

INTERNATIONAL COMPARISON

November 2021



What's in this issue:

“Taxation on Real Estate”

Auren International Comparison is a quarterly publication that provides you an overview of trends and international tax developments by comparing tax issues in different legislations around the world, that may affect those doing business in multiple locations.

Constant legislative, regulatory, and judicial changes, along with globalization, economic shifts, and operational adjustments, are challenging issues. Now more than ever, in an increasingly globalized world, companies must have a total perspective and awareness of tax issues, and this publication aims to cover key tax topics which should be of interest to businesses operating internationally.

This edition includes numerous country focus pieces, in which it is analyzed the information related to taxation on real estate operations including, among others: the calculation basis, rates and additional notes to consider.

We hope that you find this publication helpful.

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Argentina

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---|-----------------------------|----------------|--|---------------------|---|
| IG - Income Tax Capital Gain. Residents and non- residents. Properties acquired before 1/1/2018 | Real state seller | Federal | N/A | Not taxed | * Applicable to real estate sales operations carried out by non- habitual subjects. In the case of non-residents, the application of this treatment is subject to the approval of the AFIP. |
| IG - Income Tax Capital Gain. Residents. Properties acquired after 1/1/2018 | Real state seller | Federal | Difference between the purchase and sale value of the property. Updating the cost is allowed | * 15% | * Applicable to real estate sales operations carried out by non- habitual subjects |
| IG - Income Tax Capital Gain. Non- residents. Properties acquired after 1/1/2018 | Real state seller | Federal | Difference between the purchase and sale value of the property. Updating the cost is allowed | * 15% | * Applicable to foreign residents who do not obtain authorization to tribute ITI. It is entered through retention by the buyer or legal representative. To determine the amount of the retention, the documentation must be submitted to the Treasury, who will inform the amount to be retain. |
| IG - Income Tax Capital Gain. Residents habitualists to the sale of real estate. | Real state seller | Federal | Difference between the purchase and sale value of the property. Updating the cost is allowed for properties acquired after 1/1/2018 | * Between 9 and 35% | * Progressive rate based on the amount of income earned |
| ITI - Real Estate Transfer Tax. Residents and non- residents. Properties acquired before 1/1/2018 | Real state Seller | Federal | sale value of the property | 1,5% | * Applicable to real estate sales operations carried out by non- habitual subjects. In the case of non- residents, the application of this rate is subject to the approval of the AFIP that meets the aforementioned requirements. |
| ITI - Real Estate Transfer Tax. Roll over option. | Real state seller | Federal | In the event to the sale of the single home or land to acquire or build (within a year) a property intended for self housing, a certificate of non- retention of the ITI can be requested. | | |
| ST - Stamp Tax | Real state buyer and seller | Provincial | sale value of the property | 3,6% * | * Applicable to propieties located in the Ciudad Autonoma de Buenos Aires, it may vary depending on the place where the property is located. |

Argentina

Purchase and sale of property by Company

| | | | | | |
|------------------------------------|-----------------------------|------------|---|-----------------------|---|
| IG - Income Tax | Real state seller | Federal | Difference between the residual value and sale value of the property. | * Between 25% and 35% | * Applicable rate based on the amount of income earned by the taxpayer |
| IG - Income tax. Roll over option. | Real state seller | Federal | In the event of sale of a property and its reinvestment in another fixed assets within a calendar year, it allows the benefit of the sale to be deferred in the years of useful life of the new assets, subtracting the benefit from the cost of the new goods. | | |
| VAT - Value Added Tax | Real state seller | Federal | Sales amount assigned to the construction. It does not reach the ground | * 10,5% or 21% | Only the sale of new propieties is taxed. The 10,5% rate applies to real estate for housing and the 21% to the rest of the properties. |
| Gross income tax | Real state seller | Provincial | Sale value of the property | * 3% | Applicable to companies engaged to the sale and purchase of real estate. * Rate corresponding to Ciudad Autonoma de Buenos Aires, may vary according to the amount of income and the jurisdiction where the operation are carried out. |
| ST - Stamp Tax | Real state buyer and seller | Provincial | Sale value of the property | 3,6% * | * Applicable to propierties located in Ciudad Autonoma de Buenos Aires, it may vary depending on the place where the property is located. |



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Brazil

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---------------------------------|-------------------|----------------|--|---------------|---|
| ITBI - Real Estate Transfer Tax | Real state buyer | Municipality | *official value of the property in the municipal registry | 1 to 5% ** | *To ensure that the calculation base corresponds to the official value, it has been necessary to file a judicial claim **Each Municipality establishes its rate |
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | 15% to 22,5%* | *The rate varies according to the value of the capital gain measured, being 15% for gains of up to R\$ 5 million (art. 21 of Law n. LAW No. 8,981, OF JANUARY 20, 1995.). |

Purchase and sale of property by Company

| | | | | | |
|---------------------------------|------------------|--------------|---|----|--|
| ITBI - Real Estate Transfer Tax | Real state buyer | Municipality | *Official value of the property in the municipal registry | 3% | *To ensure that the calculation base corresponds to the official value, it has been necessary to file a judicial claim |
|---------------------------------|------------------|--------------|---|----|--|

Company opting for the "SIMPLE" special regime

| | | | | | |
|------------------------------|-------------------|---------|--|---------------|---|
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | 15% to 22,5%* | *The rate varies according to the value of the capital gain measured, being 15% for gains of up to R\$ 5 million (art. 21 of Law n. LAW No. 8,981, OF JANUARY 20, 1995.). |
|------------------------------|-------------------|---------|--|---------------|---|

Company opting for the Real Profit regime

| | | | | | |
|-----------------------------------|-------------------|---------|--|------------|--|
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | 15% + 10%* | *If the company earns more than BRL 20,000.00 per month, the 10% rate will apply to the excess portion |
| CSLL - Contribution on Net Income | Real state seller | Federal | Difference between the purchase and sale value of the property | 9% | N/A |

Brazil

Company opting for the Presumed Profit regime

| | | | | | |
|-----------------------------------|-------------------|---------|--|--------------|---|
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | 1,8% a 4,8%* | *The rate varies according to the activity performed by the company |
| CSLL - Contribution on Net Income | Real state seller | Federal | Difference between the purchase and sale value of the property | 1,08% a 3% | *The rate varies according to the activity performed by the company |

Payment of Property in Corporate Capital

| | | | | | |
|------------------------------|-------------------|---------|--|-----|-----|
| IR - Income Tax Capital Gain | Real state seller | FeDERAI | Difference between the purchase and sale value of the property | 15% | N/A |
|------------------------------|-------------------|---------|--|-----|-----|




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Cyprus

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---------------------------------|-------------------|----------------|--|----------|---|
| ITBI - Real Estate Transfer Tax | Real state buyer | Municipality | *official value of the property in the Department of Lands and Surveys | 3 to 8%* | *To calculate the total amount of transfer fee for each object, you can do at the Department of Lands and Surveys. In addition, from parent to child is 0% and between spouses and relatives up to 3rd degree 0.1%. |
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | 20%* | *Capital gains can be taxed under corporation tax or under Capital Gains Tax subject to conditions. |

Purchase and sale of property by Company

| | | | | | |
|---------------------------------|------------------|--------------|--|----------|--|
| ITBI - Real Estate Transfer Tax | Real state buyer | Municipality | *official value of the property in the Department of Lands and Surveys | 3 to 8%* | *The same rules as for resident individuals apply. |
|---------------------------------|------------------|--------------|--|----------|--|

Company opting for the "SIMPLE" special regime

| | | | | | |
|------------------------------|-------------------|---------|--|---------|---|
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | 12.5% * | *Cyprus-resident companies are liable to a flat rate tax on worldwide income and non-resident companies are liable to tax on any Cyprus-source income. To be taxed with 12.5% the principal activity of the company should be sale of property. |
|------------------------------|-------------------|---------|--|---------|---|

