Relocating Overseas

International Tax Regimes Guide 2026

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Marketing Communication

Contents

Introduction

A move abroad can be a great life experience. Indeed, people often consider moving overseas for a warmer climate, great cuisine, and a change in lifestyle. However, a favourable tax regime can also influence their decision.

Until 2023, Portugal was a popular choice for those relocating from Ireland overseas. However, changes to the Portuguese Non-Habitual Residence (NHR) tax regime have made many wonder if other countries offer a similar regime. While Portugal does offer a new NHR regime for highly qualified professionals who are moving there, such that income derived from certain activities can be exempt from Portuguese tax, the regime is not as favourable for overseas pension income which is taxed at progressive income tax rates rather than the previous 10% tax rate (a comparison of the old and new regime is included on page 14).

Often, our clients speak to us about retiring overseas or a post-business sale relocation. And so, this report examines ten countries that we are commonly asked about, focusing on specific rules that may apply to individuals in these situations.

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This report covers those who are EU nationals and while jurisdictions outside Europe may offer favourable tax regimes, we have confined our review to popular European countries. We recommend that you consult a tax adviser for confirmation on whether the tax information referenced is available to you.

Italy

Is there a special tax regime in place for those relocating there?

Since 2017, a regime for high-net-worth individuals allows taxpayers who move their tax residence to Italy and have not qualified as Italian resident for at least nine of the past 10 years to opt for a flat tax of €300,000 per year on their foreign-source income. This applies regardless of the actual amount of that income and whether it is remitted (transferred) to Italy. This same favourable tax regime can be applied to family members if they also meet the required conditions and where they do the flat tax equals €50,000 for each family member. This regime can apply for up to 15 years.

Tax residence in Italy is generally obtained by spending more than 183 days in the country in a tax year (January to December).

In the absence of this regime, a resident of Italy would be taxed on their worldwide income and gains whereas the effect of this regime is that non-Italian income and most non-Italian gains are not subject to tax in Italy.

What other taxes could apply on capital in Italy?

Wealth tax

While Italy has a wealth tax of 0.20% per annum on financial assets held abroad and 1.06% per annum on real estate located abroad, taxpayers who opt for the flat tax of €300,000 are not subject to the wealth tax on financial assets and real estate held outside of Italy.

Gift and inheritance tax

In addition, for individuals who qualify for this regime, only assets located in Italy are subject to gift and inheritance tax. Therefore, Italy does not tax the worldwide assets of individuals availing of this regime to Italian gift and inheritance tax, which would apply to Italian residents.

Generally, tax rates of 4% to 8% apply on the value of the asset gifted or inherited above certain tax-exempt thresholds.

Real estate transfer tax, transfer duty and property taxes

Italy also imposes taxes on the transfer of real estate located in Italy and has an annual property tax.

What about the taxation of private pensions?

Italy has a "Regime for Retirees", which is a special regime for individuals with non-Italian pension income, where a flat 7% rate of tax on non-Italian pension income applies. This "Regime for Retirees" is only available in southern regions of Italy (Sicily, Calabria, Basilicata, Sardinia, Sardegna, Campagnia, Abruzzo, Molise and Puglia) and in a town with no more than 30,000 inhabitants. This regime can apply for up to 10 years. For those availing of this regime, the 7% rate extends to non pension income also e.g,. foreign dividend and rental income and the choice of availing of the €300,000 flat tax or the 7% on pension income depends on the income source: if an individual has mainly foreign pensions, the 7% is key; but if the individual has other foreign income, the new €300,000 flat tax may be a better option.

> "Tax residence in Italy is generally obtained by spending more than 183 days in the country in a tax year."

Malta

Is there a special tax regime in place for those relocating there?

Individuals who are ordinarily resident but not domiciled in Malta are subject to tax only on Maltese-source income and on foreign income that is remitted to or received in Malta (a remittance basis of taxation). Where foreign sourced income is remitted to Malta, a tax rate of 15% may apply on that income subject to conditions. An exemption from tax on capital gains may also apply regardless of whether they are received in Malta.

