Created and Presented by RE/MAX Smart Concept

© 2025. RE/MAX Smart Concept. All right NotebookLM

The Strategic Imperative: A Clear View of Net Returns

01

01 | Compare Global Costs

To provide a direct comparison of net holding costs, entry taxes, and exit friction across primary global real estate markets.

02

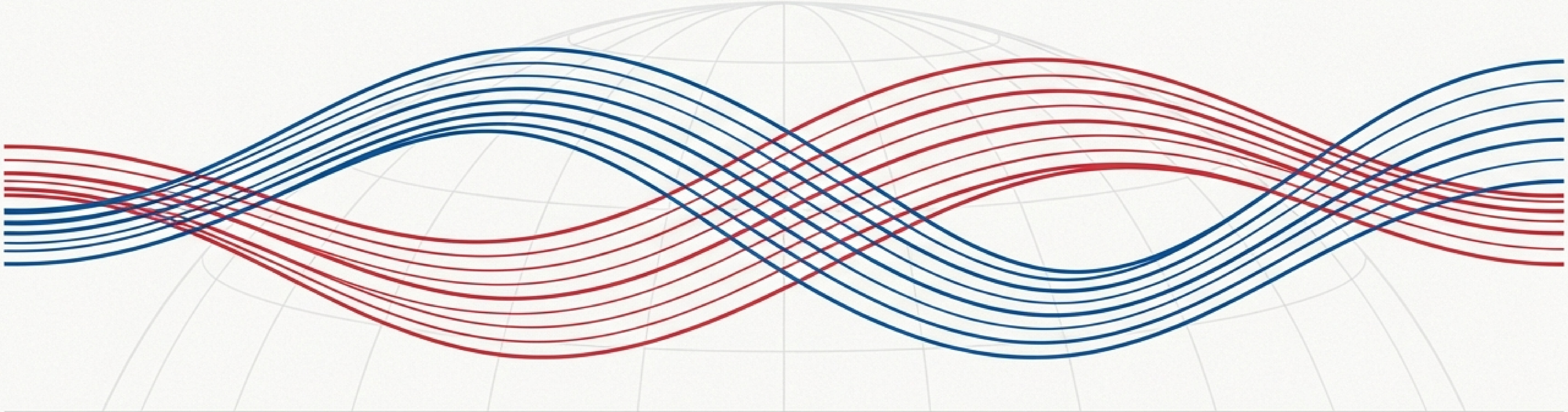
02 | Position the UAE Benchmark

To objectively position the UAE as a low-tax, high-stability jurisdiction against traditional, high-cost investment destinations.

03

03 | Support Decision-Making

To deliver a data-driven framework supporting critical decisions for high-net-worth individuals, family offices, and institutional portfolios.



© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

The Benchmark: The UAE's Fiscally Efficient Ecosystem

Core Tax Framework

- **Corporate Tax:** 9% on profits above AED 375,000. 0% for Qualifying Free Zone Income (conditions apply).
- **Pillar Two (2025):** 15% Domestic Minimum Top-up Tax for MNE groups with ≥ €750M turnover.
- **VAT:** 5% standard rate. Residential first supply is 0%; subsequent residential is exempt. Commercial property is subject to 5% VAT.

Investor-Specific Advantages

- **Personal Tax:** No income tax, no capital gains tax, no inheritance tax, no annual property tax*.
- **Transaction Fees:** Dubai: 4% transfer + 0.25% mortgage registration. Abu Dhabi: 2% transfer + ~0.1% mortgage.
- **Ideal For:** Long-term holding, wealth preservation, residency buyers, and family offices.

