HOW TO BUY PROPERTY IN THE

DOMINICAN REPUBLIC

A practical checklist for buyers from the United States, Canada, the United Kingdom and eurozone countries

THE DREAM IS THE EASY PART.

Ocean air. Barefoot mornings. A place you can enjoy, share and potentially rent. The purchase itself can feel nearly as inviting when it is handled in the right order, by the right professionals.

CHOOSE IT • VERIFY IT • FUND IT • CLOSE IT • ENJOY IT

Foreign buyers generally may purchase Dominican real estate without first becoming residents. The safest path is straightforward: retain independent Dominican counsel, verify title and condominium records, document funds, and register the transfer correctly.

Your purchase team

- ☐ **Independent Dominican real-estate attorney** — Represents you, conducts title and legal due diligence, drafts/reviews documents and coordinates registration.
- ☐ **Home-country tax adviser** — Explains reporting, rental-income and eventual sale obligations where you are tax resident.
- ☐ **Bank or regulated FX provider** — Documents the source and movement of funds and reduces conversion surprises.
- ☐ **Inspector and property manager** — Confirms condition, operating readiness and the realities of remote ownership.

IMPORTANT: This educational guide is not legal, tax, investment, immigration or financial advice. Rules, assessed values and filing thresholds change. Engage qualified advisers before signing or transferring funds.

The 7-step Dominican Republic buying checklist

1. Define how you want to own and use it

- ☐ Choose the intended use: personal retreat, part-time rental, full-time short-term rental, or a flexible hybrid.
- ☐ Ask Dominican counsel whether ownership should be personal, joint, corporate or another structure. Decide before the purchase contract—not after.
- ☐ If buying a condo or lockout, confirm each rentable space, title configuration and permitted use in writing.

2. Make the offer safely

- ☐ Use a written reservation or promise-of-sale agreement reviewed by your independent attorney.
- ☐ Make the deposit refundable during a clearly defined due-diligence period when commercially possible.
- ☐ State the price and payment currency, included furnishings, closing date, possession, conditions, defaults and refund terms.

3. Verify title, seller and property

- ☐ Have counsel obtain and validate the current Certificate of Title and confirm the seller has authority to sell.
- ☐ Order a current registry status/certification and check mortgages, liens, annotations, litigation, easements and other encumbrances.
- ☐ Confirm cadastral identity, boundaries or unit designation match the property you toured.
- ☐ Verify property-tax status and obtain evidence that applicable taxes, utilities and condominium assessments are current.

4. Verify the building and the business

- ☐ Review condominium declaration/bylaws, meeting minutes, budgets, reserves, insurance, special assessments, litigation and management agreement.
- ☐ Confirm short-term rental rules, licensing/registration requirements, guest policies and any management restrictions.
- ☐ For an income property, reconcile booking statements, bank/manager statements, occupancy, ADR, expenses and owner-use history. Treat projections as projections.

5. Inspect and insure

- ☐ Use an independent inspection appropriate for coastal property: structure, moisture, corrosion, electrical, plumbing, HVAC, appliances, doors/windows and storm exposure.
- ☐ Get written insurance indications before the final commitment; understand deductibles, exclusions and hurricane/wind coverage.

- ☐ **Consider title insurance. The U.S. State Department specifically recommends it for Dominican real estate transactions.**

6. Fund and close with a paper trail

- ☐ **Request written wire instructions and independently verify them through a known phone number before sending money.**
- ☐ **Keep bank statements, contracts and transfer confirmations showing source of funds. Ask about compliance documents early.**
- ☐ **Have counsel calculate closing funds, taxes, registration charges, professional fees, adjustments and reserves in a written settlement statement.**

7. Register, operate and enjoy

- ☐ **Do not stop at signing. Confirm the deed/act of sale is filed and the transfer is completed through the proper tax and title-registration process.**
- ☐ **Obtain the updated ownership evidence, final settlement file, tax receipts, keys, inventories, access credentials and insurance documents.**
- ☐ **Set up utilities, HOA payments, local contacts, accounting and property management before the first guest—or your first sunset.**

Know the numbers before you fall in love

Ask for one written acquisition budget and one realistic annual ownership budget. That turns a beautiful possibility into a confident decision.

Cost category	What to include	Confirmed
Purchase funds	Price, deposit schedule, currency and bank/FX spread	☐
Closing costs	Transfer tax, registry/filing charges, legal fees and other transaction costs	☐
Building costs	HOA/condo dues, current or planned assessments and reserve needs	☐
Annual ownership	Applicable IPI property tax, insurance, utilities, repairs and management	☐
Rental operation	Platform/manager fees, cleaning, supplies, maintenance, accounting and taxes	☐
Contingency	Furnishings, deferred maintenance, vacancy and coastal wear	☐

Dominican taxes: the short version

- ☐ **Budget for the real-estate transfer tax** — The Dominican tax authority's materials identify a 3% real-estate transfer tax; counsel should confirm the taxable base, deadline and any applicable exemption for the specific transaction.
- ☐ **Check annual IPI exposure** — DGII currently describes IPI for individuals as 1% on taxable real-estate value above the published threshold. The threshold and exemptions can change, and the calculation is based on DGII values—not necessarily the purchase price.
- ☐ **Model rental and resale taxes** — Have Dominican and home-country advisers address rental income, deductible expenses, withholding/filing, capital gains, foreign tax credits and estate planning.

FINANCING: If local financing is essential, obtain written prequalification, required documents, currency, rate, term and closing timeline before making a non-refundable commitment.

