BUTLER ESTATES



BUYER'S GUIDE

Renting Out Property in Phuket

Airbnb, Monthly Lets and the Rules

How a Phuket villa can be let by the night under the Hotel Act's small-accommodation exemption, why condos are let by the month, what to check before you count on rental income, and how rental tax works.

Yes, a Phuket villa can be rented out short-term, as long as the letting is set up properly. Thai law treats paid stays charged by the night or week as a hotel business under the Hotel Act B.E. 2547 (2004), and a villa with no more than 8 rooms and 30 guests is exempt from the full licence once the operator notifies the registrar. A condo is different: a condo unit cannot be used for a hotel business, so condo owners let by the month or longer. Below is how each route works, and what to check before you count on the income.

Is Airbnb legal in Phuket?

Airbnb-style letting is legal in Phuket only where the home holds a hotel licence or qualifies for the small-accommodation exemption. The law looks at the stay, whatever the platform: how long it is and how it is charged.

Section 4 of the Hotel Act defines a hotel as accommodation set up for business to provide temporary stays to travellers or anyone else, for payment. Section 15 says no one may run a hotel without a licence. A private villa let to holidaymakers for a week fits that definition, as a resort does.

Section 59 sets the penalty for running a hotel without a licence: up to one year in prison, a fine of up to ฿20,000 (about USD 600), or both. A further fine of up to ฿10,000 (about USD 300) applies for each day the business carries on.

Is it 30 days, or a month?

The Act itself says a month. Section 4 leaves out accommodation charged by the month or longer, and “30 days” is the shorthand most people use for that line.

Some lawyers read the exclusion as covering only homes charged by the month or longer and nothing shorter. On that reading, a villa offering monthly leases alongside weekly stays does not get the benefit of it. A condo building’s own regulations can add further limits on letting.

What is the small-accommodation exemption for villas?

Accommodation with no more than 8 rooms and no more than 30 guests in total is not treated as a hotel, provided the operator notifies the registrar. The limits come from Ministerial Regulation No. 2 B.E. 2566 (2023), in force from 29 October 2023, which raised them from 4 rooms and 20 guests.

To use the exemption, the operator files a notification in the required form, which in provinces outside Bangkok goes to the district office. An official may inspect, and the property has to meet the building, fire and sanitation standards. The registrar’s acknowledgement is valid for five years under the 2023 regulation.

Commentary published in August and October 2026 still gives 8 rooms and 30 guests as the current limits. A foreign owner should ask a lawyer whether they can be the notifying operator themselves, because foreign-business rules may apply to a foreign-owned operation.

How the home is let	What the law says	Condo	Villa
Monthly or longer, charged only by the month	Outside the Hotel Act's definition of a hotel; a hire of property under the Civil and Commercial Code	Yes, subject to the building's regulations	Yes
Nightly or weekly, small accommodation	Not a hotel if no more than 8 rooms and 30 guests, once the registrar is notified	No, a condo unit cannot be used for a hotel business	Possible, after notification and acknowledgement
Nightly or weekly, larger or full hotel	Hotel licence required (section 15)	No, unless the building's condo registration is cancelled first	Possible, with a licence and a building permitted for hotel use
Nightly or weekly, no licence or notification	Section 59: up to 1 year, ฿20,000, or both, plus up to ฿10,000 a day	Also likely to breach the Condominium Act and the building's regulations	Offence

Can you rent out a condo on Airbnb in Phuket?

No, not by the night or week. On 6 November 2023 the Department of Lands sent a circular to every provincial governor saying condominium units cannot be used for hotel business operations. It added that consent from the other co-owners does not change that.

The circular reads the Condominium Act as protecting owners' rights to residential use. For a building to be used as a hotel, its condominium registration has to be cancelled first, and the hotel and building laws met. Separately, section 17/1 of the Condominium Act limits business in a condo to the area set aside for it. Under the Act's penalty provisions, breaching that can bring a fine of up to ฿50,000 (about USD 1,500), plus up to ฿5,000 a day.