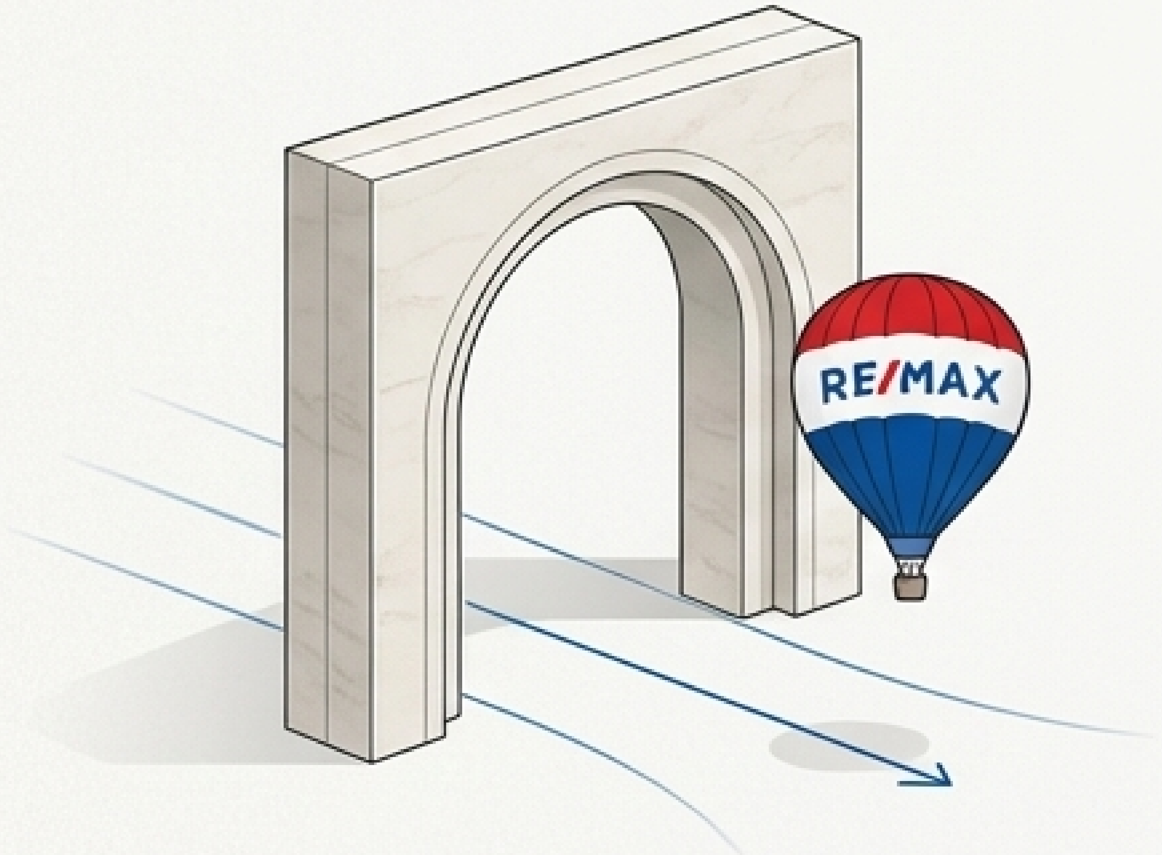
*Note: Community fees, developer fees, and administrative charges still apply.

© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

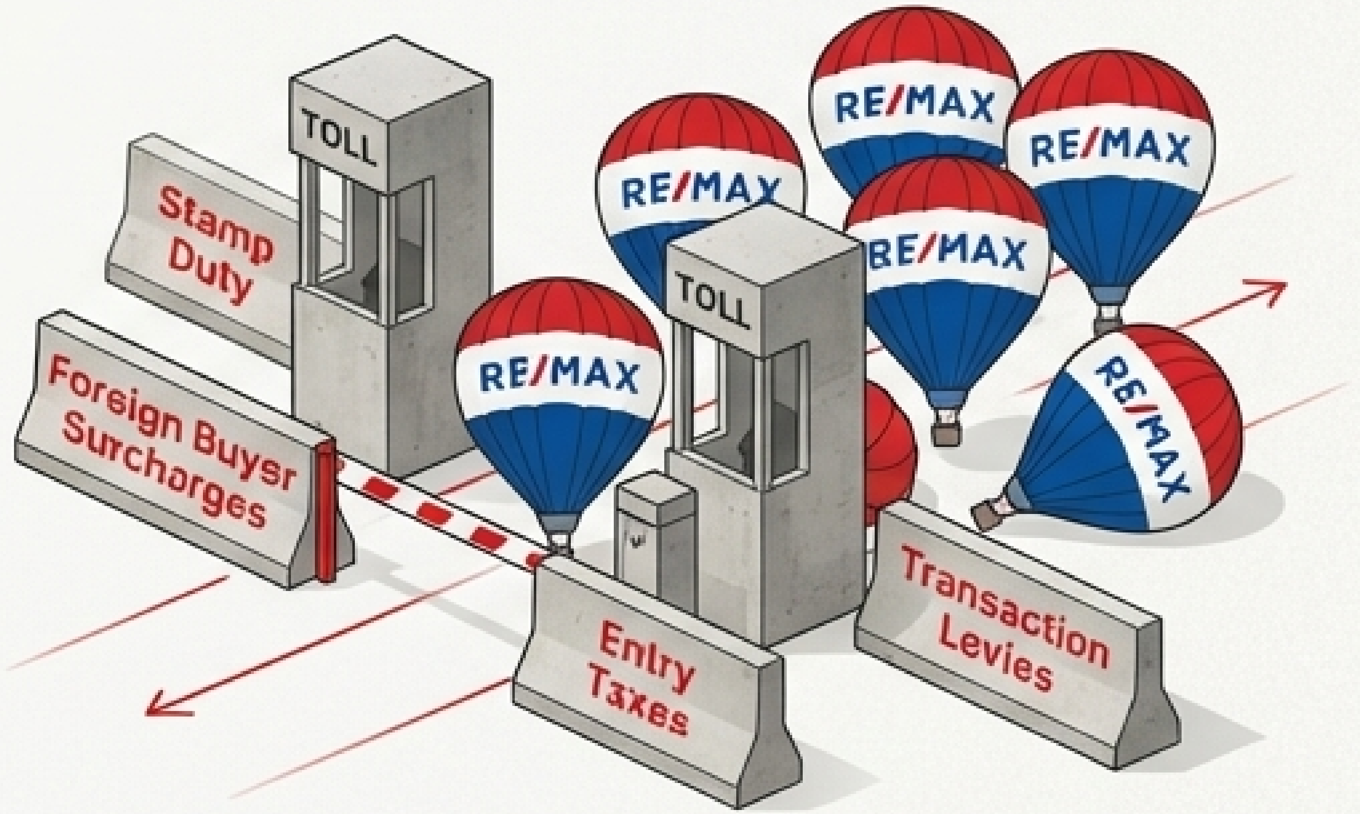
The Investor Journey, Phase 1: Overcoming Entry Friction

