

**For translation purpose only**  
**Official language is Thai language**

**ROYAL DECREE**

Issued under the Revenue Code

Regarding Sale of an Immovable Property for a Commercial or Profitable Purpose  
(No. 342), B.E. 2541

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**BHUMIBOL ADULYADEJ, REX.**

Given on the 24<sup>th</sup> Day of December B.E. 2541 ;  
Being the 53<sup>rd</sup> Year of the Present Reign.

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

Whereas it is expedient to revise the rules, procedures and conditions in the case of sale of an immovable property for a commercial or profitable purpose.

By virtue of Section 221 of the Constitution of the Kingdom of Thailand and Section 91/2 (6) of the Revenue Code as amended by the Revenue Code Amendment Act (No. 30), B.E. 2534, the King's Most Excellent Majesty hereby enacts a Royal Decree as follows:

Section 1 This Royal Decree is called the "Royal Decree Issued under the Revenue Code Regarding Sale of an immovable Property for a commercial or profitable purpose (No. 342), B.E. 2541".

Section 2 This Royal Decree shall come into force as from the day following the date of its publication in the Government Gazette.

Section 3 The Royal Decree Issued under the Revenue Code Regarding Sale of an Immovable Property for a commercial or profitable purpose (No. 244), B.E. 2534: shall be repealed.

Section 4 The sale of an immovable property which is subject to registration of rights and juristic acts as listed below shall be treated as the sale of an immovable Property for a commercial or profitable purpose which is subject to specific business tax under Section 91/2 (6) of the Revenue Code:

(1) the sale of an immovable property by licensees under the law governing control of land subdivision;

(2) the sale of condominium units by traders who are condominium registrants under the law governing condominiums;

(3) the sale of an immovable property that are buildings constructed for sale, including the sale of land on which such buildings are situated;

(4) the sale of an immovable property which do not fall under (1) (2) or (3), but only where an immovable property is divided up and sold or subdivided for sale with the arrangement of road. or other public utilities or at promise to arrange the same;

(5) the sale of an immovable property which the sellers possess such property to carry on a business of a juristic person under Section 77/1 of the Revenue Code;

(6) the sale of an immovable property not falling under (1) (2) (3) (4) or (5) which is made within five years from the date of acquisition thereof, except for:

(a) the sale or expropriation under the law governing expropriation of an immovable property,

(b) the sale of an immovable property acquired by way of inheritance,

(c) the sale of an immovable property which is principal residences of the sellers whose names is entered in the house registration under the law governing house registration for at least one year from the date of acquisition thereof, In case that the land and the building or structure under (C) have been acquired at different time, the period of five years under (6) shall begin at the latest acquisition.

(d) the transfer of ownership or possessory right in an immovable property without consideration to own legitimate children, but not including adopted children,

(e) the transfer of ownership or possessory right in an immovable property by way of inheritance to legal heirs or devisees who are legal heirs,

(f) the transfer of ownership or possessory right in an immovable property to government authority or government enterprise under Section 2 of the Revenue Code without consideration,

(g) the exchange of ownership or possessory right in an immovable property with government authority or government enterprise under Section 2 of the Revenue Code, only in the case where such a government authority or government enterprise exchanging without other considerations besides an immovable property transferred in exchange.

Section 5 The Minister of Finance shall have charge and control of the execution of this Royal Decree.

Countersigned by:

Chuan Leekpai

Prime Minister

Remarks :- The reasons for the promulgation of this Royal Decree are that the government has a policy to revise the procedures for collecting specific business tax in case of sale of an immovable property for a commercial or profitable purpose by making collection thereof from the sale of an immovable property in the registration system of the Department of Land. In addition, it is expedient to add the exceptions in cases of transfer to legitimate children without any conditions, transfer by way of inheritance to legal heirs, transfer or exchange of ownership or possessory right in an immovable property with government authority or government enterprise as prescribed so that they shall not be treated as the sale of an immovable property for a commercial or profitable purpose for the sake of greater fairness. It is also appropriate to revise the rules, procedures and conditions for determination of the cases of sale of an immovable property which is for a commercial or profitable purpose and subject to specific business tax under Section 91/2 (6) of the Revenue Code for the sake of more clarity. Hence, it is necessary to enact this Royal Decree; (Government Gazette, Decree Issue, Volume 115, Part 102, dated 31<sup>st</sup> December B.E. 2541)