

PANAMA

Special Report



Bocas Chica:

Biodiversity, Island-Hopping, And The Boating Lifestyle In Southwestern Panama

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BOCA CHICA:

Biodiversity, Island-Hopping, And The Boating Lifestyle In Southwestern Panama

BY MICHELLE MILLER SHOGREN



Boca Chica is a beach town found in southwestern Panama, just 115 kms (70 miles) from the country's border with Costa Rica. It's in Chiriquí Province, lapped by the life-rich waters of the Pacific Ocean and famous for having some of the best beaches in Panama.

For its size, it's densely populated, noteworthy for its brightly painted, modest homes nestled together against the backdrop of lush green jungle. About 500 people from a handful of core families make up Boca Chica's local population... but there is also over a dozen expats living and doing business here.



Map of the area (Credit: Hermosa Bay)

Many others live on the neighboring islands, perched above the hillsides or along local beaches with stunning ocean views. Boca Brava Island is a protected area that sits directly in front of Boca Chica. It's ideal for stand-up paddle boarding, kayaking, or anchoring your boat.

The real draw to this town are the two (free) municipal boat ramps that serve as the gateway to the surrounding islands and coral reefs which make up the Gulf of Chiriquí National Marine Park...

Established in 1994, the park includes 25 islands and 19 coral reefs. The larger and more well-known islands are Parida and Islas Secas, which is a chain of 16 volcanic islands. The park protects both terrestrial

and marine wildlife (though sport fishing is allowed within the park).

Wildlife you might encounter here includes howler monkeys, tiger herons, green iguanas, hawksbill and leatherback turtles, hammerhead sharks, white-tipped reef sharks, manta rays, and dolphins. Humpback whales calve here from August to November.

This is an incredible place for wildlife viewing, snorkeling, and scuba diving.

Whether or not you own a boat, being on the water is the preferred pastime in this area. A water taxi to one of many private beaches is US\$3 to US\$5. The horizon is dotted with sailboats, yachts, and local fishing

boats gently bobbing in front of this picturesque archipelago. Against that view, there are private docks leading to island homes and hotels, the majority of which are owned by expats.

This tiny town doesn't have much in the way of supplies... but it's well-situated for access to David, the provincial capital. David has most everything you'd need for day-to-day life, including a small airport, a plethora of grocery stores, hardware, and private health care facilities, and other first-world amenities.



World-class fishing (Credit: Bocas Del Mar)

Jurassic Fishing

Boca Chica boasts world-class inshore or local fishing and offshore in the Hannibal Bank area of Coiba National Park. Typical catch includes: blue and black marlin, pacific sailfish, yellowfin tuna, mahi-mahi, wahoo, and rooster fish, among others.

Boca Chica is home to the Annual International Jigging and Popping Tournament, which was first held in 2009. The winner took home a US\$10,000 prize.

History And Culture

Boca Chica is located within the *corregimiento* (township) of San Lorenzo.

It was founded in 1621 by Fray Pedro Gaspar Rodríguez. He baptized the township with the name San Lorenzo (after the governor of Veraguas Don Lorenzo del Salto).

His goal was also to convert the indigenous Guaymí (now Ngäbe-Buglé) to the Christian faith. Interestingly, the Ngäbe-Buglé later named their language Guaymí, as a tribute to their old nation.

There's still a small indigenous population dispersed in the rural areas of San Lorenzo, and members are easily recognized by their traditional dress.

The community of Horconcitos (the capital of San Lorenzo) is known for its leatherwork, including shoes, wallets, knife sheaths, saddles, and armchairs.



One of two public boat ramps

Getting Here

Boca Chica is about 420 kms (260 miles) or a six-hour drive from Panama City. From the turnoff towards Horconcitos (the larger neighboring town), the last 16 kms (about 10 miles) are down a patched, narrow, winding asphalt road.

Boca Chica's Aquatic Cowboys

For hundreds of years, local farmers have raised their cattle on Boca Brava Island. When they're ready to go to market or change pastures, the cattle are herded to the mainland through the water at low tide.

Using boats, these "aquatic cowboys" help the animals swim in the right direction, making this an unusual tourist attraction.

Watch [this amazing video](#), which highlights and promotes this activity as *agroturismo*, or agricultural tourism.

