

# THE LAND CODE

**CHAPTER 8**  
**LIMITATION OF ALIENS' RIGHTS IN LAND**

**Section 86**      An alien may acquire land only by virtue of the provisions of a treaty providing him with the right to own immovable property and subject to the provisions of this Code.

Subject to Section 84, the alien may acquire the land for residence, commercial, industrial, agricultural, burial, public charity or religious purposes only in conformity with the conditions and procedures prescribed in the Ministerial Regulations and shall obtain permission from the Minister.

**Section 87**      The amount of land permitted for acquisition under the preceding Section shall be as follow;

- (1) for residence purpose, not more than 1 rai per family,
- (2) for commercial purpose, not more than 1 rai,
- (3) for industrial purpose, not more than 10 rai,
- (4) for agricultural purpose, not more than 10 rais per family,
- (5) for religious purpose, not more than 1 rai,
- (6) for public charity purpose not more than 5 rai,
- (7) for burial purpose, not more than  $\frac{1}{2}$  rai per family.

The Council of Ministers may permit an alien to acquire more land for industrial purpose than that specified in (3) if it thinks appropriate and it may impose any conditions and the provisions of Section 48 shall apply mutatis mutandis.

**Section 88**      The provisions of Section 87 shall not affect the acquisition of land by aliens in excess of that specified in Section 87 prior to the effective date of this Code. The alien who holds land less than that specified or the alien who disposed of his land

may acquire additional land provided that the total amount shall not exceed that specified in section 87.

**Section 89** An alien who obtains permission to acquire land for any specific purpose must use the land for that purpose only. The use of land for other purposes is prohibited unless the permission to use the land not more than the amount specified in Section 87 for other purposes is granted. An alien who no longer uses the land as permitted shall notify of such non-use within thirty days from the date of non-use in accordance with the forms and procedures prescribed in the Ministerial Regulations.

An alien who wishes to use land for other new purposes shall apply to the Minister for permission in accordance with the forms and procedures prescribed in the Ministerial Regulations. The Minister shall have a power to give permission if he thinks appropriate.

**Section 90** An alien who obtained permission to acquire and use land for certain purpose and no longer uses it so or uses it for other purpose without permission shall have to dispose of the land within the period of not less than one hundred and eighty days and not more than one year as specified by the Director-General. The Director – General shall have the power to dispose of such land when the time limit elapses.

**Section 91** An alien who obtained permission to use land for certain purpose and thereafter obtained a new permission to use land for other purpose but the amount of land permitted under the new permission is less than that formerly held, shall have to dispose of the excess within the period of not less than one hundred and eighty days and not more than one year as specified by the Director-General. The Director-General shall have the power to dispose of such land when the time limit elapses.

- Section 92** Any alien who received permission to acquire land under section 87 paragraph two and does not comply with the conditions prescribed by the Council of Ministers, shall dispose of extra land permitted within the period of not less than one hundred and eighty days and not more than one year as specified by the Director-General. The Director-General shall have the power to dispose of such land when the time limit elapses.
- Section 93** The Minister may permit the inheritance of land by an alien who is a statutory heir, provided that the total amount of land inherited and the land which is already held shall not exceed the amount the alien is permitted to hold under Section 87.
- Section 94** All the land unlawfully acquired or acquired without permission by an alien, shall be disposed of within the period of not less than one hundred and eighty days and not more than one year. The Director-General shall have the power to dispose of the land if it is not disposed of within the specified period and the provisions of Chapter 3 on forced sale of land shall apply *mutatis mutandis*
- Section 95** Any person who has acquired land while he was of Thai National and thereafter changed his nationality shall have the right to hold land as much as an alien is entitled to do. The excess land that is held shall be disposed of and the provisions of Section 94 shall apply *mutatis mutandis*.
- Section 96** The Director-General shall have the power to disposed of the land which is acquired by an owner on behalf of an lien or juristic person under Section 97 or Section 98 and the provisions of Section 94 shall apply *mutatis mutandis*.
- Section 96 bis** The provisions of an alien who may acquire land by virtue of the provision of a treaty under Section 86 paragraph one shall not apply to alien who bring money to invest as amount specified in the Ministerial Regulation which not less than forty

million baht. Thus, an alien shall acquire the land for residence not more than one rai and shall obtain permission from the Minister.

