

The background of the slide is light gray and features several large, semi-transparent question marks scattered across it. A dark brown vertical bar is located on the far left edge of the slide.

**FREQUENTLY ASKED
QUESTIONS
ON
BUYING PROPERTY
IN
GEORGIA**

1. Can a foreign citizen buy property in Georgia?

Yes, a foreigner can buy property in Georgia whether its residential, commercial or agricultural. This property can be bought in his own name or in the name of a legal entity (sole proprietorship firm, partnership firm or limited liability company) registered by a foreigner in Georgia.

2. There are a lot of articles by the media on the internet which say that foreigners cannot buy agricultural property in Georgia. Is it true?

Legally, there is no restriction for foreigners to purchase and register agricultural property in their or their legal entities' name. The temporary moratorium imposed by the government in July 2103 which barred foreigners from purchasing agricultural property in Georgia was valid till the 31st December 2014. After the expiry of this period, there has been no new legislation or official announcement by the Government which proves that foreigners are further barred from buying agricultural property in Georgia.

3. How can a foreigner buy agricultural property in Georgia?

The procedure is the same for all kinds of properties, whether its agricultural or any other property. First, a sale purchase agreement is drawn up between the buyer and the seller by a qualified lawyer; then the buyer and seller or their representatives with the lawyer visit the Public Registry Hall and submit documents for property registration. Once the documents are accepted, an administrative fee is paid. After 4 days the property is officially registered in the name of the buyer.

4. What are the approximate costs & fees for registering a property in Georgia?

Since there is no stamp duty on property registration in Georgia, costs and fees are relatively low. Government administrative charges for property registration are between 50 -200 GEL depending on the processing time chosen and lawyer and translator fees add up to not more than USD 150 per registration process.

5. Is it possible to receive a Georgian resident card after buying property in Georgia?

Resident permits are issued to foreigners who wish to carry out any economic activity on the property they purchase in Georgia. There are two kinds of resident cards in Georgia. The first is a temporary resident card which is valid for a limited period, usually one year and a maximum for 5 years. The other is a permanent residence card which is issued for an indefinite period. A foreigner who legally resides in Georgia for a period of more than 5 years is eligible to apply for permanent residency.

6. How much are the government taxes on different properties that have to be paid every year?

Government taxes on different properties are as follows:

a) Agricultural Land - 86 GEL / Hectare per year

b) Commercial Land - 0.05% - 1% of the property value

c) Residential Land - 0.05% - 1% of the property value

NOTE : In case of Commercial & Residential Property, if the property is registered in the personal name of the foreigner, no tax on property is applicable if his personal income in Georgia does not exceed 40,000 GEL per year.

7. What steps need to be followed for incorporating a limited liability company (LLC) in Georgia? How much will be the expenses?

Company registration in Georgia is very simple, fast and less cumbersome as compared with other European countries. It takes just one day to register a company; there is no need to have a Georgian partner to form a company; minimum one Director and one shareholder are required and they can be the same; a foreigner can own 100% shares of the Georgian company; there is no requirement to show any minimum capital.

Firstly, a lawyer is needed to prepare the documents both in Georgian and English. A legal address is also required. When all these documents are ready, the foreigner has to visit the Public Registry Hall with his lawyer and show his passport (as identity proof) and submit all documents personally. Once the documents are accepted, government administrative charges for company registration are paid (usually between 100-125 GEL). Within 24 hours, the company is registered and a registration certificate issued.

Lawyer expenses vary depending upon the services required. To know exact charges please write to us with your requirements at: contact@orbisrealty.com

8. Do Georgian banks give loan for buying property in Georgia?

Currently, banks in Georgia do not give loans to foreigners for purchasing property. However banks, upon their discretion, do provide financial support for doing business on that property. It could be a working capital facility or loan to purchase equipment and machinery.

9. Can income earned from a property in Georgia be freely repatriated to the foreigners home country?

Yes, income earned from any foreigner owned property in Georgia can be repatriated without any limit to his home country after paying taxes on the income, accrued from that property.