




Legal Alert | Employment and Benefits

Thailand Introduces Long-term Resident (LTR) Visa to Attract ‘High-Potential’ Foreigners

Since the lifting of the strict lockdown in the first quarter of 2022 and the decrease in the number of COVID-19 cases, the Thai economy has shown signs of recovery. However, Thailand still faces a battle in bringing its economy back up to pre-pandemic levels in order to compete with its ASEAN neighbors, not to mention the world. Therefore, in June this year, the Royal Gazette formally announced of the introduction of an initiative between the Ministry of Interior (“**MOI**”), the Ministry of Labour (“**MOL**”), and the Board of Investment (“**BOI**”) in the form of a Long-Term Resident (LTR) visa that is designed to attract a new wave of foreign direct investment (“**FDI**”) and knowledge transfer experts.

The Thai government anticipates that the scheme will attract over one million foreigners over the next five years, drawn by the low cost of living and vibrant lifestyle here. The LTR visa scheme is focused on making Thailand an even more attractive destination by simplifying the visa and work permit process and offering attractive incentives. It is hoped that this will bring extra investment into Thailand of more than THB 750 billion by 2026.

The LTR visa will benefit certain foreigners and their dependents who meet the criteria set by the BOI which are divided into five categories. The concept of the LTR visa was introduced last year and has been updated on an ongoing basis. Based on the Cabinet’s resolution in the previous year, most of the core qualifications still remain the same. However, there are new additional criteria that the applicants need to meet as stipulated by the BOI as follows:

	Main Qualifications	Additional Qualifications as of 2022
	<p>Income Requirements</p> <ul style="list-style-type: none"> Have a minimum investment of USD 500,000 in Thai government bonds, FDI , or real estate; 	<p>Other Requirements</p> <ul style="list-style-type: none"> Must provide evidence of the following: <ul style="list-style-type: none"> ➢ Health insurance to cover treatment in Thailand with at

August 2022

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<p>(1) Wealthy Global Citizens</p>	<ul style="list-style-type: none"> • Have a minimum salary of USD 80,000 per year for the past 2 years; and, • Have a minimum of USD 1 million in assets. 	<p>least THB 50,000 coverage; or</p> <ul style="list-style-type: none"> ➢ Social security that covers treatment in Thailand; or ➢ Bank account balance of at least USD 100,000. <ul style="list-style-type: none"> • Not be classified as a prohibited person under immigration laws 	<h2>About Us</h2> <hr/> <h3>Kudun and Partners' Employment and Benefits Practice</h3> <p>Managing human resource-related matters in an organisation requires empathy but at the same time, proper policies are required to be in place to protect employers from undesirable fallout with employees. Qualified advice on employment laws and trends, labour and human rights, handling demands of labour unions and retaining talents, especially during spinoffs or reorganization are necessary to maintain business success. Contentious employment law disputes are often a worst-case scenario for all parties involved. In an ideal world, things would never have reached this stage, but when legal proceedings become necessary to protect yourself and your interests, it's important to have an experienced lawyer by your side to ensure you get the result you deserve.</p>
 <p>(2) Wealthy Pensioners</p>	<p><u>Income Requirements</u></p> <ul style="list-style-type: none"> • Have a minimum pension/personal income of USD 80,000 per year; or • If the pension/personal income is less than USD 80,000 but not less than USD 40,000, the applicant must have a minimum investment of USD 250,000 in Thai government bonds, FDI, or real estate. 	<p><u>Other Requirements</u></p> <ul style="list-style-type: none"> • Must be a retiree aged at least 50 years old with a pension or stable income. • Must provide evidence of the following: <ul style="list-style-type: none"> ➢ Health insurance to cover treatment in Thailand with at least USD 50,000 coverage; or ➢ Social security that covers treatment in Thailand; or ➢ Bank account balance of at least USD 100,000. • Not be classified as a prohibited person under immigration laws. 	
 <p>(3) Work-from-home Thailand professionals</p>	<p><u>Income Requirements</u></p> <ul style="list-style-type: none"> • Have a minimum personal income of USD 80,000 per year for the past 2 years; or, • If the personal income is less than USD 80,000 but not less than USD 40,000 in the past 2 years, the applicant must have a master's degree or higher, or possess intellectual property, or receive Series A funding that has passed the seed funding phase of not less than USD 1 million. <p><u>Work Requirements</u></p> <ul style="list-style-type: none"> • Have more than 5 years of relevant work experience. 	<p><u>Work Requirements</u></p> <ul style="list-style-type: none"> • Must have work experience in a relevant field of employment for at least 5 of the past 10 years. • Current employer must be a listed company on the stock exchange of any country or a company which has been in operation for at least 3 years and generated a total income of at least USD 150 million for the past 3 years. <p><u>Other Requirements</u></p> <ul style="list-style-type: none"> • Must provide evidence of the following: <ul style="list-style-type: none"> ➢ Health insurance to cover treatment in Thailand with at least USD 50,000 coverage; or ➢ Social security that covers treatment in Thailand; or ➢ Bank account balance of at least USD 100,000. • Not be classified as a prohibited person under immigration laws. 	