The acquisition of land of an alien in paragraph one shall be in accordance with the rules, procedures and conditions prescribed in the Ministerial Regulation in which shall contain at least the following essential matters;

- (1) The type of business invested by an alien shall be beneficial to the economic and social of the country or shall be eligible to obtain the promotion of investment pursuant to the Investment Promotion Law as declared by the Board of Investment.
- (2) The investment period needs to be maintained not less than three years.
- (3) The location of land permitted for acquisition shall not beyond the confines of Bangkok, Pattaya, Municipality or land specified for residence purpose provided by the law of Town and Country Planning

**Section 96 tri** As alien who obtained permission to acquire land under Section 96 bis and does not comply with the rules or conditions prescribed in the Ministerial Regulation Section 96 bis paragraph two shall have to dispose of the land owned by him within the period of not less than one hundred and eighty days and not more than one year as specified by the Director General. The Director General shall have the power to dispose of such land when the time limit elapses.

An alien who obtained permission to acquire land under Section 96 bis and does not use it for residence within two years from the date of acquisition registration, the Director General shall have the power to dispose of such land.

## CHAPTER 9

### LIMITATION OF RIGHTS IN LAND OF SOME CATEGORIES OF JURISTIC PERSONS

**Section 97** The following juristic persons shall have the same rights in land as aliens:

- (1) Limited companies or limited public companies with more than forty-nine per cent of their shares which are registered capital held by aliens or more than half of their shareholders are aliens, as the case may be;

For the purposes of this Chapter, if any limited company issues bearer shares, the shares shall be deemed to be held by aliens.

- (2) Limited partnership or ordinary registered partnership with more than forty-nine percent of their capital contributed by aliens or more than half of their partners are aliens, as the case may be;
- (3) Associations including co-operatives with more than half of their members are aliens or which operate especially or for the most part in the interest of aliens;
- (4) Foundations whose object is especially or for the most part in the interest of aliens.

**Section 98** In case a juristic person specified in Section 97 holds shares in or gives contributions to, as the case may be, any other juristic person under the provisions of Section 97, such other juristic person shall be deemed to be an alien.

**Section 99** In case a juristic person under the provisions of Section 97 or 98 acquires or must dispose of rights in land, the provisions of Chapter 8 and 10 shall apply *mutatis mutandis*, and such juristic person shall assume the duties and responsibilities as those imposed on aliens and persons generally.

**Section 100** If a juristic person acquires land while not within the scope of the provisions of Section 97 and 98, but subsequently comes within the scope of Section 97 and 98 the provisions of Section 95 shall apply *mutatis mutandis*.

## **CHAPTER 10**

### **TRADE IN LAND**

**Section 101** Any person who desires to engage in the business of trade in land shall obtain a permission for each particular parcel of land from the Minister in accordance with the rules and procedures prescribed by the Ministerial Regulations.

In granting a permission the Minister may impose any conditions thereof.

**Section 102** In the case a trader in land under Section 101 fails to comply with the conditions, or is unable to sell, exchange or let out on hire-purchase that parcel of land within three years as from the date of obtaining permission, the Director-General shall have the power to dispose of such land and the provision on forced sale of land under Chapter 3 shall apply *mutatis mutandis*.

## **CHAPTER 11**

### **FEES**

**Section 103** In issuing documents of title to land, cadastral survey, registration of rights and juristic acts or in performing other actions concerning immovable property, fees and expenses shall be collected as prescribed in the Ministerial Regulations, but shall not exceed the rates in the schedule annexed to this Code.

In case the issuance of the title deed or the certificate of utilization is made under Section 58, only the fees on the issuance of the title deed, the certificate of utilization, boundary posts and authorization, in the case of authorization, as the

case may be, and the person having the right in Land may apply for the title deed or the certificate of utilization before the competent official shall record in the title deed or the certificate of utilization that the application fees remain unpaid. If the application for registration of rights and juristic acts is made for the first time, the applicant shall make a payment for the fees which remain unpaid.