The building's own regulations also bind every co-owner. They can ban daily letting and set fines for breaking the ban.

The courts have applied the Hotel Act to condos, too. In 2018 a provincial court in Hua Hin convicted the owners of two condo units who had let them by the day and the week. Each was fined ฿5,000 plus a daily amount, and neither was jailed.

Does it matter if a foreigner owns the condo?

No. These rules regulate how a home is used, and they apply to Thai and foreign owners alike. A foreign buyer can own a condo freehold within the 49% foreign quota under section 19 bis of the Condominium Act, with the money brought in as foreign currency. Letting that unit by the month is open to them on the same terms as a Thai owner, and letting it by the night meets the same bar.

In March 2025 the Bangkok Post reported on a House committee hearing a complaint about daily condo rentals. Agencies including the Department of Lands, the Department of Provincial Administration, police and Immigration planned tighter Hotel Act enforcement. They also planned to ask platforms to remove daily listings. Owners, and in some cases juristic persons that know about the rentals, could face legal action.

Is Phuket enforcing the Hotel Act?

Yes. On 4 November 2026 the Governor of Phuket, Chotinrin Koetsom, ordered an inspection of accommodation businesses in Patong with Kathu District officials. Deputy Governor Romdon Hayi-awa led a joint team that afternoon. It found four establishments running hotel businesses without a licence, and those responsible were arrested and charged.

The Governor said inspections and enforcement will continue. His stated aims were fair competition for licensed operators, and protecting residents and tourists. Back in May 2025, C9 Hotelworks reported increasing enforcement against short-term condo rentals of under 30 days, as covered in Phuket rental yields.

Is the Hotel Act about to change?

Possibly, but nothing has changed yet. In July 2026 the House of Representatives accepted a Hotel Act amendment in principle and sent it to an extraordinary committee. On 29 September 2026 the government set out a draft Accommodation Establishments Act, which would replace the Hotel Act with three types of accommodation, regulated by size.

Neither is law. The draft is still collecting comments for the Council of State, and no date has been set. Legal commentary notes that the draft does not change the Department of Lands' position on condo units, and that the Hotel Act and its regulations apply until a new Act is published in the Government Gazette.

What does a long let involve?

A long let is a lease charged by the month or longer, and it sits outside the Hotel Act. It is a hire of property under section 537 of the Civil and Commercial Code: the owner lets the tenant use the home for a set period, and the tenant pays rent.

One duty comes with it when the tenant is foreign. Under section 38 of the Immigration Act, the house owner, landlord or possessor of the home must report a foreigner's stay within 24 hours of arrival, on form TM30. It applies to short stays as well as leases. The long-term rental guide covers the tenant's side of a lease.

How is rental income taxed in Thailand?

Rent from property in Thailand is taxable in Thailand, including for foreign owners. Rates are progressive, from 0% to 35%, and owners can take a standard deduction of 30% of gross rent or claim actual expenses with evidence.

Where the owner is not Thai tax resident, 15% withholding usually applies to the rent. It is not a final tax: the owner needs a Thai tax ID, and any refund has to be claimed on a return. Short stays can also bring VAT once turnover passes the registration threshold. How this meets the tax rules where you live is a question for a tax adviser.

What should a buyer check before counting on rental income?

If I were buying with rental income in mind, I would base the numbers on monthly rents and treat anything nightly as upside that has to be proved. For a condo, I would ask the juristic person for the latest registered regulations and read the letting clauses before paying a deposit.

Where a project offers a rental programme, I would ask how the stays are licensed and see the licence, in whose name it is, and which building it covers. A building registered as a condominium cannot be used for a hotel business, so a nightly programme in one needs a clear answer. For a villa, I would ask whether it already holds a notification acknowledgement or a hotel licence, and when it expires.

Your lawyer reads the documents. The trade between villas and condos on this point is set out in Condo vs villa in Phuket.

What are the options if you already own?

An owner has three lawful routes. The first is a long let, charged only by the month or longer, with the TM30 report filed for foreign tenants.

The second, for a villa, is to work with an operator that holds the licence or notification for the stays it sells. Ask to see it before you sign. What to put in a management contract is covered in the villa property management guide.

