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## Highlights ground & transfer tax

### Ground tax

Ground tax is levied over the registered value of real estate which was owned by an individual or entity per January 1 of any year. The registered value is determined once every 5 years by the tax authorities, and can only be protested in the first year of the 5-year period (taking into account the 2 month objection period as of the date of the assessment). The rate amounts to 0.4% over the registered value of the real estate minus a general exemption of AWG 60,000.

If a real estate is not used or empty for more than 6 months in that year, a reduction in the ground tax due can be requested at the tax authorities.

### Transfer tax

Real estate can be transferred legally and beneficially. If only the beneficial ownership is transferred, this does not constitute a taxable event. The beneficial ownership does not have to be transferred via a notary but can be transferred via an agreement.

If the legal (and beneficial) ownership of real estate is transferred, this has to be done via notarial deed. Upon the legal transfer of the ownership of real estate, transfer tax is due which will automatically be withheld from the buyer and paid by the notary at the tax authorities. The rate is 3% over the highest of (i) the purchase price or (ii) the registered value at the tax authorities if less than AWG 250,000, otherwise it is 6%.

The sale of shares in a real estate company is, until now, not taxable (contrary to for example the Netherlands).

### Can **WTS** assist you further?

Should you be interested in more information or should you have plans to start a business on Aruba, our team of professionals is there to assist you with any questions you may have. You can reach us via the above mentioned contact information.

**We** provide high quality services,  
**Think** and act pro-actively and deliver  
**Smart** solutions at competitive prices!