



Introduction to Tiger Consulting Thailand (Legal name- Tiger Consulting (Thailand) Co., Ltd.)

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Key Country Facts

Official Language

Thai is the official language spoken throughout Thailand, however, many Thais also speak and understand English, especially in Bangkok and the major tourist areas. Since visitors to Thailand also include many Europeans and other Asians, Thai people's language skills often also include other languages to varying degrees. The Thai language itself is challenging to master, but Thai people are happy to help foreigners learn a few words and phrases to help them get around. English is typically the common currency for cross-cultural conversation as Thailand hosts visitors from around the world.

Currency: Thai baht (THB)

Time Zone: UTC +7

Capital City: Bangkok

Laws and Customs: Thailand's legal system blends principles of western and traditional Thai laws. The Thai government is a constitutional monarchy and has a prime minister as head of government with an executive, legislative, and judiciary branch. The traditional 'Thai' laws are the product of Hindu-Brahmin laws used by the Khmer Empire. The king has little direct power under the constitution but is a symbol of national identity and unity. King Bhumibol, who has been on the throne since 1946, commands enormous popular respect and moral authority.

Cultural observations The traditional Thai greeting, the *wai*, is generally offered first by the younger of the two people meeting, with their hands pressed together and fingertips pointing

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upwards as the head is bowed to touch their face to their hands, usually coinciding with the spoken word "Sawasdee khrap" for male speakers, and "Sawasdee kha" for females. The elder then is to respond afterwards in the same way. Social status and position, such as in government, will also have an influence on who performs the *wai* first. For example, although one may be considerably older than a provincial governor, when meeting it is usually the visitor who pays respect first. When children leave to go to school, they are taught to *wai* to their parents to represent their respect for them. The *wai* is a sign of respect and reverence for another, similar to the *namaste* greeting of India and Nepal.

Establishing a company/legal entity in Country

Employment: Thais may work at will. Foreign workers and expatriates must possess valid visas and work permits prior to commencing work.

Working Hours: 9:00 am to 6:00 pm Mon-Fri

Banking and payments: Thai banks provide a wide range of services throughout the country. There are 35 licensed with a combined total of assets of US\$ 315 billion, 17 local Thai commercial and retail banks, and 15 foreign banks with a full branch (one location) in Bangkok. Almost all foreign owned banks in Thailand are owned by Asian banks, in keeping with their regional expansion strategies and the growth opportunities that will be brought by the ASEAN Economic Community in 2015.

Visa's & work permits: Foreigners are allowed to work in Thailand if you have a valid visa, a work permit, and are employed with an occupation that does not violate the Alien Employment Act.

If you want to work in Thailand, you need a work permit. However, before you can apply or be issued a work permit you must have a non-immigrant visa. This is required to apply for a work permit. It can be acquired prior to your arrival. It also often can be arranged in Thailand after your arrival or if you are in Thailand already and must depart for various reasons can be arranged at a Thai consulate office in a neighbouring country.

After you have your non-immigrant visa, you can then apply for a work permit. The work permit once approved allows you only to work at the noted company and location. Generally, a written recommendation is required from the last company where you held a work permit to get another one at any other company. Also if you resign, are terminated, or laid off, according to the law within 10 days you must return your work permit to the labour department.

If you want to operate your existing overseas company in Thailand, or after you have set up your new Thai company with a majority foreign ownership, you need to apply for a license to operate the business depending on what business you will be engaged in.

Public Holiday

- | | |
|-------------------------|-------------------------------------|
| • New Year's Day | 1 January |
| • MakhaBucha Day | (date will move slightly each year) |
| • Chakri Day | 6 April |
| • Songkran Day | 13 – 15 April |
| • Labor Day | 1 May |
| • Coronation Day | 5 May |
| • VisakhaBucha Day | (date will move slightly each year) |
| • AsarnhaBucha Day | (date will move slightly each year) |
| • H.M. Queen's Birthday | 12 August |

- Chulalongkorn Day (Rama V Day) 23 October
- H.M. King's Birthday 5 December
- Constitution Day 10 December
- New Year's Eve 31 December
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Tax & Social Security

Personal Income Tax

Personal Income Tax (PIT) is a direct tax levied on the income of a person. A person means an individual, an ordinary partnership, a non-juristic body of person and an undivided estate. In general, a person liable to PIT has to compute his tax liability, file tax return, and pay tax, if any, accordingly on a calendar year basis.

Taxpayers are classified into "resident" and "non-resident". "Resident" means any person residing in Thailand for a period or periods aggregating more than 180 days in any tax (calendar) year. A resident of Thailand is liable to pay tax on income from sources in Thailand as well as on the portion of income from foreign sources that is brought into Thailand. A non-resident is, however, subject to tax only on income from sources in Thailand.

