

2ND EDITION

The background of the cover is a vibrant, stylized illustration. The top half shows a range of snow-capped mountains under a blue sky with wispy white clouds. A bright sun is visible on the right side of the horizon. The bottom half shows a picturesque town with multi-story buildings, a prominent church tower with a blue roof, and a body of water in the foreground. The water is blue with golden reflections from the sun. A small boat is visible on the water. The overall style is reminiscent of a classic travel poster or a detailed illustration.

13 Special Regimes for **LOW-TAX LIVING IN HIGH-TAX EUROPE**

How you or your client can legally pay a single-digit tax rate and live in 8 otherwise high-tax European countries.

DISCLAIMER

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TABLE OF CONTENTS

●	ABOUT THE REPORT	5
●	GREECE	
	Special Tax Regimes in Greece	
	Non-Dom Regime for Investors	8
	Non-Dom Regime for “Retirees”	11
	Residency in Greece for Non-EU/EEA Nationals	
	Financially Independent Person Visa	13
	Investor Visa: “Golden Visa”	13
●	IRELAND	
	Special Tax Regimes in Ireland	
	The Non-Dom Resident Remittance Basis Tax Regime	15
	Residency in Ireland for Non-EU/EEA Nationals	
	Independent Means Visa	18
●	ITALY	
	Special Tax Regimes in Italy	
	The Lump-Sum Regime	20
	The <i>Lavoratori Impatriati</i> Regime	23
	The Southern Italy Flat Tax Rate Scheme	26
	Residency in Italy for Non-EU/EEA Nationals	
	Elective Residence Visa	29
	Investor Visa: “La Dolce Visa”	29
●	MALTA	
	Special Tax Regimes in Malta	
	The Resident Non-Dom Remittance Basis Tax Regime	31
	Highly Qualified Persons Rules	34
	Residency in Malta for Non-EU/EEA Nationals	
	Malta Permanent Residence Program	35
	Malta Exceptional Investor Naturalization (MEIN) Policy	35
	Malta Global Residence Program	35

TABLE OF CONTENTS - Continued

	Malta Retirement Programme	36
	Malta Startup Residence Programme	36
●	POLAND	
	Special Tax Regimes in Poland	
	The Lump-Sum Tax for High-Net-Worth Individuals	38
	Residency in Poland for Non-EU/EEA Nationals	
	Poland Business Activity Residency Program	41
●	PORTUGAL	
	Special Tax Regimes in Portugal	
	The Non-Habitual Resident Regime	43
	Residency in Portugal for Non-EU/EEA Nationals	
	D7 Independent Means Visa	47
	Highly Qualified Activity Visa	47
	Investor Visa: “Golden Visa”	47
●	SPAIN	
	Special Tax Regimes in Spain	
	Beckham Law	49
	Mbappé Law	52
	Residency in Spain for Non-EU/EEA Nationals	
	Non-Lucrative Visa	54
	Digital Nomad Visa	54
●	SWITZERLAND	
	Special Tax Regimes in Switzerland	
	The Lump-Sum (<i>Forfait Fiscal</i>) Regime	56
	Residency in Switzerland for Non-EU/EEA Nationals	
	Residence Permit Without Gainful Activity	59
●	ABOUT IMI RESEARCH UNIT	60

ABOUT THE REPORT

Europe, despite its flaws, remains one of the world's leading regions for quality of life. With its high levels of material comfort, security, political stability, and old-world charm, the continent continues to attract a global audience.

Yet, the region's consistently heavy tax burdens on both individuals and businesses remain a notable drawback.

This report is for those drawn to Europe's lifestyle but deterred by its steep taxation. It reveals how you (or your client) can take advantage of special tax regimes crafted by European governments to ease the fiscal impact on foreigners, allowing you to enjoy the best of both worlds.

For each country, we also provide guidance on obtaining residence permits for third-country nationals who need legal authorization to stay in Europe. These permits are typically granted by proving a certain level of income or assets, or by making an investment in the country.

The second edition of IMI's *Low-Tax Living in High-Tax Europe* report explores 13 preferential tax regimes across eight European countries: Greece, Ireland, Italy, Malta, Portugal, Poland, Spain, and Switzerland.

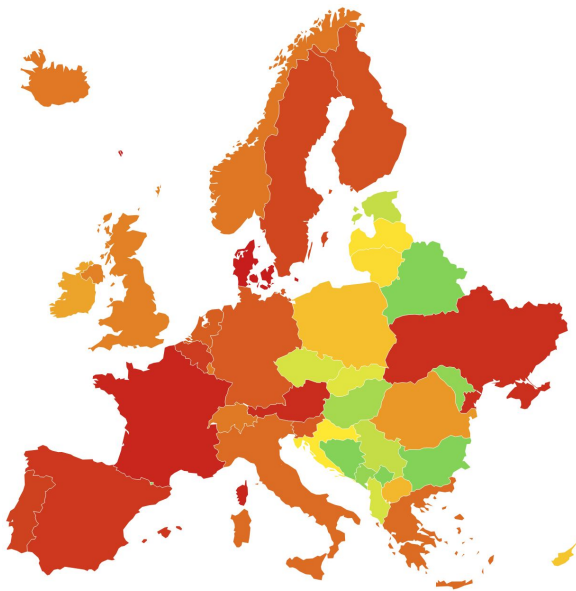
11 of these regimes offer a path to achieving a single-digit effective tax rate in nations where top marginal income taxes exceed 30%.

This report does *not* cover European countries with inherently low tax rates, such as micro-states like Monaco, Gibraltar, and Andorra, or larger nations with comparatively low rates, such as Hungary, Estonia, and Czechia.

Top marginal tax rate on income



With standard tax regimes



Potential with special tax regimes



Europe's preferential tax regimes come in various forms, each designed to accommodate specific categories of tax residents.

Some regimes are particularly advantageous for individuals with high passive incomes, such as dividends, capital gains, interest, rental income, royalties, and similar sources.

Others are tailored to those with substantial professional incomes, including senior executives, athletes, remote workers, and social media influencers.

Likewise, certain regimes are only financially viable for those earning millions, while others offer exceptionally low tax rates even to employees with modest salaries.

Although Europe is traditionally a high-tax region, leveraging these special regimes can transform it into a veritable tax haven.



Special Tax Regimes in GREECE

IN THIS SECTION

- **Special Tax Regimes in Greece**
 - Non-Dom Regime for Investors
 - Non-Dom Regime for “Retirees”
- **Residency in Greece for non-EU/EEA nationals**
 - Investor Visa: “Golden Visa”
 - Financially Independent Person Visa

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NON-DOM REGIME FOR INVESTORS

KEY INDICATORS

- **Maximum duration:** 15 years
 - **Years of non-tax-residence required to qualify:** 7 of the last 8 years
 - **Extendable to family members?** Yes
-

Executive Summary

The Greek Non-Dom Regime for Investors allows individuals who invest €500,000 in Greek assets to pay a lump sum tax of €100,000 per year, regardless of the size of their income or wealth. Most common asset classes are eligible, and the investment may be made through a company.

