

LEGAL WATCH

RESIDENCE CERTIFICATE IN MONACO: CHANGES IN REGULATIONS

Sovereign Order No. 8.372 of 26 November 2020 (Journal de Monaco No. 8515 of 4 December 2020) amended **Order No. 8.566 of 28 March 1986 on the residence certificate** (which attests to actual residence in the Principality).

Order 8.566 now distinguishes between applications for the issuance of a residence certificate (made to the Public Security Department) "to complete a Monegasque administrative formality", or "to complete a formality of a fiscal nature, particularly in the context of the declaration obligations set up by Sovereign Order 6.208 of 20th December 2016"¹ (automatic exchange of information on tax matters relating to financial accounts).

Furthermore, regarding tax formalities, Order 8.566 includes the definition of the concepts of "main or usual residence"² and "main centre of activities"³.

► Residence certificate for administrative formalities:

The issue of the residence certificate is reserved for persons who have been established in the Principality for 6 months.

Persons established in the Principality for less than 6 months may only be issued a residence certificate for administrative purposes on presentation of documents justifying an exemption.

Elements to be provided:

- For persons of Monegasque nationality:
 - Proof of identity and residence in the Principality
- For persons of foreign nationality:
 - Establish that you are the holder of a valid residence permit;
 - Certify on your honour that you reside in the Principality for more than six months a year or that you have your main centre of activity there ;⁴
 - Present any document that may serve as proof of residence.

Expiry: at the end of a period of 6 months from the date of issue of the residence certificate.

1. Sovereign Order No. 6.208 of 20th December 2016 implementing the Convention on Mutual Administrative Assistance in Tax Matters, the Multilateral Agreement between Competent Authorities on the automatic exchange of information on financial accounts and the Protocol amending the Agreement between the European Community and the Principality of Monaco providing for measures equivalent to those laid down in Directive 2003/48/EC.

2. Article 3, paragraph 2 of Ordinance No. 856: "The main or usual stay corresponds to a stay of at least 183 days per year in the Principality or a stay of less than 183 days if the applicant is physically present on Monegasque territory for a period longer than that of stays in other countries."

3. Article n°3, last paragraph of Ordinance No. 856: "The principal centre of activities shall be understood as the place where the person concerned has made his/her principal investments, where he/she has the registered office or the effective management of his/her business, from where he/she administers his assets."

4. Under the penalties provided for in Article 98 of The Criminal Code: "Anyone who has been wrongly issued or has attempted to be wrongly issued with one of the documents provided for in the preceding article, either by making false statements, or by taking a false name or position or by providing false information, certificates or attestations, shall be punished by imprisonment for three months to one year and the fine provided for in Article 26(2) [2,250 to 9,000 euros] or by one of these two penalties only. The same penalties shall be applied to anyone who has used or attempted to use such a document, either obtained under the above-mentioned conditions or drawn up under a name other than his own."

► **Residence certificate for tax formalities:**

The certificate of residence for tax formalities is established on a specific document (characteristics laid down by ministerial order).

Elements to be provided:

- For persons of Monegasque nationality:
 - Proof of identity and residence in the Principality

- For persons of foreign nationality:
 - Establish that you are the holder of a valid residence permit;
 - Declare on their honour that you have your main place of residence, or your home (the home will only be considered if the main place of residence cannot be defined on the territory of the Principality), or that you have the main centre of your activities there, subject to bilateral agreements and conventions;
 - Justify occupying a housing in Monaco by producing a title deed, a rental lease, or a certificate of accommodation ;
 - Submit water, electricity and telephone bills for the past year and any other document which may serve as proof of residence;
 - Provide any other documents that may be requested by the Administration for verification and investigation purposes.

Expiry: 1 year from the date of issue of the residence certificate.