or usage rights over land and buildings (including condominiums) in Thailand. The tax collection will start from January, 1st 2020 onwards and due in April of each year. The appraised price of the land and building determined by the government authority will serve as the basis for calculation of land and building tax.

Transition Period Rates

For the first 2 years of tax collection (2020-2021) starting from January 1st, 2020, the rates of land and building tax will be reduced for the owners of the property as follows:

1. Agricultural (tax rate ceiling 0.15%)

Value (Million)	Tax Rate (%)
0-75	0.01
75-100	0.03
100-500	0.05
500-1,000	0.07
1,000 up	0.1

*Under the Act, individual owners who use the land, or building, for agricultural purposes will be exempt for the first three years of tax collection, commencing January 1st, 2020.

2. Residential (tax rate ceiling 0.3%)

Value (Million)	Tax Rate (%)		
	Main House		Other House
	Only Building	Building+Land	
0-10	exempted	exempted	0.02
10-50	0.02	exempted	0.02
50-75	0.03	0.03	0.03
75-100	0.05	0.05	0.05

100 up	0.1	0.1	0.1
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3.Other/vacant or unused (tax rate ceiling 1.2%)

Value (Million)	Tax Rate (%)
0-50	0.3
50-200	0.4
200-1,000	0.5
1,000-5,000	0.6
5,000 up	0.7

***If the land or building is unused for more than 3 years, the rate will be increased by 0.3% every 3 years, until the rate reaches 3%**

The applicable rates of land and building tax from tax year 2022 onwards will be announced by royal decree in due course.