

OVERVIEW: RESIDENTIAL AND VACATION REAL ESTATE - TAX & LEGAL

Status: 4/2024

	Bulgaria	Czech Republic	France	Germany	Italy	Netherlands	Poland	Portugal	Saudi Arabia	Spain	Switzerland	UK	United Arab Emirates
Can any foreign natural or legal person acquire a property?	generally, yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	individuals yes / only if UAE companies
Does the acquisition necessarily result in unlimited tax liability/tax residence?	no	no	no	no	no	no	no	no	no	no	no	no	no
Does the acquisition result in limited tax liability?	possibly, yes	yes	possibly, yes	possibly, yes	yes	yes	yes	yes	possibly, yes	yes	yes	no	individuals not / companies yes
What are the approximate incidental acquisition costs excluding VAT (such as other taxes, notaries, registers, land registry, etc.)?	5%	5-10%	7%	6-12%	10%	4-15%	2-8 %	7-8%	app. 5%	10%-15%	3%-5%	3%-15%	app. 7%
Besides owner-occupation, can the property also be rented out?	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Can renting out result in a commercial activity?	yes	yes	yes	yes	yes	possibly, yes	possibly, yes	possibly, yes	yes	possibly, yes	yes	no	yes
Is owner-occupation taxable (income tax)?	no	no	generally, no	possibly, yes	generally, yes	yes	no	no	no	yes	yes	possibly, yes (legal persons)	no
Is renting out taxable (income tax)?	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	individuals not / companies yes
Can property ownership by natural persons give rise to wealth tax?	no	no	possibly, yes	no	yes	no	no	no	yes	yes	yes	no	no
Is it advisable from a tax point of view to buy or hold a property through a company?	possibly, yes	possibly, yes	generally, no	generally, no	no	possibly, yes	generally, no	possibly, yes	yes	generally, no	generally, no	no	yes
Should the inheritance tax regulations be checked before the purchase?	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	generally, no	yes	no
Is there a double taxation agreement with Germany regarding inheritance tax?	no	no	yes	-	yes	possibly, no	no	no	no	no	yes	no	no
Should the consequences of tax residency already be checked at the time of purchase?	yes	yes	possibly, yes	yes	yes	yes	yes	no	yes	possibly, yes	no	yes	no
Are profits taxed in the event of a sale / are there tax exemptions?	possibly, yes / possibly, yes	possibly, yes / possibly, yes	generally, yes / possibly, yes	yes	yes	possibly, no	yes / possibly, yes	yes/yes	yes	yes / generally, no	no/no	yes	not for individuals but for companies
Are there any other special tax considerations?	yes	no	no	yes	yes	no	no	yes	yes	yes	yes	no	yes