



Siam Legal International Urges Foreign Buyers to Review Property Structures Amid Crackdown

May 20, 2026

Bangkok, Thailand - May 20, 2026 - PRESSADVANTAGE -

Siam Legal International, a full-service law firm with more than 22 years of experience advising foreign nationals in Thailand, is advising clients with existing property holdings to seek immediate legal review as authorities escalate enforcement action against nominee ownership structures to levels not seen in decades.

Thailand's Department of Business Development and Department of Special Investigation have strengthened their collaboration to dismantle nominee business networks across the country's major tourist destinations. Authorities have identified more than 50,000 suspected companies where Thai nationals are believed to be acting as proxy shareholders to conceal illegal foreign ownership, with initial enforcement efforts focused on Koh Phangan and Koh Samui in Surat Thani province. The campaign follows an on-site enforcement operation on Koh Phangan on May 13, 2026, conducted by a prime ministerial delegation alongside senior Royal Thai Police leadership.

Government data reveals the extent of foreign corporate activity now under investigation. In Phuket, 11,626

of 29,646 registered companies are foreign co-invested, with Russian nationals accounting for 20% of foreign shareholders, followed by Chinese at 10% and British at 10%. In Koh Samui, 8,213 of 12,050 registered companies are foreign co-invested, with French nationals representing 24%, British 13%, and Russian 11%. In Koh Phangan, 3,213 of 4,761 registered companies are foreign co-invested, with Israeli shareholders at 22%, French at 13%, and British at 11%. Authorities are fast-tracking audits into entities displaying nominee red flags, including foreign nationals retaining sole signing authority and Thai nationals listed as shareholders or directors across an implausibly high number of unrelated businesses.

"The enforcement environment has changed fundamentally," said Kittisak Sripareesri, Attorney at Law at Siam Legal International. "Foreign buyers who entered the market through nominee company structures in previous years are now operating under active investigation risk. The time to address those structures is before authorities identify them, not after." Siam Legal's property law team provides confidential assessments of existing ownership arrangements and legal restructuring options for affected buyers.

The penalties for those found in violation are substantial. Foreign investors found to have used nominee structures face prison sentences of up to three years, fines of up to THB 1,000,000, forced company dissolution, asset seizure including land, and possible deportation. Thai nationals who participated as nominees face criminal records and imprisonment, while companies involved can have their business licences revoked. Proposed amendments to Land Code Section 94 would allow the state to confiscate land held through nominee arrangements without compensation, and authorities are also considering classifying such arrangements as predicate offences under anti-money laundering laws, which would enable asset freezing and seizure.

The Department of Business Development has announced plans to work with the Thai Bankers' Association to review the sources of shareholders' investment funds before accepting new company registration applications, adding another layer of scrutiny for foreign-linked companies. The department has been designated as the lead agency to flag suspect corporate targets, with law enforcement departments executing arrests, closures, and prosecutions under their respective jurisdictions.

For buyers seeking lawful ownership options, freehold condominium ownership within the 49% foreign quota remains the most straightforward path, provided purchase funds are remitted from abroad and documented with a Foreign Exchange Transaction Form issued by a Thai bank. Registered 30-year leaseholds remain a recognized alternative for landed property, though the Thai Supreme Court reaffirmed in March 2025 that renewal clauses in multi-term lease arrangements are contractual promises rather than guaranteed statutory rights. Superficies and usufruct rights offer further options for buyers seeking compliant arrangements, and Siam Legal advises all buyers to conduct title deed verification, encumbrance checks, and developer license review prior to any commitment.

Siam Legal International is a full-service law firm in Thailand with more than 22 years of experience assisting local and foreign nationals, with offices in Bangkok, Chiang Mai, Phuket, and Pattaya. The firm provides comprehensive legal support across property transactions, immigration, corporate setup, and compliance.

###

For more information about Siam Legal International, contact the company here: Siam Legal International
Rex Baay +662 254 8900 info@siam-legal.com 18th Floor, Unit 1806 Two Pacific Place, 142 Sukhumvit Rd, Khlong Toei, Bangkok 10110, Thailand

Siam Legal International

American-managed Thailand law firm with 22+ years' experience. Experts in corporate setup, BOI, FBL, family & divorce, property, litigation, immigration, notary, wills, contracts & due diligence across Bangkok, Phuket, Pattaya & more.

Website: <https://www.siam-legal.com/>

Email: info@siam-legal.com

Phone: +662 254 8900

S I A M
L E G A L