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The Dubai dream may be over but read our ultimate relocation guide to the little-known tax havens that will guarantee you year-round sun, cheap property and easy visas

By: LUCINDA RHODES and PAM THOMSON | Last Updated: Jun 24th, 2021 | Comments: 0 | Views: 10,125

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Since a Brexit-driving referendum in 2016 sent the British dream in the Dubai sun long served as a vision of cosmopolitanism and prosperity – a safe haven to continue to live the over-indulged Middle Eastern life.

However, there is no denying the clear dark the events of the past few months will have cast over the Emirate. Dubai's property market crashed by 20 per cent and Emirates airlines already have cancelled flights – abandoning with no prior notice the thousands of expat families who had booked them.

Yet for any Brexits reality-rattling relocation plans to the contrary, the absence of Dubai from this list does not mean it is not worthy of being considered. Dubai is still the Middle East's most cosmopolitan city, and a hub for international business.

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1. Panama

Panama City is a bustling capital of skyscrapers and villas in equal parts thanks to its tropical climate, vibrant culture and favourable tax systems.

Far higher earners, income above £40,000 is taxed at 70 per cent – relatively low in comparison to other Western European countries Symbolic photo: Getty Images

The main appeal of relocating to Andorra for UK residents is its personal income tax rate, which is significantly lower than the UK's. The top rate of tax (45%) begins when income from £30,001 to £40,000 (£34,770) taxed at five per cent.

For higher earners, income above £40,000 is taxed at 10 per cent – relatively low in comparison to other Western European countries. Similarly, limits for any focusing on estate planning and asset preservation in the country's lack of wealth, inheritance or gift tax.

It is also favourable for entrepreneurs and business owners: corporate tax is capped at 10 per cent, and social charges are 22 per cent of gross income.

Property

The Andorran property market has experienced a boom over the past five years, with gross rental yields averaging 5.8 per cent in July 2025, according to Wise. Indeed, property prices have risen by an average of 6.4 per cent in the last year, with some 2,000 per cent year-on-year increases as of 2025, with the average apartment valued at €4,440 (£3,856).

Any individual is permitted to buy property in Andorra – even without residency. However, for those without residency in Andorra, you usually need to obtain permission from the Andorran government before purchasing a property. If you are already a resident, the process is far simpler. In both cases, though, you'll need an Andorran bank account in order to complete property purchases.

Popular, high-demand areas include capital Andorra la Vella and Escaldes-Engordany the country's second-most popular parish. Prices usually range between €4,200-€700 per square meter.

Cost of living

An additional boon for British expats, the cost of living in Andorra is generally speaking lower than back home in the UK, at around 9.7 per cent lower according to Numbeo.com.

However, rent can very significantly based on location and the type of property. For example, while a one-bedroom flat in the capital costs around €400 (£347), higher spec houses will be considerably more expensive.

The cost of groceries in Andorra is usually lower than in the UK – but this is usually offset by higher household tax rates.

5. Mauritius

Although the climate is tropical, it is not quite as hot as other tropical locations. Mauritius has been voted the happiest country in Africa

Voted the happiest country in Africa, there is plenty about life on this English-speaking, low tax island that will appeal to Britons looking for a life in the sunshine. Mauritius is a tropical island in the Indian Ocean, approximately 2,000 miles off the coast of many forms of foreign income, making Mauritius an attractive destination for expats.

Visas and employment

There are several ways of obtaining residency and citizenship, accumulation period, retirement permit, or a residence permit linked to specific circumstances.

The Occupation Permit will generally be chosen by those wanting to run a business in Mauritius – either as an investor, a full-time professional or self-employed. For self-employed or investor applicants, Mauritian authorities usually require evidence that the applicant is already trading, have a credible future and enough activity to support the move.

In other words – they want to see evidence that the business activity is genuine, and not merely a shell constructed for tax purposes.

Aimed at those aged 50 and over, the Retirement Permit is available to those able to show a stable monthly transfer from overseas, or adequate financial means. It is generally reserved for those who want to live in Mauritius, but without taking foreign employment.

Taxes

Many Britons will be drawn to Mauritius not merely for its turquoise waters and relaxed lifestyle, but moreover its territorial-style tax system, and relatively low headline rates.

Personal income tax is generally charged at a flat rate of 15 per cent – competitive when set against the UK's 45 per cent top rate. There is no capital gains or inheritance tax, and corporate tax rates are also low.

