Transaction Completion Guide

THAI REAL ESTATE MARKET (2026 EDITION)

Prepared by Eran Milo

Regional Director of REMAX Thailand & Vice President of TREBA

Navigating the financial closing of a property in Thailand requires absolute transparency. This guide details the government-mandated taxes and fees, ensuring you are fully prepared for the final transfer at the Land Office. Understanding the "Big Five" costs is essential for accurate budgeting and successful investment.

1. The Core "Big Five" Closing Costs

Taxes are calculated on either the **Government Appraised Value** (Treasury Department assessment) or the **Agreed Sale Price**, whichever is higher.

Tax/Fee Item	Rate	Standard Responsibility
Transfer Fee	2%	Shared 50/50 between Buyer & Seller
Specific Business Tax	3.3%	Borne by Seller (if owned < 5 years)
Stamp Duty	0.5%	Borne by Seller (if SBT not applicable)
Withholding Tax	~1-3%	Borne by Seller (Progressive scale)
Agent Commission	3-5%	Borne by the Seller

> **Attention Buyer:** Verify the appraised value early via the Treasury Department's website. Do not assume the tax will be based solely on your purchase price.

> **Attention Seller:** Factor the 3.3% SBT into your net calculations if you have owned the property for less than five years and your name is not in the Tabien Baan.

2. 2026 Government Stimulus Measures

The 0.01% Rule (Valid until June 30, 2026)

The Thai Cabinet has approved an extension of property stimulus measures to encourage market liquidity. For residential properties (houses and condos) with a transaction value and appraised value not exceeding **7 million THB**:

- **Transfer Fee:** Reduced from 2% to 0.01%.
- **Mortgage Registration Fee:** Reduced from 1% to 0.01% (Typically for Thai nationals).
- **Eligibility:** Must be a standard residential property; commercial units are generally excluded.

3. Individual vs. Company Transactions

The entity holding the title deed significantly impacts the tax calculation logic used by the Land Office officers on the day of transfer.

INDIVIDUAL SELLERS

Withholding Tax is calculated on a progressive scale. It accounts for the years of ownership and applies a standard deduction. Individuals can also qualify for the 1-year Tabien Baan exemption for SBT.

COMPANY SELLERS

Withholding Tax is a flat 1% of the sale price or appraised value. Companies **always** pay the 3.3% Specific Business Tax, and the profit from the sale is subject to annual Corporate Income Tax.

> **Corporate Compliance:** When buying from a company, ensure you verify the "Company Affidavit" (not older than 30 days) and a "Board Resolution" authorizing the sale and the authorized signatory.

4. Mastery of Tax Exemptions

The 3.3% Specific Business Tax (SBT) is often the largest expense. It can be legally waived and replaced by the 0.5% Stamp Duty if one of the following criteria is met:

The 5-Year Ownership Rule

The property has been owned by an individual for more than five full years (calculated from the date of the previous transfer on the back of the Chanote).

The 1-Year Tabien Baan Rule

The seller's name has been registered in the House Registration Book (Tabien Baan) for at least one year. This is the most common strategy for individual investors to optimize their ROI.

5. AMLO & Financial Compliance

Transactions exceeding **5 million THB** must be reported to the Anti-Money Laundering Office (AMLO) by the Land Office.

- **Proof of Funds:** Buyers must be able to demonstrate a clear source of funds.
- **The FET Form:** For foreigners, the Foreign Exchange Transaction (FET) form is mandatory to register a condominium in their own name.
- **Reporting Thresholds:** Cash transactions over 2 million THB trigger an automatic currency transaction report (CTR).

> **Strategic Move:** For individual sellers, moving your name into the Tabien Baan early can save you up to 2.8% of the total property value in tax differences.

6. Specialist Legal Counsel

While REMAX handles the commercial transaction, a Specialist Lawyer performs the essential "Chain of Title" search. This ensures that no hidden court orders, private liens, or undisclosed mortgages exist that could block your transfer or lead to future litigation.

7. Closing Day & Post-Closing Checklist

PRE-CLOSING

- [x] Obtain the Juristic "Debt Free" Certificate.
- [x] Prepare precise Cashier's Checks.
- [x] Verify FET form coding (for foreign buyers).

POST-CLOSING

- [x] Transfer Electricity & Water Meters.
- [x] Update House Registration (Tabien Baan).
- [x] File the final copy of the Sale/Purchase doc.

WHY REMAX THAILAND?

- Regional Market Intelligence
- TREBA Ethical Code Adherence
- Comprehensive Closing Support
- Vetted Legal & Financial Resources

REMAX Thailand

REMAX Thailand © 2026 Nasa Street Shopping Mall
Ramkhamhaeng Road Suanluang, Bangkok 10250

02-038-5868
info@remax.co.th
+66910042870
@remax