Company opting for the Real Profit regime

| | | | | | |
|-----------------------------------|-------------------|---------|--|-----|-----|
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | N/A | N/A |
| CSLL - Contribution on Net Income | Real state seller | Federal | Difference between the purchase and sale value of the property | N/A | N/A |

Cyprus

Company opting for the Presumed Profit regime

| | | | | | |
|-----------------------------------|-------------------|---------|--|-----|-----|
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | N/A | N/A |
| CSLL - Contribution on Net Income | Real state seller | Federal | Difference between the purchase and sale value of the property | N/A | N/A |

Payment of Property in Corporate Capital

| | | | | | |
|------------------------------|-------------------|---------|--|-----|---|
| IR - Income Tax Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the property | 20% | Capital gains on Cyprus-situated immovable property are taxed separately in Cyprus. |
|------------------------------|-------------------|---------|--|-----|---|



Zathea - Zoe
www.zathea.com.cy



Egypt

A. Purchase and sale of property by Individual

Transaction Taxes

| Tax | Payer | Calculation Basis | Rate | Notes |
|-----------------|-------------------|-------------------------------------|------|--|
| Transaction Tax | Real state buyer | N/A | N/A | Transaction Tax is an obligation on the seller not the buyer |
| Transaction Tax | Real state seller | official sale value of the property | 2,5% | There should not be significant difference between the Fair Value and Sale Price documented in the agreemen, otherwise Tax Authority may challenge the difference. |

Annual Real Estate property Tax

| | | | | |
|-----------------|------------------|-----|-----|--|
| Real Estate Tax | Real state owner | N/A | 10% | Any owned asset above EGP 2M is subject to Real Estate Tax and Paid annully based on the following Calculation Example: Step 1 - Identifying the Market Value According to IRS judge committee (Example: EGP 4,000,000) Step 2 - Capital Value = Market Vlue * 60% (EGP 4M* 0.6 = EGP 2.4M) Step 3 - Rental Value = Capital Value * 3% (EGP2.4M * 0.03 = EGP 72K) Step 4 - Allwoed discout against cost = Rental Value *30% (EGP 72L* 0.7 = EGP 50.4K) Step 5 - Taxable value = Value in step 4 - EGP 24,000 "exemption" (EGP 50.4K - EGP 24K = EGP 26.4K) Step 6 - Tax liability = Taxable value * 10% (EGP 26.4K * 0.1 = EGP 2.64K). |
|-----------------|------------------|-----|-----|--|

Annual Real Estate property Tax

| | | | | |
|----------------------------|-------------------|-----|-----|-----|
| Income Tax on Capital Gain | Real state seller | N/A | N/A | N/A |
|----------------------------|-------------------|-----|-----|-----|

B. Purchase and sale of property by Individual

Transaction Taxes

| | | | | |
|-----------------|----------------|-----|-----|---|
| Transaction Tax | Buyer / Seller | N/A | N/A | Transaction Taxes only on Individuals not Corporate Companies |
|-----------------|----------------|-----|-----|---|

Egypt

Annual Real Estate property Tax

| | | | | |
|-----------------|------------------|-----|-----|--|
| Real Estate Tax | Real state owner | N/A | 10% | Assessment every 5 years of new values is released by the Tax authority and communiacted to the Tax payer of the annual Real Estate Tax. Annual Declaration of all owned assets should be submitted every year by the Company |
|-----------------|------------------|-----|-----|--|

Corporate Capital Gain Taxes

| | | | | |
|----------------------------|-------------------|--|-------|---|
| Income Tax on Capital Gain | Real state seller | Difference between the purchase and sale value of the property | 22,5% | Included in the annual corporate Tax return |
|----------------------------|-------------------|--|-------|---|

C. List of exemptions

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|---|
| Exemption of schools, orphanages, charitable organisations. |
| tax exemptions that apply to residential units whose net annual rent is less than EGP 24,000. Exemptions also apply for commercial, industrial and administrative units whose net annual rent is less than EGP 1,200. |
| However, if a homeowner has only one property in his possession and that property is valued at less than EGP 2 million, then that homeowner will be exempt from the tax. |
| However, if the homeowner possesses more than one property, then he will be exempted from paying tax only for the unit in which he and his family reside – but he shall pay taxes for all other owned units. |
| This tax covers land and buildings, excluding plant and machinery. |

Germany

Purchase and sale of property by Individual (Direct Sale)

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---|--------------------|-----------------------------------|---|---------------|---|
| Grunderwerbsteuer - Real Estate Transfer Tax | Real estate buyer | Federal state (Bundesland) | value specified in the purchase contract | 3,5 to 6,5%** | **Each federal state establishes its rate |
| Einkommensteuer - Income Tax Real Estate Gain | Real estate seller | Federal Republic (Bundesrepublik) | Difference between the purchase and sale value of the property*** | 19% to 45%* | *The rate varies according to the value of the capital gain measured, depending on the amount of capital gain solidarity surcharge (5,5%) may be added on the income tax amount *** if the period between acquisition and disposal does not exceed ten years and the property was held as private property |

Purchase and sale of property by Corporation (Direct Sale)

| | | | | | |
|--|--------------------|-----------------------------------|---|---------------|---|
| Grunderwerbsteuer - Real Estate Transfer Tax | Real estate buyer | Federal state (Bundesland) | value specified in the purchase contract | 3,5 to 6,5%** | **Each federal state establishes its rate |
| Körperschaftsteuer- Corporate Tax | Real estate seller | Federal Republic (Bundesrepublik) | Difference between the purchase and sale value of the property | 15,825% | |
| Gewerbesteuer - Trade Tax | Real estate seller | Municipality (Gemeinde) | Difference between the purchase and sale value of the property*** | 13 to 17%** | **Each municipality establishes its rate *** Corporations that merely hold and administer their own real estate may apply for a so-called 'extended trade tax deduction' (Erweiterte Gewerbesteuer-Kürzung). |

Income Tax Regime for individuals (current income)

| | | | | | |
|---|-------------------|-----------------------------------|--------|-------------|--|
| Einkommensteuer - Income Tax Real Estate Gain | Real Estate owner | Federal Republic (Bundesrepublik) | income | 19% to 45%* | *The rate varies according to the value of the income, depending on the amount of capital gain solidarity surcharge (5,5%) may be added on the income tax amount |
|---|-------------------|-----------------------------------|--------|-------------|--|

Income Tax Regime for corporations (current income)

Germany

| | | | | | |
|--------------------------------------|-----------------------|--------------------------------------|--|----------------|--|
| Körperschaftsteuer- Corporate Tax | Real Estate owner | Federal Republic (Bundesrepublik) | income | 15,825% | |
| Gewerbsteuer - Trade Tax | Real estate seller | Municipality (Gemeinde) | Difference between the purchase and sale value of the property*** | 13 to 17%** | **Each municipality establishes its rate *** Coporations that merely hold and administer their own real estate may apply for a so-called 'extended trade tax deduction' (Erweiterte Gewerbesteuer-Kürzung). |



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Greece

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---------------------------------|-------------------|----------------|---|------|--|
| ITBI - Real Estate Transfer Tax | Real state buyer | State | On the higher value between the sales price and the official value of the property in the tax authority | 3% | There are maps covering almost all the country with estimated values for every area |
| IR - Income Tax Capital Gain | Real state seller | State | No taxation for individuals | N/A | if an individual sales more than 3 real estates within 2 years , this is considered as a business act with relevant consequences |

Purchase and sale of property by Company

| | | | | | |
|---------------------------------|------------------|-------|---|---------------------------------|--|
| ITBI - Real Estate Transfer Tax | Real state buyer | State | Difference between sales price and accounting books value | general corporate tax (now 22%) | |
|---------------------------------|------------------|-------|---|---------------------------------|--|

