

Purchasing Procedure

Contracts

Once you have decided to buy your property, a preliminary contract (Contratto preliminare di compravendita) is drawn up by the Estate Agency. This contract is a legally binding agreement between the signatories. It specifies data relevant to the property, details the purchase price and sets the completion date of the sale, normally within 1 to 6 months. You are expected to pay a deposit, the amount varying between 20 and 30% of the purchase price.

Should you as the purchaser withdraw from the contract, you lose your deposit. If the vendor fails to fulfil his obligations as specified in the contract, he is obliged to pay you double your initial deposit.

The preliminary contract is handed over to a Notary (Notaio), who will undertake a close investigation in order to verify all relevant data, the validity of all legally required licenses and permits etc.

The completion and the public registration of the purchase take place in front of the Notary. The vendor and the purchaser must personally attend the signing of the final contract (Atto di compravendita or Rogito). Prior to signing this contract, you are expected to pay the balance of the purchase price.

In Italy it is highly important that the signatories fully comprehend the contents of the transfer document. Thus the Notary will require the presence of an officially accredited translator alternatively a translation of the final contract into English.

Fees and Taxes

- The Notary's fee amounts to approximately € 1,500 – 3,000.
- The Translator's fee, or alternatively, a translation of documents, is at the vendor's expense. We can be present at the Notary's for your support.
- The Agency commission is 3% of the of the total purchase price.
- The Registration tax currently amounts to 10% of the declared value. The declared value is generally considerably less than the actual purchase price. In case you take up Italian residency within 18 months, the tax rate is reduced to 4%.
- Property tax (ICI) is low in Italy, between 0,6 and 0,7% of the declared value. These local rates are payable twice a year - in June and December respectively. The local rates for Italian residents are reduced – between 0,3 and 0,4% of the declared value.

In case you consider a loan in an Italian bank, a survey of the property is compulsory.

- The Surveyor's (Geometra) fees vary between € 200 and 600. We can put you in contact with a professional surveyor.

A purchaser of property in Italy must have an Italian fiscal code number (Codice Fiscale) and a bank account in an Italian bank. We will assist you in these matters and are more than happy to help you with the contracts you need to connect you to the main services – water, gas, sewage, telephone and insurances.