The exemption of fees and expenses shall apply with the issuance of the title deed under Section 58 tri.

**Section 103 bis** The registration of rights and juristic acts pertaining to immovable property transferred gratuitously to the State, shall be exempted from the payment of fees.

**Section 104** Section 104 Any person applying to register rights and juristic acts in respect of land or immovable property shall have to pay fees calculated by basing on the assessed values under Section 105 quinque.

Any person applying to register rights and juristic acts in regard to other immovable property except the aforesaid mentioned in paragraph one, shall have to pay fees calculated by basing on the real values as declared by the applicant.

**Section 105** There shall be the Property Assessment Committee consisting of the Permanent Secretary of the Ministry of Interior as the Chairman, the Director-Generals of The Department of Local Administration, the Revenue Department, the Public Works Department and the Department of Lands, the Director of the Fiscal Policy Office, or their representatives, and not more than four competent persons appointed by the Minister as members, and the Director or the Central Valuation Authority as member and secretary.

**Section 105 bis** The members appointed by the Minister shall hold office for a term of three years. The members who vacate office may be re-appointed.



**Section 105 tri** In addition to vacating office in accordance with the term under Section 105 bis, the members appointed by the Minister shall vacate office upon:

- (1) Death
- (2) Resignation
- (3) Being dismissed by the Minister
- (4) Being sentenced to prison by final judgement or legal order of imprisonment except for the punishment for offence committed through negligence or petty offence.

In the case where the members vacate office before the expiration of the term, the Minister shall appoint other persons as the replacement.

The members appointed under paragraph two shall hold office for the remaining term of the members previously appointed.

**Section 105 quarter** At the meeting of the Property Assessment Committee, the presence of not less than one half of the total members shall constitute a quorum. If the chairman is absent, the member attending the meeting shall elect a member among themselves the Chairman of the meeting.

Final decisions of the meeting shall be taken by the majority of votes.

Each member shall have one vote. In case of a tie, the Chairman shall have an additional casting vote.

**Section 105 quinque** The Property Assessment Committee shall have the following power and duties:

- (1) to determine principles and methods in assessing values of immovable properties for the purpose of collection fees in the registration of rights and juristic acts under this Code;
- (2) to give approval for the assessment of properties proposed by the Changwat Sub-committee for the purpose of collecting fees in the

registration of rights and juristic acts pertaining to immovable properties situated in that particular province or in any locality in the province thereof;

(3) to adjudicate on the problems pertaining to the collection of fees in the registration of rights and juristic acts requested by the Department of Lands;

(4) to appoint sub-committees to consider or perform any action as may be assigned by the Property Assessment Committee;

(5) to perform other actions as prescribed in this Code or other laws.

The assessed values approved by the Property Assessment Committee under (2) shall be posted up at the Changwat Land Office, the Branch Changwat Land Office and the Khet or Amphur or Sub-Amphur Office of the locality.

**Section 105 six** There shall be the Changwat Sub-Committee for each province consisting of the Changwat Governor as the chairman, the Deputy Changwat Governor, the Changwat Revenue Official and not more than three competent persons appointed by the Property Assessment Committee as members, and the Changwat Land Official as member and secretary.

The Bangkok Sub-Committee consists of the Bangkok Deputy Governor as the Chairman, representatives from the Department of Local Administration and the Revenue Department, the Bangkok Land Official and not more than three competent persons appointed by the Property Assessment Committee as members, and the Director of the Central Valuation Authority as member and secretary.

Sections 105 bis, 105 tri and 105 quarter shall apply to the Changwat Sub-Committee *mutatis mutandis*.

**Section 105 sept** The Changwat Sub-Committee shall have the duty to determine the assessed values of properties to be used for collecting fees in the registration of rights and juristic acts pertaining to immovable properties located in that particular province or in any locality of that province in order to be proposed to the Property Assessment Committee for approval.

**Section 105 oct** After the assessed values of properties in any province are proclaimed, if it appears that the market value of immovable properties in any locality of that province is considerably different from the assessed values proclaimed, the Changwat Sub-Committee shall, without delay, adjust and propose them to the Property Assessment Committee for approval.

