

Real Estate Investment Companies

Back in the eighties many private investors in Belgium were convinced by their tax consultants to set up a company for sheltering and acquiring real estate. The main tax advantage over the years was the annual allowed amortisation of the properties of around 3% decreasing taxable income and hence keeping a low effective tax rate on rental income.

However, if these shareholders today decide to "cash-out", corporate tax at 34% is charged on quite substantial capital gains (selling price minus acquisition price minus accumulated amortisation). In addition, a 10% extra tax is levied on reserved profits before cash can be returned to the shareholders. In worst case, shareholders are left with around 60% of the company's real estate selling price! Selling the shares of the real estate investment company may prove to be a more interesting solution.

After a short analysis, Antigoon Invest can make an interesting offer for the shares of your Belgian real estate company.