Your home-country addendum

The Dominican closing process is largely the same; the reporting and currency questions travel home with you. Use the section matching your tax residence, then confirm it with your adviser.

United States

☐ **Plan the USD transfer** — Compare total delivered dollars—not just the advertised FX fee. Confirm wire limits, timing and source-of-funds records.

☐ **Report worldwide rental income** — U.S. taxpayers generally address foreign rental activity on their U.S. return and should ask about expenses, depreciation, passive-activity rules and foreign tax credits.

☐ **Separate real estate from foreign accounts/entities** — The IRS says directly held foreign real estate is not itself reported on Form 8938. Foreign financial accounts or an entity used to hold the property can trigger separate reporting, including FBAR/Form 8938 or entity forms.

Canada

☐ **Plan CAD-to-USD funding** — The property price may be quoted in USD. Lock down the conversion method, transfer timing and a contingency for exchange-rate movement.

☐ **Review Form T1135** — CRA generally requires Form T1135 when specified foreign property exceeds CAD 100,000 in cost. Personal-use property can be excluded, while an income-producing or predominantly rented property may be reportable.

☐ **Plan for rental income and sale** — Ask a Canadian adviser how to report foreign rental results, convert amounts to CAD, calculate adjusted cost base and claim available foreign tax relief.

United Kingdom

☐ **Plan GBP-to-USD funding** — Confirm conversion spread, bank/FX provider compliance requirements and the amount that must arrive at closing.

☐ **Report foreign property income** — UK residents should ask about Self Assessment reporting for overseas rental profits and the records required in sterling.

☐ **Plan for eventual disposal** — HMRC states that UK residents may owe Capital Gains Tax when disposing of overseas property and may be able to claim relief if tax is also paid abroad.

Eurozone

☐ **Plan EUR-to-USD funding** — Agree who bears exchange-rate movement and compare the all-in EUR cost of delivering the required USD amount.

☐ **Use your country of tax residence—not “EU rules”** — There is no single eurozone income, wealth, rental-property or capital-gains regime. Confirm reporting in the specific country where you are tax resident.

☐ **Check foreign-asset, wealth and account filings** — Ask about foreign-property disclosures, rental income, wealth taxes, foreign bank accounts, double-tax relief and succession rules in your resident country.

FOR EVERY INTERNATIONAL BUYER: Property ownership does not automatically equal Dominican tax residency or immigration status. If you expect long stays or a move, obtain separate immigration and tax-residency advice.

The one-page "ready to close" file

Before sending final funds, make sure your attorney or closing coordinator can place a check beside every item below.

☐ **Buyer identification complete** — Passport/ID, address, marital status and any powers of attorney are correct and accepted.

☐ **Ownership structure approved** — The named buyer and ownership percentages match legal, tax and estate-planning advice.

☐ **Seller and authority verified** — Seller identity, title and authority to sign are documented.

☐ **Title and registry review complete** — Current title/status evidence, liens, annotations and required releases are resolved.

☐ **Condo file complete** — Bylaws, finances, dues, assessments, insurance, litigation and rental rules are reviewed.

☐ **Physical inspection accepted** — Repairs, credits, exclusions and walk-through expectations are written.

☐ **Income claims supported** — If relevant, historical results are reconciled and projections clearly identified.

☐ **Insurance bound or approved** — Coverage, effective date, deductibles and exclusions are understood.

☐ **Closing statement approved** — Price, adjustments, taxes, charges, fees and final wire amount are itemized.

☐ **Wire instructions verified** — Instructions were confirmed independently using trusted contact information.

☐ **Transfer and registration plan confirmed** — Responsible party, filings, expected timing and proof of completion are clear.

☐ **After-close plan active** — HOA, utilities, management, accounting, keys, inventory and emergency contacts are ready.

THE SIMPLEST SAFE PATH

Fall in love with the property. Stay disciplined about the paperwork. Independent advice, verified title, documented money and completed registration are what make the dream easy to keep.

Questions to ask before your video tour

☐ **Is the property sold furnished and turnkey?**

☐ **Is it one titled property, and how does any lockout configuration operate?**

☐ **What are the HOA dues, reserves and known special assessments?**

☐ **Are short-term rentals expressly permitted?**

☐ **What did the property actually earn, and what did it cost to operate?**

☐ **What is the total estimated cash required to close?**

Sources and verification links

- **Dominican Internal Revenue Directorate (DGII): Real Estate Property Tax (IPI):** https://dgii.gov.do/cicloContribuyente/obligacionesTributarias/principalesImpuestos/Paginas/impuestoPatrimonioInmobiliario.aspx
- **Dominican Real Estate Registry: online services and property locator:** https://servicios.ri.gob.do/
- **U.S. Department of State: Dominican Republic travel guidance, real-estate caution:** https://travel.state.gov/en/international-travel/travel-advisories/dominican-republic.html
- **IRS: Form 8938 treatment of directly held foreign real estate:** https://www.irs.gov/businesses/corporations/basic-questions-and-answers-on-form-8938
- **Canada Revenue Agency: Form T1135 questions and answers:** https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/information-been-moved/foreign-reporting/questions-answers-about-form-t1135.html
- **HMRC: selling overseas property:** https://www.gov.uk/tax-sell-property/selling-overseas-property
- **European Union: income taxes abroad and tax residence:** https://europa.eu/youreurope/citizens/work/taxes/income-taxes-abroad/index_en.htm

Prepared September 2026. Verify all rates, thresholds, title facts and transaction-specific requirements before publication and before relying on this guide.