It dips and climbs along rolling hills, passing cattle fields, a large hay baling business, and wood plantations, until it gives way to the Pacific Ocean. Where the road meets the sea is where you find Boca Chica.

You can get to Boca Chica using public transportation, and once here, there are private taxis available. You'll ride a large comfortable bus from either Panama City (US\$12) or David (US\$2) and get off at *El Cruce* (the cross/road) where the Boca Chica turnoff meets the Pan-American Highway.

From here, you'll switch to a *colectivo*, a basic van, which charges US\$2 and leaves for Boca Chica once it has enough passengers. As I made the turn during my most recent visit, there was a *colectivo* parked with its doors open, the driver relaxing as he waited (I assume for the next big bus to transfer more passengers).



Colectivo waiting at El Cruce

Climate

The average temperature in Boca Chica is 27°C (81°F), with the hotter and drier months being March and April with an average high of 32°C (90°F).

The total rainfall for the year is 70 inches, with the coldest, wettest month being October with an average low temperature of 22.5°C (72.5°F)... *perfecto* if you ask me.

Who's Here And Where Are They?

Expats from all over the world have settled in this area. They're mostly of retirement age. Some live here full-time, and others are snow birds with a second home who spend only a few months of the year here.

Expats love Boca Chica for its nature, the beach, waterfront access, fishing, and island hopping available. The expat population is at an estimated 200 people and growing. Most live on the islands in the Playa Hermosa area or Istana (a gated community), about a 30-minute drive from Boca Chica.

There's international tourism here, but the majority of visitors are Panamanians from Chiriquí or expats who live in the mountains and enjoy short trips to the beach or islands. The country's third largest city, David, is an hour away, and Boquete just an hour and 45 minutes away.

This domestic tourism goes both ways: Many of the expats I talked to in Boca Chica travel regularly to the mountains or to Boquete. Sometimes they go just for the day to take advantage of the cooler weather and the weekly farmers' market.

Expat Community

Get-togethers amongst expats consist of dinner parties or meetups, excursions to the islands, or bocce ball at the beach. They enjoy outdoor activities

and excursions, fishing, kayaking, stand-up paddle boarding, and even day trips up to the indigenous *comarca* for a waterfall hike and swim. Nearly everyone I spoke to mentioned Friday pizza night at Roxy Fishing Club.

In the past, there was a local chamber of commerce working to promote Boca Chica and make helpful improvements, such as signage and landscaping at the entrance to town. They created the Boca Chica Panama Facebook page where local businesses post photos and events.

Overall, there doesn't seem to be much unity between the expat and local populations. The local residents I spoke with were helpful and friendly, but most are protective of their community in the face of change. That said, the Boca Chica area is an incredibly safe place to live.

Cost Of Living

If you choose to buy local seafood and eat a simple diet of local products from the neighborhood store and produce trucks, a couple could live comfortably on a food budget of US\$400 to US\$500 per month. That might even include one or two nights out per month.

In a local restaurant, a whole fried fish starts at US\$8 per plate. Local beer costs US\$1.50. You can get the fruit truck guy's contact and special-order broccoli or romaine lettuce on occasion, but for a more diverse diet and first-world treats, you'll need to go to David.

The business-owning expats I spoke to say they usually go to town once a week. Non-business owning expats say they go once every two weeks.



Entrance to Boca Chica

David has a wide range of grocery stores for every budget, but assuming you are splurging on healthy or specialty food items, expect your monthly budget to be more in the US\$700 to US\$800 range. That would include toiletries and cleaning products.

A simple local home in Horconcitos could rent for as low as US\$75 a month, in Boca Chica starting at US\$200 a month, or in the nearby islands and Hermosa Beach for US\$1,500 to US\$3,000 a month.

I noticed that mid-range hotel rooms (US\$60 to US\$80 per night) and mid-range rentals (US\$500 to US\$800 per month) are lacking here. Something to think about if you are looking to get into hospitality...

[Go here to see my full breakdown of the cost of living in Boca Chica.](#)

Safety

I asked Marcos Joyce, the Dutch manager at the oceanfront Hotel Bocas del Mar, about the small sailing fleet anchored just out front. I was curious to know if the owners were around or if people leave boats there for months or years unattended...

