China vs Thailand

More ownership. More scale. Room to grow.

A practical guide to ownership, tax, visas and business growth.

COMPARE	CHINA | THE OPPORTUNITY	THAILAND
Foreign ownership	**100% foreign-owned** in many sectors; activity restrictions apply.	Many service and trading activities require a licence or exemption for foreign control.
Corporate income tax	**5% effective CIT** for qualifying small companies with annual taxable profit up to RMB3m.*	Standard **20%**; qualifying SMEs: **0%, 15%, 20%** bands.
VAT	**1% on eligible transactions**; small-scale status generally covers annual sales up to RMB5m.*	Generally **7%**; exemptions and zero-rating apply.
Dividend tax	**20% for foreign individuals** from 1 Sep 2026. Corporate shareholders have different rules.	Generally **10% withholding**. Exemptions may apply.
Repatriating profits	**Permitted after tax and distribution compliance.** Banks review financial, corporate and tax records.	**Generally permitted via authorised banks**, with supporting documents and tax compliance.
Family visa rights	**S1:** eligible spouse, parents, children under 18 and parents-in-law; residence application required.	**Non-O:** eligible spouse and unmarried children under 20; parents subject to extra conditions.
Hiring & capital	**No general nationwide 4:1 hiring rule.** Local work-permit and capital requirements apply.	Common ordinary route: **4 Thai staff per foreigner** for stay extensions; **THB2m paid-up capital**. Exceptions apply.
Work & residence	Eligible founders can apply through a **genuine operating company**.	Employer and applicant requirements apply; ownership alone grants no work or residence rights.
Market size	**Around 1.4 billion people.** A much larger potential customer base.	**Around 72 million people.** Demand varies by product and customer.
Supply chain & talent	**Broad industrial supply chains** and a substantially larger workforce.	Smaller workforce and supplier base, with strengths in selected industries.
Banking & setup	**Local multilingual support** for documents, appointments and bank coordination.	Requirements vary by bank, applicant and nationality.

* China CIT: eligible sector, annual taxable profit ≤ RMB3m, ≤ 300 employees and assets ≤ RMB50m; not a first-profit tax band. VAT transaction eligibility applies; input VAT generally cannot be deducted. Both concessions currently run through 31 Dec 2027. Family status does not itself authorise employment. Rates are domestic defaults; tax residence and treaties can change the outcome. Reviewed 29 Oct 2026.

LET'S TALK CHINA.

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