

How to migrate as an American moving to Europe



Blacktower Financial Management



BLACKTOWER
FINANCIAL MANAGEMENT GROUP

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About Us

The Blacktower Group was formed in 1986 to provide independent wealth management advice and a bespoke service for both individual and corporate clients around the world.

Having celebrated over 35 years in business, our independent financial advisers continually keep pace with the changing needs of our customers, regulations and legislation. They are led by our Chairman, John Westwood, one of the founders of the firm.

In 2000, Blacktower expanded offshore and opened its first office in the Algarve, Portugal, with Blacktower Financial Management (International) Ltd (BFMI) being established shortly after in 2003. Today, the Blacktower Group has offices in Europe, Gibraltar, the UK, the US, Switzerland, Australia, and Cayman and is continuing to expand its regulatory footprint.

The world of investment and financial planning services is complex, even if you are financially aware, and finding the right products is time consuming. That's why we are here. With our knowledge and experience we can potentially save you time, money and bring you peace of mind.

We want to help you work towards your financial aspirations, and strive to realise some dreams. So, we're there for you at all the key moments in your life. We believe our role is to listen and understand your needs. Then we use our experience to find the right products for your circumstances, personal or business, home or abroad.

We guarantee, whatever financial planning services you require, you'll get the same high level of professionalism and attention. We also have Consultants throughout our offices in Europe who as well as speaking English, also speak Spanish, Swedish, Danish, Norwegian, French and Italian.

“We believe we are renowned globally for our comprehensive wealth management experience, we offer holistic financial planning services tailored to help you secure and enhance your financial wellbeing, no matter your location worldwide.”

