



INVESTOR GUIDE

Republic of
Montenegro **Fact Sheet**



INTRODUCTION



Welcome to Montenegro the best-kept secret of the Mediterranean.

With its breathtaking blend of mountains cascading into azure seas, Montenegro embodies Lord Byron's poetic vision where the gods themselves crafted a land of unparalleled beauty.



Montenegro, the Mediterranean's best-kept secret, beckons international with its unparalleled beauty and exclusive developments like Porto Montenegro, Lustica Bay, Risan Movenpick, and a myriad of other luxurious residential projects.

Nestled where mountains meet the sea, Montenegro captivates with its pristine landscapes and rich cultural heritage.

Whether exploring the upscale marinas, serene beaches, or vibrant communities like Portonovi or Porto Montenegro, investors discover a harmonious blend of luxury living amidst breathtaking natural surroundings.

Montenegro isn't just an investment opportunity; it's a testament to unmatched potential and timeless allure.

WELCOME TO THE NEW RIVIERA



DISCOVER MONTENEGRO



Beautiful and wild, welcoming and vibrant, this is a nation unlike any other. Montenegro has both a well-developed infrastructure and unspoiled natural resources, which has helped it become one of the world's fastest-growing tourist destinations.

LOCATION

633 158

PEOPLE LIVE IN MONTENEGRO

117

BEACHES ACROSS 239KM

FOUR

UNESCO WORLD HERITAGE SITES

FIVE

NATIONAL PARKS

240+

SUNNY DAYS A YEAR

MONTENEGRO



AN UNBEATABLE LOCATION

Position on the Adriatic coast means it's easily accessible from anywhere in Europe – or even further away.

Nautical distances

Dubrovnik	32 NM
Split	145 NM
Corfu	190 NM
Venice	350 NM
Athens	395 NM
Bodrum	645 NM
Didim	650 NM
Porto Cervo	710 NM
Istanbul	830 NM
Cote D' Azure	890 NM
Mallorca	1005 NM
Barcelona	1050 NM

Flight times are based on the fastest travel time by plane. Source - google.com/flights, figures correct at the time of print. Sea distances may not be 100% accurate and should be used only as guidance.

The Adriatic Riviera enjoys excellent transport links across Montenegro and to the wider world. Montenegro has three international airports less than an 2 and a half hours apart, while Croatia, Serbia, Albania, and Bosnia and Herzegovina are all close enough for day trips by car.

The surrounding seas are easily traversable, thanks to tranquil waters, reliable winds, and world-class marina infrastructure. The Adriatic and much of the Mediterranean coast can be explored from the many ports of Montenegro, glamorous destinations such as Trieste, Hvar, Dubrovnik and the Dalmatian Islands all within easy reach.

3

international
airports

Dubrovnik
DBV

Podgorica
TGD

Flight times

Rome	1 hour
Paris	2 hours
London	3 hours
Moscow	3 hours 15 mins
Dubai	6 hours
New York	12 hours

Tivat
TIV



A view like no other

Few stretches of coastline anywhere in the world can rival the allure of Boka Bay. This spectacular landscape is shaped by dark mountains and mirror-flat waters, with sun-sparkled waves that gently ripple in the Adriatic breeze.

Vast limestone outcrops rise from the horizon, giving shelter to the ancient walled towns that sit quietly by the shore. Each hides its own story, with a beguiling mix of Ottoman, Greek, and Roman influences that beg to be explored.

Montenegro is truly a year-round destination, blessed with a Mediterranean climate and an array of terrains and landscapes. From winters filled with skiing to summers spent beneath the balmy Adriatic sun, every season here is filled with things to do, see, and experience.

A VIBRANT NATURAL PLAYGROUND



Tara River Canyon



Black Lake, Durmitor National Park

In spring and summer, the epic mountains of Durmitor National Park offer world-class cycling, hiking, and swimming in their many lakes and rivers. Then, as winter arrives, the area reinvents itself as the region's foremost ski resort.

INVEST IN A NATION

With a thriving economy, a welcoming tax regime, and European Union membership on the horizon, there's never been a better time to own a piece of Montenegro for yourself.



Montenegro has one of the most favorable tax regimes in Europe

with a VAT rate of

21%

3%

**P.A. TREND
ECONOMIC GROWTH***

NATO membership in the 2017 Partnership for Peace (PfP) program

5% ANNUAL ECONOMIC GROWTH TREND FORECAST

When Montenegro adopted the **Euro as its official currency in 2002**, few could have predicted the success story that would follow. But over the last two decades, a series of smart decisions have paid off, and today, the nation stands as a leading example of shrewd economic planning.

Four years after joining the Euro, **Montenegro gained its independence** and set the goal of becoming one of the world's leading luxury leisure destinations. Thanks to **EU Accession funds in part and plentiful foreign investment**, the Balkan nation is now known internationally as one of Europe's most desirable tourist hotspots.

At the heart of the government's strategy is a **business-friendly environment**. State interference is minimal, and every effort has been made to create a welcoming home for foreign investment.

The **standard VAT rate is 21%**, and the **reduced rate is 7%**.

Real estate transfer tax is 3% for up to 150,000 EUR, from 150,000.01-500,000 EUR, 4500 +5% on the amount over 150,000.01; over 500,000.01 EUR 22,000 EUR + 6% on the amount over 500,000.01 EUR. It applies to the second and every subsequent transfer of real estate. The first transfer of newly built real estate is subject to VAT.

