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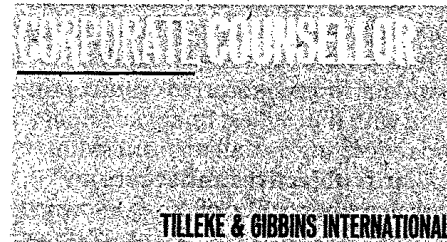
MARITAL ASSETS AND DEBTS UNDER THAI LAW

In Thailand, marital property is referred to as *Sin Somros*. Section 1474 of the Civil and Commercial Code provides that *Sin Somros* consists of:

1. Earnings and most other property acquired during marriage;
2. Property acquired during marriage through a will or gift made in writing if it is declared by such will or document of gift to be *Sin Somros*; and
3. Fruits of *Sin Suan Tua* (non-marital assets).

In case of doubt as to whether or not an asset should be considered marital property or *Sin Somros*, the law provides that it shall be presumed to be marital property.

Since marriage is considered under Thai law to be an economic contract or partnership, property that is acquired during the time a couple is married is generally considered marital property. Consequently, marital property may include tangible assets such as cash in hand or in a bank account, vehicles, paintings; and so forth, plus non-tangible assets such as retirement benefits or lease rights, among others. Marital property also includes the fruits that are generated by a spouse's non-marital



property during the marriage. For example, if one partner owns a dairy farm before the marriage, the income generated by selling dairy products during the marriage is treated as the couple's marital property.

Generally, each party is deemed to have an equal interest in marital property, and it does not matter which spouse holds title to the property or which party's income paid for the property. The most common exception is when the couple has entered into a prenuptial agreement, which takes precedence over the law regarding marital property, and which can make determining marital property much easier. If a dispute over marital property goes to court, the spouse who is arguing that an asset is his or her non-marital property has the burden of proof.

Certain assets may be excluded from

marital property and are not divided between the parties. The general rule is that non-marital assets include the following:

- ◆ property acquired before the marriage;
- ◆ property for personal use such as dresses or jewellery suitable for the person's station in life, or tools necessary for carrying on the person's profession;
- ◆ property acquired from an inheritance;
- ◆ property acquired as a gift; and
- ◆ property excluded by a valid prenuptial agreement.

Marital assets cannot be divided until a couple gets divorced. If either spouse disposes of marital assets for his or her exclusive benefit, or with the intention to cause damage to the other spouse, or without the consent of the other spouse when consent is required by law, then the guilty spouse must compensate the other spouse accordingly using the guilty party's share of marital property or his or her non-marital assets.

Marriage gives partners not only the right to share in each other's gains, but also the obligation to share each other's losses. This means that spouses share equal and joint responsibility for the debts they incur during the course of

their marriage. As a general rule, marital debts include the following:

- ◆ debts incurred in connection with management of household affairs, providing necessities for the family, maintenance and medical expenses of the household, and proper education of the children;
- ◆ debts incurred in connection with the marital assets;
- ◆ debts incurred in connection with a business carried on by the parties; and
- ◆ debts incurred by either party only for his or her own interest but ratified by the other.

If a couple decides to live separately, they still have obligations to each other with regard to their marital assets and marital debts. They cannot just walk away from each other's lives freely. If marital property is dissipated by either party for his or her own benefit, he or she may be obligated to compensate the other spouse for that loss.

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