This regime is also available to family members, provided an additional tax of €20,000 per adult family member is paid each year. It exempts all foreign-sourced income and assets held abroad from taxation. However, income derived from within Greece is subject to standard Greek tax rates. The scheme is open to both Greeks and foreigners.

What are the eligibility requirements?

To qualify, applicants must:

- Not have been Greek tax residents for 7 of the 8 years before transferring their tax residence to Greece.
- Invest at least €500,000 in real estate, businesses, transferable securities, or shares of legal entities based in Greece. The investment can be made by the applicant, their immediate family members, or a legal entity in which they hold the majority of shares.

What are the principal tax benefits?

This regime allows individuals to pay a lump-sum tax of €100,000 per year for up to 15 fiscal years, regardless of income earned abroad.

Applicants may extend the regime to direct relatives by paying an additional €20,000 per adult family member annually. Family members included in the regime are also exempt from Greek inheritance, gift, and parental grant taxes.

Taxpayers under this regime are not required to declare income earned outside Greece and are exempt from taxes on foreign assets. The €500,000 minimum investment can consist of up to three separate investments, which applicants may complete within three years of their initial application.

Which categories of income qualify for reduced taxation?

Under the Non-Dom Lump Sum scheme, foreign-sourced income is fully exempt from taxation, while income earned in Greece is taxed at standard Greek rates. Non-dom tax residents in Greece cannot use taxes paid overseas on foreign income to reduce their Greek tax liability.

For instance, a taxpayer under the non-dom regime cannot lower their €100,000 Greek tax obligation by demonstrating that withholding tax on the same income was paid in another country.

If individuals with non-dom status earn taxable income within Greece, Greek authorities tax it according to the general provisions of the Greek tax code. Participants in the non-dom scheme who fail to pay the lump sum tax in full lose their special status and become liable for taxation on all global income starting from that tax year.

NON-DOM REGIME FOR “RETIREES”

KEY INDICATORS

- **Maximum duration:** 15 years
 - **Years of non-tax-residence required to qualify:** 7 of the last 8 years
 - **Extendable to family members?** No
-

Executive Summary

The Greek Non-Dom Regime for “Retirees” allows for a 7% flat tax on pensions and other income, such as dividends, interest, and capital gains, earned from a foreign source. Many types of passive income, not just those from pensions, qualify for this scheme.

This special status is limited to 15 consecutive years and does not apply to family members. Individuals who have already paid tax on foreign income in another country may apply for tax credits and deductions against the 7% tax in Greece. The regime is open to both Greeks and foreigners.

What are the eligibility requirements?

To qualify for the 7% flat tax, an applicant must:

- Earn a pension or pension-like income from a foreign source. This may include public or private retirement scheme payments, but also dividends, interests, annuities, capital gains, and so on;
- Not have been considered a tax resident of Greece for 7 out of the previous 8 years before transferring tax residence to Greece;
- Transfer from a country that has an active tax administrative cooperation agreement or double taxation avoidance treaty with Greece.

What are the principal tax benefits?

Pensions and withdrawals from non-Greek private pension schemes are subject to an annual flat tax rate of 7%. Foreign income, such as dividends, interest, and capital gains, is also taxed at the same 7% rate.

Tax credits and deductions for international double taxation may be applied against the 7% tax if it has already been paid at the source. This special regime is valid for up to 15 consecutive years.

Which categories of income qualify for reduced taxation?

Most forms of passive income arising from outside Greece qualify for the reduced 7% tax rate. However, applicants are not exempt from Greek inheritance or gift tax on movable property located outside the country.

This special status cannot be extended to family members, who must qualify for the reduced rate in their own right.

RESIDENCY IN GREECE FOR NON-EU/EEA NATIONALS

Financially Independent Persons Visa (FIP)

Third-country nationals can obtain a renewable Greek FIP visa if they demonstrate sufficient independent income. After five years of temporary residency, they may apply for permanent residency in Greece. To qualify for citizenship after seven years of residency, applicants must show integration into the country, including mastery of the Greek language.

To maintain their residency status, individuals must spend at least half the year in Greece and become tax residents. [Learn more](#)

Investor Visa: “Golden Visa”

The Greek Golden Visa, the most popular residence-by-investment program in Europe over the past four years, offers visa-free travel throughout the Schengen area and settlement rights in Greece. While a variety of asset classes are available to applicants, most qualify by investing a minimum of €250,000 (€500,000 in certain areas) in real estate on the open Greek market.

Participants who master the Greek language may apply for Greek citizenship after seven years of de facto residence, during which they must also be tax residents. [Learn more](#)



Special Tax Regimes in IRELAND

IN THIS SECTION

- **Special Tax Regimes in Ireland**
The Resident Non-Dom Remittance Basis Tax Regime
- **Residency in Ireland for Non-EU/EEA Nationals**
Immigrant Investor Visa
Independent Means Visa

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THE NON-DOM RESIDENT REMITTANCE BASIS TAX REGIME

KEY INDICATORS

- **Maximum duration:** No maximum
 - **Years of non-tax-residence required to qualify:** N/A
 - **Extendable to family members?** No
-

Executive Summary

The Irish Non-Dom Remittance Basis regime allows non-domiciled individuals to pay tax only on the portion of their overseas income they remit to Ireland. Unlike its English counterpart, Ireland's regime has no minimum annual charge, sets no time limit on how long individuals can benefit from the preferential tax treatment, and does not require prior non-residency in Ireland before qualifying.

To maintain this preferential tax status, individuals must avoid actions that suggest they intend to make Ireland their permanent home, as becoming domiciled in Ireland could jeopardize their eligibility.

Understanding what qualifies as a remittance is also critical, as the rules and case law governing this regime, while extensive, are clearly defined.

Thorough tax planning well in advance of moving to Ireland is essential to minimize unnecessary tax liabilities and administrative complications.

What are the eligibility requirements?

To qualify for Ireland's Non-Dom regime, individuals must ensure they are not considered domiciled in Ireland, meaning they do not intend to remain in the country permanently or for the rest of their lives.

An individual may qualify as a non-dom either by origin—being born in another country or having a father domiciled elsewhere—or by choice, which applies to those over 16 years old who choose to leave Ireland and live permanently in another country.

Domicile status is determined through a qualitative assessment. Applicants should maintain clear ties to their home country, which can be established and preserved with guidance from an Irish tax advisor.

What are the principal tax benefits?

A non-dom living in Ireland under the remittance tax regime pays Irish tax only on income earned within Ireland and is not liable for taxation on income from foreign sources unless those funds are remitted to Ireland. Non-doms are still required to pay the standard applicable tax rates on earnings arising within Ireland.

Remittances from income are subject to Irish income tax, whereas remittances from capital are not. Funds accumulated from non-employment income prior to arriving in Ireland are classified as capital rather than income and are therefore excluded from remittance basis taxation.