Company opting for the "SIMPLE" special regime

| | | | | | |
|-----|-----|-----|-----|-----|-----|
| N/A | N/A | N/A | N/A | N/A | N/A |
|-----|-----|-----|-----|-----|-----|

Company opting for the Real Profit regime

| | | | | | |
|-----|-----|-----|-----|-----|-----|
| N/A | N/A | N/A | N/A | N/A | N/A |
|-----|-----|-----|-----|-----|-----|

Company opting for the Presumed Profit regime

| | | | | | |
|-----|-----|-----|-----|-----|-----|
| N/A | N/A | N/A | N/A | N/A | N/A |
|-----|-----|-----|-----|-----|-----|

Payment of Property in Corporate Capital

| | | | | | |
|------------------------------|-------------------|-------|------------------------------|--|--|
| IR - Income Tax Capital Gain | Real state seller | State | No transfer tax in this case | | A special report is required (Law 4548/2018) concerning the estimation of the real value of the real estate. |
|------------------------------|-------------------|-------|------------------------------|--|--|

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Israel

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|--|-------------------|----------------|--|----------|---|
| Real estate tax authority - purchase tax | Real state buyer | Federal | Value of transaction | 0 to 10% | *Purchase of an apartment is taxed according to the transaction value from 0 to 10%. *Purchase of any other real estate property is 6% |
| Real estate tax authority - Capital Gain | Real state seller | Federal | Difference between the purchase value and sale value of the property less costs associated with the property | 0 to 25% | * Exempt from capital gain tax for sale of a first apartment. * for any other property 25%. |

Purchase and sale of property by Company

| | | | | | |
|--|------------------|---------|----------------------|----|--|
| Real estate tax authority - purchase tax | Real state buyer | Federal | Value of transaction | 6% | |
|--|------------------|---------|----------------------|----|--|

*Company/Individual operations is Buying and selling real estate assets***

| | | | | | |
|-------------------------|-------------------|---------|--|---------------|----------------------|
| Individual - income tax | Real state seller | Federal | Difference between the purchase value and sale value of the property less costs associated with the property | 10%-50% | |
| Company - Corporate Tax | Real state seller | Federal | Difference between the purchase value and sale value of the property less costs associated with the property | corporate tax | * In year 2021 - 23% |

*Company/Individual operations is production of rental income from real estate assets***

| | | | | | |
|--|-------------------|---------|--|-----|--|
| Real estate tax authority - Capital Gain | Real state seller | Federal | Difference between the purchase value and sale value of the property less costs associated with the property | 25% | |
|--|-------------------|---------|--|-----|--|

Israel

****Excluding real estate association = all assest are rights in real estate**

| | | | | | |
|--|-------------------|---------|--|-----|--|
| Real estate tax authority - purchase tax | Real state buyer | Federal | Value of rights in real estate asset, in the day of purchase | 6% | |
| Real estate tax authority - Capital Gain | Real state seller | Federal | Difference between the purchase and sale value of the rights in the property | 25% | |



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Italy

INDIRECT TAXATION

| Tax | Seller | Purchaser | Payer | Active Subject | Calculation Basis | Rate | Notes |
|-----|--------|-----------|-------|----------------|-------------------|------|-------|
|-----|--------|-----------|-------|----------------|-------------------|------|-------|

Residential properties

| | | | | | | | |
|---------------|---|-------------------------------|-------------------|------------|---|---|---|
| Register Tax | Costruction or renovation company within 5 years from ended work and over 5 year with option of VAT application | Individual person and company | Real estate buyer | Tax Office | | fixed to 200 euros | |
| Register Tax | Other cases included individual person | Company | Real estate buyer | Tax Office | price agreeded for the sale | 9% with minimum Euro 1.000 | |
| | | Individual person | Real estate buyer | Tax Office | 1. price agreeded for the sale 2. *system of price-value (taxation on cadastral value) | - 2% for the first house (minimum Euro 1.000) - 9% for other cases with minimum Euro 1.000 | *expressly required to Notary only by the private buyer for sales without VAT application. The cadastral value is: -for "first house" (cadastral income x 1,05 x 110) -for other cases (cadastral income x 1,05 x 120) |
| Cadastral Tax | Costruction or renovation company within 5 years from ended work and over 5 year with option of VAT application | Individual person and company | Real estate buyer | Tax Office | | fixed to 200 euros | |

Italy

| | | | | | | | |
|---------------|---|-------------------------------|-------------------|------------|-----------------------------|--|---|
| Cadastral Tax | Other cases included individual person | Individual person and company | Real estate buyer | Tax Office | | fixed to 50 euros | |
| Mortgage Tax | Costruction or renovation company within 5 years from ended work and over 5 year with option of VAT application | Individual person and company | Real estate buyer | Tax Office | | fixed to 200 euros | |
| Mortgage Tax | Other cases included individual person | Individual person and company | Real estate buyer | Tax Office | | fixed to 50 euros | |
| *VAT | Costruction or renovation company within 5 years from ended work and over 5 year with option of VAT application | Individual person and company | Real estate buyer | Tax Office | | - for the "first house" VAT rate is 4% - for other real estate the VAT rate is 10% or if the real estate is a cadastral category A/1, A/8 e A/9 the rate is 22% | *if the purchaser is a company and the saller is costruction or renovation company who finished the works over 5 year it's apply the VAT method of reverse charge |
| VAT | Other cases | Individual person and company | Real estate buyer | Tax Office | price agreeded for the sale | VAT exemption | |
| VAT | Individual person | Individual person and company | Real estate buyer | Tax Office | | Out of scope VAT | |

Italy

Instrumental properties

| | | | | | | | |
|---------------|--|-------------------------------|-------------------|------------|-----------------------------|----------------------------|---|
| Register Tax | Costruction or renovation company and other cases | Individual person and company | Real estate buyer | Tax Office | | fixed to 200 euros | |
| | Individual person | Individual person and company | Real estate buyer | Tax Office | price agreeded for the sale | 9% with minimum Euro 1.000 | |
| Cadastral Tax | Costruction or renovation company and other cases | Individual person and company | Real estate buyer | Tax Office | price agreeded for the sale | 1% | |
| | Individual person | Individual person and company | Real estate buyer | Tax Office | | fixed to 50 euros | |
| Mortgage Tax | Costruction or renovation company and other cases | Individual person and company | Real estate buyer | Tax Office | price agreeded for the sale | 3% | |
| | Individual person | Individual person and company | Real estate buyer | Tax Office | | fixed to 50 euros | |
| VAT | Costruction or renovation company within 5 years from ended work, over 5 year with option of VAT application and in other cases* | Individual person and company | Real estate buyer | Tax Office | price agreeded for the sale | VAT rate is 10% or 22%** | *VAT subjects as insurance company, bank, leasing company, real estate resale company ** if the purchaser is a company it's apply the VAT method of reverse charge |

Italy

| | | | | | | | |
|-----|-------------------|-------------------------------|-------------------|------------|--|------------------|--|
| VAT | Other cases | Individual person and company | Real estate buyer | Tax Office | | VAT exemption | |
| VAT | Individual person | Individual person and company | Real estate buyer | Tax Office | | Out of scope VAT | |

DIRECT TAXATION

| Tax | Seller | Purchaser | Payer | Active Subject | Calculation Basis | Rate | Notes |
|-----|--------|-----------|-------|----------------|-------------------|------|-------|
|-----|--------|-----------|-------|----------------|-------------------|------|-------|