“Both,” he answers. He says that everyone keeps an eye out for one another, using what he comically calls “social control” to deter theft and vandalism. He says that it seems to work, and he’s never heard of a home robbery in the area.

Brad confirms this, telling me that many expats leave their island homes for part of the year without caretakers, and they never have problems. There’s even a hotel that was uninhabited for years and still had the TVs mounted on the walls and the beds made just as they were left.

This is impressive for anywhere in the world...

Where Is Boca Chica Headed?

It’s being developed by foreigners building ocean view or island homes, boutique hotels, and fishing lodges. It will likely continue in this direction, as there are a few small-scale residential developments cropping up, the largest of which is the Rincón Beach Estates.

This area is still in the early stages of development and offers opportunities for those interested in owning a business here in town.

See my interview with Brad Baer in this issue’s [Expat Interview](#) to learn about the business ideas we explored when discussing what’s missing in Boca Chica, as well as upcoming projects.

Economy

The local economy is based on fishing and cattle farming but in recent years has seen an increase in service tourism.

My friend Brad Baer, an American expat who has been living and doing business in this area for over 10 years, tells me that when he first arrived there were about six water taxis.

Now that number has at least doubled.

The boat drivers not only serve as taxis but now also provide day tours for snorkeling, whale watching, and more economical sport fishing trips.

Brad also says that during a typical high tourist season, it’s difficult to buy fish and seafood locally for his restaurant, as local fishermen are now working more in the tourism industry.

Amenities

Boca Chica offers little in the way of amenities. There’s a gas pump and one tiny convenience store

that carries a few American staples such as multi-grain bread and peanut butter.

There are also two window stores, which require a certain degree of Spanish proficiency, as you have to describe the item you're looking to buy. The Sol de Mar Mini Mart has some basic hardware items such as PVC glue and fittings, electrical tape, paint brushes, and motor oil and fishing line for boaters.

Chumicos Marina is located just outside of town on the Bahía de Los Muertos. It's where most sport fishing boats fuel up.

I tried to get information about the name, which means "Bay of the Dead," but couldn't find an origin story.

This owner-operated business offers moorings, indoor and outdoor boat parking, mechanical services, and fishing and diving excursions.

The Chinese-owned supermarket in Horconcos has a larger selection of staple items including machetes (yep, you'll probably need one of those), mops, cheap shoes, fabric, bike tires, and plastic dinnerware.

If you want real cheese, rather than the plastic slices, you'll need to make a trip to David. For appliances, furniture, and higher-end building supplies like quality tiles and roofing, you'll need to travel to David as well.

There are large hardware stores close by on the Pan-American Highway that deliver essential construction supplies such as sand, cement, rock, rebar, and electrical and water tubing.



Window store with fruit truck

Ease Of Doing Business

Services such as garbage and water are paid locally in Horconcos, or they come to your door every few months to collect.

Construction permits are issued in the town of San Lorenzo, but nearly everything else you do will require a trip to David.

The Ministry of Commerce and Industry, the branch of government that issues business licenses, is located in David. The tax office, notary, banks, lawyers, and all other major resources are also found there.

You can find just about everything you need in David, which will save you regular trips to Panama City. Internet, phone bills, and television bills can be set up for autopay or online payment.

Internet

Internet service with Tigo (formerly Movistar) is efficient, allowing you to work online and is used for credit card machines.

Some people prefer to use their cell phone as a router, sharing their hot spot with their computer, which still allows them to build websites and have video calls.

Fiber optics is now available through Internet Activo in David as well as microwave service through Planet Telecom.

Online Internet Activo offers competitive prices, charging US\$58.85 a month for the unlimited symmetric service of 3 Mbps and US\$99 monthly for 5 Mbps.

Planet Telecom provides internet to the islands, and Tigo phone service and internet data work there, too. There are regular power outages in this area, but cell phone and internet service continue to work without electricity.

Language

English isn't widely spoken in Boca Chica, but with the help of Google, most people get by with basic Spanish skills and hand gestures.

Be aware that when jumping through hoops, be it buying a car or trying to make a doctor's appointment on the phone, the more Spanish you can speak, the better. Even using Google, things still get lost in translation.