(4) Highly-skilled Individuals

Income Requirements

- Have a minimum personal income of USD 80,000 per year for the past 2 years; or,
- If the personal income is less than USD 80,000 but not less than USD 40,000 in the past 2 years, the applicant must have a master's degree or higher.

Work Requirements

- Have at least 5 years' experience working in the "target industries" including next generation automotives, intelligent electronics, advanced agriculture and biotechnology, food processing and tourism, digital, robotics and automation, aviation and logistics, biofuels and biochemicals, and medical hubs.

Income Requirements

- If the applicant has a master's degree or higher in science or technology or has specialist knowledge in the field of work, the applicant must have a minimum personal income of USD 40,000 per year for the past 2 years, except in the case of a pensioner who was a specialist in science or technology, who merely needs to provide evidence of an average salary of not less than 40,000 for the 2 years before retirement.

Work Requirements

- Must have entered into an employment agreement or service agreement with domestic or international businesses and have been assigned to work in Thailand, or work for a Thai educational institute or government sectors in the target industries.
- In the case of working with a Thai educational institute or government sectors, the requirement for evidence of minimum personal income will be waived.
- Must have experience working in the target industries for at least 5 of the past 10 years, except in the case of an applicant who has a master's degree or higher or who is working with a Thai educational institute or government sectors.

Other Requirements

- Must provide evidence of the following:
 - Health insurance to cover treatment in Thailand with at least USD 50,000 coverage; or
 - Social security that covers treatment in Thailand; or
 - Bank account balance of at least USD 100,000.
- Not be classified as a prohibited person under immigration laws.



(5) Dependents

General Requirements

- Spouse and children of LTR visa holder are eligible to apply for the same visa conditions.

Other Requirements

- Children aged not over 20 years are eligible.
- Must have evidence showing the relationship between LTR visa holder and dependents.
- Must provide evidence of the following:
 - Health insurance to cover treatment in Thailand with at least THB 50,000 coverage; or
 - Social security that covers treatment in Thailand; or
 - Bank account balance of at least USD 25,000 per person.

The LTR visa holders will receive the following benefits:

1. 10 years renewable visa with multiple re-entry permit (5 years upon arrival with another 5 years extension)
2. Spouse and children of the LTR visa holder are eligible for the same visa (maximum of 4 persons per family)
3. 90-day report requirement extended to 1-year
4. Renewable digital work permit; however, the validity period will be as per the employment agreement, or for non-employees; the validity period will be 5 years
5. 17% Personal Income Tax for highly skilled professionals who work in the target industries
6. Fast Track Lane Service at International Airports in Thailand
7. The application process will take place at the One Stop Service Center at Chamchuri Square Building for Visas and Work Permits

In addition, the government fees will be based on the regulations of the MOI and MOL; therefore, the visa fee will be THB 50,000 per time and a digital work permit will be THB 3,000 per year.

Furthermore, while some of the related official regulations were enforceable in the middle of this year, others will be gradually implemented from the end of August 2022 to early September 2022 as the BOI plans to start accepting applications from 1 September 2022 onwards. However, there has been no announcement regarding the actual starting date or official online system to support the applications.

Nevertheless, the LTR visa will provide the above attractive incentives to the holders as granted by the Thai government. If you like the idea of staying and working in Thailand and are considering applying for one for you and your family, or you have any inquiries regarding visas and work permits in Thailand, Kudun and Partners' experienced legal team is ready and willing to guide you through the relevant process.

For more information about the applicable regulations or any other notifications relating to foreign direct investment, please contact the authors or our team at Kudun and Partners.

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