

Buying property in Koh Samui, Thailand

STEP 1: Find a property

- After finding a property put in an offer, if the offer is accepted the owner will supply all documents for the lawyer to check. (ID, chanote land title, building permit, address book)
- The buyer will reserve the property (take property off the market) by signing a reservation agreement with the payment terms and dates that have been agreed.
- Normally with a 10% deposit or agreed upon amount is deposited until due diligence is compared.

STEP 2: Pay Lawyer to conduct legal due diligence

Price: 30,000 to 100,000 THB+ (depends on lawyer)

- Investigation of the land directory
- Investigation of the land rights documents and the history
- Investigation of the Execution department
- Zoning, boundaries, slope, additional regulation, how high can build, how many % can build, road access
- Any court case, mortgage, debt, execution department
- Check building construction permit

STEP 3: Sign Sales and Purchase Agreement

Price: 30,000 THB (depends on lawyer)

- After due diligence has passed, the lawyer will draft the sales and purchase agreement contract with all conditions of sale, transfer dates, etc
- If there are issues that cannot be resolved in the time frame given then the buyer has the rights to close the deal.

STEP 4: Ownership transfer (see key taxes and fees page 2)

- Transfer ownership from seller to buyer, fees normally agreed 50/50
- The buyer might need to set up a company with their shareholder partners.
- Both parties (buyer seller) attend the land office with lawyers or parties sign power of attorney (POA) and their lawyer will sign the ownership over on their behalf.
- Name of buyer or company is stamped onto the back of chanote land title deed

STEP 5: Congratulations you are the new owner

Costs to Buyer

Price of property

- **Lawyer Due Diligence:** 30,000 to 100,000 THB (depends on lawyer)
- **Sale & Purchase Agreement:** 30,000 THB
- **Thai Company Set up and shareholders:** 38,000 THB

Tax Simple Guide

Buying a villa in Thailand involves transfer fees, taxes, and duties typically totalling 2.5% to over 6.3% of the appraised value.

Key costs include a 2% transfer fee (usually split 50/50 with the seller), a 3.3% specific business tax (if owned <5 years), or 0.5% stamp duty (if owned >5 years), plus withholding tax.

Key Taxes and Fees (Buyer/Seller Allocation)

- **Transfer Fee (2%):** Officially 2% of the appraised value, often shared 50/50 between buyer and seller.
- **Specific Business Tax (3.3%):** Applicable if the seller has owned the property for less than five years.
- **Stamp Duty (0.5%):** Payable if the Specific Business Tax is not applicable (i.e., owned >5 years).
- **Withholding Tax (1%):** Based on the appraised value, technically paid by the seller.
- **Annual Land and Building Tax:** Owners must pay this annual tax, typically ranging from 0.02% to 0.1% depending on the property value, with exemptions for individual owners of primary residences valued under 50 million THB.
- **Leasehold property transfer fee 1.1% of total land lease term** (agreed upon terms)

Note: Final tax and transfer fees will be confirmed at land office on the transfer date

Thank you for choosing us to guide you through the buying process, we send our deepest gratitude and wish you an abundance of joy in your new property