Residential properties

| | | | | | | | |
|-----------------------|-----------------------------------|-------------------------------|--------------------|------------|---|--|---|
| * Income Tax IRPEF | Individual person not in business | Individual person and company | Real estate seller | Tax Office | Difference between the sale value agreed and the purchase value or construction cost. | Substitute Tax only with option by taxpayer to Notary. The rate is 26% | *No taxes on capital gain in these cases: - in any case if the properties is a "first house" for itself or its family for most of the period between purchase and sale; -if the sale is on property owned for a period of more than 5 years; -in any case if the purchase of the property is the result of inheritance |
| | Individual person in business | Individual person and company | Real estate seller | Tax Office | Difference between the sale value agreed and fiscal book value | the rate changes by income brackets: 23% to 15.000; 27% up 15.000 to 28.000; 38% up 28.000 to 55.000; 41% up 55.000 to 75.000 43% up 75.000 | |

Italy

| | | | | | | | |
|---|--------------------|-------------------------------------|--------------------------|---------------|---|------|--|
| IRES corporate income tax | Capital company | Individual person and company | Real estate seller | Tax Office | 1. in case of property asset difference between the sale value agreed and fiscal book value 2. in case of inventory property the difference between book price and price sale | 24% | |
| *IRAP (Regional tax on productive activities) | Capital company | Individual person and company | Real estate seller | Tax Office | 1. in case of property asset difference between the sale value agreed and fiscal book value 2. in case of inventory property the difference between book price and price sale | 3,9% | |

Instrumental properties

| | | | | | | | |
|----------------------|-------------------------------------|-------------------------------------|--------------------------|---------------|---|---|--|
| | Individual person | individual person and company | Real estate seller | Tax Office | Difference between the sale value agreed and the purchase value or construction cost. | Substitute Tax only with option by taxpayer to Notary. The rate is 26% | *No taxes the capital gain in these cases: -if the sale is on property owned for a period of more than 5 years; -in any case if the purchase of the property is the result of inheritance |
| *Income Tax IRPEF | Individual person in business | Individual person and company | Real estate seller | Tax Office | Difference between the sale value agreed and fiscal book value | Substitute Tax only with option by taxpayer to Notary. The rate is 26% the rate changes by income brackets: 23% to 15.000; 27% up 15.000 to 28.000; 38% up 28.000 to 55.000; 41% up 55.000 to 75.000 43% up 75.000 | |

Italy

| | | | | | | | |
|---|--------------------|-------------------------------------|--------------------------|---------------|--|------|--|
| IRES corporate income tax | Capital company | individual person and company | Real estate seller | Tax Office | 1. in case of property asset difference between the sale value agreed and fiscal book value 2. in case of inventory property thedifference between book price and price sale | 24% | |
| *IRAP (Regional tax on productive activities) | Capital company | individual person and company | Real estate seller | Tax Office | 1. in case of property asset difference between the sale value agreed and fiscal book value 2. in case of inventory property thedifference between book price and price sale | 3,9% | |



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Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|-------------------------------|-------------------|-----------------------------|---|-------------------|--|
| Real property acquisition tax | Real state buyer | Local tax office | The tax base is basically market value but usually it is lower than purchase price. | 3% | There are certain tax concession on purchase of residential premises. |
| Capital gain tax | Real state seller | National & local tax office | Difference between the acquisition cost and sale value of the property | 20.315% to 39.63% | 20.315% tax rate is applied on sales in the year 5 years after acquisition. There are some tax concessions on sales of residential premises. |

Purchase and sale of property by Company

| | | | | | |
|---|-------------------|-------------------------------|-----------------------------------|--------|--|
| Treated as the same as other taxable income | Real state seller | National and local tax office | Sales value less acquisition cost | 29,74% | 29.74% is aggregate of national and local income tax effective tax rate. |
|---|-------------------|-------------------------------|-----------------------------------|--------|--|

Company opting for the "SIMPLE" special regime

| | | | | | |
|-----|-----|-----|-----|-----|-----|
| N/A | N/A | N/A | N/A | N/A | N/A |
|-----|-----|-----|-----|-----|-----|

Company opting for the Real Profit regime

| | | | | | |
|-----|-----|-----|-----|-----|-----|
| N/A | N/A | N/A | N/A | N/A | N/A |
|-----|-----|-----|-----|-----|-----|

Payment of Property in Corporate Capital: Based on understanding of :Property is transferred to a company as capital contribution

| | | | | | |
|--|-------------------|-------------------------------|--|--------|-----|
| It is regarded that the property is transferred to the company at market value and the capital gain is treated as the same as normal income tax. | Real state seller | National and local tax office | Difference between the acquisition cost and sale value of the property | 29,74% | N/A |
|--|-------------------|-------------------------------|--|--------|-----|



Luxembourg

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|--------------------------------------|-------------------|----------------|--|---|--|
| Registration fees | Real state buyer | Municipality | *the purchase price paid for the building | <ul style="list-style-type: none"> • 6 % for registration fees; • 1 % for transcription fees. | To reduce the incidental expenses associated with the purchase of a dwelling, the Government has introduced a tax allowance—known as a tax credit—on registration and recording fees for anyone wishing to purchase a building (and certain outbuildings and attachments) for use as their personal residence. This tax credit is limited to EUR 20,000 per property buyer and is subject to conditions of effective and personal occupancy of the property |
| Income tax | Real state seller | Federal | basis of the amount of the general income of the person concerned. | 10,5% or 21% | * When the sale or exchange of the immovable takes place more than 2 years after its acquisition, the income earned is called a capital gain on the sale. If income is earned between July 1, 2016 and December 31, 2018, the maximum extraordinary tax rate will be 10.5% (quarter of the overall rate). Income that has not been earned during this period is taxed at a maximum of 21% (half of the global rate). Income from the sale or exchange of real estate is in principle also subject to solidarity tax and long-term care insurance. The contribution due is calculated by the Luxembourg Inland Revenue. The income obtained following the capital gain on sale benefits from a ten-year reduction of EUR 50,000 (EUR 100,000 if the husbands or partners are taxed collectively). The amount of the abatement is reduced by the amount of allowances that the taxpayer has already received during the 10 years in which he had the dwelling in his possession. |
| Income tax | Real state seller | Federal | basis of the amount of the general income of the person concerned. | the marginal tax rate is set at a maximum of 42 %; | * When the sale or exchange of real estate takes place less than 2 years after its acquisition, the income earned is called speculation profit and is taxed at ordinary progressive rates. Depending on the level of the taxpayer's annual taxable income and their family situation, Income from the sale or exchange of real estate is in principle also subject to solidarity tax and long-term care insurance. The contribution due is calculated by the Luxembourg Inland Revenue. The income obtained following the capital gain on sale benefits from a ten-year reduction of EUR 50,000 (EUR 100,000 if the husbands or partners are taxed collectively). The amount of the abatement is reduced by the amount of allowances that the taxpayer has already received during the 10 years in which he had the dwelling in his possession. |
| The income is exempt from income tax | Real state seller | Federal | N/A | N/A | *main residence or the Housing Pact |

Luxembourg

Purchase of property located in Luxembourg by Company

| | | | | | |
|-------------------|------------------|--------------|---|---|--|
| Registration fees | Real state buyer | Municipality | *the purchase price paid for the building | <ul style="list-style-type: none"> • 5 % registration fees increased by 2/10th; • + 1 % transcription fees. | *An additional tax (communal surcharge) of 3 % of the purchase price is applied to commercial buildings, mixed-use buildings or buildings with any other use, provided said building is located on the territory of the City of Luxembourg. The registration fees form part of the purchase price of the building and are amortised over its useful economic life. |
|-------------------|------------------|--------------|---|---|--|

