

## Restrictions and Incentives on Ownership of Farmland

### Thailand

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**1. How is farmland typically defined? Please include details of any usage and size requirements if applicable.**

Under the Agriculture Land Reform Act B.E. 2518 (1975), “farmland” can be typically defined as land used predominantly for agriculture. Additionally, “agriculture” covers paddy cultivation, plantations, orchards, animal rearing, fisheries, and aquatic animal breeding.

The Agriculture Land Reform Office (ALRO) is a government authority that obtains land by taking it from the public domain or purchasing and expropriating it from landowners. ALRO reforms the land into agricultural areas to provide for people who are deemed appropriate.

Section 30 of the Agriculture Land Reform Act regulates all land or immovable property which has been obtained by ALRO. ALRO has the power to allocate this land to agricultural workers (i.e. farmers) or agricultural institutions according to the rules, methods, and conditions prescribed by the responsible committee. The following qualifications shall be met:

- (1) Not to exceed 50 rai<sup>2</sup> for an agricultural worker and persons in the same family engaging in other fields of agricultural work, except as in (2);
- (2) Not to exceed 100 rai for an agricultural worker and persons in the same family engaging in animal husbandry classified as large animals according to the notification of the Ministry of Agriculture and Cooperatives;
- (3) The land area must be used as the committee deems appropriate for an agricultural institution considering their category and procedures.

Other than ALRO’s allocation of land to agricultural workers and the agricultural institutions as mentioned above, any person or legal entity who wishes to lease, hire-purchase, buy, or use agricultural land or immovable property to engage in business supporting or relating to agriculture must obtain approval from ALRO according to the regulations and conditions approved by the committee. However, the size of the land shall not exceed 50 rai.

**2. Is government approval required in order to take an interest in farmland (by means of acquisition, lease or otherwise)?**

As mentioned above, the right to use farmland under the Agriculture Land Reform Act shall be approved by ALRO.

**3. If government approval is required, are there procedural requirements, licences and/or permits to be obtained or waiting periods which may affect the transfer of the interest in farmland?**

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<sup>2</sup> 1 rai = 400 square wah (1600 sq. meters) = 0.4 acres = 0.16 hectares  
1 ngan = 100 square wah  
1 square wah = 4 sq. meters

A person who wishes to take interest in agricultural land from ALRO must submit the application to either the Central ALRO or the Provincial ALRO in which the land is located.

It generally takes about 1.5-2 years to obtain approval and/or the Sor Por Gor 4-01 certificate.

**4. Is local presence required in order to take an interest in farmland?**

The applicant must be Thai (either a juristic person or an individual) to take interest in farmland but does not require a local presence in Thailand.

**5. Which governmental authorities are involved in the determination of the regulations of ownership of farmland?**

Regulations on ownership of farmland are determined by ALRO of the Ministry of Agriculture and Cooperatives.

**6. Does the government offer any incentives or encourage the acquisition of farmland? For example, the government may offer tax exemptions on the purchase of farmland.**

The registration fee of the rights over land related to agricultural land reform under the Agriculture Land Reform Act is eligible for exemptions.

**7. What kind of encumbrances typically affect farmland?**

A person or legal entity who is granted rights under the Agriculture Land Reform Act shall not have the right to subdivide or transfer rights to such land to others except by way of inheritance or transference to an agricultural institution or ALRO.

**8. What is the process for finding out about the existence of encumbrances affecting farmland?**

The existence of encumbrances can be checked at the Department of Land and the Provincial ALRO where the land is located.

**9. What kind of permits and/or licenses are you required to hold if you have an interest in farmland?**

“Sor Por Gor 4-01” is a certificate to enter and use certain reformed land, which will be issued to the agricultural worker or agricultural institution who received the land allocated by ALRO, while other persons approved by ALRO to lease, hire-purchase, or buy land will receive title deed and an agreement entered into between ALRO and the applicant.

**10. Is any reform expected to the laws affecting the ownership of farmland?**

No reform is currently expected.

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