



LAW & TAX OFFICES

Ets. **Boisbouvier Robert**

## FULL RELOCATION SERVICES FOR PROSPECTIVE 'NON-DOMICILED' RESIDENTS IN MONACO



**MONACO**

**RELOCATION PROGRAM**



# NEW LEGISLATION FOR BRITISH NON DOMS

Non-domiciled status has existed in the UK for over a century. It was designed to attract wealthy individuals and investors by offering them a favorable tax regime. The non-dom regime, which allowed certain UK residents to pay tax only on their UK income and gains, or on foreign income brought into the UK, will end in April 2025.

The new regime will impose worldwide taxation after a four-year grace period.



With the end of the UK's "non-doms" tax regime, Monaco is positioning itself as an ideal destination for high-net-worth individuals seeking an advantageous tax environment, exceptional quality of life and political stability. Find out why the Principality is increasingly attracting former British non-doms.

# MONACO TAX REGIME

Monaco offers a number of important tax advantages that can greatly enhance financial planning and wealth protection.

## What are the benefits?

- 1 **No income tax** : Unlike the new UK regime, which will tax worldwide income after a four-year grace period, Monaco levies no personal income tax. This means that Monegasque residents pay no tax on their income, whatever the source.
- 2 **No capital gains tax** : Monaco has no capital gains tax. This is a significant advantage over the UK, where capital gains tax rates can be as high as 20% for higher-rate taxpayers.
- 3 **No wealth tax** : Unlike many European countries, Monaco has no wealth tax. This allows residents to preserve and develop their wealth without additional tax burdens
- 4 **Limited inheritance tax** : In Monaco, inheritance tax is limited to local assets. This is particularly advantageous for those with substantial assets outside Monaco, as these assets are not subject to inheritance tax under Monegasque jurisdiction. To achieve this, it is essential to draw up a will for assets located in Monaco
- 5 **No property or council tax** : Opposed to many countries, Monaco does not impose property or council tax on properties.
- 6 **Low taxation of rental income** : Rental income in Monaco benefits from a particularly attractive tax system. Rental contracts are subject to a registration fee of just 1% on the annual rent plus charges. This very low level of taxation means that owners can keep virtually all the income generated by their properties.

## Who qualifies ?

Most Monegasque residents who are not of French nationality enjoy full tax benefits, but also :

- French nationals born in Monaco who have lived there continuously since birth ("Enfants du Pays")
- French nationals with 5 years' residence in Monaco as of October 31, 1962
- Civil servants, agents and employees of the Principality's public services established in Monaco before October 13, 1962

## How could you plan ?

Even though Monaco offers an extremely advantageous tax regime, UK non-doms could still be subject to UK tax on their worldwide income, depending on their UK residency status.



The lack of a double tax convention between the UK and Monaco calls for strategic tax planning.

British residents in Monaco must carefully manage their UK tax obligations. This management involves a thorough understanding of how British tax laws impact income generated in the principality. It is crucial for these residents to accurately declare all their income, whether it originates from Monaco or elsewhere, to avoid any risk of tax penalties. This situation underscores the importance of having in-depth knowledge of the tax regulations in both jurisdictions and the need for complete transparency in tax declarations.

## How can you take advantage of it ?

To benefit from Monaco's tax advantages, British non-doms must follow a specific procedure to obtain Monaco residency. This process begins with securing an establishment visa for non-EEA nationals, followed by proving accommodation in Monaco, either through purchase or rental.



They must also demonstrate sufficient financial resources relative to the regular cost of living in the Principality of Monaco.

The complete application must be submitted to Monaco's Residents Section, followed by an interview with Monegasque authorities. If approved, the applicant receives a Monaco Residence Card, initially valid for one year, which can be renewed subsequently.

# MONACO, LAND OF PRESTIGE AND INNOVATION

The Principality of Monaco is not only luxury and glamour, but it is also a place of cultural, artistic and sporting events with a cosmopolitan community of more than 140 nationalities, with the British community ranked fourth by number of residents and historically represented for more than 100 years in the region.

**Monaco is also an international business center** in the middle of the Mediterranean with flourishing economic interests and numerous investment opportunities in different sectors (real estate and construction, yachting and shipbuilding, motoring, restaurant and catering services, tourism and hospitality, consultancy and administrative services, pharmaceutical, chemical, scientific and technical activities, financial and insurance activities, brokerage services, international trade, sport, design, fashion, art, ecology and energy transition).



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**The economic fabric of the Principality boasts some 5,000 businesses.**

# OUR QUALIFIED ASSISTANCE

Moving your residence for tax purposes to another country is not just a matter of taxes.

To be guided through every step of this important life choice, we strongly advise you to consult with qualified experts with a multidisciplinary background and years of experience in relocation procedures.

As for the tax aspects, our assistance is structured as follow:

- Eligibility check
- Analysis of your assets and income;
- Analysis of the impact of the regime, highlighting its consequences;
- Drafting and filing of the annual Tax return;
- Company creation
- Family office

However, by virtue of our multidisciplinary practice we follow an holistic approach, taking care of all the legal aspects involved in your relocation project, including assistance and consulting on real estate (for your housing arrangements in Italy) and contractual matters.



**Please get in touch with us if you would like to take advantage of this interesting opportunity.**

**Mr. Robert Boisbouvier**

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**Ets. Boisbouvier Robert**

Ets. Boisbouvier Robert - Law & Tax Offices is an International Law Firm with historical ties and anchoring in the Principality of Monaco. It offers its clients a tripartite advisory approach: legal, tax and transactional. Through its multidisciplinary expertise, Ets. Boisbouvier Robert - Law & Tax Offices provides its clients with complete legal and financial expertise and operates in many areas of expertise.

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