Sale of property located in Luxembourg by Company

| | | | | | |
|-----|-------------------|---------|---|--|--|
| CIT | Real state seller | Federal | capital gain, equal to the difference between the sale price and the value of the building as it appears on the balance sheet | <ul style="list-style-type: none"> • the overall corporate tax rate of 24.94% | However, a 25% reduction applies to the amount of the capital gain if it results from the sale of building land. The capital gain calculated as part of the liquidation of the company will be equal to the difference between the sale price and the value of the building as it appears in the balance sheet revalued by applying the coefficient already mentioned for persons physical. It should be noted that the taxation of this capital gain may be deferred under certain conditions if the capital gain is transferred to the purchase of a property to replace the building. When this property is itself sold, the initial capital gain will be taxed. It is therefore indeed a deferral of capital gains taxation in the sense that it is only delaying taxation and not an exemption. |
|-----|-------------------|---------|---|--|--|

Contributing a building located in Luxembourg in exchange for shares

| | | | | | |
|-------------------|-------------------|--------------|---|--------|--|
| Registration fees | Real state seller | Municipality | *the purchase price paid for the building | 0.6 %* | *This amount is increased by + 0.5 % in transcription fees |
|-------------------|-------------------|--------------|---|--------|--|

Contributing a building located in Luxembourg in exchange for remuneration other than shares

| | | | | | |
|-------------------|-------------------|--------------|---|---|-----|
| Registration fees | Real state seller | Municipality | *the purchase price paid for the building | <ul style="list-style-type: none"> • 5 % registration fees increased by 2/10th; • + 1 % transcription fees. | N/A |
|-------------------|-------------------|--------------|---|---|-----|

Luxembourg

VAT

| | | | | | |
|-----|------------------|---------|--|-----|--|
| N/A | Real state buyer | Federal | | N/A | Existing buildings The purchase of existing buildings is in principle exempt from VAT. The buyer may however waive this exemption, thereby asserting the right to opt for VAT. |
|-----|------------------|---------|--|-----|--|



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Malta

Purchase and sale of property by Individual and Company

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---------------------------------------|------------------|-------------------------|---|------------|--|
| Stamp Duty on transfer of Real Estate | Real state buyer | Commissioer for Revenue | Higher of the Market Value and the Consideration paid | 1.5% to 5% | <p>Several schemes allowing for the reduction in duty on the acquisition of immovable property are provided for in the Duty on Documents and Transfers Act, some of which are the following:</p> <ul style="list-style-type: none"> • The First-time buyer scheme; • The Second-time buyer scheme; • The Gozo Property Scheme; • The Urban Conservation Area Property Scheme; • The Transfer of Family Business Scheme. <p>Additionally, currently both transferors and buyers can benefit from the COVID-19 measure providing for a reduced tax and duty rate of 5% and 1.5% respectively on the first EUR400,000 of immovable property transferred inter vivos. This scheme was initially part of Government's Economic Recovery Plan for Malta, pursuant to the COVID-19 pandemic, and became effective on 9 June 2020 through Legal Notices 240 and 241 of 2020. Hereunder is a summary of each scheme.</p> <p>First-time buyer scheme The incentive is for first time buyers of residential property. If made until the end of 2021, acquisitions of such property are exempt from duty on the first €200,000), or on a pro-rata portion in case of co-acquisition, of the aggregate value of the consideration paid for the acquisition of such immovable property. Such incentive applies provided that certain conditions are met.</p> <p>Second-time buyer scheme The incentive is for individuals who, by 31 December 2021, replace their sole residential property with another within 12 months from vacating the first. Duty on the first €86,000, or the pro-rata portion in case of co-acquisition, of the value of the replacement property is refunded. Such incentive applies provided that certain conditions are met.</p> <p>Urban Conservation Area (UCA) Property Scheme The incentive is for individuals who acquire residential property situated within a UCA or a property that is scheduled by the Planning Authority. The incentive, extended until the end of 31st December 2021, reduces the rate of duty from the standard 5% to 2.5% on the higher of the consideration or value of the property. The incentive shall be forfeited in case of illegal development of the property or if the property is not regenerated according to the characteristics of the area or restoration of the said property. Such incentive applies provided that certain conditions are met.</p> |

Malta

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---------------------------------------|------------------|-------------------------|---|------------|--|
| Stamp Duty on transfer of Real Estate | Real state buyer | Commissioer for Revenue | Higher of the Market Value and the Consideration paid | 1.5% to 5% | <p>Transfer of Family Business Scheme Under this scheme, duty on the transfer of company shares and commercial tenements in intra-family donations is reduced from 2% or 5% to 1.5% on the real value. Such applies until the extended date of 31 December 2021, provided that the relevant notice is filed with the Revenue by the same date.</p> <p>The reduction applies in the case of a transfer of marketable securities issued by a company, or of immovable property being a commercial tenement used in a family business for at least 3 years preceding the transfer by donation from an individual to qualifying family members. A qualifying family member refers to one's spouse or partner in a civil union, descendants and ascendants in the direct line and their relative spouses or civil union partners or in absence of descendants to one's brothers or sisters and their descendants.</p> <p>This reduction in duty applies provided that the donee does not transfer the securities/commercial tenement, inter vivos, within 3 years from the donation and uses the commercial tenement within a business carried on by the donee for 3 years following the donation. No other exemption or relief from duty may be availed of.</p> <p>COVID-19 temporary reduction in tax and duty on the transfer of immovable property On the part of the purchaser of immovable property in Malta, the scheme provides that the duty rate chargeable will be calculated at 1.5% on the first €400,000 of the higher of the consideration and the market value of such property, with the remaining duty being calculated at the applicable duty rate (normally 5% unless qualifying for some other reduced rate). On the part of the transferor of the immovable property, where the transfer would otherwise have been subject to tax at 8% or 10%, the rate of final property tax is reduced to 5% on the same first €400,000, with the excess value taxable at the standard applicable rate. The measure applies on transfers made by 31 December 2021 or on transfers made until 30 June 2022 where, in the latter case, a promise of sale or promise of transfer agreement is entered into by 31 December 2021. Standard procedures apply for the payment of the tax by the notary publishing the promise of sale or deed of transfer. The duty reduction applies provided that certain conditions are met. Claw back provisions apply for both tax and duty in the case of transfers or acquisitions of immovable property with an abusive intent.</p> |

Malta

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|-----------------------|-------------------|-------------------------|---|-----------|---|
| Property transfer tax | Real state seller | Commissioer for Revenue | Higher of the Market Value and the Consideration paid | 2% to 10% | <p>The old regime has been phased out and as the 1st of January 2015 the option of taxing a transfer of property at the rate of 12% on capital gains has been done away with. Currently, the income tax act provides a lower rate of final withholding tax at the rate of 8% which is calculated on the value of the property. It is important to note that a property which was acquired before the 1st of January 2004 is subject to a final withholding tax of 10% on the value of the property.</p> <p>The law has also catered for those transferors who do not habitually acquire and transfer properties. In fact, a transferor may benefit from the low rate of a final withholding tax of 5% upon transferring an immovable property within five years from the date of acquisition. Furthermore, 2% withholding tax applies upon a transfer of property that was immediately before the transfer owned by an individual or co-owned by an individual, provided that the transfer is not made later than 3 years. A 5% final withholding tax is also applicable when a transfer pertains to a property located in Valletta. Such properties must have been acquired before the 31st December 2018 and it must have been restored or rehabilitated.</p> <p>Out right Exemption from Property tax A seller may also benefit from an outright exemption of tax in the following cases:</p> <ol style="list-style-type: none"> 1. donations in favour of spouse/descendants or ascendants; 2. donations to philanthropic institution; 3. transfer of property owned and occupied by transferor as own residence for a period of at least three consecutive years; 4. assignment of property between spouses in a separation or divorce; 5. assignment of property after termination or dissolution of the community of acquests between spouses; 6. partition of property between spouses or partition of property between surviving spouse and the heirs of the deceased spouse; 7. transfer from one company to another forming part of the same group; 8. transfer of property on the incorporation of a business or partnership en nom collectif as a going concern into a limited liability company; 9. the settlement of property on trust; 10. a transfer of property by a company to its shareholder in the course of a distribution of assets pursuant to a scheme of distribution. |