Jenni Lese of El Regalo Hotel says that one of her frustrations living in Boca Chica is her lack of ability to communicate. With the tight-knit expat community in the Rincón Beach area where she's located, it's far too easy for everyone to speak English.

Currently no one is giving Spanish lessons, but there are many people you can connect with online if you're motivated to learn the language, and you can find tutors in David.



Playa Rincón

Education

Jenni is one of the few expats I spoke with who has a school-aged child. Prior to the pandemic, she lived in Boquete with her 16-year-old daughter who attended the AIB, or Academia Internacional Boquete, a bilingual educational institution.

In David, there is the British Oxford School as well as the Cambridge Bilingual School, and there are many international academies in Panama City. In fact, this is where Diego LaGache sends his daughters, as they live in Panama City during the week.

The overall level of public education in Panama is low when compared to the rest of the world, and the humble schoolhouse in Boca Chica is unfortunately no different. Expats are living elsewhere during the week to provide their children with a higher level of education.

The Property Market

I have to admit... I have a mainland bias. My husband and I lived on an island in Alaska for 10 years before relocating to Panama, so we're familiar with island living, logistics, and the unavoidable extra costs.

Boca Brava is just a stone's throw from the boat dock and ramp at Boca Chica, so it's just one extra step to island paradise.

Within Boca Chica, there are excellent buys, and if you're interested in opening a retail or restaurant business, this is where you want to be.

That said, most expats choose to live either on the islands, Hermosa Beach, or the Istana and Playa Rincón areas.

Istana is a gated community consisting of 150 hectares (370 acres), 40 of which have been subdivided into individual lots.

Rincón Beach is one of the most beautiful white-sand beaches I've seen in Panama. Playa Rincón Estates compares themselves to Los Sueños in Costa Rica. There are more than 20 stunning homes here, a manicured public access to the beach, and the only disc golf course I've seen in the country.

The only downsides are the lack of stores and restaurants, aside from the El Regalo Hotel, and its

distance from town. It's a 30-minute drive from Boca Chica, the last half being down a well-maintained dirt road.

Many residents drive to Horconcitos or David for basic supplies, possibly only going to Boca Chica once or twice a month.

A closer option with direct access to Hermosa Beach is the small Hermosa Bay project, which is being developed by Diego LaGache of Bocas del Mar Hotel. It consists of 37 lots, each with an ocean view. Prices start at US\$53,500.

There's electricity, a shared private well, and access to fiber optic internet. This project is a 15-minute drive from Boca Chica, making it far more accessible than the Istana area.

See more details and other listings in the [Property Picks](#).



View of Boca Chica with anchored boats

Buying Property

Residents and non-residents of Panama can legally own property in the country. You can hold property titles in your personal name or through legal entities such as corporations, private foundations, limited liability companies, partnerships, and trusts.

Extra due diligence is needed if buying island property, as it's often untitled. Foreigners have a legal right to *derechos posesorios* (right of possession) lands, though technically the government owns these lands.

ROP Property

Panama has an unusual law that allows people to possess government-owned land in order to improve it. You can buy this land by acquiring a title from the government.

Agricultural or non-coastal land has the most straightforward though lengthy process for titling ROP land, followed by coastal. Due to changes made to Law 80 in 2009, some island property is eligible to acquire a title. This law incentivizes development for the country, especially for tourism.

If you're interested in ROP land, it will require extra effort to research the history of the property, its current legal state, and relations with neighboring properties and their owners.

A lawyer can help you contact the regional property tax offices (*catastro*), the local mayor's office, and/or the Justice of the Peace (*corregidor*) to see if they have any documentation or proof of stewardship regarding ROP certification.

Your lawyer can verify a property's ownership by checking the title or finca (farm) number as well as its certification in the public registry (registro público). The latter will confirm any liens held against the property.

The sale of property in Panama is usually completed in a two-step process. First, you will be asked to pay a deposit (usually 10%). A promissory buy-sell contract (contrato promesa de compraventa) is created to state the terms and conditions of the sale.

This will include details about the payment process and closing costs such as the title tax and transfer tax (which are both 2% of the sale value) and capital gains.

