



## ISSUES RELATING TO FOREIGN INVESTMENT

### Hungary Nagy és Trócsányi

#### CONTACT INFORMATION

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- 1. Is state governmental permission required for foreign investors to acquire real estate? If so, please identify.**

In case of non-agricultural lands, foreigners (individuals or entities) may acquire title of real estates only with a permit granted by the competent Governmental Administrative Office. The permit may be given only, if it does not violate any local municipality or other public interests. Such restriction shall not apply to EU nationals as they can acquire non agricultural real estates under the same conditions as the Hungarian citizens (that is without permit).

The title of the agricultural lands cannot be acquired by foreigners (natural persons or legal entities). Such prohibition does not apply to EU nationals wishing to settle in Hungary to independently engage in agricultural production, and who have been legitimately residing in Hungary for at least three consecutive years and are pursuing agricultural activities, as the general provisions pertaining to Hungarian individuals shall apply to them. Note that Hungarian legal entities are also prohibited to acquire title of agricultural real estates.

- 2. Are there other state restrictions imposed on ownership of real estate by foreign investors? To acquire interests in entities which own real estate? If so, please identify.**

No. See answer to question 1.

- 3. Are foreign investors required to invest with a local partner? If not, is investment with a local partner advisable?**

No.

- 4. What state taxes are levied solely on foreign individuals or entities acquiring or transferring real estate or interests in entities which acquire real estate?**

There are no such taxes that are levied solely on foreign individuals or entities.

- 5. Describe reporting requirements for reporting the acquisition, ownership or disposition of real estate which relate solely to foreign direct or indirect owners of real estate.**

No. See answer to question 1.