

What about property purchase costs?

Italy generally allows foreigners to purchase property as long as Italians are allowed to do the same in the purchaser's country of origin or if the foreigner lives in Italy. There are no limits on EU and EFTA citizens.

For sales between private citizens (non-businesses) taxes are paid on the tax appraisal value which is usually well below the market value. There are also significant discounts if the buyer will be using the home as their primary residence⁶, with the exception of up-scale properties classed as A1, A8 and A9.

Case	If purchased from	Tax base	VAT	Property transfer document registration fee (<i>Imposta di registro</i>)	Property ownership registry fee (<i>Imposta ipotecaria</i>)	Property tax registry fee (<i>Imposta catastale</i>)	Min. document registration fee
Primary home (except property categories A1, A8, A9)	individual(s)	Cadastral value (<i>rendita catastale</i> * 100 increased by 5% & 10% (1,155))	-	2%	€ 50	€ 50	€ 1000
Other homes + property, buildable lots		Cadastral value (<i>rendita catastale</i> * 100 increased by 5% & 20% (1,26))		9%			
Primary home	business(es)	Actual sales price	4%	€ 200	€ 200	€ 200	-
Additional homes			10%				
Homes in categories A1, A8, A9			22%				
Farmland	If sold to a full time (60%+) entrepreneur(s)	Actual sales price	-	€ 200	€ 200	1%	€ 1000
	If sold to non-full time entrepreneur(s)	Actual sales price	-	12%	€ 50	€ 50	

The money used to pay price from outside Italy for purchasing property, should be officially documented.

Once you have chosen the property, you have to make a written offer. If the seller accepts, the deal becomes binding on both parties. This requires you to present a valid identification document, and your tax code.

A preliminary contract or a compromesso is drawn up by the real estate agent, containing the sale price, the amount to be paid as deposit “Caparra Confirmatoria”, the details of the property, a Guarantee from the Seller saying that the property is free from constraints (or that it will be by the date of the notarial deed), and any other relevant clauses.

Upon signing of the compromesso, in the event that you decide not to pursue the purchase, the compromesso will be forfeited or the seller may seek legal action to enforce the purchase. On the other hand, if the seller backs out, he will be liable to pay double the amount you have given as deposit.

The sales contract must be registered within 20 days. If you use an Real Estate Agency, the agency will register it for you.

Current registration fees

Tax	Type of deposit / penalty	Amount	
Contract stamp duty (<i>Imposta di bollo</i>)		€ 16 every 4 pages or 100 lines	
		€ 1 every graphical page (floor plan) – or – € 155 if a <i>notaio</i> is used	
Contract registration tax (<i>Imposta di registro</i>)	No deposit / down payment (rare!)	€ 200	
	Confirmatory (<i>caparra confirmatoria</i>)	0,5% of deposit	
	Penalty (<i>caparra penitenziale</i>)	3% of deposit	
	Down payment to (<i>acconto</i>)	individual(s)	3% of deposit
		business(es)	€ 200 + VAT
Penalty clause (rare)		3%; minimum € 200	

The notary performs due diligence

The official property transfer agreement will be in Italian. If a buyer (or seller) cannot read Italian, needs to engage a bilingual lawyer with a **power of attorney** (*procura*) to act on their behalf or attachments and the agreement must be translated from Italian into the other language.

The Notaio or notary public has the responsibility of performing due diligence. He is chosen by the buyer. The notaio will issue you a copy of the deed and present copies to the tax office and Land Registry. The necessary government duties must be paid for the sale to be officially registered. It takes an average of about 10 days to complete all the four procedures needed to register a property in Italy.

Agent's Fee

The standard agency fee, regardless of the type of property (commercial, residential, or land sales), is usually 3% + Vat and is paid both buyer and seller. The agency fee is payable at the signing of the preliminary contract.