Malta

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|-----------------------|-------------------|-------------------------|---|-----------|--|
| Property transfer tax | Real state seller | Commissioer for Revenue | Higher of the Market Value and the Consideration paid | 2% to 10% | <p>Furthermore, a seller is charged at the rate of 12% of the excess of the transfer value which has been declared on the deed of the transmission causa mortis and the sale price, if any, if the property was acquired by the seller by way of a donation which was made more than five years before the date of the said transfer. Notably, if the property is being listed on the real estate market and consequently sold by the donee after the lapse of five years the cost of the acquisition shall be that particular value of the property as declared previously in the deed of donation.</p> <p>In the case of inherited property, one has to keep in mind that if the property was inherited after the 24th of November 1992 a 12% final withholding tax on the difference between the transfer value and the cost of acquisition is applicable. On the other hand, a final withholding rate of tax at 7% is chargeable on the selling price if the property was inherited before the 25th of November 1992.</p> <p>Upon further contemplation of property transfer tax and the calculation thereof, where an asset is reassigned from one company to another, and such companies are set up and operating in a group of companies or controlled and owned to the extent of more than 50% by the same shareholders, it is held that neither a loss or a gain has been incurred from the transfer between the companies.</p> <p>Assets which are being transferred which have been previously utilised in a business for a time span of at least three years and which are subsequently substituted within a year by another asset utilised exclusively for a comparable purpose in the said business, any capital gains will not be taxed but the cost of acquisition of the newly acquired asset will be reduced to the said gain.</p> |





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Paraguay

Purchase and sale of property by Individual

By Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|-------------------------------|-----------------------------------|--|--|------|-------|
| municipal property tax | Real state owner | Municipality | *is the tax valuation of each property determined by the National Cadastre Service, urban properties per square meter of land area and buildings, and for rural properties per hectare of land area. | 1% | N/A |
| IRP - Income Tax Capital Gain | Real state seller / notary public | Subsecretaría de Estado de Tributación (Tax Authority) | the lesser of: -30% of the sale value, or -Difference between the purchase and sale value of the property | 8% | N/A |
| VAT - value added tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | 30% of the sale price | 5% | N/A |

By Company

| | | | | | |
|------------------------|------------------|--------------|--|----|-----|
| municipal property tax | Real state owner | Municipality | *is the tax valuation of each property determined by the National Cadastre Service, urban properties per square meter of land area and buildings, and for rural properties per hectare of land area. | 1% | N/A |
|------------------------|------------------|--------------|--|----|-----|

Company opting for the Real Profit regime

| | | | | | |
|----------------------------|-------------------|--|--|-----|-----|
| IRE - Corporate Income Tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | Difference between revenues and expenses, determining the accounting result. | 10% | N/A |
| VAT - value added tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | 30% of the sale price | 5% | N/A |

Paraguay

Company opting for the Presumed Profit regime

| | | | | | |
|----------------------------|-------------------|--|------------------------|-----|-----|
| IRE - Corporate Income Tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | 30% of the sale value. | 10% | N/A |
|----------------------------|-------------------|--|------------------------|-----|-----|

Withholding Taxes - Individual and Company residing outside Paraguay

| | | | | | |
|-------------------------|-----------------------------------|--|-----------------------|-----|------------------------|
| non-resident income tax | Real state seller / notary public | Subsecretaría de Estado de Tributación (Tax Authority) | 30% of the sale price | 15% | N/A |
| VAT - value added tax | Real state seller / notary public | Subsecretaría de Estado de Tributación (Tax Authority) | 30% of the sale price | 5% | Valid as a tax credit. |

Leasing of real estate

By Individual - general tax regime

| | | | | | |
|-------------------------------|-------------------|--|--|----------|--|
| IRP - Income Tax Capital Gain | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | the lesser of: -30% of the sale value, or -Difference between the purchase and sale value of the leasing | 8% | N/A |
| VAT - value added tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | 100% of the leasing price | 5% / 10% | According to the destination, if it is for housing the rate is lower, if it is for commercial activity the rate is higher. |

Paraguay

By Company - Real Profit regime

| | | | | | |
|----------------------------|-------------------|--|--|----------|--|
| IRE - Corporate Income Tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | Difference between revenues and expenses, determining the accounting result. | 10% | N/A |
| VAT - value added tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | 100% of the leasing price | 5% / 10% | According to the destination, if it is for housing the rate is lower, if it is for commercial activity the rate is higher. |

Withholding Taxes - Individual and Company residing outside Paraguay

| | | | | | |
|-------------------------|-----------------------------------|--|---------------------------|----------|---|
| non-resident income tax | Real state seller / notary public | Subsecretaría de Estado de Tributación (Tax Authority) | 50% of the leasing price | 15% | N/A |
| VAT - value added tax | Real state seller | Subsecretaría de Estado de Tributación (Tax Authority) | 100% of the leasing price | 5% / 10% | According to the destination, if it is for housing the rate is lower, if it is for commercial activity the rate is higher. Valid as a tax credit. |

Portugal

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---|-------------------|----------------|--|--------------|---|
| IMT - Real Estate Transfer Tax | Real state buyer | Municipality | Value of the contract or value of the property in the municipal registry (VPT), whichever is greater. | 0 to 8% | The applicable rates depend on the type and value of the building. There may be exemptions on purchases for own housing. |
| IRS - Personal Income Tax on the Capital Gain | Real state seller | State | Difference between the sale value of the property and the purchase value (updated with currency devaluation coefficient) | 14,5% to 48% | This gain is added to the remaining income and the rates vary according to the income scale. In case of reinvestment of the sale value on own house, there is no taxation |

Purchase and sale of property by Company

| | | | | | |
|--|-------------------|--------------|--|----------|--|
| IMT - Real Estate Transfer Tax | Real state buyer | Municipality | Value of the contract or value of the property in the municipal registry (VPT), whichever is greater. | 5 to 10% | The applicable rates depend on the type and value of the building. Rate of 10% will be applicable only if the buyer has tax residence in a tax haven. There may be exemptions on purchases for resale, for urban rehabilitation, in business restructuring operations. |
| IRC - Corporate Income Tax on the Capital Gain | Real state seller | State | Difference between the sale value of the property and the purchase value (deducted from depreciations and updated with currency devaluation coefficient) | 21% | This gain is added to the remaining company results. A tax rate of 21% will be applicable (plus municipal tax which can go up to 1.5% on the taxable income). In case of reinvestment of the sale value, the taxation will be made only on 50% of the gain. |

Aquisition of company 's shares that own real estate

| | | | | | |
|--------------------------------|------------------|--------------|--|------|--|
| IMT - Real Estate Transfer Tax | Real state buyer | Municipality | Value of the property in the municipal registry (VPT). | 6,5% | applied on the acquisition of more than 75% of the share capital of a company whose assets comprise more than 50% of real estate located in Portugal |
|--------------------------------|------------------|--------------|--|------|--|