Once the terms and conditions of the promissory agreement have been met, a final sales contract will

be drawn up and then signed in the public notary. Payment is then made to the seller.

If you choose to pay in cash or a cashier's check, you should do so at the notary office so they can act as a witness. This is the most common way of doing business. If your payment is made via wire or bank transfer, have the notary witness that transaction as well.

Other payment options include using your lawyer and their bank account as an intermediary or setting up an escrow account, but most people in Panama are not familiar with this process. Your lawyer will then present the sales contract to the public registry where they'll officially transfer the property to your name.



Picture yourself here at Playa Rincón

The Rental Market

One thing that stood out to me about Boca Chica, even prior to arrival, is the lack of mid-range housing. Be it hotels or long-term rentals, there is a huge disparity between budget and high-end. It goes from US\$50 or US\$60 per night for a fairly basic hotel room to US\$150 to US\$160 per night for barefoot luxury with nothing in between.

The same can be said for the rental market. It goes from a simple local home in Boca Chica or Horconcitos for US\$200 per month to an island house or beautiful Istana home for US\$3,000 per month.

I see a huge demand for mid-range, long-term housing, and everyone I talked to here agrees. I'm talking about a clean studio for US\$500 or even a one-bedroom for US\$1,500.

The problem, as is the case in many tourist towns, is that nightly rentals generate more income, which is hard to resist. As someone who has worked in tourism in Panama for over a decade, I can tell you that nightly rentals also come with higher turnover, more red tape, taxes, employees, and headaches.

If someone were willing to create simple, self-sufficient apartments in the neighborhood of US\$1,000 per month, they'd be filling a huge market gap. They'd likely be able to rent them out year-round, producing income for themselves.

That said, I was able to find two impressive property deals and included them in this issue's [Property Picks](#).

Health Care

Boca Chica's public health clinic is rudimentary and rarely open from what I was told. There's a decent public hospital in San Felix, which may be a suitable place to get x-rays or stitches after a minor injury.

If you have a more serious issue, you're better off going to David. There you'll find adequate regional hospitals, as well as first-world health care at the Hospital Chiriquí and the Centro Médico Mae Lewis where they have a full lab, imaging services, and operating rooms.

You can find bilingual doctors in most fields of medicine. The quality of health care tends to increase with the amount you pay. Medical care in Panama costs significantly less than in the States...

A visit to a specialist (cardiologist, podiatrist, gynecologist, etc.) is normally US\$50. It's normal to have direct access to your doctor, too. They'll typically give you their cell phone number to ask questions and receive a higher standard of personalized care.

A teeth cleaning on average is about US\$30; a cavity filling is US\$40 to US\$50. Eye exams are generally free if you order prescription eyeglasses through the same doctor, which start at about US\$100.

Retired friends of ours have a national insurance plan with Pan-American Life Insurance Group that also offers international plans. For both of them (they are in their late 60s and early 70s) they pay US\$2,000 per year for what they describe as covered self-insurance. Their plan pays at least 50% of all medical expenses, and they're happy with the service they've have received thus far.

Residency

In general, foreigners can visit Panama for 90 to 180 days without a visa, but I've included a link to the Panamanian Immigration website in the [Rolodex](#) that has more information about every country.

As far as temporary and permanent residency go, there were two major changes to Panamanian residency laws this year. One was to the existing Friendly Nations Visa, and the other was the introduction of an entirely new option: a Short Stay Visa for Remote Workers. Under both, you can work. Be aware that with the Pensionado Visa (the pensioner's visa, the one that most retirees go for), you can't obtain a work permit.

Let's start with the changes. The Friendly Nations Visa was created in 2012 to allow citizens of over 50 countries with economic or professional ties to Panama to apply for residency status. Changes made in May of this year eliminate the possibility of permanent residence by incorporating a business or opening a bank account and depositing the sum US\$5,000.

You now have to first obtain temporary residency status for two years and then apply for permanent residency by filing a second application within 30 calendar days of the expiration date of the initial two-year temporary residency.

You can apply for the Friendly Nations Visa in one of two ways: either through a job offer or through a real estate investment. If you apply for work purposes, a work permit must be submitted and approved for residency to be granted. If you purchased real estate, it must have a minimum value of US\$200,000.

