



Thailand's Proposed Private Trust Framework to Attract Global Wealth

Thailand is considering a significant policy shift to position itself as a regional hub for wealth capital, led by proposals from the Association of Investment Management Companies (AIMC). Central to this strategy is the introduction of a private trust framework and related asset management legislation, aimed at strengthening the country's legal infrastructure for wealth management. The initiative is designed to attract high-net-worth individuals—particularly from the Middle East—seeking stable jurisdictions for capital preservation amid ongoing geopolitical uncertainties.

A key component of the proposal involves enhancing Thailand's competitiveness through tax incentives comparable to those offered in leading financial hubs such as Singapore. The AIMC also suggests expanding the scope of investment-linked visa programmes, including a proposed 10-year visa tied to investments in real estate or mutual funds. In addition, foreign residents may be encouraged to allocate a portion of their portfolios into Thai investment vehicles, with tax deductions serving as an incentive to channel funds into domestic capital markets.

The proposal further aims to broaden participation by revising existing long-term resident (LTR) visa requirements, allowing mutual funds to qualify as eligible investment assets alongside traditional instruments such as bonds and real estate. This adjustment is intended to lower entry barriers and attract a wider pool of foreign investors and expatriates residing in Thailand. Complementary measures, such as increasing tax deduction caps under individual savings schemes and revising ESG fund regulations, are also being considered to stimulate sustained capital inflows.

From a legal perspective, the introduction of a private trust regime would represent a major development in Thailand's financial and regulatory landscape, where trust structures have historically been limited in scope. Enacting such a framework would require comprehensive legislation to address governance, fiduciary duties, taxation, and regulatory oversight. If successfully implemented, the reforms could enhance investor confidence, deepen Thailand's capital markets, and align the country more closely with international wealth management standards. However, careful legal design will be essential to ensure regulatory clarity, prevent abuse, and maintain consistency with Thailand's broader financial and tax policy objectives.