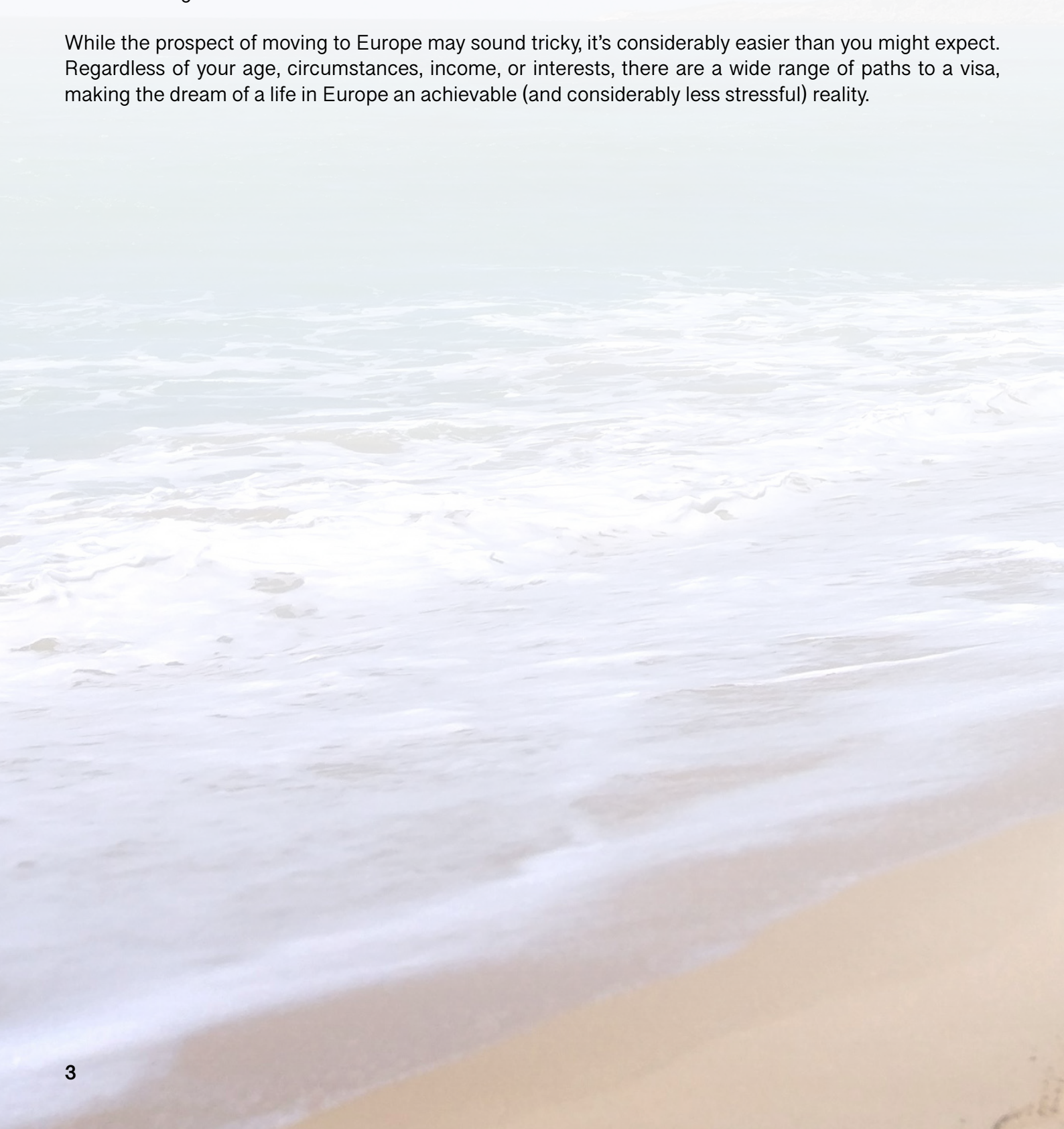
– John Westwood, Group Chairman

Introduction

If you're a US citizen who's been considering moving to Europe from the States you're not alone; over the past year the number of Americans interested in relocating across the pond has skyrocketed, with Portugal, Greece, Spain, France, and The Netherlands all topping the list of most popular destinations.

If you've just started researching your options, you might be wondering just how easy it is to make the move. Ultimately, this depends on your situation and the country you choose to relocate to, but European countries in general are doing what they can to make the process as easy as possible for US expats. This is largely down to the dollar and euro reaching parity, which is inspiring more Americans to look at emigrating, while countries across Europe have been spurred on to introduce new residency schemes and revisit existing ones.

While the prospect of moving to Europe may sound tricky, it's considerably easier than you might expect. Regardless of your age, circumstances, income, or interests, there are a wide range of paths to a visa, making the dream of a life in Europe an achievable (and considerably less stressful) reality.



Why leave america?

European countries hold a lot of appeal for American expats, largely due to the affordable healthcare, lower cost of living, and higher quality of life available in Europe. Housing prices tend to be cheaper, and you don't need to be wealthy or have a corporate sponsor to get a European visa. In addition, moving to Europe is a great way to build your skills, gain new knowledge, and cultivate an extended network of colleagues and friends.

Living abroad has always had a certain romantic appeal, but in the wake of the pandemic more and more of us are being struck by wanderlust. The rise of remote working during the pandemic also shows no signs of abating, making a move abroad a practical possibility for many, where previously it was a dream for retirement. Record numbers of Americans have been seeking second passports and foreign visas, and there's no shortage of destinations. From Mexico to Costa Rica, the world is full of beautiful places and unique cultures to immerse yourself in. But many Americans dismiss Europe as a possibility due to the perception that gaining a visa or residency permit is very tough.

The reality is that moving to Europe is entirely achievable. This guide will walk you through all you need to know to get started

The top things to know about moving abroad

The big thing to wrap your head around is that moving abroad is a lot easier than you think, provided you know which visa you're best qualified for so you can make the move away from the states long-term. Beyond this, make sure you're clear on how your income factors into your ability to qualify for a visa, and don't assume you'll be able to find work abroad and base your application on this. Unless you're a highly skilled individual with qualifications in a sector that is in high demand, it's extremely difficult for a US citizen to gain a work visa.

If you do want to go down the work visa route you'll need to either have a high level of savings to support yourself, or existing employment that can be done remotely from wherever you end up moving.

Think about your priorities

It goes without saying that moving abroad is a big decision that requires a lot of preparation and considerable financing, this means you need to make sure you've determined what you want from your new life in Europe before committing to a particular location or country. If you are moving with a partner or family, you'll also want to consider what is important to them. Some of the topics you might want to cover and rank in terms of importance are:

- Proximity to any family/friends
- Climate
- Cost of living/property
- Healthcare
- Accessibility: rural or city location?
- Cultural differences
- Language barriers
- Job opportunities

What Are The Options As An American Moving To Europe?

