HOW TO PURCHASE A PROPERTY IN ITALY

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A PRACTICAL GUIDE FOR INDIVIDUAL INVESTORS

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SCOPE OF THIS BOOKLET

This booklet has been written specifically for foreign individuals or investors who are interested in purchasing a property in Italy, but it may also be of interest to their local advisers, such as lawyers, notaries, or accountants.

In particular, in the following pages, you will find an outline of the professionals, steps, procedures, laws, and taxes which normally investors have to deal with when purchasing a property in Italy. It has been drafted on the basis of the many interviews we conducted with our foreign clients before and after their transactions, so we hope that you will find it rich of practical tips and helpful to you for your investments in Italy.

Due to the specifics of each case, please note that the information in here represent only a summary of what you will need to know and should not be relied on, or used, as a substitute for legal advice with respect to any particular transaction or specific set of circumstances.

Should you require more information or seek legal advise, please do not hesitate to contact me directly at cbortolani@aliantlaw.com or on Instagram @yr_home_in_italy, and I will be happy to reply.

Given the central location of our offices in Rome, we have the capacity and the organization to assist you on the entire Italian territory direclty and through a vast network of local counsel and professionals in the real estate industry (architects, surveyors, agents, relocation agencies, etc.).

If you find that some parts of this document are not sufficiently clear, please do not hesitate to contact us, we will be happy to answer to your questions.

In the meantime, welcome to Italy and have a nice (investment) journey!

CAN I PURCHASE REAL ESTATE AS A NON-ITALIAN CITIZEN? ARE THERE ANY CONDITIONS TO BE MET?

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Yes, in general, it is possible. The conditions may vary depending on the circumstances:

1. If you are a foreigner legally residing[1] in Italy, you will need to show the justification of your presence in the country, i.e. through a residence permit or a residence card (permesso di soggiorno or carta di soggiorno), and be in possession of your Italian tax id code[2] ("codice fiscale"). In this case, no need to prove that the "reciprocity condition" is met (see below under 3).

2. **If you are a EU or EEA citizen, there are no limits to the purchase of real estate in Italy.**

3. If you are a foreign citizen with no resident status in Italy, due to the so called "reciprocity condition", there could be a remote chance that you may not be able to buy a property outright, and that you will need legal advise from your legal, local counsel in Italy on how to get around it. In order for the reciprocity condition to be met, the foreign legal system must recognize the principle of reciprocity[3] or an International Treaty must allow it. The reciprocity condition rests upon the principle of non-discrimination, and as a result, for it to be met, an Italian citizen shall be able to buy a property of the same type in the country of which the buyer is a citizen. The outcome may also depend on the type of property you are looking to buy (eg. residential v. commercial).

[1] The definition of a person with his/her residency in Italy is contained in Article 2 (2) of the Italian Income Tax Code.
[2] The tax identification number provides a means of identification of foreign citizens in their relations with public authorities and other administrations. For individuals, it is determined on the basis of personal data and is made up of an expression of 16 alphanumeric characters.
[3] Article 16 of the "Disposizioni preliminari al codice civile italiano".

CAN I PURCHASE REAL ESTATE AS A NON-ITALIAN CITIZEN? ARE THERE ANY CONDITIONS TO BE MET?

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Practical notes:

A Swiss citizen, for example, non-resident in Italy, may have some limitations in his/her purchase of a property in Italy due to the fact that in Switzerland the final scrutiny on the purchase of a second home from a foreign resident is reserved to the Administrative Authority of the District (Cantone)[1]. As such, in some instances, the reciprocity condition may not be deemed fully met and steps need to be taken with the assistance of your legal counsel.

US citizens may buy real estate property in Italy without limitations.

A first-screening to check-out which country recognize the reciprocity principle may be made through the website of the Italian Foreign Ministry:

https://www.esteri.it/it/politica-estera-e-cooperazione-allo-sviluppo/diplomazia-giuridica/condizreciprocita/elenco_paesi/

Bear in mind that the lack of EU citizenship or of a permit/VISA leads to a time restriction of your presence in the EU zone, which is of 90 days within a 6 months' period.

[1] According to the "Legge federale del 16 dicembre 1983 sull'acquisto di fondi da parte di persone residenti all'estero (LAFE)".