Individuals are generally considered resident in Malta if they spend more than 183 days in a calendar year in Malta. Individuals are considered ordinarily resident if Malta is their habitual residence.

Individuals are deemed to be domiciled in Malta if they settle in Malta with the purpose of living in Malta for good and consider Malta to be their permanent home.

In certain circumstances an individual cannot apply the remittance basis of taxation (e.g. if they are married to an individual who is domiciled in Malta) and individuals availing of the remittance basis of taxation may be liable to pay a minimum tax liability in Malta.

What other taxes could apply on capital in Malta?

Wealth tax
There are no wealth taxes in Malta.

Gift and inheritance tax
There is no gift or inheritance tax in Malta.

Real estate transfer tax, transfer duty and property taxes
While transfers of assets during lifetime could come within the charge to income tax on capital gains and property located in Malta could be subject to property transfer tax (PTT), these taxes do not apply on transfers to spouses or descendants.

Malta imposes transfer duty which is effectively a transaction-based tax on the transfer of assets, and this can be due on the inheritance of real estate. However, a number of exemptions apply to this duty.

There is no annual property tax in Malta.

What about the taxation of private pensions?

Generally, Maltese resident individuals are taxed on private pension income remitted to Malta at a flat rate of 15% (subject to conditions and a minimum annual payment. For example, one of the conditions is that the foreign pension must constitute at least 75% of the individual's total chargeable income that is subject to tax in Malta).

> "Where foreign sourced income is remitted to Malta, a tax rate of 15% may apply on that income subject to conditions."

Greece

Is there a special tax regime in place for those relocating there?

Special tax regimes have been introduced for foreign tax resident high-net-worth individuals and for foreign tax resident individuals with foreign-source pension income who transfer their residence to Greece. Residence in Greece is generally achieved by spending more than 183 days in Greece in any 12-month period.

To be eligible for the regime for high-net-worth individuals, an individual needs to satisfy the following conditions:

- They have not been a Greek resident for the previous seven of the last eight years before the transfer of their residence to Greece.
- They prove that they or a close relative has made an investment of at least €500,000 in real estate, businesses or legal entities in Greece or securities or shares in legal entities based in Greece or have made such investment through entities in which they hold the majority of the shares.

If the conditions are satisfied for the regime, the following rules apply:

- The individual is required to pay a flat tax amount of €100,000 per tax year.
- The individual will be taxed on Greek-sourced income.
- Any assets held abroad by the individual are exempted from gift and inheritance tax.

This tax regime can be extended to the individual's close relatives for an amount of €20,000 per tax year per relative.

This regime can be applied for 15 years.

What other taxes could apply on capital in Greece?

Wealth tax

There are no wealth taxes in Greece. A luxury tax may apply in certain circumstances.

Gift and inheritance tax

Gift tax is imposed on:

- Any asset located in Greece and owned by a resident or non-resident.
- Movable assets located abroad and owned by a Greek national.
- Movable assets located abroad owned by a Greek national or by a foreign national gifted to a Greek national or a Greek resident.

Exemptions from gift tax can be obtained in certain circumstances.

Inheritance tax is imposed on:

- Any asset located in Greece and owned by a resident or non-resident.
- Movable assets located abroad and owned by a Greek national.
- Movable assets located abroad owned by a foreign national who has been resident in Greece.

There are exemptions from Greek inheritance tax on moveable assets located abroad where the Greek national was residing outside Greece for at least five consecutive years.

The categories of rates for inheritance tax and gift tax depend on the relationship of the beneficiary to the deceased or donor. The rates are higher for more distant relatives and unrelated persons. In general, the rates range from 1% up to 40%.

Real estate transfer tax, transfer duty and property taxes

Greece has a real estate transfer tax but there are a number of exceptions to the tax such as for the purchase of a first main residence in Greece.

Greece has an annual property tax.

What about the taxation of private pensions?

