

TECHNICAL AND FISCAL ASPECTS

When buying a house, it is important to consider all the technical and fiscal aspects for a proper assessment of one's budget and not to run into unpleasant surprises.

We have therefore thought of a brief guide to better inform the customer, indicating the additional costs to be considered and the timing of payments.

Purchase from construction/restructuring companies

Buying or selling from construction or renovation companies is subject to VAT, which is paid directly to the selling company.

The VAT rate to be applied on the sale price will be:

- equal to 10 % in the absence of first-home benefits;
- equal to 4% in the event that the first home benefits are requested. In this case, the client must declare this during the final deed/contract and proceed with the change of residence within the following 18 months.

If the purchase is subject to VAT, the following taxes must also be paid to the notary, who will then remit them to the Revenue Agency, in a flat rate:

- Registration fee
- Mortgage fee
- Cadastral tax

Purchase from private parties

The registration, mortgage and cadastral taxes will be paid by the purchaser to the notary who will in turn pay them to the Revenue Agency at the time of registration.

1) In the absence of benefits for first home purchase:

- Registration fee 9%
- Mortgage fee
- Cadastral tax

2) Benefits for first home purchase:

- Registration fee 2%
- Mortgage fee
- Cadastral tax

The rates are normally calculated on the declared sale price; in the case where residential real estate is transferred to private parties, the acquiring party may request payment of the registration tax on the "cadastral value" (price-value) of the real estate (i.e. the value resulting from the multiplication of the cadastral rent by the legal coefficient).

COSTS

- Registration fee
- Notary fees
- VAT
- Cadastral fees
- Legal fees (in case you rely on a lawyer)
- Real estate agency commission (if the client has relied on it)
- Registration costs for the mortgage (if necessary for the purchase)
- Contract translation, Interpreter, witnesses (if required)

PAYMENT SCHEDULE

Ready built property

- Property reservation, deposit payment.
- Preliminary contract, payment of a portion of the final purchase price.
- Notarial deed, payment of the balance.

Property to be built/under construction

- Property reservation, deposit payment.
- Registered preliminary contract, payment of a portion of the final purchase price.
- Partial payments at the progress of the work
- Delivery and Notarial deed, payment of the balance.

The client can check the progress of the work by inspecting the site or viewing the relative photographic material. Payment of the balance will be made following a final declaration of work completion, inspection, signing of the delivery report and release of the certificate of energy performance.

Methods of payment.

Payment can be made by Italian bank draft or irrevocable bank transfer.

N.B.: In the case of property to be built / under construction, Italian law requires that all payments made before signing the Deed are guaranteed by a first demand Surety issued by **Primary Insurance Company**.

If only one of the crisis conditions provided for by law occurs (real estate execution, in relation to the property covered by the contract; bankruptcy; extraordinary administration; composition with creditors; compulsory administrative liquidation), the purchasing party has the right to automatically and immediately obtain reimbursement of the sums paid directly by the guarantor.

The surety will also guarantee against the manufacturer's non-compliance regarding the failure to issue the posthumous ten-year policy.