



(Ronen Zvulun/Reuters)

# BENEFITS FOR NEW OLIM

» by Yochanan Altman

According to real estate brokers who deal with overseas clients, interest in purchasing real estate by potential olim or Jews in the Diaspora has increased substantially. In addition, Jewish Agency representative offices all over the world report that the number of people interested in making aliya is increasing.

An indirect cause is the coronavirus pandemic. Because of the need to contain the disease, governments all over the world have instituted lockouts. In some countries, the lockouts have been more successful than in others, but all countries are experiencing economic hardships. The GDP is falling, incomes are being drastically affected, and the global population is experiencing dire financial difficulties. When that happens, the minorities are the first to suffer. In many countries, especially Europe, North America and parts of Latin America, the most visible and prominent minority are the Jews. Whenever there has been a crisis, anti-Semitism has reared its head and Jews have been blamed. It has happened countless times, and there are those who fear that history may repeat itself and are taking steps to protect themselves. For many, the best protection is moving to Israel, the Jewish state.

So the expected increased demand for real estate from overseas buyers is understandable, whether for permanent accommodation for those who want to make aliya or those

who want a pied-a-terre in Israel just to be on the safe side.

Jews in the Diaspora have various reasons for wanting to make aliya, and Israel is keenly interested in promoting aliya. When the State of Israel was established in 1948, there were 650,000 Jews in the new state. Today there are approximately 7.5 million.

Gerzen Haimtov is an attorney with the firm of Barone and Comp, which specializes in tax law. He says, "The government of Israel has always been very supportive of new immigrants, especially in the all-important fiscal matters. The tax benefits to which new olim are entitled are enshrined in the 168 amendment to the Tax Law enacted in January 2007. The bill was enacted to encourage aliya among middle-class potential olim, as well as to encourage investors to make aliya and make Israel the center of their business operations. New olim had enjoyed fiscal privileges before, but what was new in the 169 amendment was its codification and the fact that it also included Israelis who had emigrated abroad and were now encouraged to return."

Among its main features, the 169 amendment included the following:

*(Nir Elias/Reuters)*

A complete tax break for a period of 10 years for any income derived from outside Israel. If after those 10 years new olim still receive income from overseas, which includes pensions, they will only be taxed according to the rates prevailing in their countries of origin.

For a period of three and a half years, new olim will have substantial tax rebates on incomes derived from being employed in Israel or from doing business in Israel.

In addition to the fiscal benefits to which they are entitled, the Ministry of Aliyah and Integration has multiple programs designed to facilitate the integration of these newcomers into the mainstream of the Jewish state.

These are some of the programs:

### **THE ENTREPRENEURS DIVISION - SPECIAL PROGRAMS**

This division within the Ministry of Aliyah and Integration operates to integrate new immigrants and returning residents into Israel's business sector. The Entrepreneurs Division leads and promotes key issues of business entrepreneurship with the goal of assisting the absorption of new immigrants and returning residents within Israel's business sector.

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