**Section 106** If the competent official considers the declared value of the land to be unreasonably low, he shall make assessment of its true value for the purpose of collection fees by relying on other evidence or the rules prescribed by the Minister. If agreement cannot be reached, the competent official shall refer the matter together with his opinion to Changwat Sub-Committee. When the Changwat Sub-Committee has made its own assessment. The competent official shall proceed accordingly. If the person applying for registration is dissatisfied with the decision of the Changwat Sub-Committee, he may appeal to Assessment for Registration of Rights and Juristic Acts Committee by filing a petition with the competent official. The determination of the committee shall be final for that particular occasions. This procedure shall be followed unless the party applying for registration agrees to pay temporarily the fees prescribed by the Changwat Sub-Committee. In which case, the competent official shall proceed to make registration as requested at once and allow the appeal to proceed later. When the Assessment for Registration of Rights and Juristic Acts committee has made the determination, action shall be taken accordingly.

## **CHAPTER 12**

### **PENALTIES**

**Section 107** Any person who fails to escort the competent official to make cadastral survey or to investigate the utilization of his land, or fails to appoint a representative for that purpose in compliance with Section 58 or Section 69, or violates or fails to comply with Section 26 or Section 70, shall be liable to a fine not exceeding 500 Baht.

**Section 108** The competent official or a person designated by him has the power to give a written notice to any person who has violated Section 9 before this Announcement of the Executive Council comes into force and order him to comply with the regulations prescribed by the Commission. In the case such person ignores or fails to comply with the regulations, the competent official shall issue a written notice ordering him to leave the land and/or remove any construction built on that parcel of land within the specified period. If he fails to comply with the order of the competent official, he shall be punished by imprisonment for a term not exceeding one year or a fine not exceeding 5,000 Baht, or both.

In issuing regulations according to paragraph one, the Commission may require the violator to make a compensation for the use of land to the State or local Government.

**Section 108 bis** As from the effective date of this Announcement of the National Executive Council, any person who violates Section 9 shall be liable to imprisonment for a term not exceeding one year or to a fine not exceeding 5,000 Baht, or both.

An offence under paragraph one committed against the land which is public domain for common use or the land specifically used for the interest of the State

shall be punished by imprisonment for a term not exceeding three years or by a fine not exceeding 10,000 Baht, or both.

An offence under paragraph two committed on an area of more than 50 rai shall be punished by imprisonment for a term not exceeding five years or by a fine not exceeding 20,000 Baht, or both.

In deciding the person committing offence against this Section, the court shall have the power to order the offender and his workers, employees, representatives and followers to leave the land.

Any apparatus, beasts of burden, vehicle or machinery which were used to commit and offence or used as a means to achieve the objectives of the offence shall be subject to confiscation regardless of whether or not the offender is punished by the judgment of the court.

**Section 108 tri** Any person who obstructs or fails to render facilities to the competent official in the execution of his duties under Section 66 shall be liable to a fine not exceeding 1,000 Baht.

**Section 109** Any person who violates or fails to comply with Section 38, Section 67 or Section 74 shall be liable to a fine not exceeding 2,000 Baht or to imprisonment for a term not exceeding three months, or both.

**Section 110** Any person who violates or fails to comply with section 89 shall be liable to a fine not exceeding 3,000 Baht or to imprisonment for a term not exceeding six months, or both.

**Section 111** Any person who violates or fails to comply with Section 86 or Section 101 or fails to comply with the conditions of Section 102 shall be liable to a fine not exceeding 20,000 Baht or to imprisonment for a term not exceeding two years, or both.

**Section 112** Any juristic person who has;

- (1) acquired land in violation of the provisions of this Code,
- (2) used that land for the purpose other than those being permitted,
- (3) used the land inconsistent with the conditions specified by the Council of Ministers under Section 99 together with Section 87 paragraph two,
- (4) failed to give a notice of non-use of land under Section 99 together with Section 89, or

**Section 113** Any person who acquires land as an agent of an alien or juristic person under Section 97 or Section 98 shall be liable to a fine not exceeding 20,000 Baht or to imprisonment for a term not exceeding two years, or both.