Individuals who have a foreign pension and who transfer their residence to Greece may choose to be subject to a different tax regime on their foreign income in Greece. To be eligible for this regime, an individual needs to satisfy the following conditions:

- They must not have been a Greek resident for the previous five of the last six years before the transfer of their residence to Greece.
- They relocate from a country with which Greece has a Double Tax Agreement.
- If the application for transfer of residence is successful, the following rules apply:
  - The individual must report in Greece all Greek-source income and all foreign-source income that is subject to this tax regime.
  - The individual must pay annually a 7% flat income tax on their total foreign source income.

An individual can be enrolled in this regime for a maximum period of 15 years.

“Individuals who have a foreign pension and who transfer their residence to Greece may choose to be subject to a different tax regime on their foreign income in Greece.”

Cyprus

Is there a special tax regime in place for those relocating there?

A non-Cypriot domiciled individual (briefly, that is an individual with no permanent ties or connections to Cyprus), irrespective of their tax residence status is exempt from tax on dividend and interest income. This also includes dividends from a Cypriot company. However, there is a liability for general health scheme contributions up to a maximum of €4,770 per year.

In addition, no tax arises on gains from the disposal of investments listed on a recognised stock exchange - any gains arising from the disposal of shares, bonds and other similar financial instruments (including options and rights thereon) are exempt from tax. This regime can apply for 17 years.

What other taxes could apply on capital in Cyprus?

Wealth tax
There are no wealth taxes in Cyprus.

Gift and inheritance tax
There is no gift or inheritance tax in Cyprus.

Real estate transfer tax, transfer duty and property taxes
There is a real estate tax and stamp duty on transfers of immovable property located in Cyprus.

There is no annual property tax in Cyprus, but a charge is imposed by municipalities/councils.

What about the taxation of private pensions?

Any lump sum received as a retirement gratuity is exempt from tax. In addition, a Cypriot resident individual, (one generally present for more than 183 days in any calendar year), receiving pension income from services rendered abroad may choose to be taxed at a flat rate of 5% on amounts exceeding €5,000 per annum.

"There is no gift or inheritance tax in Cyprus."

Switzerland

Is there a special tax regime in place for those relocating there?

A lump sum taxation regime is a special tax status available to foreign nationals who:

- take up residence in Switzerland for the first time or after an absence of at least 10 years; and
- do not perform any gainful activity in Switzerland. Activities outside Switzerland are not taken into consideration in applying this rule.

Individuals are generally considered resident in Switzerland if they have the intention to permanently establish their place of abode in Switzerland and are registered with the municipal authorities or if they intend to stay in Switzerland for a certain period of time (usually longer than one month).

Individuals benefitting from this special lump sum tax regime are not subject to Swiss taxation on their worldwide income and wealth but based on their worldwide expenditure (living costs). The minimum taxable income and wealth is typically agreed with the cantonal tax authorities prior to taking up Swiss tax residence.

Some cantons (e.g. Canton of Zurich, Schaffhausen, Basel-City, Basel Country and Appenzell Ausserrhoden) have abolished this special tax status and consequently do not offer lump sum taxation for individuals residing in these cantons. Some popular cantons for individuals taking up Swiss residence under a lump sum arrangement are Zug, Vaud, Valais and Geneva but there are many others.

What other taxes could apply on capital in Switzerland?

Wealth tax

Net wealth tax is levied on a cantonal/communal level, not the federal level. The tax base for wealth tax includes worldwide assets, with the exception of real estate located abroad. The tax rates depend on the canton where the taxpayer is resident.

Gift and inheritance tax

There are no federal estate, inheritance or gift taxes, but all cantons (except for the cantons of Schwyz and Obwalden) levy these taxes. In most cantons, residents are subject to gift and inheritance tax on worldwide assets except for real estate located abroad. Non-residents are subject to gift and inheritance tax on real estate located in Switzerland.

Transfers to spouses are exempted from inheritance and gift tax in all cantons while transfers to direct descendants (i.e. children, grandchildren) are exempted in most cantons. The tax rate for other transfers depends on the canton (and/or community), the relationship between the two parties and the amount or value transferred. The tax rate can be as high as 50% in some cantons for beneficiaries who are not closely related to the deceased.

A proposal to introduce a federal inheritance tax of 50% on estates exceeding CHF50m was rejected by Swiss voters in a November 2025 referendum.

