

RENTAL OF IMMOVABLE PROPERTY FOR COMMERCE
AND INDUSTRY ACT,
B.E. 2542 (1999)

BHUMIBOL ADULYADEJ, REX.

Given on the 7th Day of May B.E. 2542;
Being the 54th Year of the Present Reign.

His Majesty King Bhumibol Adulyadej is graciously pleased to proclaim that:

Whereas it is expedient to have a law on rental of immovable property for commerce and industry;

Be it, therefore, enacted by the King, by and with the advice and consent of the National Assembly, as follows:

Section 1. This Act is called the “Rental of Immovable Property for Commerce and Industry Act, B.E. 2542 (1999)”.

Section 2.¹ This Act comes into force from the day following the date of its publication in the Government Gazette.

Section 3. In this Act:
“rental” means rental of immovable property for commerce or industry for a period of more than thirty years but not exceeding fifty years;

* Translated by Mr. Watthana Suksiripakonchai and reviewed by Associate Prof. Pisawat Sukonthapan under contract for the Office of the Council of State of Thailand's Law for ASEAN project.
– Tentative Version – subject to final authorisation by the Office of the Council of State.

¹ Published in the Government Gazette, Vol. 116, Part 39a, Page 10, dated 18th May 2542 (1999)

“Director General” means the Director General of the Department of Lands.

Section 4. Rental under this Act must be in writing and registered with the competent official otherwise it is void.

Upon the expiry of a rental agreement, the lessee and the lessor may agree to extend it for a period not exceeding fifty years from the date on which they agree to extend the rental agreement; the extension must be done in writing and registered with the competent official otherwise it is void.

Section 5. The lessor must be the sole owner of the immovable property.

Obtaining a plot of land on lease with the area exceeding one hundred *rai* must be approved by the Director General as per the rules, procedures and conditions prescribed in the Ministerial Regulations.

Rental registration under this Act, classification of types of commerce or industry for the purpose of rental, and use or change of the type of use of the rented immovable property shall conform to the rules, procedures and conditions prescribed in the Ministerial Regulations.

The Director General has the power to revoke the registration of a rental agreement, which contravenes or fails to comply with the provisions under paragraph two and paragraph three.

Section 6. The rights under a rental agreement under this Act can be used as collateral for the performance of obligations by means of mortgaging. The provisions related to mortgages of immovable property shall apply *mutatis mutandis*.

Section 7. The rights and obligations under a rental agreement may be passed on to an heir, and the lessee may sub-lease or transfer such rights, either in whole or in part, to a third party unless it is stated otherwise in the rental agreement.

Section 8. Amendment to particulars contained in a registered rental agreement, sub-leasing, putting up the rights under a rental agreement as collateral for the performance of obligations, and the transfer of the rights under a rental agreement or devolution on inheritance

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must be in writing and registered with the competent official otherwise it cannot be used as a defence against a third party.

Section 9. The provisions in the Civil and Commercial Code related to hire of property shall apply *mutatis mutandis* insofar as they are not contrary to or inconsistent with this Act.

Section 10. The provisions of the Land Code, in Chapter 4 on Issuance of Land Title Documents, and, in Chapter 6 on Registration of Rights and Juristic Acts, shall apply *mutatis mutandis* to the inquiry, registration and revocation of rental registration under this Act.

The applicant shall pay fees at the rates prescribed in the Land Code *mutatis mutandis*.

Section 11. The Minister for Interior shall have charge and control of the execution of this Act and shall have the power to issue Ministerial Regulations to implement this Act.

The Ministerial Regulations shall enter into force upon their publication in the Government Gazette.

Countersigned by
Chuan Leekpai
Prime Minister

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