Russia

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---------------------|--|----------------|--|-----------------------|---|
| Personal income tax | Real estate seller (tax resident) | Federal | *Sales price of the property owned for more than 5 years, i.e. person's income | **13% or 15% | **Sale of the property is not taxable if certain type of immovable property (living property) was owned for the minimal period, i.e. 5 years as a general rule. It is applicable to sale of property purchased after January 1, 2016. **For tax residents of Russia (if person is in Russia for more than 183 days during one calendar year). Increased rate should be applied if tax base exceeds RUB 5 mln. |
| Personal income tax | Real estate seller (tax resident) | Federal | Sales price of the property owned less than 5 years, i.e. person's income | *13% or 15% | *For tax residents of Russia (if person is in Russia for more than 183 days during one calendar year). Tax deduction can be applied in amount of documentally confirmed experience in relation living property but not more than 2 mln rubles |
| Personal income tax | Real estate seller (tax non-resident) | Federal | *Sales price of the property, i.e. person's income | 30% | *Sale of the property under certain conditions is not taxable, e.g. if certain type of immovable property was owned for the minimal period, i.e. 5 years as a general rule. As for non-residents their income is not taxable and the date when property purchased does not matter in this case. **For tax residents of Russia (if person is in Russia for more than 183 days during one calendar year). Increased rate should be applied if tax base exceeds RUB 5 mln. |
| Personal income tax | Real estate seller (individual entrepreneur) | Federal | *Sales price of the property, i.e. person's income | **13%, or 15%, or 30% | Income from sale of property using as fixed assets of IE should be calculated as a value of such assets according records and sales price. The income may be reduced by documentally confirmed expenses. **Tax rate depends on tax regime. As a general rule individual entrepreneurs paying PIT at 13% rate. Increased rate should be applied if tax base exceeds RUB 5 mln. 30% is for non-residents. |

Purchase and sale of property by Company

| | | | | | |
|-----------------|--|---------|-----------------------------|-----|---|
| Value-added tax | Real estate seller, Foreign company without PE | Federal | Sales price of the property | 20% | VAT should be paid by a taxpayer, i.e. foreign company selling property. Foreign company should be registered due to fact of immovable property ownership |
|-----------------|--|---------|-----------------------------|-----|---|

Russia

| | | | | | |
|---|---|---------------------|--|--------|---|
| Value-added tax | Real estate seller, Russian company or foreign company with PE | Federal | Sales price of the property | 20% | VAT should be paid by a taxpayer, i.e. Russian company selling property. |
| Corporate income tax | Real estate seller, Russian company or foreign company with PE | *Federal / Regional | **Profit | 20% | *CIT is payable to different budgets. **Respective costs can be used to reduce the CIT base. |
| Simplified taxation regime (tax base - "income minus expenses") | Real estate seller, Russian company or individual entrepreneur | *Federal / Regional | ** Income minus expenses | ***15% | *Tax is federal by payable to regional budget. **Respective costs can be used to reduce the tax base. ***Under certain condition it is payable at 20% rate. |
| Simplified taxation regime (tax base - "income") | Real estate seller (Russian company or individual entrepreneur) | *Federal / Regional | Income | **6% | *Tax is federal by payable to regional budget. **Under certain condition it is payable at 8% rate. |
| Corporate income tax (withholding tax) | Real estate seller (foreign company without PE) | Federal | * Income from sale of the property located in Russia | **20% | *This obligation should be fulfilled by foreign company without PE selling immovable property located in Russia if buyer is a person who cannot be treated as a tax agent, e.g. physical person who is not individual entrepreneur. **This is the standard CIT rate. However, if met requirements of respective DTT could be taxed only in Russia. |
| Corporate income tax (withholding tax) | Real estate seller (foreign company without PE in Russia) | Federal | * Income from sale of the property located in Russia | **20% | *This obligation should be fulfilled by Buyer (Russian company, foreign company with PE or individual entrepreneur) as a tax agent. **This is the standard CIT rate. However, if met requirements of respective DTT could be taxed only in Russia. |
| Corporate income tax (withholding tax) | Real estate seller | Federal | Income from sale of participatory shares if more than 50% of assets of the legal entity consists of immovable property located in Russia | *20% | *This is the standard CIT rate. However, if met requirements of respective double tax treaty may be not taxed in Russia. |



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Purchase and sale of property by Individual & Company

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---|-------------------|----------------|--|------------|---|
| IRAS - Property Stamp duty IRAS - Property Stamp on duty selling of property | Real state buyer | IRAS | *official value of the property in the sale/purchase agreement | 1 to 4% | *To ensure that the calculation base corresponds to the official value, it may be necessary to file an official valuation done by a licensed appraiser. |
| IRAS - Personal Income Tax on the Capital Gain | Real state seller | IRAS | *official value of the property in the sale/purchase agreement | 4% to 12%* | *The rate varies according to the period of holding of property |



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Spain

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|---|-------------------|----------------------|--|---------------------------------|---|
| Transfer Tax | Real state buyer | Autonomous Community | Market value of the real state | 6% to 10% | Second or subsequent transfers of buildings that are exempt of VAT. Rates depend on where the real state is located. |
| VAT - Valued Added Tax | Real state buyer | State | Transfer price | 10% houses, 21% other buildings | Sale of new and refurbished properties and second or subsequent transfers when the taxpayer renounces to the VAT exemption (both parties must be business or professionals and have the right to totally or partially deduct the VAT of the acquisition). |
| Documented Legal Actions Tax | Real state buyer | Autonomous Community | Market value of the real state | 0,5% to 1,5% | Only if the operation is taxed by VAT instead of Transfer Tax. Rate depends on where the property is located. |
| Personal Income Tax | Real state seller | State | Capital gain (Difference between the purchase and sale value of the property) | 19% to 26% | Rate varies depending on the gain obtained. |
| Personal Income Tax for Non-Residents | Real state seller | State | Capital gain (Difference between the purchase and sale value of the property) | 19% | If the selling part is non-resident, the real state buyer is obliged to withhold and pay the 3% of the price. |
| Tax on the Increase in the Value of Land. | Real state seller | Municipality | Value of the land that appears in the official records (cadaster) and number of years since the last acquisition | | Currently the tax is revised by the Consitutional Court of Spain. |

Purchase and sale of property by Company

| | | | | | |
|--------------|------------------|----------------------|--------------------------------|---------------------------------|---|
| VAT | Real state buyer | State | Transfer price | 10% houses, 21% other buildings | Sale of new and refurbished properties and second or subsequent transfers when the taxpayer renounces to the VAT exemption (both parties must be business or professionals and have the right to totally or partially deduct the VAT of the acquisition). |
| Transfer Tax | Real state buyer | Autonomous Community | Market value of the real state | 6% to 10% | Second or subsequent transfers of buildings, exempt of VAT . Rates depends on where the real state is located. A reduction of 95% is applicable in case of SOCIMI (Real estate investment listed corporations) |

Spain

| | | | | | |
|---|-------------------|----------------------|---|--------------|--|
| Documented Legal Actions Tax | Real state buyer | Autonomous Community | | 0,5% to 1,5% | Only if the operations is taxed by VAT instead of Transfer Tax. Rate depends on where the real state is located. |
| Corporate Income Tax | Real state seller | State | Capital gain (Difference between the accounting and sale value of the property) | 25% | 0% in case of SOCIMI, when the property has been leased for at least three years , and half the profit of the sale is distributed as dividends, while the other half is reinvested |
| Income Tax for Non-Residents | Real state seller | State | Capital gain (Difference between the purchase and sale value of the property) | 19% | Applicable to companies that do not have a permanent establishment in Spain. If the selling part is non-resident, the real state buyer is obliged to withhold and pay the 3% of the price. |
| Tax on the Increase in the Value of Land. | Real state seller | Municipality | Value of the land that appears in the officials record and number of years since the last acquisition | | Currently the tax is revised by the Consitutional Court of Spain. |



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Tunisia

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|----------------------------|-------------------|--------------------|--|-------------------------|---|
| Income Tax on Capital Gain | Real state buyer | Tax administration | Sale value of the property | 2,5%* | *Withholding tax : This tax will be deducted from income tax paid by the seller. |
| Income Tax on Capital Gain | Real state seller | Tax administration | Difference between the purchase price (increased by 10% per year) and sale value of the property | 10%* and 15%** | *For property held for a period longer than 5 years **For property held for a period less than 5 years |
| Registration Fees | Real state buyer | Tax administration | Sale value of the property | 0%* 5% 2% or 4%** | *If the acquisition is realized from a real estate developer **These rates are applied as part of extra registration fees. |
| Tax on Land Conservation | Real state buyer | Tax administration | Sale value of the property | 1%* | |
| VAT - Value Added Tax | Real state buyer | Tax administration | Sale value of the property | 13%* and 19% | *13% acquisition of real estate for residential use. |