Generally speaking, Mauritius does does not tax foreign-sourced income – especially attractive to any with overseas pensions, investment income, or a business located outside of the island itself.

Cost of living

Everyday expenses are generally lower in Mauritius than in the UK, but imported goods, private healthcare and international schools can push up living costs considerably. Symbolic Photo: Sergey Dolgikh Sergeyd Shutterstock

When it comes to everyday expenses, the cost of living in Mauritius is generally lower than the UK – approximately 43.4 per cent, according to Numbeo.com – with restaurants costing an average of 55.9 per cent less, and groceries some 35.2 per cent lower.

However, it's worth noting that imported goods, private schooling and top-of-the-range healthcare can push up costs considerably, and average monthly salaries are 60.1 per cent lower than back in the UK.

Rent can also vary hugely, with a one-bedroom property outside of city centre costing an average of 14,000 Mauritian rupees (£224) a month, but furnished homes in high-demand areas like Grand Baie and Flic en Flac – near international schools – costing approximately 25,000 MUR per month (£397).

Property

While foreigners are not able to invest freely in the Mauritian real estate market, there are a number of government-approved schemes and developments on hand to facilitate foreign investment and ownership. Under the Integrated Resort Scheme Development Scheme, Foreigners who invest $375,000 or more also become eligible for permanent residence.

The areas usually favoured by expats include Grand Baie, "The Riviera" of the island, Black River on the West Coast – surrounded by lush mountains and pristine beaches, Flic en Flac and Bees Champ, offering a quieter lifestyle surrounded by natural beauty.

According to William Russell, you can expect to enjoy £325 a month to rent a one-bedroom property on the island, with property prices averaging approximately £2,284 per metre squared.

6. Zug, Switzerland

The old town of Zug in Switzerland. The town offers a highly favourable tax regime set against a backdrop of idyllic views

Home to just 125,000, the Swiss town of Zug, 22 miles south of Zurich, has been fast attracting German Double Taxpayers looking for a fresh pastures.

As the canton's Finance Director, Heinz Tarnler, told the Financial Times: "We are, of course, a small canton and we realise that we need to think ahead, but the reality is that Zug is benefiting from this process."

Already popular with business owners and investors, Zug offers a highly favourable tax regime set against a backdrop of idyllic views, a historic centre and scenic railroads.

Residency and visas

Swiss visa restrictions are tighter than other relocation destinations, so residency for non-Swiss citizens is usually provided via employment, self-employment, financial independence or familial dependency.

For those wishing to run a business or own a company in Switzerland, officials will ask to see evidence of a active, commercially viable business – rather than a shell structure.

Residency is also possible via investment: applicants are required to invest between CHF 500,000 (£450,000) and CHF 1,000,000 (£900,000) in Zug, depending on the total capital deployed determined on a case by case basis. Applicants must establish a base in Switzerland, and spend a significant amount of time in the country.

After maintaining residency for 10 to 12 years, investors may then be eligible to apply for Swiss citizenship.

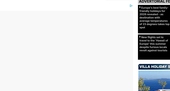
Taxes

Especially in comparison to other European jurisdictions, Zug offers a very competitive tax environment. Personal and corporative taxation in Switzerland is set at federal, cantonal and municipal levels, with Zug known for having some of the lowest rates in the country.

The effective total tax burden (combining federal and cantonsmunicipality profit tax) for companies in Zug can be as low as 11.85 per cent, compared to 0.60-0.12 per cent of taxable equity, and a standard CHF rate of 8.5 per cent.

Holding companies domiciled in Zug, and mainly holding investments in other companies, are almost completely exempt from tax at the cantonal level.

Known as 'Crypto Valley', Zug is also an enticing location for crypto, blockchain and start-ups, as the town offers breaks for innovation in these areas, as well as a strong network of investors and developers.



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Cost of living

Even by Swiss standards, the cost of living in Zug is considerably high. Rents usually range between CHF 2,000 and CHF 3,000 per month, groceries are not generally cheap and transport can be higher than in other cities.

According to Numbeo.com, you can expect to pay about 28.9 per cent more for rent in Zug, compared to London, which grossers a whopping 83.7 per cent more expensive than in the UK.

Property

Especially for foreign buyers, buying property in Zug is highly controlled, and can be expensive, too. According to Homelink.ch, property, or establishing yourself in the country first, usually makes the process easier.

Given Zug's petite size, supply of property is also limited – with prices usually reflecting the canton's advantageous tax environment and reputation as a good, safe place to live.

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