Non-doms in Ireland may continue to enjoy their special status and the remittance basis taxation indefinitely, provided they take care not to...

become domiciled. This contrasts positively with the UK's system, in which the maximum term is 15 years.

The non-dom's foreign-source income does not need to arise from a country with which Ireland has a dual tax agreement.

Unlike in the UK, there is no prescribed length of time during which an individual must not have been a tax resident in Ireland prior to becoming a remittance basis tax resident.

Which categories of income qualify for reduced taxation?

Foreign-source income not remitted to Ireland is fully exempt from taxation. However, individuals should exercise caution with certain offshore fund investments, as these may have specific tax implications.

Irish-source income and any foreign income remitted to Ireland are taxed at the standard domestic rates.

Non-doms become subject to Irish gift and inheritance tax on non-Irish assets after five years of tax residency. However, it is possible to extend this exemption beyond five years by taking specific steps in consultation with a qualified tax advisor.

RESIDENCY IN IRELAND FOR NON-EU/EEA NATIONALS

Independent Means Visa

Individuals looking to retire or settle in Ireland may qualify for an independent means visa by demonstrating an annual income of at least €50,000 and possessing a lump-sum amount sufficient to cover the cost of purchasing a home.

This visa is renewable on a yearly basis and, after five consecutive years of residence, can lead to permanent residency. Citizenship may be obtained one year after acquiring permanent residency. [Learn more](#)



Special Tax Regimes in ITALY

IN THIS SECTION

- **Special Tax Regimes in Italy**
 - The Lump-Sum Regime
 - The *Lavoratori Impatriati* Regime
 - The Southern Italy Flat Tax Rate Scheme
- **Residency in Italy for non-EU/EEA nationals**
 - Elective Residence Visa
 - Investor Visa: “La Dolce Visa”

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THE LUMP-SUM REGIME

KEY INDICATORS

- **Maximum duration:** 15 years
 - **Years of non-tax-residence required to qualify:** 9 of the last 10 years
 - **Extendable to family members?** Yes
-

Executive Summary

Italy introduced the Lump-Sum Tax regime in 2017 to attract high-net-worth individuals (HNWIs) who might otherwise avoid the country due to its high ordinary tax rates. This regime allows new residents to pay a fixed annual tax of €200,000 on all non-Italian-sourced income for up to 15 years. Family members can also benefit, with each paying €25,000 annually.

The annual lump-sum was €100,000 until August 9, 2024. Starting August 10, 2024, individuals relocating their residency to Italy pay €200,000 annually. However, those who moved to Italy on or before August 9, 2024, will continue paying €100,000 annually for the duration of the scheme.

This regime applies to nearly all types of non-Italian-sourced income. Participants benefit from exemptions on donation and inheritance taxes for foreign assets and real estate, as well as wealth taxes on foreign real estate or financial assets.

In addition, participants are not required to pay remittance taxes or report foreign-held assets. The lump-sum payment fully satisfies these obligations, enabling individuals to transfer funds freely between countries without restrictions.

What are the eligibility requirements?

The Lump-Sum Tax regime applies to new residents who have not lived in Italy for at least nine of the ten years prior to applying. Individuals registered as Italian residents in the past year may still qualify if protected by Double Tax Agreement (DTA) tiebreaker rules and were considered tax residents of another country.

This regime is open to all nationalities, including Italians and citizens of countries without a tax treaty with Italy.

What are the principal tax benefits?

Participants in the lump sum tax regime

- Need only pay a fixed €200,000 tax, regardless of how much income they have worldwide; can extend the lump-sum tax to cover all family members, who will be subject to a €25,000 tax on worldwide income (family members must adhere to the same non-tax-residence period as main applicants) and can benefit from this special tax for up to 15 years;
- Are exempt from international asset reporting obligations;
- Are also exempt from IVAFFE and IVIE, Italy's wealth taxes on foreign financial assets and real estate;
- Are exempt from gift tax and inheritance tax on transfers of assets located outside Italy;
- May remit unlimited funds to Italy at no additional tax burden;
- Can request a “formal approval” (advanced tax ruling) to the Italian tax authorities about the application of the tax regime in their personal case; the tax ruling can also be submitted in advance before moving to Italy.

Which categories of income qualify for reduced taxation?

Lump-sum taxpayers are exempt from taxes relating to any foreign income, including:

- employment income performed abroad;
- rental income;
- financial income (e.g. capital gains; carried interest, dividends);
- self-employment income performed abroad.

This tax regime does not apply to Italian-sourced income, which remains subject to ordinary Italian tax rules. Additionally, the regime excludes capital gains from the transfer of non-Italian "qualified" shareholdings within five years of opting into the system.

A "qualified participation" typically refers to a stake exceeding 20% of voting rights or ownership of more than 25% of shares, regardless of voting rights. For publicly traded companies, "qualified participation" applies to shares representing more than 2% of voting rights or ownership of over 5% of shares, regardless of voting rights.

Individuals may bypass this "anti-avoidance" rule by submitting a specific tax ruling to the Italian tax authorities, committing to remain in Italy for an additional five years after transferring the shareholding. However, formal approval from the Italian tax authorities is required to qualify for this exemption.

How to apply the lump-sum tax regime?

Taxpayers can apply the regime through their annual tax return by paying the annual lump sum (€200,000 or €25,000) on time. Additionally, applicants may file an advanced tax ruling to confirm their foreign residency history, ensuring they qualify for the regime. This process also allows them to address any specific questions to correctly apply the regime to their individual circumstances.

THE LAVORATORI IMPATRIATI REGIME

KEY INDICATORS

- **Maximum duration:** 5 years
 - **Years of non-tax-residence required to qualify:** between 3 and 7 years preceding application
 - **Extendable to family members?** No
-

Executive Summary

The Lavoratori Impatriati special tax regime incentivizes the relocation of "human capital"—Italian or foreign workers—to Italy. Under this regime, 50% of income earned from employment in Italy is exempt from income tax, with only the remaining 50% subject to taxation. The regime applies for five years and is limited to annual gross income of up to €600,000.

The updated version of the regime applies to individuals relocating to Italy on or after January 1, 2024. For those who transferred their residency to Italy by December 31, 2023, the previous version of the regime remains in effect.

What are the eligibility requirements?

To qualify for the Lavoratori Impatriati scheme, applicants must:

- Not have been tax resident in Italy in the preceding 3 tax years; to be noted that for individuals transferring to work for the same company group the years increase to 6 and for individuals returning to Italy after a period of secondment abroad the years are 7;
- Commit to reside in Italy for at least 4 years – or risk losing the relief and paying extra due plus interests;
- Perform work prevalently in Italy - typically meaning more time spent working in Italy than anywhere else but, strictly speaking, spending at least 183 days per calendar year in Italy;

- Have a university degree/highly specialized qualification
- Move to Italy in direct connection with the beginning of a new professional activity, such as a job offer or the beginning of self-employment activity.

What are the principal tax benefits?