The third, again for a villa, is to apply yourself: a notification under the small-accommodation exemption, or a full hotel licence for anything larger. In a building-control area, a hotel building needs a permit and certificate showing it can be used as a hotel. A Thai lawyer can tell you which route fits the house and who should be the operator. For a condo, the route is the long let.

Short-term rentals in Phuket: questions owners and buyers ask

Is Airbnb legal in Phuket?

Only where the home holds a hotel licence or qualifies for the small-accommodation exemption. Letting by the night or week is a hotel business under the Hotel Act B.E. 2547, whichever platform is used.

Can I rent out my condo daily in Phuket?

No. The Department of Lands' circular of 6 November 2023 says condo units cannot be used for hotel business operations, even with the other co-owners' consent, and a building's own regulations can ban daily letting. Condo owners can let by the month or longer.

What is the penalty for renting without a hotel licence in Thailand?

Section 59 of the Hotel Act provides up to one year in prison, a fine of up to ฿20,000, or both, plus up to ฿10,000 for each day the business carries on.

Can I rent my villa short-term without a hotel licence?

Yes, if it has no more than 8 rooms and 30 guests and the operator has notified the registrar and received an acknowledgement, which is valid for five years. The property has to meet the building, fire and sanitation standards.

Do monthly rentals need a hotel licence in Thailand?

No. Accommodation charged only by the month or longer falls outside the Hotel Act's definition of a hotel. The owner must still report a foreign tenant's stay to immigration within 24 hours on form TM30.

The read

I would value a Phuket condo on what it earns by the month, and I would not pay for nightly income the building cannot lawfully produce. On a villa, nightly letting can be done properly, but it takes a notification or a licence, and that should be settled before the numbers are.

The Patong inspections on 4 November, which found four unlicensed hotels, show the Hotel Act is being enforced in Phuket, and the Governor has said inspections will continue.

Rex Butler, Managing Director

+66 93 760 8561 | rex@butlerestates.com | butlerestates.com

BOUTIQUE REAL ESTATE AGENCY IN PHUKET

WHATSAPP

Sources: Hotel Act B.E. 2547 (2004), sections 4, 15 and 59, as set out by Juslaws & Consult, "Airbnb in Thailand: The Legal Framework for Short-Term Rentals", 30 April 2026 (including the 2018 Hua Hin judgments and the VAT threshold), Lex Bangkok, rental villa hotel licence, 28 July 2026 (updated 22 September 2026), and SCB, hotel law guide (Thai), checked 8 November 2026; Ministerial Regulation on Hotel Types and Criteria (No. 2) B.E. 2566 (2023), via Tilleke & Gibbins, 6 October 2023 (8 rooms, 30 guests, in force 29 October 2023); Department of Lands Circular Mor Tor 0517.3/Wor 23302, 6 November 2023, via Tilleke & Gibbins, 13 November 2023; Condominium Act B.E. 2522, sections 17/1 and 19 bis, with penalties as set out by Juslaws & Consult and Formichella & Sritawat, 11 May 2026; Khaosod English, 24 June 2018 (condo daily and weekly letting convictions); Bangkok Post, 6 March 2025 (House committee and enforcement plans); The Phuket Express, 4 November 2026 (Patong inspections and arrests); C9 Hotelworks, Phuket Property Market Update, May 2025; Hotel Management Network, 12 August 2026 (House accepts Hotel Act amendment in principle); Tilleke & Gibbins, 14 October 2026, and Formichella & Sritawat via AustCham Thailand, 9 October 2026 (draft Accommodation Establishments Act); Civil and Commercial Code, section 537, ThaiLawOnline translation; Immigration Act B.E. 2522 (1979), section 38, via thailand.go.th, 7 March 2023, and BOI One Start One Stop; HLB Thailand, "Thai rental properties and personal income tax", 2 March 2026 (updated 30 August 2026). This is general information, not legal, tax or investment advice. Take independent legal advice before letting a property in Thailand or buying one for its rental income.