Purchase and sale of property by Company

| | | | | | |
|----------------------------|-------------------|--------------------|--|-------------------------|---|
| Income Tax on Capital Gain | Real state buyer | Tax administration | Sale value of the property | 2,5%* | *Withholding tax : This tax will be deducted from income tax paid by the seller. |
| Income Tax on Capital Gain | Real state seller | Tax administration | Difference between the purchase price (increased by 10% per year) and sale value of the property | 10%* 15%** 35%*** | *Agricultrue and regional development area **Common rate ***Financial, petroleum, hypermarket, franchise and telecom sectors. |
| Registration Fees | Real state buyer | Tax administration | Sale value of the property | 0%* 5% 2% or 4%** | *If the acquisition is realized from a real estate developer **These rates are applied as part of extra registration fees. |
| Tax on Land Conservation | Real state buyer | Tax administration | Sale value of the property | 1%* | |
| VAT - Value Added Tax | Real state buyer | Tax administration | Sale value of the property | 13%* and 19% | *13% acquisition of real estate for residential use. |

United Kingdom

Purchase of a residential property by Individuals

| Tax | Payer | Calculation Basis | Rate | Notes |
|---|-------|-------------------|----------|---|
| Stamp Duty Land Tax (England and Northern Ireland only) | Buyer | Purchase value | 0 to 12% | Works on a slicing system i.e. depending on the value of the property, certain amounts of the value will be subject to different percentages |
| Additional Dwelling Surcharge (England and Northern Ireland only) | Buyer | Purchase value | 3% | Applies in addition to the SDLT slicing system for individuals who already own one property |
| Non-Resident Surcharge (England and Northern Ireland only) | Buyer | Purchase value | 2% | Applies in addition to the SDLT and surcharge, if the individual is non-UK resident |
| Stamp Duty Land Tax (Scotland only) | Buyer | Purchase value | 0 to 16% | Works on a slicing system i.e. depending on the value of the property, certain amounts of the value will be subject to different percentages. There is a higher rate if individual already owns a property. |
| Stamp Duty Land Tax (Wales only) | Buyer | Purchase value | 0 to 15% | Works on a slicing system i.e. depending on the value of the property, certain amounts of the value will be subject to different percentages. There is a higher rate if individual already owns a property. |

Purchase of a residential property by Companies

| | | | | |
|---|-------|----------------|----------|---|
| Stamp Duty Land Tax (England and Northern Ireland only) | Buyer | Purchase value | 0 to 12% | Works on a slicing system i.e. depending on the value of the property, certain amounts of the value will be subject to different percentages |
| Additional Dwelling Surcharge (England and Northern Ireland only) | Buyer | Purchase value | 3% | Applies in addition to the SDLT slicing system for individuals who already own one property |
| Non-Resident Surcharge (England and Northern Ireland only) | Buyer | Purchase value | 2% | Applies in addition to the SDLT and surcharge, if the company is non-UK resident |
| Stamp Duty Land Tax (Scotland only) | Buyer | Purchase value | 0 to 16% | Works on a slicing system i.e. depending on the value of the property, certain amounts of the value will be subject to different percentages. There is a higher rate if individual already owns a property. |

United Kingdom

| | | | | |
|----------------------------------|-------|----------------|----------|---|
| Stamp Duty Land Tax (Wales only) | Buyer | Purchase value | 0 to 15% | Works on a slicing system i.e. depending on the value of the property, certain amounts of the value will be subject to different percentages. There is a higher rate if individual already owns a property. |
| Enveloped Dwellings | Buyer | Purchase value | 15% | In certain conditions are met the residential property may not be subject to the above rates but may be subject to a 15% flat rate of SDLT applies where the value is above £500k. |

Sale of Property by Individuals (non-trading as a developer) *

| | | | | |
|-------------------------|------------|---|---------|---|
| Capital Gains Tax (CGT) | Individual | Difference between proceeds and allowable costs | 18%/28% | The rate depends on the level of the individual's income for the period |
|-------------------------|------------|---|---------|---|

**if the sale is made by an individual who is a property developer then income tax (as opposed to CGT) on the sale would typically apply*

Sale of Property by Companies

| | | | | |
|-------------------------|---------|---|---------------------------|--|
| Corporation Tax on Gain | Company | Difference between proceeds and allowable costs | 19% (25% from April 2023) | The allowable costs are indexed up until 31 December 2017 |
| Enveloped Dwellings | Company | Difference between proceeds and allowable costs | 28% | For dwellings worth more than £500k and which are not exempt, the company will be subject to the higher rate |

Income From Property - Companies

| | | | | |
|--|---------|--|---------------------------|--|
| Corporation Tax - Income From Property | Company | Rental income reduced by allowable expenses | 19% (25% from April 2023) | |
| Annual Tax on Enveloped Dwellings | Company | Value as at 1 April after purchase and re-valued every 5 years | £3,700 - £237,400 | For dwellings worth more than £500k and which are not exempt, the company will be subject to flat annual charge depending on the value |

United Kingdom

*Income From Property - Non-UK residence companies**

| | | | | |
|--|---------|--|---------------------------|--|
| Corporation Tax - Income From Property | Company | Rental income deducted by allowable expenses | 19% (25% from April 2023) | |
| Annual Tax on Enveloped Dwellings | Company | Value as at 1 April after purchase and re-valued every 5 years | £3,700 - £237,400 | For dwellings worth more than £500k and which are not exempt, the company will be subject to flat annual charge depending on the value |

**non-resident companies are charged to corporation tax for their property income from April 2020*

Other Taxes/Reliefs

| Tax | Terms |
|--|---|
| Residential Property Developer Tax | Profit from residential property development >£25m (4% Starting April 2022) |
| Rent a Room (individuals only) | Up to £7,500 income non-taxable for letting a room in the main residence |
| Property Allowance (individuals only) | £1,000 per tax year not taxable, however cannot be used if expenses are deducted |
| Principal Private Residence Relief | No capital gains tax payable by individual on disposal for the proportion of the time which the property was their main residence |
| First Time Buyer (individuals only) - England | For property value below £500k, the Stamp Duty is charged 0% for first £300k and 5% on remaining amount between £300k - £500k |
| First Time Buyer (individuals only) - Wales | Not available - the 0% band is £180,000 |
| First Time Buyer (individuals only) - Scotland | 0% Band increased to £175,000 |



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Uruguay

Purchase and sale of property by Individual

| Tax | Payer | Active Subject | Calculation Basis | Rate | Notes |
|----------------------------|-------------------|----------------|--|------|---|
| Resident Income Tax (IRPF) | Real state seller | National | Difference between the purchase and sale value of the property | 12% | For urban properties bought before 2007, there is a special regime. Calculation basis is 15% of the purchase value. |

Purchase and sale of property by non-Resident

| | | | | | |
|--------------------------------|-------------------|----------|--|------|---|
| Non-Resident Income Tax (IRNR) | Real state seller | National | Difference between the purchase and sale value of the property | 12%* | * For companies domiciled in low or non-tax jurisdictions (BONT entities), there is a 25% special tax rate. |
|--------------------------------|-------------------|----------|--|------|---|

Purchase and sale of property by Company

| | | | | | |
|-----------------------------|-------------------|----------|--|-----|---|
| Corporate Income Tax (IRAE) | Real state seller | National | Difference between the purchase and sale value of the property | 25% | * For companies domiciled in low or non-tax jurisdictions (BONT entities), there is a 25% special tax rate. |
|-----------------------------|-------------------|----------|--|-----|---|



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