Certain deductions and allowances are allowed in the calculation of the taxable income. Taxpayers shall make deductions from assessable income before the allowances are granted. Therefore, taxable income is calculated by:

TAXABLE INCOME = Assessable Income - deductions – allowances

Deductions allowed for the calculation of PIT

Type of Income	Deduction
a. Income from employment	40% but not exceeding 60,000 baht
b. Income received from copyright	40% but not exceeding 60,000 baht
c. Income from letting out of property on hire	
1) Building and wharves	30%
2) Agricultural land	20%
3) All other types of land	15%
4) Vehicles	30%
5) Any other type of property	10%
d. Income from liberal professions	30% except for the medical profession where 60% is allowed
e. Income derived from contract of work whereby the contractor provides essential materials besides tools	actual expense or 70%
f. Income derived from business, commerce, agriculture, industry, transport, or any other activities not specified in a. to e.	actual expense or 65% - 85% depending on the types of income

Personal income tax rates applicable to taxable income are as follows:

Tax rates of the Personal Income Tax

Taxable Income (baht)	Marginal Taxable income (baht)	Tax Rate (%)
0 - 150,000 (2008 onwards)	150,000	Exempt
150,001 - 500,000	350,000	10
500,001 - 1,000,000	500,000	20
1,000,001 - 4,000,000	3,000,000	30
4,000,001 and over		37

Social Security

The Social Security means the security which society provides for its members by sharing risks for the stoppage on reduction of earning resulting from sickness, maternity, death, invalidity, old age, unemployment, the provisions of medical care and child allowance.

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An employer needs to register an employee as the “insured person” who starts working at the age of not under fifteen and not over sixty years old in the enterprise with 1 or more employees with the social security office within 30 days from the commencement of work.

In case the number of employees increases, employers are responsible for submitting new employee registration forms if their employee has never received a social security card before. If the new employee already has a social security card, the employer is still required to submit the list of the insured person who joins the company to the social security office.

An employer is responsible to deduct the social security from the employee’s salary each month and submit to the social security office.

Under the Social Security Act, BE 2533 (1990) 5% of your wages should be withheld.

Both employers and employees must contribute monthly to the social security fund by calculating from employee’s monthly wages. The minimum monthly rate of 1,650 baht and the maximum monthly rate of 15,000 baht will be used for calculating the contribution.

Reporting requirements

- Monthly:** Payroll
- Yearly:** Accounting/Audit
- Starters & Leavers:** Monthly as event occurs
- SS Contribution:** Monthly filing by 15th of next month
- Annual Tax Filing:** Employers to file income tax return by February 28th of the year
Employees to file income tax return by March 31st of the year

Employment Law

Employment contracts and labour relations are governed by the Labour Protection Act, the Labour Relations Act, the Civil and Commercial Code, and the Labour Procedure Act. New employees in Thailand whether local or foreign are governed by the Labour Protection Acts B.E.2541 (A.D.1998).

Employees

- Payslips:** Monthly available on web-site, pdf or paper
- Payslip requirements:** (sample payslip)

Tiger Consulting Asia Co., Ltd.
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Payslip

Employee Name	Employee Code	Position
Ms. Jane Doe	1	Payroll Manager
Company Name	Employment Start Date	Pay Period
Tiger Consulting Asia Co Ltd	01-Jan-2013	September 2013
Earnings		
	Current Period (THB)	Year-to-Date (THB)
Basic Salary	100,000.00	900,000.00
Allowance	20,000.00	180,000.00
Bonus	50,000.00	50,000.00
Expenses Claim		
Total Income	170,000.00	1,130,000.00
Deductions		
	Current Period (THB)	Year-to-Date (THB)
Employee Contrib to Social Security	600.00	5,400.00
Employee PF Contribution	5,000.00	45,000.00
Withholding Tax	33,320.00	179,880.00
Total Deductions	38,920.00	230,280.00
Total Net Income	131,080.00	899,720.00
Benefits		
	Current Period (THB)	Year-to-Date (THB)
Employer Contrib to Social Security	600.00	5,400.00
Employer PF Contribution	5,000.00	45,000.00



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- Holiday allowance:** Full-time employees are paid for public holidays
- Annual Leave:** An employee is entitled to a minimum of 6 days of annual leave after working consecutively for one full year. For an employee who has not completed one year of service, the employer may provide an annual leave on a pro-rate basis.