Real estate transfer tax, transfer duty and property taxes

Transfer of real estate may be subject to real estate profit tax. In addition, real estate transfer tax and/or real estate registry costs may apply. Real estate profit tax is levied by the cantons or the municipalities, and therefore the tax rules may differ in each canton.

Generally, there are no transfer taxes on gifts or inheritances. However, certain cantons may levy a transfer tax if the transferred asset is real estate.

There is an annual property tax in Switzerland.

What about the taxation of private pensions?

For a resident, foreign pensions are generally subject to tax in Switzerland.

Monaco

Is there a special tax regime in place for those relocating there?

Generally foreign nationals residing in Monaco do not pay income tax or capital gains as Monaco does not levy such direct taxes.

What other taxes could apply on capital in Monaco?

Wealth tax
There are no wealth taxes in Monaco.

Gift and inheritance tax
Gift and inheritance taxes apply only to assets located in Monaco or with a situs in Monaco, regardless of the domicile, residence or nationality of the deceased person or donor. The tax rates depend on the nature of the relationship between the deceased individual or donor and that individual's heir or donee.

The following are the rates:

- Between spouses or for children: no tax
- Between partners of a civil union agreement: 4%
- Between siblings: 8%
- Between uncles and aunts, and nephew and nieces: 10%
- Between other relatives: 13%
- Between unrelated persons (including charities and corporate entities): 16%

Real estate transfer tax, transfer duty and property taxes
Sales of real estate located in Monaco, shares in a Monegasque SCI (Société Civile Immobilière) and shares in other types of companies are subject to transfer taxes.

There is no annual property tax in Monaco.

What about the taxation of private pensions?

No income tax arises on a foreign pension in Monaco. However, home country taxes may arise while resident or ordinarily resident in Ireland.

> "Generally foreign nationals residing in Monaco do not pay income tax as Monaco does not levy direct income taxes."

France

Is there a special tax regime in place for those relocating there?

This is no specific tax regime in place for those relocating to France on retirement or following the sale of a business.

Individuals are generally residents if their home, or if no home is available, their principal place of abode, professional activity or centre of economic interest is located in France.

What other taxes could apply on capital in France?

Wealth tax (IFI)
Wealth tax is payable by residents in France with worldwide real estate assets worth over €1.3 million. Non-residents are liable only if they own French real estate valued over the same threshold.

France has recently introduced a new annual 20% tax on certain luxury assets and non-business real estate owned via corporate structures. This applies to a company that is subject to French corporate income tax; has assets that are worth at least €5m; where more than 50% of its income consists of passive revenue, (dividends, interest, rental income, investment returns, etc.); and where it is directly or indirectly controlled by an individual. The tax will apply from 2027, on the basis of asset valuations at the end of financial years closing on or after 31 December 2026.

Gift and inheritance tax
If a decedent or donor was resident in France (or if the heir or beneficiary is French resident and was French resident during six years of the 10 past years), tax is generally payable on gifts and inheritances of worldwide assets.

Generally, for non-resident decedents or donors, only gifts and inheritances of French assets are taxable, provided the beneficiary is also a non-resident of France.

Surviving partners (spouses or partners in a Civil Union [Pacte Civil de Solidarité, or PACS]) are exempt from inheritance tax.

The tax-free amount on gifts and inheritances to children amounts to €100,000. The excess is taxed at rates ranging from 5% to 45%, depending on the value of the amount received.

The gift tax rates are generally the same as those for inheritance tax. Gifts between partners are taxable (spouses or partners in PACS), with an allowance of €80,724 instead of an exemption before the gift tax rates are applied.

Real estate transfer tax, transfer duty and property taxes
Transfers of real estate or real estate rights are, in general, subject to a real estate registration tax.

France also levies annual property taxes.

What about the taxation of private pensions?

For a resident, foreign pensions are generally subject to tax in France.

> “This is no specific tax regime in place for those relocating to France on retirement or following the sale of a business.”

Spain

Is there a special tax regime in place for those relocating there?