To reside in Europe on a long-term basis legally you require a foreign residence or work permit. Depending on how you obtain them, you might need both. The process can be very daunting, but it's not as complex as you might think. Start by applying for your visa of choice from America. Once that has been approved you will be able to enter the country you're moving to under your US passport. That will then allow you to apply for a work permit or residency.

Where European countries are concerned there are a lot of different visa options, including the digital nomad visa, golden visas, work visas, self-employment visas, talent visas. Start-up and student visas. We will get into the specifics of these in a moment.

Deciding Where To Move As An American Expat

While there are some countries that are consistently topping the lists for American expats, their popularity doesn't automatically make them the best choice for you. When it comes to choosing your perfect country, consider first if it offers visa and residency options that are right for you. There will be certain visa options that are far easier for you to qualify for than others. And while there's no 'perfect' place to live (you'll always have to compromise on the odd thing), you should choose a location that truly speaks to you.

Elements to consider that usually carry the most weight are:

- Climate - do you want to be basking in sunshine most of the year, or are you happy in cooler climes and winter wonderlands?
- Population and Location - are you one for big, bustling cities, or quiet country villages? Will it be somewhere near the beach, a cottage in the country, or city center?
- Healthcare - you'll find affordable healthcare in most European countries, but some offer better quality of care than others.
- Cost - how much income you have will dictate where you can afford to live comfortably. Choose wisely, and don't assume city life isn't an option just because you can't afford the capital city of one country; shop around. Europe has 48 capital cities!

Another important factor to look at is the culture of the country you're moving to. If you're looking or somewhere with a structured approach to time and life, like the US, Northern Europe is going to be the better option. If, on the other hand, you want a way of life that's a little less rigid, South Europe is for you. Mediterranean life has a much slower pace, with vastly varying work hours, lunch hours, and store opening times. If you love a good afternoon nap, the Med is definitely for you. But if you're frustrated by a lack of momentum and unpredictable schedules, stick to the north!

The Easiest Countries To Emigrate To

Immigration policies vary from country to country, meaning you'll find it easier to move to some than others. Your situation is a major factor in this; it may be possible to get straightforward residency in certain countries. As an example, remote workers can currently obtain digital nomad visas for most countries in Europe with ease. The short-term digital visas currently available in Georgia, Estonia, and Croatia are particularly easy to obtain.

Retirees are likewise in a position to gain straightforward entry. Highly skilled workers and investors usually find they have relatively easy options as well. Portugal and Spain have long-since been favored by expats and have easy options for residency. Meanwhile, for the self-employed or freelance workers, Germany and the Netherlands are easily accessible countries.

Top Tips For Tougher Countries

The flipside of this is that some countries - for example, Iceland, Norway, Sweden, and Denmark - are notoriously tough to get into. There are limited visa options available in these countries for the average American. In-company transfers to foreign offices, and having a spouse or parent who lives in one of these countries is the most common path to entry.

Another option is moving to one of these countries to study, then utilizing your university and local networks to gain work on graduation. While there's no guarantee you'll find work at the end of your studies, some countries will grant visa extensions to allow you to search for a job.

The Cheapest European Countries To Live

Portugal and Spain typically offer the most affordable way of life in Europe (hence their popularity). Both of these countries are in Western Europe. If they don't appeal - or they're not an option - and you're looking for the cheapest alternatives, head east and consider Bulgaria, Poland, or Georgia, all of which are very budget friendly and great for expats.



Make The Most Of The European Visa Options

American passport holders can make short stays in foreign countries without a visa for up to 90 days out of a 180-day period. Living in Europe, however, means obtaining a long-stay visa or a residency permit. There are several options for long-stay visas, allowing you to choose whatever fits your circumstances best. Although every European country offers slightly different visa options, here's a run down of the main types of visa that you'll find across the continent:

Digital Nomad Visas

Every year the number of countries offering digital nomad visas goes up, and every year the number of expats embracing the Digital Nomad ethos to 'work from wherever' goes up to match. The pandemic further spurred the growth of this lifestyle, with so many companies forced to accept remote working was not only possible, but far better for many workers.