Eligible individuals pay personal income tax on only 50% of their gross income. Those with at least one minor child living in Italy pay tax on just 40% of their gross income. In both cases, standard income tax rates apply to the reduced tax base.

This special status remains valid for five years and applies to annual gross income of up to €600,000. Any income exceeding this cap does not qualify for the reduction.

Italian authorities have confirmed that the regime does not require the work to be performed for a company based in Italy and is also applicable to remote workers.

Which categories of income qualify for reduced taxation?

Income from professional activities, including employment and self-employment, is covered under the Lavoratori Impatriati regime.

This special regime applies exclusively to income taxes and does not extend to dividends, capital gains, or statutory social security contributions, which are calculated on 100% of the salary. Additionally, it does not provide a reduction in wealth tax or an exemption from Italy's foreign asset reporting requirements for individuals who are tax residents in Italy during a given year.

Foreign-sourced income remains fully subject to standard tax rules.

As long as the conditions provided by Italian law are met, an individual can benefit from the Lavoratori Impatriati regime through one of two methods:

- **Via Employer:**

By requesting the application of the regime through their employer by signing a specific self-declaration. In this case, the employer will apply the regime directly through the monthly payroll by calculating withholding taxes on a reduced taxable income (50% or 40% of the effective income, depending on the case).

- **Via Tax Return:**

By filing an Italian tax return and indicating the reduced taxable income due to the application of the regime. This option applies to individuals with a foreign employer or those who are freelancers.

THE SOUTHERN ITALY FLAT TAX REGIME

KEY INDICATORS

- **Maximum duration:** 10 years
 - **Years of non-tax-residence required to qualify:** 5 years preceding application
 - **Extendable to family members?** No
-

Executive Summary

To attract more people to rural Southern Italy, the government introduced a 7% flat tax rate on income earned from outside Italy. This scheme, launched in 2019, is available to foreign nationals and Italians who have not been tax residents in Italy for the past five tax years.

With this tax incentive, the government aims to encourage the repopulation of small villages and towns in the South, support local services and education, and help younger generations remain in these picturesque areas. The scheme is valid for up to 10 consecutive tax years.

What are the eligibility requirements?

Retirees (or others living off a passive income), both Italian and non-Italian, can apply for a tax cut to their foreign earnings as long as they meet the criteria set out by the applicable law. The applicant:

- Must not have been an Italian tax resident for any of the previous five tax years;
- Must receive a foreign pension (public or private, monthly or in the form of a lump sum) from abroad;
- Must be relocating from a country that signed a cooperative agreement with Italy, like a DTA (see a list of countries that have a DTA with Italy [here](#));

- Must submit the application within a year of becoming an Italian tax resident by timely paying the 7% flat tax and filing their annual tax return.
- Must move to (and remain in, for the duration of the tax break) an Italian village included in one of the categories designated for this specific incentive, i.e., municipalities with a population of under 20,000 in the regions of Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sicily, Sardinia, as well as certain parts of Lazio, Umbria, and Marche.

Even if the population of your town increases beyond the specified limits after you register as a resident, you will still be able to take advantage of the 7% tax program until it expires.

■ Ineligible regions ■ Full eligible regions ■ Partly eligible regions



Which categories of income qualify for reduced taxation?

If you meet the necessary criteria, you can benefit from a 7% flat rate personal income tax on all your foreign earnings, not just pension income.

Under this regime, neither regional nor municipal surcharge taxes apply to foreign income. Additionally, there is no requirement for foreign asset monitoring, and IVIE and IVAFFE—the Italian wealth taxes on foreign-held assets—do not apply to residents under this scheme.

The 7% flat rate is valid for a total of 10 years. However, Italian-sourced income will continue to be taxed under ordinary Italian tax rules.

RESIDENCY IN ITALY FOR NON-EU/EEA NATIONALS

Elective Residency Visa

Individuals with independent and stable income sufficient to support themselves may qualify for Italy's Elective Residency Visa.

This visa grants a renewable one-year residence permit. After living in Italy for five years, holders can apply for permanent residency. After 10 years, they may become eligible for Italian citizenship, provided they demonstrate proficiency in the Italian language.

Elective residents are not permitted to work in Italy but can earn income from sources both inside and outside the country.

Since they must reside in Italy for at least 183 days each year, they will become tax residents of Italy. [Learn more](#)

Investor Visa: “La Dolce Visa”

Affectionately termed the “La Dolce Visa” by IMI, Italy's residence-by-investment program allows applicants to invest either a larger amount in low-risk assets or a smaller amount in high-risk assets. Philanthropic contributions are also an eligible option.

To obtain the initial visa, an applicant must meet at least one of the following criteria:

- €2 million in Italian government bonds,
- €500,000 in Italian shares,
- €250,000 in innovative start-ups, or
- A €1 million donation to projects of public interest in Italy.

Applicants also have the option to invest €500,000 in an Italian venture capital firm and qualify for PR within five years. [Learn more](#)

Special Tax Regimes in MALTA

IN THIS SECTION

- **Special Tax Regimes in Malta**
 - The Resident Non-Domiciled Tax System
 - The Highly Qualified Persons Rules

- **Residency in Malta for non-EU/EEA nationals**
 - Malta Permanent Residence Programme (PRP)
 - Granting of citizenship for Exceptional Services Regulations
 - Malta Global Residence Programme (GRP)
 - Malta Retirement Residence Programme (MRP)
 - Malta Startup Residence Programme

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THE RESIDENT NON-DOMICILED TAX SYSTEM

KEY INDICATORS

- **Maximum duration:** No maximum
 - **Years of non-tax-residence required to qualify:** N/A
 - **Extendable to family members?** Possible.
-

Executive Summary

Malta imposes tax on non-domiciled individuals who are tax resident in Malta (res non-doms) only on Maltese-source income and foreign income that is remitted to Malta.

Unlike its UK counterpart, Malta's remittance basis regime applies only a nominal minimum annual charge of €5,000 for individuals claiming res non-dom tax status. It does not include the complex statutory residence or deemed domicile rules recently introduced in the UK. The absence of deemed domicile rules means there is no time limit on how long an individual may benefit from this favorable tax system. Additionally, the Maltese tax system does not require individuals to have been non-residents of Malta prior to taking up tax residency.

While establishing a domicile of choice in Malta is challenging, individuals should avoid actions that might suggest an intention to make Malta their permanent home (domicile) or indicate they have no intention of returning to their domicile of origin. Such actions could jeopardize their res non-dom tax status.

It is equally important to understand the distinction between the remittance of income (taxable) and the remittance of capital or capital gains (not taxable). Comprehensive tax planning should be undertaken well before taking up residence in Malta to avoid unintended tax consequences.

What are the eligibility requirements?

To qualify, individuals must meet either the 183-day rule for physical presence in Malta during a tax year or demonstrate an 'intention to reside ordinarily in Malta.' This requires evidence of such intent, considering connections in other countries. Expert tax and legal advice is strongly recommended before relocating for tax purposes.

