

# GOOD TIMES IN MEDELLIN, COLOMBIA

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## **Colombia: The New Panama?**



### **COLOMBIA: AN IDEAL COUNTRY FOR THOSE IN THE MARKET FOR A SECOND HOME?**

The following Bill is scheduled to be presented to the Colombian Congress.

Medellin, September 6, 2007 - In the following days the office of Treasury Ministry and Public Financing will present for consideration, to the Congress of Republic, a proposal aimed at stimulating the economy in Colombia, with an emphasis on promoting the development of a new real estate market designed to attract foreigners interested in purchasing property in Colombia.

The proposed Bill has taken into consideration the improved security in Colombia to help sell the plan, among other benefits including; affordable medical services, advanced telecommunications, warm climate, sandy beaches, wonderful landscapes, recently added airline connections from varies carriers. The Bill also provides generous benefits to both the land developer as well as those purchasing investment properties.

The National Council of Political and Social Economic Department has already approved the general guidelines for the proposal submitted by The Treasury Ministry and Public Financing department for the development and stimulation of the Colombia's economy. The NCPSED have also recommended that the Bill allow for more elaboration of the plans proposed framework before it is submitted to Congress for approval.

The Bill is aimed at Colombian citizens living abroad and foreign investors with the objective of purchasing an investment property as a second or vacation home. It also

includes plans and provisions for those who want to retire in Colombia sometime in the future. The new Bill includes many incentives to lure retirees from around the world to consider Colombia as a retirement option. The purchase of a property can also make for a profitable and safe alternative investment with regards to income property.

The objective of the Colombian Government is to enter into the investment market that has recently developed in Central and South American. Thanks to the positive advances that Colombia has made in recent years it has encouraged investors from North America as well as Europe to look at Colombia as having great investment potential outside of their respected countries. Investments from foreigners will help improve the economy and aid in the development and improvement of the Colombia's infrastructure.

The benefits for investors: In order to develop a successful program in the second house market in Colombia it is necessary to approve benefits for these urban projects for potential investors.

An investor will not have to pay taxes on the purchase of the property.

The import of home furnishings, personal property, one automobile, will not be taxed as long as they are not sold in Colombia to another party.

You will not be taxed if you decide to rent your property to tourist visiting Colombia.

There is also an exemption on rent income originated outside of Colombia.

In order for investors to receive these benefits a person must demonstrate a minimum income whose amount you would need to meet which would be established by DIAN. They cannot deny or refuse proposals with the exception being of national interest and security.

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