As you would expect, it's the most forward-thinking European countries, already highly popular with expats, who are offering digital nomad visas. This includes Croatia, Estonia, Iceland, and Georgia. Other EU countries include:

- Greece
- Malta
- The Netherlands
- Portugal
- Spain

This is by no means an exhaustive list, so if the country you're hoping for isn't mentioned it's worth checking if they have a digital nomad scheme.

These visas are designed for those who are operating remotely and are looking to work in locations outside their registered country of residence. These visas give remote workers the flexibility to change their working environment often whilst still working legally within countries of their choosing. In most circumstances, you'll pay taxes in your home country rather than the country you are working in temporarily.

Digital nomad visas are usually valid for a year, so if you're looking to make a permanent move to obtain residency or citizenship it may not be the best choice for you. That said, it's a great way to really immerse yourself in a country's culture to be sure you'll love life there, before making the move permanent. It's also a great way to hop around all the countries in Europe; spend a year in any that appeal to you.

Golden Visas

Golden visas are more suitable for those with considerable cash reserves who are looking to commit to one country long-term and are possibly hoping to obtain citizenship there in time. With a Golden visa, you can study, work and access healthcare in that country after making a significant investment in the country, usually by purchasing property or making a donation. The required size of this donation varies, but it will usually need to be at least 250,000.

European countries offering golden visas include:

- Spain
- Portugal
- Greece
- France
- Switzerland
- Malta

Work Visas

The most common type of visa is the work visa, although it can be quite tricky to obtain them. Most countries in Europe prioritize local talent when it comes to recruitment; unless they have a shortage of the talent needed, it's unusual for EU companies to seek American workers.

That said, if you have a very in-demand skill which is highly valuable to your European destination, this is a great option. If you are moving to Europe to work, you can apply for a European work visa which is usually valid for one year and can be extended across the EU. As an example, one great option is to obtain a work visa so you can teach English; this will give you access to countries like Spain and Czechia. Once you're there, you may also be able to find options that allow you to stay permanently.

If you are moving to the EU in search of a job, several countries offer Job Seeker visas including:

- Austria
- Germany
- Portugal
- Spain

Self Employment Visas

An alternative for business owners and aspiring entrepreneurs is to take advantage of self-employed visa schemes, which are available across Europe. Countries like Iceland, Germany, and Portugal offer visas to regularly self-employed individuals as well as freelancers and entrepreneurs. A self-employment visa will allow you to live in a country for 1-2 years. It's possible to extend your stay when you reach the end of that period for up to 5 years. You can also become eligible for permanent residence or citizenship following the fifth year.

If you're looking to work in a freelance or entrepreneurial capacity in the EU, several countries offer visas that cater to that working arrangement and make tax liabilities easier to navigate. These countries include:

- Greece
- Spain
- Portugal
- France
- Malta

Talent Visas

Talent visas are another work-related option for the cultural and technical professional looking for a change of scenery. France and several other European countries are happy to offer young and highly talented individuals in fields like digital technology, academia, culture and the arts talent visas to encourage them to work for their companies.

While there's usually a highly intensive interview process to gain a talent visa, as well as a presentation to demonstrate just how talented you are, this can be a great gateway to permanent residency in Europe.

Start-Up Visas

Another option in the same vein as the self-employed or talent visa is the Start-Up visa. If you're building a brand new business and looking to make Europe your base of operations, this is definitely a good option.

France, Estonia and Portugal all offer start-up visa programs that enable budding entrepreneurs to become residents so they can launch new businesses in their country. These schemes are geared towards attracting top talent, much like the talent visas, and encouraging new and exciting business ventures to flourish and contribute to the native economy.

Unlike the traditional business visa, however, you don't need a proven track record and a ton of money in the bank. And, unlike the talent visa, the onus isn't on you, personally, to prove you're a prodigy. All you need is a good and viable business idea.