Individuals must also ensure that they do not acquire a domicile of choice in Malta—that is, they must not intend to remain in Malta for the rest of their lives. To be considered a non-dom, an individual must either:

- Be non-Maltese domiciled by origin (e.g., born in another country or having a father who was domiciled elsewhere), or
- Acquire a domicile other than Malta by choice (e.g., being over 16 years of age and choosing to leave Malta to live permanently in another country).

What are the principal tax benefits?

A resident non-dom living in Malta on the remittance tax regime only pays Maltese tax on income earned within Malta and is not liable for any taxation on income from income sources outside of the country unless such funds are remitted to Malta.

Non-doms must still pay standard tax rates on earnings arising from within Malta, subject to applicable exemptions, tax deductions, and allowances.

Remittances from income are subject to income tax, but remittances from capital, savings, or capital gains are not taxable. A Res Non-Dom individual's funds...

... accumulated from income prior to arriving in Malta are treated as capital rather than income and are, therefore, not subject to remittance basis taxation.

Non-doms in Malta may continue to enjoy their favorable tax system, namely the remittance basis of taxation indefinitely, provided they take care not to become domiciled. This contrasts positively with the UK's system which will be abolished as of April 6th 2025 year, which imposes a maximum term of 15 years. It is crucial to emphasize the stability and enduring nature of the Maltese Res, Non-dom tax system, with no indications or views suggesting its termination.

Unlike the UK, Malta does not impose a specific minimum period during which an individual must not have been a tax resident before qualifying as a remittance basis tax resident.

Which categories of income qualify for reduced taxation?

All foreign-source income not remitted to Malta is entirely exempt from taxation. All foreign-source capital gains, whether remitted to Malta or not, fall outside the scope of Maltese taxation.

Highly Qualified Persons Rules (HQP Rules)

KEY INDICATORS

- **Maximum duration:** 5 years for EU nationals, 4 years for Non-EU nationals, renewable thereafter.
 - **Years of non-tax-residence required to qualify:** N/A.
 - **Extendable to family members?** No.
-

Executive Summary

Malta's HQP Rules aim to attract highly skilled professionals and executives in industries such as aviation, financial services, gaming, and similar sectors. These rules offer a favorable 15% tax rate on qualifying employment income earned in Malta.

What are the eligibility requirements?

To qualify, individuals must hold a qualifying role in sectors like aviation, financial services, or gaming. For Basis Year 2024, the minimum income threshold is €98,436, adjusted annually with the Retail Price Index. Eligible roles include CEO, CFO, COO, CTO, Portfolio Manager, Head of Marketing, and other senior executive positions.

What are the principal tax benefits?

Eligible HQP beneficiaries are taxed at a flat 15% rate on employment income, compared to resident rates of up to 35%. The reduced rate applies to income up to €5,000,000, with any excess exempt from tax.

Which categories of income qualify for reduced taxation?

The HQP beneficiary's employment income from employment with an eligible office in Malta qualifies for the reduced tax rate. Other income is taxed on a remittance basis under the Res, Non-Dom tax system.

RESIDENCY IN MALTA FOR NON-EU/EEA NATIONALS

Malta Permanent Residence Programme

Malta's PRP grants immediate permanent residency in Malta to third-country nationals who make a certain mix of contributions and/or investments amounting to a total capital outlay of no less than €150,000. The program also offers a 5-year path to citizenship in Malta for those applicants who choose to be physically present in Malta for most of the year, but physical presence is otherwise not required. [Learn more](#)

Granting of Citizenship for Exceptional Services Regulations

More popularly known as the Malta Exceptional Investor Naturalization (MEIN) policy, this is the successor policy to the country's erstwhile Individual Investor Program, which reached its maximum cap of applications in 2020. By virtue of Malta's membership in the EU, Maltese citizens not only enjoy freedom of movement but also freedom of settlement, in all other EU countries. [Learn more](#)

The Malta Global Residence Programme

The GRP aims to encourage wealthy third-country nationals to establish residency in Malta by offering special tax status to non-EU/EEA citizens. To qualify, applicants must demonstrate sufficient financial means and agree to pay a flat 15% tax rate on foreign income remitted to Malta, with a minimum annual tax of €15,000 per family.

Through the GRP, non-dom tax residents benefit from a reduced 15% tax rate on remitted income, instead of the standard progressive tax rate of up to 35% applied to resident individuals. [Learn more](#)

RESIDENCY IN MALTA FOR NON-EU/EEA NATIONALS

Malta Retirement Programme

The Malta Retirement Programme (MRP) is specifically designed for individuals whose total income is at least 75% derived from a pension.

Similar requirements to those outlined under the GRP (above) apply; however, the minimum annual tax for MRP beneficiaries is €7,500, with an additional €500 per year for each dependent family member.

This special status grants a flat tax rate of 15% on foreign income remitted to Malta. [Learn more.](#)

Malta Startup Residence Programme

The Malta Startup Residence Programme offers non-EU entrepreneurs long-term residency for establishing innovative startups.

With a minimum investment of €25,000 and €10,000 for additional co-founders, eligible startups must be less than seven years old and operate in sectors like tech or sustainability.

Participants gain a 3+5-year residency, access to Schengen countries, and a pathway to citizenship after nine years. Applicants must reside in Malta for 183 days annually and pay local taxes, benefiting from Malta's growing startup ecosystem. [Learn more.](#)

Special Tax Regimes in POLAND

IN THIS SECTION

- **Special Tax Regimes in Poland**
The Lump-Sum Tax for High-Net-Worth Individuals
- **Residency in Poland**
Poland Business Activity Residency Program

The information in the following section was quality-controlled by:



Magdalena Patryas

Partner

Andersen in Poland

THE LUMP-SUM TAX FOR HIGH-NET-WORTH INDIVIDUALS

KEY INDICATORS

- **Maximum duration:** 10 years
 - **Years of non-tax-residence required to qualify:** 5 of the last 6 years
 - **Extendable to family members?** Yes
-

Executive Summary

Poland has introduced a special lump-sum taxation regime to attract high-net-worth individuals (HNWIs) by offering simplified and favorable tax treatment for foreign income. Under this regime, foreign taxpayers who change their tax residency to Poland can opt for an annual lump-sum tax of PLN 200,000 (approximately €48,000) on their entire foreign income, excluding controlled foreign entity (CFC) income, regardless of the amount of foreign income received in that year. Income earned within Poland is taxed under the standard rules.

To qualify, taxpayers must meet certain eligibility requirements, including non-residency in Poland for at least five of the last six years and making an annual investment of at least PLN 100,000 (approximately €24,000) in areas contributing to Poland's economic growth, cultural heritage, education, or physical culture. The regime offers reduced disclosure obligations and may be extended to close relatives at a discounted annual rate of PLN 100,000 (approximately €24,000).

Any excess expenditure beyond PLN 100,000 can be carried forward and included in subsequent tax years. The lump-sum taxation regime is available for a maximum of 10 years, making it a competitive option for HNWI's seeking tax stability and reduced compliance obligations.

