



## COST COMPARISON:

### *Property Transfer vs Redomiciliation*

A Portuguese Nominee Company is not a commercial trading "Limitada", subject to both "PEC" (minimum corporate tax) as well as on-going accountancy charges. It is a simple, non-trading company, designed to hold and manage the assets of the Company to the benefit of the shareholders. It is, in fact, a tax exempt structure since any eventual one-off assessments are levied directly to the shareholders. As such, it is inexpensive to operate, with current annual running charges of €700 + VAT.

As to cost comparisons between moving the Property out of the Company ownership and redomiciling the Company headquarters and effective management to Portugal, there are a number of pertinent factors - both taxation as well as fees - to take into consideration. Please note that property transfer expenses are mostly proportional while redomiciliation fees are generally fixed.

	Transfer Property from Company	Redomiciliation to Portugal
CGT:	25% on the net gain	€ 0
IMT:	up to 6%	€ 0
Stamp Duty	0.8% of the sales price	€ 0
Legal fees	1-2% of deed price	€1,250
Redomiciliation Cost	-	€ 5,000
Strike-Off / Exit Fees *	closing Offshore Company	
Misc. Expenses	notaries, registration, etc.	



**EXAMPLE:** *On a property, originally costing €300,000, and a current market value of €500,000, typical taxes, charges and disbursements would be as follows:*

	Transfer Property from Company	Redomiciliation to Portugal
CGT:	25%: €50,000	€ 0
IMT:	6% : €30,000	€ 0
Stamp Duty	0.8%: €4,000	€ 25
Legal fees	1.5% : €7,500	€ 750
Redomiciliation Cost	-	€ 5,000
Strike-Off / Exit Fees *	€3,000 *	€3,000 *
Other Disbursements	€1,000	€1,000
total	€95,500	€9,775

*\* varies according to Offshore Jurisdiction as well as Company Manager.*

**CONCLUSION:** Most people typically find that it could cost as much as 1/4 of the market value to transfer the property out of the Company into their own names. A very expensive solution.

When Property Transfer is compared to Redomiciliation, **euroFINESCO's** package of services compares quite favourably: a potentially financially crippling problem is resolved for less than 2% of property value. If only all problems had a 2% solution!