The new Short Stay Visa for Remote Workers was Panama's response to both the digital nomad trend and COVID-19 remote work situations. This visa allows visitors who are employed by foreign companies or who are self-employed to live and work remotely in Panama for nine months with a one-time extension of nine additional months.

You must have a minimum annual income of US\$36,000 that you can prove comes from a source outside Panama through a bank certification or bank statements. If you're just dipping your toes in the water here and don't foresee staying more than 18 months, then maybe this visa makes sense... but in my opinion, it's probably a lot of extra paperwork, especially when you consider that it can take up to six months for immigration to process your actual nine-month residency permit.

Prior to March 2017, you could legally cross the Costa Rican border (two hours from Boca Chica), stay outside Panama three days, and then re-enter for another 180 days. In fact, my husband and I lived as tourists like this for our first nine years in Panama.

These days, you're legally required to leave for 30 days before re-entry, but I have a feeling that law change was targeted at immigrants who are working undocumented in the country, not towards retirees or investors. It wouldn't surprise me if the rule is bent depending on individual circumstances.

The Pensionado Visa allows legal residency in Panama provided you have a pension income guaranteed for life. There is no minimum or maximum age required to qualify. You only need to prove you receive a minimum of US\$1,000 per month.

If your monthly income is less than this but equal to or more than US\$750 per month, you can use a real

estate purchase with a value of at least US\$100,000 to reduce the lifetime monthly pension income to US\$750. I've included the full list of requirements to obtain this visa in the [Rolodex](#).



Expat Brad Baer and his wife kayaking

Discounts And Tax Exemptions

Most of the following discounts are available to any legal resident of Panama who is over 55 (for women) and 60 (for men). If you're in this age bracket you'll qualify for many of these savings even if you don't have a Pensionado Visa.

The list of benefits and exemptions includes:

- A one-time duty tax exemption for household goods up to a total of US\$10,000
- Duty exemption for importing a new car every two years
- 50% off entertainment anywhere in the country (movies, concerts, sports)
- 30% off bus, boat, and train fares
- 25% off airline tickets
- 50% off hotel stays Monday through Thursday
- 30% off hotel stays Friday through Sunday
- 25% off at restaurants
- 15% off at fast-food restaurants
- 15% off hospital bills (if you're uninsured)
- 10% off prescription medicines

- 20% off medical consultations
- 15% off dental and eye exams
- 20% off professional and technical services
- 50% reduction in closing costs for home loans
- 25% reduction on utility bills
- 15% off loans made in your name
- 1% less on home mortgages for personal residences

Getting Pets Here

The process of bringing your pet into Panama is not impossible, it's just time sensitive. These guidelines are for importing your cat or dog from the States.

If you're coming from another country or have another animal (exotic pets require a sanitation certificate), check with the Panamanian consulate in your country for specific instructions.

You'll need the following from your vet within 10 days of your departure date: health certificate, rabies vaccination certificate, and certificate of origin. Dogs must also have current vaccinations for distemper, parvovirus, and leptospirosis.

The U.S. Department of Agriculture (USDA) must certify the health certificate. You'll need the Panamanian Consulate or the U.S. State Department Office to authenticate the document with an apostille.

To make all of this happen within 10 days, you'll have to use an overnight delivery service such as FedEx, UPS, or DHL.

Address an overnight envelope to the USDA. Inside that envelope, include two more prepaid overnight envelopes: one addressed to the Panama consulate or embassy of your choice and one back to you.

The information about quarantining your pet varies. You can apply for home quarantine and should do so 3 to 10 days before you travel. Before traveling, make sure that your animal crate meets airline requirements and fill out the Panama Import Form.

When purchasing airline tickets, be sure your arrival will be during the Panamanian veterinarian's working hours, which are generally weekdays from 8 a.m. to 3 p.m. Be aware of holidays.

Have exact cash for the import fee and for the home quarantine, and make copies of everything. Be sure to check in with your pet three to four hours before your flight, and include all the paperwork with your animal. It travels with your pet, not you.

See the [Rolodex](#) for more information and the official USDA checklist.

Taxes

On Jan. 1, 2019, a new Panamanian property tax law went into effect, which declared all properties whose value is registered under US\$120,000 are exempt from property tax.