What are the eligibility requirements?

To qualify for Poland's lump-sum taxation regime, an individual must meet the following criteria:

1. **Residency Condition:**

The individual must not have been a Polish tax resident for at least five out of the last six years prior to applying for the regime.

2. **Investment Requirement:**

The taxpayer must make an annual investment of at least PLN 100,000 (approximately €24,000) in areas that promote Polish economic growth, development of science and education, protection of cultural heritage, or promotion of physical culture. The taxpayer is obliged to submit the written statement together with the documents confirming that the expenses have been incurred.

3. **Family Inclusion:**

Close relatives of the taxpayer can also benefit from the regime at a reduced lump-sum tax rate of PLN 100,000 annually (approximately €20,000).

Taxpayers must be prepared to provide information on the source and amount of foreign income upon request by the tax authorities, although the regime generally imposes minimal disclosure obligations.

What are the principal tax benefits?

The lump-sum taxation regime offers several benefits to HNWIs relocating to Poland:

- **Fixed Tax Liability on Foreign Income:**

Foreign income is subject to a flat annual tax of PLN 200,000 (approximately €48,000), regardless of the actual amount earned.

- **Reduced Disclosure Obligations:**

Taxpayers are not required to report the source or amount of their foreign income unless specifically requested by Polish tax authorities.

- **Family Benefits:**

Close relatives may opt into the regime at a reduced rate of PLN 100,000 annually, providing an appealing option for families relocating together.

- **Standard Taxation of Domestic Income:**

Income earned from Polish sources is taxed under normal Polish tax rules, ensuring that the lump-sum regime does not interfere with local tax obligations.

Which categories of income qualify for reduced taxation?

The lump-sum regime applies exclusively to foreign-source income, with the exception of controlled foreign entity (CFC) income, which remains subject to regular Polish tax rules. Income from Polish sources, such as employment or business activities conducted within Poland, is excluded from the regime and taxed under standard rates.

By restricting its application to foreign income, the regime incentivizes high-net-worth individuals (HNWIs) to relocate to Poland while maintaining their international income streams.

RESIDENCY IN POLAND

Poland Business Activity Residency Program

Poland's Business Activity Residency program offers long-term residency to entrepreneurs who establish and operate businesses in Poland. To qualify, applicants must either generate annual business income equal to at least 12 times the regional minimum wage (approximately USD 12,000) or employ two full-time Polish or EU citizens for at least 12 months.

The program provides a clear path to permanent residency after five years and citizenship after ten years, with no formal minimum investment requirement. Applicants must also demonstrate stable income, health insurance, and accommodation in Poland. [Learn more](#)



Special Tax Regimes in PORTUGAL

IN THIS SECTION

- **Special Tax Regimes in Portugal**
The Non-Habitual Resident Regime
- **Residency in Portugal for non-EU/EEA nationals**
Investor Visa: “Golden Visa”
Highly Qualified Activity Visa
D7 Independent Means Visa

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THE NON-HABITUAL RESIDENT REGIME (NHR)

KEY INDICATORS

- **Maximum duration:** 10 years
 - **Years of non-tax residence required to qualify:** 5 years
 - **Extendable to family members?** Yes, under certain conditions
-

Executive Summary

Portugal introduced the Non-Habitual Residency (NHR 1.0) tax regime in 2009 to offer reduced tax rates for individuals relocating to the country. However, the program is being phased out and will close to new applicants on March 31, 2025. Individuals already registered under the NHR program can continue benefiting from it for the duration of their 10-year period.

The NHR regime provided a flat 20% tax rate on Portuguese-source employment and self-employment income from “high added value activities,” a 10% tax rate on foreign private pensions, and exemptions on certain foreign-sourced income, including dividends, interest, and capital gains.

A transitional period allows eligible applicants to apply for NHR status until March 31, 2025, provided they meet specific criteria. Afterward, Portugal will replace the NHR with a new regime called the Tax Incentive for Scientific Research and Innovation (NHR 2.0). The new regime will focus on income from specific professional activities but will no longer include pensions.

What are the eligibility requirements?

To qualify for the current transitional NHR phase, applicants must meet **strict requirements**.

By March 31, 2025, applicants must fulfill at least one of the following conditions:

- **Employment contract:** Signed or to be signed by December 31, 2023.
- **Lease agreement:** Signed by October 10, 2023.
- **Purchase agreement for property:** Signed by October 10, 2023.
- **Enrolled children:** Children must be registered in a Portuguese school by October 10, 2023.
- **Residence visa/permit:** Valid or initiated by December 31, 2023.
- **Family status:** Be a member of the household of someone meeting one of the above conditions.

Those who qualify under these transitional rules will retain NHR benefits until **December 31, 2033**.

Key NHR 2.0 Transition Details

- **Existing NHR 1.0 Beneficiaries:** Those already under the NHR program will retain their benefits for their full 10-year period.
- **The NHR 1.0 Transitional Regime** is still available for those who became tax residents in 2024 and the tax benefits include pension income.
- **NHR 2.0 Implementation:** The new regime will apply only to highly qualified professionals and researchers or employees/members of governing bodies of companies certified as Startups.

Principal tax benefits of NHR 2.0

Under the new Tax Incentive for Scientific Research and Innovation Program (NHR 2.0), the following benefits apply:

- **Flat Tax Rate:** 20% on employment and self-employment income from eligible professions performed in Portugal.
- **Exemptions:** Most foreign-sourced income, including dividends, interest, capital gains, and rental income, remains exempt.
- **Exclusions:** Pensions are no longer exempt under the new scheme.

NHR 2.0 Key Updates:

- **Foreign Income:** Earnings from employment, self-employment, capital, property, and capital gains remain tax-exempt (0%) in Portugal, regardless of taxation in the source country. However, they influence the tax rate on other income.
- **Enhanced Exemptions:** Unlike NHR 1.0, taxation in the source country is no longer required for exemptions on foreign employment, self-employment, and movable capital gains, making the regime more attractive.
- **Tax Haven Income:** As in NHR 1.0., a 35% tax applies to capital income from non-resident entities in jurisdictions with favourable tax regimes if they lack a permanent establishment in Portugal.

Eligible Professional Categories Under NHR 2.0

1. Scientific Research and Innovation

- Teachers, scientists, and research and development professionals.
- Activities in extractive and manufacturing industries.
- IT, audiovisual, and multimedia production and high-tech.
- Agricultural, livestock, fish farming, and forestry activities.
- Specialists in the physical, mathematical, engineering and technical sciences.

2. Investment

- Employees of companies recognized by AICEP, EPE, or IAPMEI as significant to the national economy.
- Employees and members of governing bodies of companies certified as Startups.

3. Regional Provisions

Special rules apply to professionals working in **Madeira** and **Azores**, where local governments can define eligible activities.

