

LEGAL NEWS

MONACO - REAL ESTATE - COMPANY - BUSINESS CAPITAL - SOCIAL SHARE

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► Draft law No. 252 relating to the regulation of the profession of property trader

A property trader is a natural person or a commercial company who, as a regular occupation and for his/her/it own account, buys real estate, business capital or shares in real estate non-trading companies (Société civile immobilière - SCI) with a view to reselling them.

As Monegasque legislation stands, the profession of property trader falls under the common law regime of authorisation and administrative declaration to exercise provided for by Law No. 1.144 of 26 July 1991, amended, concerning the exercise of certain economic and legal activities.

The draft law No. 252 on the regulation of the profession of property trader (of parliamentary origin), tabled in public session of the National Council on 15 October 2020, aims at regulating the profession of property trader in an autonomous manner:

- > Establishing the profession of property trader as a regulated profession and ensuring the security of real estate transactions;
- > Reinforcing the conditions of access to the profession of property trader, distinguishing according to whether the person is of Monegasque or foreign nationality;
- > Overhauling the specific and exceptional tax regime from which property traders benefit when acquiring real estate¹ so that it is more profitable for the State and the Monegasque economy;
- > Encouraging property trader to make substantial improvements to the property acquired with a view to reselling it.²

¹ Loi n° 1.044 du 8 juillet 1982, modifiée, concernant l'exonération de droits d'enregistrement relatif aux opérations faites par les marchands de biens, aux ventes publiques, de certains meubles corporels et aux marchés de travaux, d'approvisionnement ou de fournitures.

² Explanatory Memorandum to Draft Law No. 252, pp. 4-5.