Capital gains tax is 15% on the difference between the sale and purchase value of the real estate.

Property income tax (rental) is 15%, with recognized costs of 30%. The converted rate is 10.5% + 13% surcharge.

Double Taxation Treaties with over 40 other countries, including the UK, China, and Switzerland.

Depending on whether it is a legal entity or a natural person, there are two types of taxes:

Income tax:

- 1) up to 100,000.00 EUR: 9%;
- 2) from 100,000.01 EUR to 1,500,000.00EUR: 9,000.00 EUR+ 12% on the amount over EUR 100,000.01;
- 3) over 1,500,000.01 euros: 177,000.00 euros + 15% on the amount over 1,500,000.01 euros.

The **tax withholding rate is 15%** - except on the income generated by a non-resident legal entity, a withheld tax is paid at a rate of 30% based on the amount of gross income if that person is from territories with tax sovereignty where:

- regulations that have a lower tax burden on the profit of legal entities and on the payment of dividends are applied in relation to this law and the law regulating the taxation of the income of natural persons;
- no data is exchanged with the competent tax authority in order to determine:
- real owners of legal entities;
- tax obligations in accordance with the law.

Personal Income tax: Based on personal income

0% on the amount of taxable income up to 700.00;
9% on the amount of taxable income from 700.01 to 1,000.00
15% on the amount of taxable income of 1,000.01

Based on independent activity:

9% on the amount of taxable income from 8,400.01 to 12,000.00
15% on the amount of taxable income of 12,000.01;

Based on property: capital; capital gains; income from sports activities; income from copyright and related rights, patents, trademarks, and income of independent experts in culture; non-salary income 15%

Montenegro is politically stable and economically competitive. As a full member of the **World Bank, IMF, and the WTO**, the country boasts strong property rights and a well-established legal, civil, and mercantile establishment - which will only be enhanced further when **full EU membership is achieved**. With a welcoming tax regime and a strong and sustained economic growth forecast, there's no shortage of reasons to make this thriving nation the site of your next investment.

A LUXURY HAVEN



Porto Montenegro



Lustica Bay

The nation's rebirth as a tourism destination has led to a flourishing market in high-end real-estate. In recent years, Montenegro has solidified its position as one of Europe's foremost second home and property investment markets.

REAL ESTATE TAX OVERVIEW

Considering buying in Montenegro? *Here's what you need to know...*

TAX AT A GLANCE

Progressive income tax rate:

- Up to EUR 100,000.00 -> 9%;
- From EUR 100,000.01 to 1,500,000.00 -> EUR 9,000.00 + 12% to the amount exceeding EUR 100,000.01;
- Over EUR 1,500,000.01 -> EUR 177,000.00 + 15% to the amount over EUR 1,500,000.01.

The annual real estate tax is from 0.25% to 1% of the market value of real estate, and the specification is done on a yearly basis by the municipality where the real estate is located. For secondary housing objects, the rate can be between 0.3% and 1.5%.

NAUTICAL TAX

Montenegro has the most yacht-friendly legislation anywhere in Europe. Law on Yachts provides a vignette system that charter yachts can use for multiple entries.

The user-friendly system also allows frequent changes to the crew and passenger manifest. 0% VAT on charters.



*globalpropertyguide.com/Europe/Montenegro/rent-yields. Terms & conditions apply.
Details are correct at the time of print and subject to change.



LAND OF WILD BEAUTY

The Black Mountain nation has a long association with luxury travel. In the 1960s, it became a refuge for the international jet set, with Sophia Loren, Elizabeth Taylor, and Princess Margaret all known for their devotion to its spectacular natural beauty.

Today, that reputation is in resurgence. As the well-traveled search for new and unspoiled destinations, Montenegro's quiet and unassuming charms have propelled it to the top of industry lists – and that renewed interest has been reflected in large-scale foreign investment in tourism. Recent years have seen many notable openings from renowned Luxury hoteliers, including Regent Hotels, The Chedi, Aman Resorts, Hilton, Hyatt Regency, Marriott, One & Only, Movenpick, and Melia. At the same time, Montenegro's reliable winter snowfall and pristine mountain landscapes have encouraged the rapid development of a world-class winter tourism infrastructure.

A LUXURY LEISURE DESTINATION

Montenegro...

is the world's **5th** *fastest-growing* tourist destination*...

with **2.6 million** visitors in 2023...
that's a **19.4%** increase compared to 2022.

*Source: Monstat

Investors...

have set out **€5bn** for high-end resorts in the coming years...

and Montenegro is now predicted to become **the world's fastest-growing tourism economy** over the next decade*.

*Source: World Travel & Tourism Association, 2023 data.



Through IBEXMONT, investors receive not only access to exclusive opportunities in Montenegro's most prestigious developments—such as Porto Montenegro, Lustica Bay, and Portonovi—but also the benefit of a full 360-degree advisory service. From finding the plot of land for ground up development or refurbishment, through legal, tax, and financial guidance to market research, valuation, and project development, our expert team ensures that each investor can make the most qualified decisions with complete confidence, while we manage every aspect of the process with precision, insight, and integrity.

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