Moving Forward

- The NHR program is being replaced with a more targeted framework under the **Tax Incentive for Scientific Research and Innovation Program (NHR 2.0)**. While the new program is more restrictive, the benefits may be more appealing tax-wise than the previous regime, especially on the exemptions on foreign source income.
- Under NHR 2.0, it is possible to either establish a new startup in Portugal or invest in an existing one, provided that the investor or founder is an employee or a member of the governing bodies and the company is duly certified as a startup and complies with the specific legal requirements.

RESIDENCY IN PORTUGAL FOR NON-EU/EEA NATIONALS

Independent Means Visa (D7)

The D7 visa is a quick and cost-effective way to gain residency and, after five years, citizenship in Portugal. It is an independent means visa, which does not require an investment but, rather, evidence of a reliable income or savings. Successful applicants are able to move their families to Portugal and have the right to work and open businesses there as independent professionals. [Learn more](#)

Highly Qualified Activity Visa (HQA)

The HQA offers third-country nationals the chance to establish their own businesses in Portugal by investing EUR 175,000. This visa is a hybrid between two other popular means-based visas, the Golden Visa and the D7 Visa. Unlike with most startup visas, there are no job-creation or business performance requirements, and passive investments are allowed.

The application processing time is much shorter than the Golden Visa, typically taking only 30 days for approval and an additional 60 days to get the residence permit. The business must take part in a government-approved incubator program for the first three years. [Learn more](#)

Investor “Golden” Visa (ARI)

Portugal's Golden Visa is one of Europe's most popular residence by investment programs due to its limited physical presence requirements, a path to EU citizenship after five years of residency, and a wide selection of investment types. Applicants can qualify by making investments in a variety of asset classes at amounts ranging from EUR 200,000 to EUR 1.5 million. [Learn more](#)



Special Tax Regimes in SPAIN

IN THIS SECTION

- **Special Tax Regimes in Spain**

The Special Regime for Displaced Workers: “Beckham Law”
Mbappé law Madrid

- **Residency in Spain for non-EU/EEA nationals**

Investor Visa: “Golden Visa”
Non-Lucrative Visa
Entrepreneur Visa

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“BECKHAM LAW”

KEY INDICATORS

- **Maximum duration:** 6 years
 - **Years of non-tax-residence required to qualify:** 5 years
 - **Extendable to family members?** Yes
-

Executive Summary

In June 2005, Spain introduced the *Régimen Especial para Trabajadores Desplazados*, commonly called the "Beckham Law" after footballer David Beckham, one of its first beneficiaries.

Ironically, Beckham would not qualify today, as professional athletes are now excluded. The law limits tax liability in Spain to Spanish-source income, exempting non-professional foreign income such as dividends, capital gains, property rental, interest, and royalties.

Foreigners relocating to Spain (or Spaniards returning after 5+ years abroad) receive full exemptions on such income. Participants pay a reduced 24% tax on global professional income up to €600,000, with 47% applied above that amount.

What are the eligibility requirements?

To be eligible for the Beckham Law, an applicant

- Must not have been a tax resident of Spain in any of the 5 years immediately preceding the application; AND
- Must relocate to Spain as a direct consequence of
 - Accepting an employment contract with a Spanish entity; OR
 - Acquiring an administrative position in a company (provided the company is not merely an asset-holding entity); OR
 - Working remotely from Spain for a foreign employer through the use of telecommunication tools; OR
 - Carrying out an economic activity classified as an entrepreneurial activity; OR
 - Being considered a highly qualified professional, providing services in Spain to emerging companies or carrying out training, research, development, and innovation activities, while receiving at least 40% of his or her total income from said activities.

What are the principal tax benefits?

Those living in Spain under the Beckham Law regime enjoy

- Total exemption from Spanish taxation on foreign-sourced capital gains, dividends, interest, rental income, and royalties;
- Total exemption from the Spanish wealth (patrimonio) tax on foreign-held assets, as well as relief from the requirement to declare foreign assets; and
- A flat income tax rate on employment income y rendimiento de actividades económicas of 24% on all income up to €600,000 (but a 47% flat rate on the part of the income that exceeds €600,000);

Which categories of income qualify for reduced taxation?

- Professional income up to €600,000 is subject to a flat 24% rate of tax of, while professional income beyond this amount is subject to a flat rate of 47%;
- Foreign-sourced dividends, capital gains, rental, and interest income is entirely exempt from taxation (though this may be taxed at source, depending on the jurisdiction).

Those residing in Spain under the Beckham Law are not exempt from inheritance or gift taxes, regardless of where the assets are located.

“MBAPPÉ LAW” - MADRID

KEY INDICATORS

- **Maximum duration:** 6 years
 - **Years of non-tax-residence required to qualify:** 10 years
 - **Extendable to family members?** Yes
-

Executive Summary

In 2024, Spain introduced the “Mbappé Law,” named after footballer Kylian Mbappé, to attract wealthy foreigners to Madrid and position the city as a prime destination for significant foreign investment.

While the Beckham Law primarily targets workers transferred to Spain, particularly high-earning executives, the Mbappé Law is designed to encourage large investors to relocate to Madrid. It offers benefits to a diverse range of individuals, including startup entrepreneurs, company directors, retirees with high incomes, business owners, and professional athletes.

What are the eligibility requirements?

To be eligible for the Mbappé Law, an applicant must:

- Not have been resident in Spain during the five years prior to the change of residence to the Community of Madrid.
- Maintain the status of resident taxpayers in the Community of Madrid for 6 years and maintain certain investments during that period.

What are the principal tax benefits?

Successful applicants enjoy:

- The ability to apply a 20% deduction on investments made in the year of arrival or the following year, if they move their tax residence to Madrid in 2024 or later.
- A tax system with two taxable bases: the general base (e.g., salaries, rentals, professional activities) and the savings base (e.g., interest, dividends, capital gains).
- The elimination of taxation on the regional brackets of Madrid.
- A reduced tax rate on general base income, which is normally taxed at up to 45%, now taxed at a maximum rate of 24.5% for income over €300,000.
- A reduced tax rate on savings base income, which is normally taxed on a scale from 19% to 30% (30% for income above €300,000), now taxed at a maximum rate of 15% for income over €300,000.

RESIDENCY IN SPAIN FOR NON-EU/EEA NATIONALS

Non-Lucrative Visa

Third-country nationals who wish to reside in Spain, along with their families, can apply for the Non-Lucrative Visa. This visa does not require any investment or donation; applicants must simply demonstrate proof of a minimum annual bank account balance of EUR 28,000.

Once approved, the visa offers a five-year pathway to permanent residency and a ten-year route to EU citizenship, which is reduced to two years for nationals of certain countries. [Learn more](#)

Digital Nomad Visa

Spain's Digital Nomad Visa is open to individuals of any nationality and is designed to attract professionals who work remotely from Spain for foreign companies or provide services to clients based abroad.