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Sickness:	An employee is entitled to take sick leave with 30 days of paid sick leave per year. An employer may request a medical certificate if an employee is absent for three consecutive days. Days on which the employee cannot work because of injury or illness caused by work shall not be deemed sick leave.
Maternity:	Female employees are entitled to maternity leave for not more than 90 days including holidays, but paid leave shall not exceed 45 days. The Social Security Fund will pay their are manning 45 days. This 90 days maternity leave are in addition to 30 days sick leave.
Military Leave:	The employee shall be entitled to take military service leave for mobilization exercises for inspection, for military training, or for testing of combat readiness, in accordance with laws governing military service. The employer should pay the wages at the same rate as normal work throughout the leave period but shall not exceed sixty days per year.
Sterilization Leave:	This leave is available for both men and women employees. The employer should pay the wages for the leave period as stated in a medical certification.
Other Leaves:	Apart from above, other leaves such as ordination leave, compassionate leave, paternity leave, leave of absence, and leave for education will be up to employer's discretion and without pay unless the employer agrees otherwise.

Benefits to the employee in country

Provident fund

A provident fund is established under a mutual agreement between the employer and the employees with the purposes of offering fringe benefits to the employees and promoting their savings for retirement. Voluntary contributions range from 2% to 15% on the condition that employer contributions must be equal to or higher than that of the employee. Termination of membership comes about by either one of the following three factors: (1) retirement at 55 or older as stipulated in the governing rules, (2) resignation or (3) death. Upon membership termination, members are entitled to a full amount of benefit package in accordance with the fund article. In addition, portability among provident funds and instalment payments are allowed by law.

Expatriates:

Accommodation

Thailand features not only some of the finest hotels and resorts in the world but also arguably the greatest variety of accommodation to choose from. Thailand accommodation options range from rural home stays to luxurious five-star spa-resorts and nearly everything in between.

Thailand features some of the most spectacular resorts and spas in the world. Foreigners can travel anywhere in the world but they choose to come to Thailand for the hospitality and the environment. You will find the nicest and hardest working people that focus solely on making your stay an enjoyable and memorable experience. Staying in a Thailand guesthouse is also one of the most popular accommodation options for visitors to Thailand. Thailand guesthouses range from mom-and-pop style home stays to trendy, boutique-style beach resorts. Budget priced guesthouses are everywhere in Thailand. Many cannot be booked through hotel websites but may take email bookings through their own websites. These short-term accommodation prices can range from THB 600 to more than THB 10,000 per night.

Foreigners planning to stay in Thailand for extended periods of time may find it most cost-effective to rent an apartment. A basic one-bedroom (or studio) apartment in Bangkok will range THB 5,000 to THB 25,000per month, depending on quality and location. Serviced apartments may be easier to procure but are also more expensive: expect to pay THB 18,000or more per month.

Transportation

For visitors, travel in Thailand is very convenient; the Thailand transportation infrastructure is modern and well-organized, and exploring the country is a very straightforward experience. Whether your Thailand travel preference is air, rail, bus, road, or water, most modes of Thailand transportation are used to cater to foreign visitors and have frequent departures. Consequently, it's easy to move about the country and explore sights around particular destinations.

Thailand has entered the 21st century with several modern, electric rail systems that are helping ease traffic congestion and make travel around the city more comfortable and convenient. Thailand has two primary metropolitan rail lines, the BTS Sky Train, consisting of two Green Lines (Sukhumvit and Silom) and the first of several planned MRT underground lines, the Blue Line. Unlimited single day and various multi-day passes can be purchased for both the BTS Sky Train and MRT underground, many of which are ideal for tourists wishing to explore the city, though such cards are not transferable between the two independently owned rail lines and must be purchased separately.

Bangkok may arguable have more taxis than any city on Earth. Not only are they plentiful, they are very reasonably priced now that meters have become the norm. Rates for a Bangkok taxi begin at 35 baht (\$1 US) and then charge 2 baht for the first two kilometres and 2 baht per kilometre thereafter.

One of the most iconic modes of transportation, the tuktuk true Thai vehicle. The colourful, noisy, open-air tuktuks that are found throughout Bangkok are both a "must ride" experience for visitors and a convenient way for both visitors and locals to quickly travel around. Visitors should agree upon fares with tuktuk drivers prior to boarding the vehicle. Short tuktuk trips should cost between 30 and 50 baht regardless of how many passengers you can pile on board.

Food

Thailand features not only one of the finest cuisines in the world but also a wide selection of restaurants serving authentic Italian, Japanese, Middle Eastern, and other global cuisines. Thailand features outstanding cuisine that's available nearly 24 hours a day. Thai restaurants, street stalls, and bars are more than eateries; they are places for people to get together and enjoy each other's company as well as dine on some incredibly tasty Thai food. In addition to restaurants, however, Thai people frequently eat food at food stalls along the street or at outdoor markets.