Student Visas

The student visa can be a good option if you're learning, just be aware that there are more limitations surrounding work with this one than others. Student visas don't always entitle you to work in Europe. Although there are possibilities in some countries to find work and stay following the end of your studies, it's not a given, so do check before you commit to studying in a particular area.

There will be different laws surrounding how many hours you can work per week while you're a student, depending on which country you're in. If you want to gain permanent residency following your studies you must comply with whatever these limits may be.

You may be able to take advantage of privately organized volunteer and part-time work programs during the summer, as well as seasonal jobs. If you have highly specialized skills you may also be able to get access to the special EU Blue Card, allowing you to work while studying, plus easier options for moving to other EU countries.

Choose European Countries with Favorable Income and Tax Opportunities

When working with aspiring expats, one of the most common inquiries we receive is whether it's challenging for Americans to find employment opportunities in Europe. Unfortunately, providing a straightforward answer to this question is difficult as the level of difficulty depends on individual circumstances.

Obtaining a work visa becomes relatively easier when a foreign company is willing to sponsor it. This visa allows you to reside in the country for a specific duration. However, certain factors come into play, such as pursuing a master's degree in a high-demand field, or possessing highly specialized skills, which necessitate a more rigorous approach.

Alternatively, you may explore numerous remote work options that do not directly impact your location within Europe, unless your employer imposes any restrictions. Engaging in remote work or freelancing provides exceptional freedom and flexibility, enabling you to work and live anywhere in the world.

It's important to remember that your income and taxes are intertwined. As a U.S. citizen, you are required to pay U.S. income tax annually, irrespective of your location. Simultaneously, you must fulfill tax obligations in your new home country. Therefore, selecting countries with favorable tax policies is crucial to streamline and make the taxation process more cost-effective.

Several countries, including Malta, Belgium, The Netherlands, Ireland, and Monaco, offer advantageous tax policies and deductions for expats. For example, Belgium permits expats to deduct expenses incurred while furnishing their new homes from their tax obligations. Ireland provides tax relief for school fees for expats' children. The Netherlands allows up to 30% of your salary to be exempt from taxes. France and Italy also extend significant tax benefits to expats and skilled workers. Additionally, Portugal offers the Non-Habitual Residency tax program, which applies a flat rate of 20% on Portuguese income and exempts any income earned abroad for up to 10 years after obtaining a residence permit in Portugal.

European Countries with Hassle-Free Immigration Policies

Every country maintains its unique immigration policies, leading to varying levels of ease when it comes to relocating. However, certain countries offer more favorable conditions for expatriates and remote workers, making them attractive choices. European countries such as Portugal, Spain, Estonia, Georgia, and Croatia fall into this category, thanks in part to their relatively open immigration policies. Portugal and Spain, in particular, stand out as they not only provide a vibrant culture but also offer a swift path to residency and a lower cost of living.

For freelancers or business owners, the Netherlands and Germany present excellent opportunities. The Netherlands and the U.S. have a special treaty that enables American entrepreneurs and freelancers to obtain Dutch permanent residency for a duration of two years by establishing their business there.

If your primary concern revolves around budget considerations, Portugal and Spain emerge as the most affordable options in Western Europe. Moreover, Eastern European countries such as Georgia, Bulgaria, and Poland offer a combination of budget-friendly living and expat-friendly environments.

Prepare Your Finances

Before moving you'll need to ensure that you have made the appropriate arrangements regarding your finances. The best way to prepare and put your mind at ease is to seek the assistance of a local financial adviser who is familiar with the laws and legislation in the area you are moving to. Some of the financial arrangements you'll need to consider are:

- Currency exchange
- Transferring your pensions
- Opening or closing new bank accounts
- The tax efficiency of current investments in your new location
- Tax implications in your new country of residence
- Property purchasing
- Inheritance planning

How Can Blacktower Help?

We understand that you may have inquiries, and it's completely normal. Blacktower is here to offer a supportive hand throughout your journey. We encourage you to explore our personalized consulting services as you contemplate your relocation options. By scheduling a free consulting call with our team, we can guide you towards the right path for you. We offer a range of expat-tailored services, including full financial reviews, tax planning and currency exchange solutions, and can work with you to transfer your financial arrangements overseas.

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