There is no specific tax regime that applies on retirement to Spain or following the sale of a business. However, Spain has a special tax regime for inbound assignees, remote workers, directors and entrepreneurs such that where such an individual transfers their residence to Spain under certain circumstances they may elect to be subject to tax under the rules applicable to non-resident taxpayers. This election is subject to meeting a number of conditions.

Where the conditions are satisfied, employment income and self-employment income up to €600,000 is taxed at a rate of 24%, and employment and self-employment income exceeding this threshold is taxed at a rate of 47%. This special tax regime may be extended to close family members.

The 'Mbappé Law' is a Madrid regional tax incentive that may provide a tax deduction equal to 20% of certain qualifying investments. The deduction is available against the Madrid regional element of an individual's Spanish income tax liability, subject to conditions.

Individuals are generally considered resident if they spend more than 183 days in a calendar year in Spain or if their centre of economic interests is located in Spain.

What other taxes could apply on capital in Spain?

Wealth tax

Wealth tax can apply if worldwide assets (for residents) or Spanish assets (for non-residents) are worth over €700,000. The rate applicable varies according to the region of Spain in which the individual or their assets are based, and, in most regions, there is a €700,000 tax-free allowance per person plus €300,000 for residents against the value of their main residence. These may be doubled for married couples.

A temporary solidarity tax on major wealth is a new tax that was introduced in 2022. It is levied on wealth above €3 million. However, if wealth tax is due this can be deducted from the amount of solidarity tax due.

Gift and inheritance tax

An individual resident in Spain for tax purposes is taxed on assets and rights acquired by inheritance or gift, regardless of where the assets or rights are located. If the recipient is not resident in Spain, inheritance and gift tax generally applies only to assets located in Spain.

Taxpayers are the legal heir, the donee or beneficiary. The taxable amount for inheritance tax purposes is determined by deducting certain amounts based on the beneficiary's age and on the relationship between the deceased and beneficiary. Tax payable is calculated by reference to factors such as the taxpayer's wealth, age, relationship with the deceased and the type of asset. Inheritance and gift tax rates vary depending on the regional governments. As a result, gift or inheritance tax may be significantly reduced.

Real estate transfer tax, transfer duty and property taxes

Spain imposes real estate transfer taxes but the transfer of real estate by inheritance or gift is exempt from Spanish real estate transfer tax. In addition, stamp duty can apply but the rate of this tax varies as regional governments can apply different tax rates and exemptions.

There is an annual property tax in Spain.

What about the taxation of private pensions?

For a resident, foreign pensions are generally subject to tax in Spain.

The United Kingdom (UK)

Is there a special regime for those relocating there?

With effect from 6 April 2025, the UK replaced its long-standing remittance basis of taxation with a new four-year foreign income and gains (FIG) regime and a transition to a tax residence-based system for inheritance tax.

The FIG regime will be available to individuals during their first four years of UK tax residence, provided the individual has been a non-UK resident for at least the previous 10 years. Beyond this initial four-year period, UK tax residents will be taxable in the UK on their worldwide income and gains. UK tax residence status is determined based on "Connecting Factors" and the number of days spent in the UK. A day is defined as one where an individual is present in the UK at midnight.

Under the FIG regime, foreign income and gains are fully exempt from UK tax. Naturally, for individuals planning long-term relocation to the UK (e.g. for children's education) the FIG regime offers only temporary relief, necessitating a transition to worldwide taxation after four years.

A significant aspect of the FIG regime is the requirement to make a claim for it. Failure to comply with the conditions of the regime, generally result in the taxation of relevant income and gains on an arising basis, imposing an unexpected compliance burden on individuals who wish to benefit from it. Claimants of the FIG regime will also forfeit their entitlement to relief for foreign losses and personal allowances for the tax year in which they make a claim for it.

The FIG Regime will be attractive for business owners looking to realise a gain or to receive dividends from their non-UK business which they may be able to do without incurring any UK tax.

What other taxes could apply on capital in the UK?

Wealth tax

The UK does not currently have a wealth tax but an annual tax on enveloped dwellings (ATED) applies to an interest held by non-natural persons (e.g., a company or collective vehicle) in a UK dwelling (broadly, an individual residential unit) over £500,000. The tax is based on the value of the property and starts at £4,600 per annum. The maximum amount payable is £303,450 per annum.