The initial visa is valid for one year and may be extended for an additional three years once the applicant is in Spain. Before the expiration of the three-year visa, holders can apply for a further two-year extension. After five years of continuous residency in Spain, applicants become eligible for permanent residence. [Learn more](#)



Special Tax Regimes in SWITZERLAND

IN THIS SECTION

- **Special Tax Regimes in Switzerland**
The Lump-Sum (*Forfait Fiscal*) Regime
- **Residency in Switzerland for non-EU/EEA nationals**
Residence Permit Without Gainful Activity

The information in the following section was quality-controlled by:



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THE LUMP-SUM (FORFAIT FISCAL) REGIME

KEY INDICATORS

- **Maximum duration:** No maximum duration
 - **Years of non-tax-residence required to qualify:** 10 years
 - **Extendable to family members?** No. Family members qualify independently
-

Executive Summary

Foreign nationals residing in Switzerland who are not gainfully employed in the country may utilize a simplified tax assessment procedure known as expenditure-based taxation, lump-sum taxation, or the forfait fiscal.

Under this regime, residents are taxed a single lump-sum amount each year based on their living expenses rather than their income. This means that the more frugal the tax resident is relative to their income, the greater the potential tax savings under the forfait fiscal regime.

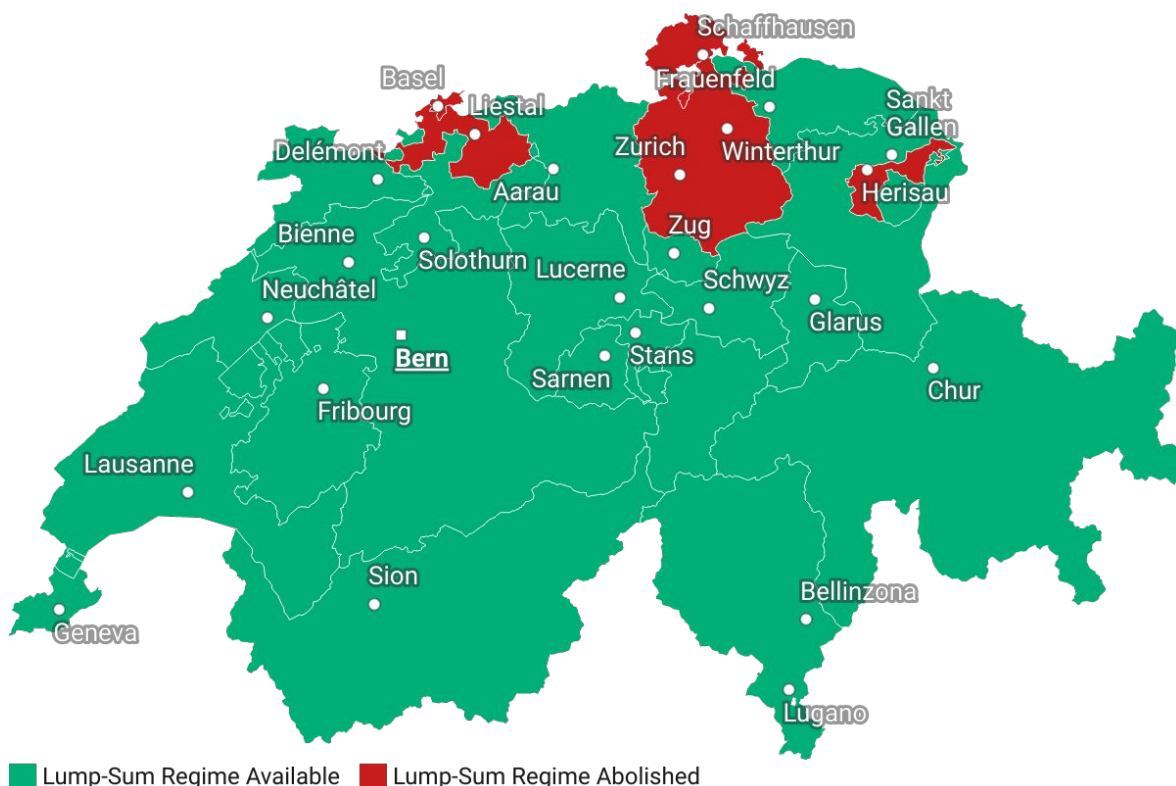
The lump-sum amount is calculated by applying federal and cantonal tax rates to the total annual living expenses of the taxpayer and their family, both in Switzerland and abroad. As a general rule, this amount is often equivalent to roughly seven times the individual's annual rent expenses (or the deemed rental value if the home is owned). Prospective lump-sum tax residents typically determine the precise lump-sum amount in advance in consultation with local tax authorities.

What are the eligibility requirements?

Individuals seeking to become lump-sum tax residents in Switzerland must

- Not be Swiss citizens;
- Not have been residents of Switzerland in the 10 years immediately preceding their taking up residency;
- Not be gainfully employed in Switzerland;
- Have a minimum taxable income of CHF 400,000, regardless of living expenses, if they are EU/EEA citizens. For non-EU/EEA citizens, the minimum income varies by canton and is typically between CHF 750,000 and CHF 1 million;
- Have an annual cost of living of at least (depending on the Canton) CHF 400,000-600,000.
- Have a net worth of at least CHF 10 million.

Note that 6 out of Switzerland's 26 cantons have abolished the lump-sum regime: Appenzell, Aargau, Basel-Landschaft, Basel-Stadt, Schaffhausen, and Zürich.



What are the principal tax benefits?

Lump-sum tax residents in Switzerland may

- Pay effective tax rates in the low-single digits, depending on the differential between their income and their spending;
- Pay a single, predictable amount in tax each year based on their living expenses, obviating the need for filing complex and lengthy tax returns, reporting global wealth or income, and maintaining sophisticated (or risk-fraught) offshore structures.

Lump-sum tax calculation example: Mr. X, a foreign national, resides in the Swiss canton of Vaud as a lump-sum tax resident. He earns an annual passive income of CHF 10 million from investments but has yearly living expenses of only CHF 1 million.

As a lump-sum tax resident, Mr. X's income tax is calculated based on his living expenses rather than his income. He pays the ordinary tax rate applicable to someone earning CHF 1 million in Vaud, which amounts to CHF 467,469 (46.7%). This results in an effective tax rate of just 4.67% on his total income.

If Mr. X were to reside in a lower-tax canton, such as Zug, his effective tax rate on a CHF 10 million global income could be as low as 2.92%.

Which categories of income qualify for reduced taxation?

Since the lump-sum regime uses expenditure rather than income as the basis for calculating tax, all income types are excluded from taxation, except cantonal gift and inheritance taxes.

RESIDENCY IN SWITZERLAND FOR NON-EU/EEA NATIONALS

Residence Permit without Gainful Activity

To obtain a residence permit without gainful activity - the permit required for non-EU/EEA nationals who seek to take advantage of the lump-sum regime - the applicant must either

- be above 55 years of age and demonstrate “ties” to Switzerland; *or*
- demonstrate that he will bring a significant fiscal benefit to the destination canton.

Seekers of residence permits without gainful activity should obtain a lump-sum tax agreement with their intended canton of residence before applying for the residence permit.

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