

- Notes:**
- These rents are inclusive of management fees and air-conditioning
 - The rent-free period ranges between one to two months
 - Grade A indicates superior premises, Grade B somewhat less so.
- * 3,900 m² as example, with 300 m² office space, Western sanitary ware/ fit-ups, basic electrical work, excludes cost of land & civil work, process electrical fit-ups and air conditioning.
- ** Includes cost of 1,000 kVA power transformer, Main and Sub Distribution panels, process power, lighting, wiring and receptacles.
- *** Includes office, restrooms, and utility areas; however, assumes minimum 5 meter high factory/production area. Cost sensitive to design insulation & ventilation.
- **** Grade B cement construction, 5 floors, 500 m² per floor (2,500 m² total), aluminum framed windows/doors, T Bar dropped ceiling for recessed lighting, including cost of air conditioning and electrical sanitary fit-ups. Western amenities, wide modern stairwells, no lifts, exclude land cost.
- Source:** (1) Tilleke & Gibbins International Limited (July 2010) Website: www.tillekeandgibbins.com
 (2) CBRE Research, Q1, 2010 Website: www.cbre.co.th
 (3) Source Thai Co., Ltd., as of May 2010

TAX RATES AND DOUBLE TAXATION AGREEMENTS



Tax Rates

Corporate Income Tax	Rate
A. Tax on net corporate profits	
(1) Ordinary company	30%
(2) Small company (paid up capital <5m baht)	
- Net profit over 1 baht but not > 150,000 baht	Exempt
- Net profit over 150,001 baht but not > 1 million baht	15%
- Net profit over 1 million baht but not > 3 million baht	25%
- Net profit exceeding 3 million baht	30%
(3) Company listed in Stock Exchange of Thailand (SET)	
- Net profit for first 300 million baht	25%
- Net profit for the amount exceeding 300 million baht	30%
(4) ¹ Company listed in Market for Alternative Investment (MAI)	
- Net profit for first 20 million baht	20%
- Net profit for the amount exceeding 20 million baht	30%
(5) ² Company newly listed in Stock Exchange of Thailand (SET)	
- Net profit for first 3 accounting periods	25%
- Net profit after first 3 accounting periods	30%
(6) ² Company newly listed in Market for Alternative Investment (MAI)	
- Net profit for first 3 accounting periods	20%
- Net profit after first 3 accounting periods	30%
(7) Regional Operating Headquarters (ROH)	10%
(8) Bank deriving profits from International Banking Facilities (IBF)	10%
B. Tax on gross receipts	
(1) Association and foundation	
- For income under Section 40 (8)	2%
- Otherwise	10%

Corporate Income Tax	Rate
(2) Foreign company engaging in international transportation	3%
C. Remittance tax	
Foreign company disposing profits out of Thailand	10%
D. Foreign company not carrying on business in Thailand but receiving income from Thailand	
(1) Dividends	10%
(2) Interests	15%
(3) Professional fees	15%
(4) Rents from hiring property	15%
(5) Royalties from goodwill, copyright and other rights	15%
(6) Service fees	15%

Notes: ¹ Tax rate for companies in (4) to apply for qualifying income

² Net profits for 3 consecutive accounting periods, tax rates are applied to Royal Decree issued under the Revenue Code No.475

Personal Income Tax	Marginal Tax Rate
Level of taxable income (baht)	
1 - 100,000	5%
100,001 - 500,000	10%
500,001 - 1,000,000	20%
1,000,001 - 4,000,000	30%
Over 4,000,000	37%

Notes: Net income of 150,000 baht is exempted

Expatriates working for ROH can elect to be taxed at the rate of 15% for 4 years instead of normal progressive tax rates

Withholding Tax from Bank Deposits	Rate
A. For individuals	15%
B. For companies	1%
C. For foundations	10%

Value Added Tax	Rate
Level of taxable income (baht)	
Over 1,800,000 baht	7%

Double Taxation Agreements Exist With the Following Countries:

Armenia, Australia, Austria, Bahrain, Bangladesh, Belgium, Bulgaria, Canada, China, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Hong Kong, Hungary, India, Indonesia, Israel, Italy, Japan, Korea, Kuwait, Laos, Luxembourg, Malaysia, Mauritius, Nepal, the Netherlands, New Zealand, Norway, Oman, Pakistan, the Philippines, Poland, Romania, Seychelles, Singapore, Slovenia, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Turkey, Ukraine, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United States, Uzbekistan, and Vietnam