Buying and selling property

KNOW BEFORE YOU GO

Heading off blindly to a foreign country would seem pure madness without finding out some essential facts to help you prepare beforehand – therefore, it pays to invest some quality time in research before you make any long-term decisions, says Jane Cahane

If you are being posted abroad for an overseas secondment, or are considering moving to sunnier climes to enjoy your hard-earned retirement, your first thought may not be to work out all the legal and tax implications of moving house. Nevertheless, this is clearly something you must do. The trouble is, where do you start, and is it possible to do it all yourself, or should you rely on the help and advice of dedicated experts?

Overseas secondment
Generally speaking, most companies that send their employees abroad will foot the bill for most if not all of the immediate expenses. They will also find you a property to live in, at least for the short term, relying on their own bilingual property search or relocation service contacts to help you find a place that is suitable for you. If you subsequently decide to search for a property yourself, you can either use the same

first 52 weeks only, after which you will switch to the tax system of your new country of residence. The same applies to any tax on income from your pensions and savings, although this may be complicated by other factors – check out www.hmrc.gov.uk for details on double-taxation agreements between the UK and other EU countries.

How soon the switch of residency occurs will depend on your new country’s laws – for example, Spain considers you legally resident if you live there more than 183 days per year, whereas France considers you resident as soon as you arrive if your purpose is to live there. It is much harder to obtain residency in countries such as the US and Australia, so make sure you are clear on the procedures well before you go.

Another factor you may need to consider is what to do regarding any property you own in your country permanent home is in the UK. You should also be aware of changes to UK laws, such as the Tenancy Deposit Protection Act 2007, which is now a legal requirement for landlords in order to safeguard deposits made by tenants.

Unless you are regularly returning to the UK or are able to manage the property through a family member, you should enlist the services of an estate agent or property letting service. You may decide, on balance, that you and your family will be better off selling your UK home and buying overseas for the duration of your posting, provided you buy a property with good resale potential.

Retiring abroad
Clearly, if you dream of retiring abroad, it makes sense to read up on and visit the area you like in advance to find out what the local amenities and infrastructure are like – particularly important is how close the property is to an airport with regular, low-cost flights.

You should visit the area several times, speak to locals, get a feel for the area, and ensure you have been there in all seasons, as many shops or businesses may be closed after the tourists leave.

Unless you are planning on living in an expatriate-dominated area such as the Dordogne or the Costa del Sol, you will need to study the language and read