

The Guide to Employment Permits in Thailand for Foreign Workers

For expatriate workers and their employers in Thailand understanding the process to obtain a work permit is vital. Indeed, failure to do so would indicate illegal employment in the Kingdom in most cases.

To secure a work permit in Thailand, a foreigner needs an initial visa, which is a non-immigrant visa, and it must be obtained before entering Thailand. Once the foreigner has a non-immigrant visa, he may begin to process the work permit. A work permit will not be issued to the foreigner who does not have a non-immigrant visa.

The work permit is processed in the ministry of labor, and on average it takes seven days to complete the process and obtain a work permit – quicker than many of Thailand’s ASEAN peers.

Section 8 of the Foreign Business Act states that the future employer may apply for this work permit on behalf of the foreigner, but the work permit itself can only be issued once the foreigner has entered Thailand in accordance with the immigration laws and presented himself to receive the permit.

In Thailand, a work permit is issued to an individual with the support of a company for a specific position and job role within that company. A work permit does not allow a foreigner to work outside of that company designation.

Steps for Employees

Before moving to Thailand, foreign employees should ensure that the Thai company helps arrange for the application for a non-immigrant visa. They can thereafter enter Thailand during the window of time allowed by the visa and commence the process to obtain a work permit with the assistance of their employer.

Once issued, work permits will be valid for the same amount of time as the initial visa. However, expatriate workers can apply for an extension of their visa once in Thailand for a period of 90 to 365 days.

In order to apply for a foreign employee’s work permit, the employer/ foreigner is required to submit the documents as listed below:

1. Application form signed by the employee;
2. Letter of engagement/employment from the company;

3. Company Affidavit/Certificate of Incorporation;
4. Audit report, balance sheet for three preceding years;
5. Employee's personal income tax declaration form or withholding tax form;
6. A written report stating the employee's activities and declaration that the
7. activities comply with the conditions stipulated in the work permit booklet;
8. Map of the location of the company signed by the authorized Director;
9. Copy of the foreign employee's passport plus the valid non-immigrant visa stamp;
10. Health certificate from a certified Thai doctor and syphilis test;
11. Three color photographs of the employee;
12. Certified copies of the employee's educational certificates and qualifications for the job.

Steps for Employers

While evaluated on a discretionary basis, generally the Thai authorities require the following of an employer to issue work permits on their behalf:

- The company must have a fully paid-up registered capital of two million Baht to hire one foreigner, plus one person for every additional two million Baht (to a maximum of 10 people)
- If it is less than two million the company can hire one foreigner if its total corporate income tax payment had been at least five million Baht for the past three years. The company can hire one foreigner for every five million Baht paid in tax
- The employer has engaged in export which has brought into Thailand revenue of three million Baht in the previous fiscal year. The employer can hire one foreigner for every additional three million Baht up to a maximum of three people
- The employer has at least 50 Thai employees per foreign employee up to a maximum of five foreign employees
- A foreign employee must have paid personal income tax of at least 18,000 Baht in the previous personal tax year or if the foreign employee has not worked in Thailand previously, documents for potential employers confirming that, the foreign employee will obtain income in Thailand of at least 50,000 Baht per month for an employee who is single and 60,000 per month for a married person, must be presented

Additionally, the employer has to provide the following:

1. Company certificate and objectives;
2. List of shareholders;
3. Application for VAT;
4. Withholding tax of the company;
5. Financial statement;
6. Photocopy of the director's passport and work permit with signature affixed;
7. Office map;
8. Letter of employment stating position and salary of applicant;
9. Employment agreement.

Once granted, the foreign worker has to bring the work permit all the time especially at the work place and during working hours. Please note that the foreigner can only perform the job stated in the work permit and on the specific employer.

Further Support from Dezan Shira & Associates

With over 23 years of experience helping foreign businesses succeed across Asia, the experts at Dezan Shira & Associates are well placed to advise on aspects related to hiring foreign staff in Thailand and across Southeast Asia. For further information please contact asean@dezshira.com.

Since its establishment in 1992, Dezan Shira & Associates has been guiding foreign clients through Asia's complex regulatory environment and assisting them with all aspects of legal, accounting, tax, internal control, HR, payroll and audit matters. As a full-service consultancy with operational offices across China, Hong Kong, India and emerging ASEAN, we are your reliable partner for business expansion in this region and beyond.

For inquiries, please email us at info@dezshira.com. Further information about our firm can be found at: www.dezshira.com.