Properties whose registered value is between US\$120,001 and US\$700,000 pay 0.5% on the difference over the US\$120,000 exemption annually.

To be eligible for this tax exemption, the property must be registered as *patrimonio familiar* (family patrimony) or as *vivienda principal* (primary residence). See the [Rolodex](#) for a link to more detailed LIOS information about applying for property tax breaks, including those for agriculture.

Panama is a known tax haven, right? In recent years, Panama has become stricter when it comes to banking and taxes. The U.S. government is now asking more questions about foreign owned bank accounts and corporations as well.

Regardless, foreign residents pay personal income tax in Panama only on money earned within the country, which is calculated on a sliding scale from a minimum of 15% after the first US\$11,000 to a maximum rate of 25%.



Popular expat hangout, The Tiki Bar

American retirees are not taxed on pensions, Social Security, or similar income earned in the States. Still, the IRS requires U.S. citizens to file tax returns, even if you're not living in the United States.

You're exempt on foreign-earned income up to US\$101,300 or double for a couple.

For more information on rental income tax, transfer from land sales, and capital gains, see the [Rolodex](#).

LGBTQ Living In Boca Chica

In Panama, LGBTQ relationships aren't legally recognized and same sex marriage isn't legal. Little progress has been made regarding the acceptance of and respect toward the community.

Although it's no longer a crime, there are many groups who reject the LGBTQ community, with transgender individuals facing the most discrimination.

Hopefully in the near future Panama will be part of the current majority of Latin American countries recognizing the rights of LGBTQ individuals and same-sex couples.

Disabled Access In Boca Chica

Panama is full of pedestrian hazards for those who don't have a disability. Gaping holes on sidewalks, irrationally high curbs, and stairs abound, and unfortunately, this applies to Boca Chica, too.

Due to steeply sloping hillsides along the oceanfront, the majority of homes and hotels have many stairs. The little grocery store doesn't have a ramp for wheelchair access, either.

Hotel Bocas del Mar has done a good job with accessibility but you should definitely ask before booking or renting anything if this is a necessity for you.

Positives And Negatives

There's no doubt this is a tropical paradise, but isn't there a saying that goes, "There is no paradise without serpents"?

Nearly everything I've included so far has been positive. This area has a strong, growing expat community as well as a local economy that has been expanding and benefiting from tourism.

But every place has its ups and downs, and Boca Chica is no exception.

In the grand scheme of things, a one-hour drive to decent supermarkets, hardware, and department stores isn't really that far, but the lack of amenities such as health care facilities and education is definitely a consideration.

The village itself is not what I'd describe as charming. Discarded sport fishing nets and rubbish are strewn around homes.

Authority is lacking as well. The nearest police station is in Horconchitos, and although safety and security



Isla Bolaños, Near Boca Chica

aren't an issue here for expats, noise, drunkenness, and some disorderly conduct is definitely part of village life.

Most live in more peaceful settings on the outskirts of town, on the islands and along the beaches.

Who Is Boca Chica For?

Nature lovers, people who love to be on or near the water, those who are able to disconnect and relax or self-entertain. A sense of humor and adventure helps.

Who Need Not Apply?

This area is not for the excessively social, nor for foodies or city folk. If you melt in the heat, reconsider. This area is all about the great outdoors, be it patio living, island hopping, or world class sport fishing. 🌸



About The Author

Michelle is an American expat who relocated to Santa Catalina, Panama, in 2005. She and her husband built, owned, and operated La Buena Vida, working in hospitality, food service, and wellness until 2018. Michelle was instrumental in founding the Santa Catalina Chamber of Commerce as well as starting a recycling and outdoor education program for the village. A yoga instructor and massage therapist by trade, these days Michelle stays busy writing, offering her services in the healing arts, and with her unique upcycled beach mosaics.

Boca Chica-Boca Brava Property Picks

BY MICHELLE MILLER SHOGREN

Near Boca Chica, there are excellent property buys available. If you're interested in opening a retail or restaurant business, this is where you want to be...

Boca Brava Island is just a stone's throw from the boat dock and ramp at Boca Chica, so it's just one extra step to island paradise.

Most expats choose to live either on the islands, Hermosa Beach, or the Istana and Playa Rincón areas.

