Siam Legal Phuket Warns on Thailand Nominee Crackdown Amid Land Raids

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Bangkok, Thailand - August 24, 2026 -
Siam Legal Phuket, a full-service law firm providing legal and regulatory advisory services to foreign and Thai clients, is noting a large-scale enforcement operation on Koh Samui, confirmed by Deputy Interior Minister Polapee Suwunchwee on August 15, 2026, that uncovered 60 cases of illegal foreign-run businesses tied to Thai nominee arrangements.

Authorities said the operation was the seventh in a series of raids across major tourist destinations, identifying 59 suspicious companies holding land valued at approximately THB 1.2 billion and resulting in 60 legal complaints against 88 suspects. This follows a pattern Siam Legal Phuket has separately addressed for foreign buyers evaluating property in Thailand: using a Thai nominee to hold land on a foreigner's behalf is illegal, and a nominee retains the ability to sell or mortgage the property without the foreign party's knowledge.

Omar O Manee, Attorney at Law at Siam Legal Phuket, said cases like the Koh Samui raid show why a shareholding structure needs to hold up to scrutiny rather than simply looking correct on paper. "Anyone using a Thai nominee to hold land or shares is taking on legal exposure that can surface long after the

arrangement was first set up," said O Manee.

The firm's existing buyer guidance notes that not all title deeds carry the same legal weight. Full secure ownership is only available under a chanote deed, while lesser grades of title may come with restrictions on construction, unclear boundaries, or land improperly issued over protected areas. Verifying a title deed at the land office in person, rather than relying on a copy provided by the seller, remains the only reliable way to confirm its status.

Registered encumbrances such as mortgages, liens, and legal disputes remain attached to land regardless of who sells it, so a buyer who skips a thorough title search can inherit obligations that originated with a previous owner. A property with a clean title can still run into Thailand's zoning and environmental rules, which govern building height, beach distance, and construction style in coastal and protected areas, and a structure built in violation of these rules can face a demolition order even after a buyer has already moved in.

Physical access presents a separate risk. If the road leading to a property is not a registered right of way, the owner of that road can legally block access to it, leaving a buyer unable to reach a property they legally own. Boundary encroachments onto neighboring land can create similar disputes, which a survey and access check before purchase is intended to prevent.

Before a property is even inspected, buyers can encounter listings for homes priced well below market value that do not exist, a warning sign explored further in Siam Legal's property scams guide. Scammers behind these listings typically request a deposit and then disappear once payment is received, and a price far below comparable listings is one of the clearest warning signs. The guidance advises against paying any deposit into a personal bank account and recommends verifying both the property and the agent before money changes hands.

Contracts themselves can also work against a buyer. Some sale agreements shift tax obligations onto the buyer or make a deposit non-refundable under conditions buried in the fine print, and off-plan purchases carry a related risk, as some developers collect deposits on projects that never receive permits, funding, or completion.

The recognized legal alternatives to a nominee arrangement remain a registered long-term lease, a properly structured Thai limited company with genuine Thai investment, or freehold condominium ownership within the 49 percent foreign ownership quota, an option Siam Legal Phuket has guided investors through as the coastal property market continues to grow. Leasehold arrangements carry their own risks when a lease has no renewal guarantee or was never registered at the land office, since an unregistered lease is not binding on a future buyer of the land. A listed purchase price also does not reflect the full cost of a transaction, as transfer fees, stamp duty, withholding tax, and specific business tax are calculated at the land office on the

day of transfer.

Siam Legal Phuket is a full-service law firm providing legal and regulatory advisory services to both foreign and Thai clients, with a focus on property law, corporate structuring, immigration, family law, and litigation.

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