Gift and inheritance tax

From 6 April 2025, a new tax residence-based system was introduced for inheritance tax purposes in the UK. Prior to 6 April 2025, a liability to UK inheritance tax arose on worldwide assets if the individual was domiciled there.

For lifetime gifting, as a general rule, lifetime gifts of assets do not attract tax if the person giving the gift survives for seven years following the gift.

For inheritances, under the new system, non-UK assets will be within the scope of inheritance tax if an individual qualifies as a long-term resident (defined as being UK tax resident for 10 out of the previous 20 years). Individuals who leave the UK will remain within the scope of inheritance tax for a period ranging from three to 10 years after their departure depending on their total length of UK residence. Regardless of the new rules, UK located assets remain within the charge to inheritance tax. However, for those availing of the FIG regime only UK located assets are within the charge to UK IHT.

Real estate transfer taxes, transfer duty and property taxes

Stamp duty land tax (SDLT) is charged on transfers of real estate interests located in England and Northern Ireland and certain partnership transactions, at rates ranging from 0% to a total of 19%.

Land and buildings transaction tax (LBTT) is Scotland's equivalent to SDLT and can apply to transfers of certain real estate interests situated in Scotland and certain partnership transactions involving Scottish property are subject to LBTT. In addition, in Scotland a surcharge known as additional dwelling supplement (ADS) can apply to purchases of additional residential property (and certain first purchases of residential property by for e.g. corporate buyers or collective vehicles).

Transfers of certain real estate interests situated in Wales and certain partnership transactions involving Welsh property are subject to land transaction tax (LTT). LTT replaced SDLT from 1 April 2018.

In addition to any SDLT, LBTT or LTT that may arise on the acquisition of UK real estate, transfers of shares, stock and certain debt instruments may also be subject to UK transfer taxes. From 2027, these transfer taxes are expected to be administered under the new Securities Transfer Tax (STT) regime, which will replace Stamp Duty and Stamp Duty Reserve Tax (SDRT).

The UK does not have a unified property tax system but instead applies council taxes to residential property.

The High Value Council Tax Surcharge (HVCTS) – "The Mansion Tax"
Due to take effect in 2028, owners of dwellings in England valued at £2 million or more will be required to pay the HVCTS in addition to standard council tax charges. The surcharge is to apply in four price bands, starting at £2,500 annually for properties worth more than £2 million, rising to £7,500 for those exceeding £5m.

What about the taxation of private pensions?

Foreign pension income will not be taxable in the UK while the individual is availing of the FIG regime, thereafter foreign pensions will be taxable in the UK for UK tax residents. For those that are long-term residents (UK tax resident for 10 out of the previous 20 years), foreign pensions may be exposed to UK inheritance tax from 6 April 2027 onwards.

"Foreign pension income will not be taxable in the UK while the individual is availing of the FIG regime, thereafter foreign pensions will be taxable in the UK for UK tax residents."