An investment's potential is defined at its inception. High acquisition taxes and surcharges create an immediate and significant drag on capital efficiency, impacting returns from day one.

UAE



High-Tax Markets



© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

Acquisition Costs: A Global Comparison

Country	Purchase Tax / Duty	Extra Buyer Surcharges	Key Notes
UAE	**No purchase tax**	**None**	**Transfer fees apply (2–4%)**
Singapore	BSD up to 6%	**Foreigners 60% ABSD**	Most expensive globally
UK	SDLT up to high bands	**+3% extra homes, +2% non-resident**	Annual council tax adds to burden
USA	State/city transfer taxes	FIRPTA 15% on sale	Significant annual property tax
France	5.8–6.4% transfer	Wealth tax (IFI) may apply	VAT 20% on new builds
Japan	3–4% acquisition + 10% on buildings	None	High annual fixed-asset tax
Turkey	4% title deed tax	VAT 20% on new builds	Annual property tax
Cyprus	0–8% transfer	5% VAT for primary home	EU regulatory environment

Key Takeaway: The UAE's model avoids punitive upfront taxes, particularly for foreign investors, maximizing day-one capital deployment. Singapore's 60% ABSD represents the global peak for entry friction.

© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

True investment performance is measured not just by gross yield, but by the net return retained year after year. Annual property taxes act as a persistent drain on cash flow and compound to significantly reduce long-term wealth creation.

© 2025. RE/MAX Smart Concept. All rights
NotebookLM

Annual Holding Costs: Preserving Yield Over Time

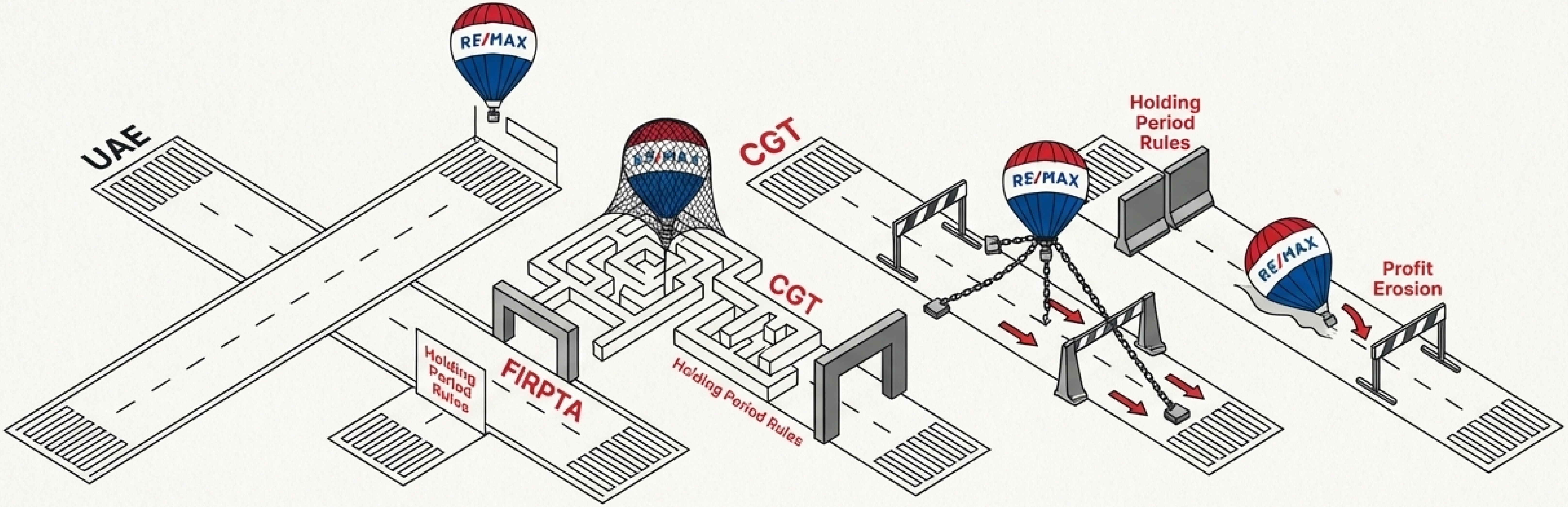
Country	Annual Property Tax	Notes
UAE	**None**	Only service charges & utilities
USA	**~0.86% avg (varies 0.3–2%)**	A major and unavoidable cost driver
UK	Council tax	Varies significantly by borough
France	Taxe Foncière	A local annual tax on property owners
Japan	**~1.4% + up to 0.3% city planning**	Based on official assessed value
Turkey	~0.1–0.6%	Levied at the municipality level
Cyprus	**None (since 2017)**	
Singapore	Annual property tax	Different rates for rental vs. owner-occupied