Portugal: Old NHR vs. New NHR 2.0 Comparison

Category	Old NHR (Pre-2024)	New NHR 2.0/IFICI (2024 Onwards)
Income Tax (Portugal source)	Flat **20%** rate. Restricted to a broad "high-added-value" professional list.	Flat **20%** rate. Strictly limited to approved research, tech innovation, and start-up sectors.
Income Tax (Foreign source)	Exempt if eligible for taxation in the source country under a Double Tax Agreement (DTA).	Broadly exempt for standard salaries, dividends, and rental incomes.
Capital Gains (Foreign source)	Exempt **only if** the source country held taxing rights under a DTA. Otherwise taxed at **28%**.	**Explicit exemption** on foreign capital gains. Blacklisted tax havens face a **35%** rate.
Capital Gains (Portugal source)	Real Estate: **50% of gain** taxed at progressive rates (up to 48%+). Securities: Flat **28%** rate.	Real Estate: **50% of gain** taxed at progressive rates. Securities: Flat **28%** rate (up to progressive rates if held <1 year for top earners).
Wealth Taxes	No broad net wealth tax. **AIMI** (additional municipal tax) applies to local residential real estate over **€600,000** (0.7% to 1.5%).	No broad net wealth tax. **AIMI** applies to local residential real estate over **€600,000** (0.7% to 1.5%).
Gift & Inheritance Tax	No inheritance tax. **10% Stamp Duty** on local assets. Spouses, children, and parents are **100% exempt**.	No inheritance tax. **10% Stamp Duty** on local assets. Spouses, children, and parents are **100% exempt**.
Real Estate Tax	**IMT (Transfer Tax):** 0% to 7.5% on purchase. **IMI (Annual Tax):** 0.3% to 0.45% of tax value.	**IMT (Transfer Tax):** 0% to 7.5% on purchase. **IMI (Annual Tax):** 0.3% to 0.45% of tax value.
Foreign Pensions	Flat **10%** tax rate (or 0% if NHR status was granted prior to April 2020).	**Completely excluded** from the regime. Taxed at standard progressive rates (**13% to 48%+**).

Country comparison

Country	Italy	Malta	Greece	Cyprus	Switzerland	Monaco	France	Spain	UK	Portugal
Is there a special tax regime for those relocating there?	Yes, €300,000 flat tax	Yes, remittance basis	Yes, €100,000 flat tax	Yes, tax exemptions on dividend and interest income	Yes, lump sum taxation	Yes, no income tax or capital gains tax	No	Yes, income up to €600,000 taxable at 24% subject to conditions.	Yes, for first 4 years of tax residence	Yes, new IFICI regime (commonly known as Portugal 2.0). Exempts foreign source income subject to conditions
Is there gift and inheritance tax?	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No. 10% stamp duty may apply
Is there a wealth tax?	Yes, but those availing of the flat tax regime are exempt	No	No	No	Yes	No	Yes	Yes	No	No broad wealth tax
Are there real estate transfer taxes?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Are there annual property taxes?	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes
Is there tax on foreign pensions?	Yes. A special flat rate of 7% can apply in southern Italy subject to conditions	Yes, if remitted	Yes, but a flat rate of 7% can apply subject to conditions	Yes, but lump sum is tax free and a flat tax rate of 5% on pension income can apply subject to conditions	Yes	No	Yes, no particular special regime	Yes, no particular special regime	Yes but may be exempt for the first 4 years of tax residence (FIG regime)	Yes, no particular special regime

Planning ahead is key!

From our experience, a move overseas should be driven by a person's desire to live in the other jurisdiction for reasons such as climate and lifestyle, with any tax benefits being a lesser consideration. It is important to understand that realising tax benefits from a move overseas can take several years. That's because the individual first needs to remove themselves from the Irish tax system, which involves planning in terms of the number of days a person is required to be outside Ireland and present in the other jurisdiction.

When do people typically think about a move overseas?

We find that people examine their tax residence options when a significant business event, such as a business sale may be on the horizon, or when approaching retirement.

If you're thinking of relocating, it is important to plan ahead. For example, if a business sale event may happen, a corporate restructure may be required in advance of the sale to ensure the proceeds can then be received in the right format to avail of the tax benefits provided in the overseas jurisdiction.

Similarly, for persons looking to retire overseas, as a general rule, once a person has commenced drawing their pension benefits and has chosen the ARF (Approved Retirement Fund) or Vested PRSA option, they will not be able to move their pension overseas, such that it will likely remain fully taxable in Ireland into the future, irrespective of where they are living. Planning ahead is critical to moving a pension fund overseas as to achieve the desired benefits, the pension fund would need to be moved overseas in the first instance. From there, the pension can be drawn down to the person's overseas country of residence.

Naturally, when considering a move overseas, there are many considerations. It is therefore essential to plan ahead and obtain local tax advice.

How we can help

At Goodbody, we work with our clients to achieve their desired wealth objectives. So, whether a retirement overseas or a significant life or business event, such as a business sale or liquidation event, is on the horizon, we're here to help.

WANT TO SPEAK TO A MEMBER OF OUR TEAM?

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WE'RE HERE TO HELP

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