Key Takeaway: The absence of an annual property tax in the UAE is a structural advantage, directly translating to higher net operating income and superior cash-on-cash returns compared to markets like the USA and Japan.

© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

The Investor Journey, Phase 3: A Frictionless Exit Strategy

The ultimate success of an investment is realized at exit. Punitive capital gains taxes and withholding requirements for foreign sellers can claw back a substantial portion of profits, fundamentally altering the risk-reward calculation.



© 2025. RE/MAX Smart Concept. All righ NotebookLM

Exit & Capital Gains: Maximizing Total Capital Retention

Country	Capital Gains Tax	Key Notes
UAE	**None**	**Zero exit tax on capital appreciation**
USA	Yes	**Plus FIRPTA 15% withholding for foreign sellers**
UK	Yes	Varies by residency status, limited exemptions
France	Yes	Wealth tax can also apply on total assets
Japan	Yes	Tiered based on the holding period
Turkey	Yes if sold <5 years	Exempt after a long-term hold
Singapore	No CGT	Stamp duties are used to control speculation
Cyprus	Yes (small rate)	Lower than most European Union peers

Key Takeaway: A 0% capital gains tax regime provides absolute certainty on exit, allowing investors to retain 100% of their asset's appreciation—a stark contrast to the complex and costly exit environments in the US, UK, and France.

© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

Strategic Takeaways for Global Portfolios

High-Stability, Low-Tax (UAE)

The combination of zero annual property tax, zero CGT, and no income tax makes the UAE ideal for:

- Legacy properties & generational portfolios
- Large estate transfers
- Foreign owners not residing full-time

High-Stability, High-Tax (UK, Singapore)

Suitable for trophy assets where capital preservation is prioritized over yield.

High tax burden makes them less efficient for yield-focused investment strategies.

Yield-Focused, Tax-Heavy (USA, France, Japan)

USA offers yield potential but is heavily burdened by annual levies and the FIRPTA exit tax.

France and Japan are tax-intensive jurisdictions with strong regulation, requiring active management to navigate.

Residency-Focused Alternatives (Cyprus, Turkey)

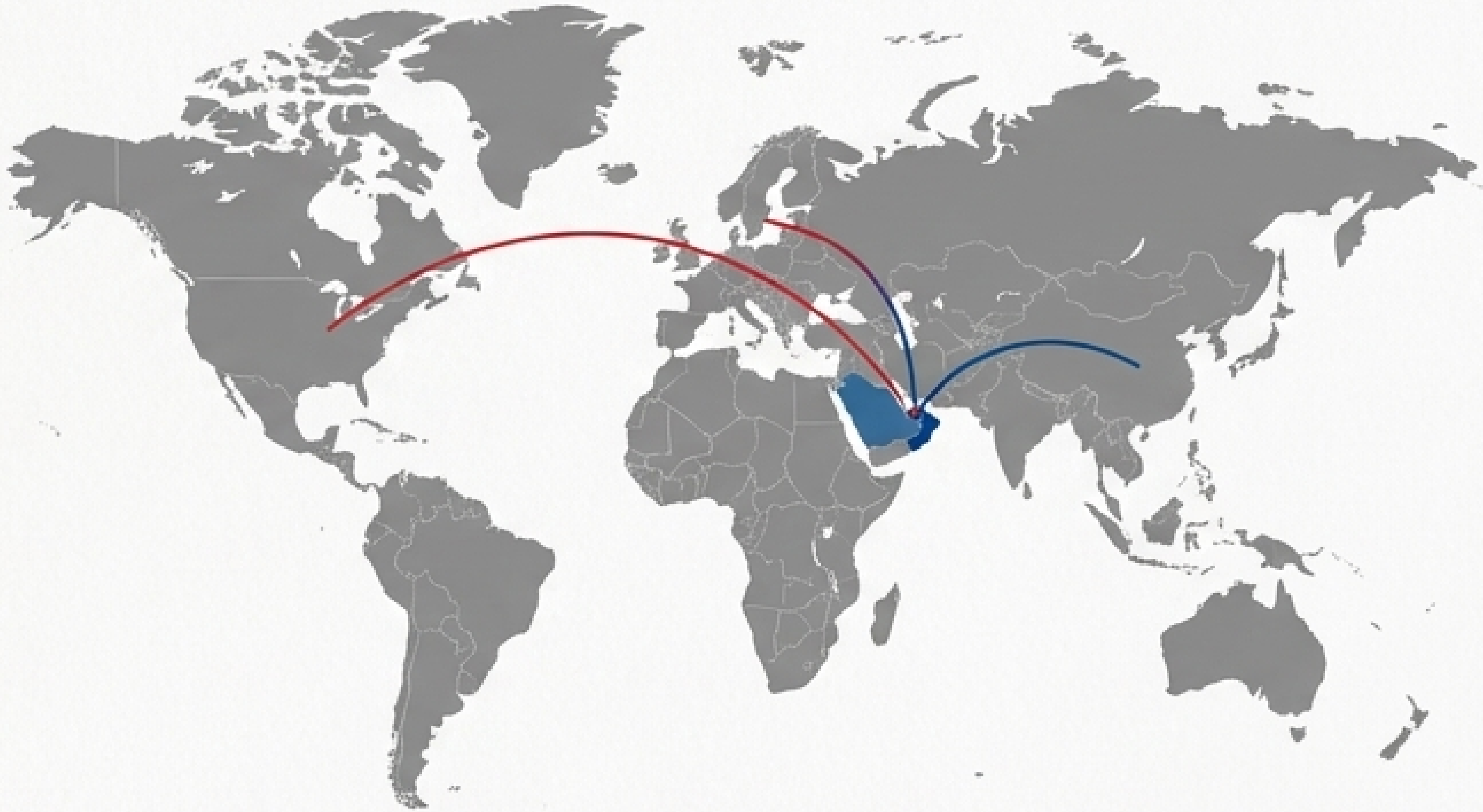
Provide mid-cost, residency-based options.

Typically offer lower market liquidity compared to the UAE.

© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

The RE/MAX Smart Concept View: Why Our Clients Choose the UAE

- **Financial Outperformance:** Gross yield is not eroded by annual tax drag, leading to superior net returns. Manageable service charges replace unpredictable property taxes.
- **Capital Security:** The USD peg limits currency erosion risk for international investors. Strong safe-haven demand from GCC, Asia, and Europe provides market stability.
- **Certainty and Efficiency:** A low-friction entry process maximizes initial investment. Higher exit certainty is achieved without heavy Capital Gains Tax or punitive buyer restrictions.
- **Unmatched Lifestyle & Inventory:** Strong residency pathways are linked directly to investment. A deep inventory of high-quality properties exists across world-class brands and tourism zones.



© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM

Data Sources & References

UAE Ministry of Finance (MoF)
Corporate Tax, Pillar 2 & Free Zone Guidance

Federal Tax Authority (FTA)
VAT + Real Estate VAT Guide

Dubai Land Department (DLD)
Fees Schedule (REST / Oqood)

ADREC / DARI Transfer & Mortgage Fees

Inland Revenue Authority of Singapore (IRAS)
BSD/ABSD Tables

HMRC Stamp Duty Land Tax (SDLT) Manuals +
Finance Act 2025

Internal Revenue Service (IRS)
FIRPTA Regulations + NY State Transfer Taxes

Service-Public France + IFI Regulations

National Tax Agency (NTA)
Japan Real Estate Taxation Portal

Revenue Administration of Turkey +
Tapu Tax Rules

Cyprus Tax Department
VAT & Transfer Rules

© 2025. RE/MAX Smart Concept. All rights reserved.
NotebookLM