Here's a selection of what's currently on the market...

Properties For Rent

Istana Home With Subletting Rights

Price: US\$1,650 per month
6 beds, 6 baths

This is an amazing price on a six-bedroom, six-bathroom, ocean-view home for only US\$1,650 per month with subletting rights... This could mean insta-income and/or act as a trial run for work in the hospitality industry if you host guests. The home is located inside the gated community of Istana.



Six-bedroom home within Istana
(Credit: Magestic Worldwide Invest Corporation)

Petite & Inexpensive Istana Home

Price: US\$700 per month
1 bed, 1 bath

This small 40-square-meter casita with air conditioning is also located within Istana's gated community, a short distance from Playa Hermosa. It's a bargain at US\$700 per month.



Small 40-square-meter rental
(Credit: Magestic Worldwide Invest Corporation)

Properties For Sale

Spacious Lot Just Outside Boca Chica

Price: US\$258,000

Lot size: 20,000 square meters

This property is in a great location at a great price, and it's versatile. Saskia Van der Nuet's 5-acre parcel for US\$13 a square meter is less than 1 mile from Boca Chica, situated on a hillside with ocean and island views.

Saskia recently cut a dirt road, which allows access to three of the potential five building sites on the land. This property is ideal for development: individual lots and homes, a hotel-lodge-retreat center, or rentals.

Electricity is roadside, as well as internet, community water connection, and a nearby spring.



20,000-square-meter property just outside of Boca Chica
(Credit: Gregui Ramirez)

Hermosa Bay Lot

Price: US\$53,500 and up

Lot sizes: From 600 to 4,300 square meters

This small development consists of 37 lots, each with an ocean view, with shared access to Playa Hermosa. There is electricity, a shared private well, and an option for construction management by reputable builders



Ocean views and Hermosa Beach access
(Credit: Hermosa Bay)

Titled Island Property

Price: US\$99,000

Lot size: 20,000 square meters

This lot consists of 5 acres of titled land with beach frontage on Playa Coca (considered the best beach closest to Boca Chica) and water frontage right in front of the Boca Chica Marina. This property goes from one side of the island to other.

Eric Durocher of Chiriquí Coastal, responsible for this listing, also represents real estate within the Rincón Beach Estates project. Oceanfront lots range from US\$60 to US\$100 per meter, and there is a large parcel available in the Boca Chica Plantation Club and Resort portion of the project.

Find his contact information in the [Rolodex](#).



Boca Brava Island Property
(Credit: Eric Durocher)

New Hillside Development

Price: US\$159,000

2 beds, 1 bath

Construction: 70 square meters

Price per square meter of construction: US\$2,270

This small 16-lot development just debuted. Ocean, estuary, and volcanic views abound. They have incorporated a sustainable element with edible landscaping and medicinal plants. A two-bedroom, one-bathroom, 70-square-meter home with terrace starts at US\$159,000 and has dock access.



Cerro Pequeño development
(Credit: Jean Francois León Leroy)

Spectacular Views On Punto Bejuco

Price: US\$485,000

3 beds, 2 baths

Construction: 139 square meters

Price per square meter of construction: US\$3,490

This gated community includes a helipad, barbecue, and common pool area, dock, club house, and four beaches. A three-bedroom, two-bathroom, 139-square-meter home on a 1,300-square-meter lot with a pool starts at US\$485,000. They have also incorporated a sustainable element with edible landscaping and medicinal plants.



Esperanza Ocean Bay Project
(Credit: Jean Francois León Leroy)

On The Boca Chica Dock

Price: US\$165,000

2 beds, 1 bath

Construction: 80 square meters

Price per square meter of construction: US\$2,060

This 1,100-meter lot is located alongside of the municipal dock downtown Boca Chica with a two-bedroom, one-bathroom home that is approximately 80 square meters, as well as an additional covered car port and workshop-storage area.

This property has room to expand oceanfront and would be great for a business. It screams bed-and-breakfast, restaurant, store, tour office, water sports, or fishing charter.

Contact Brad Baer directly for more information about this lot and about his Boca Brava Island rental property that is also available. His info is in the [Rolodex](#). 🌸



Dockside/oceanfront home
(Credit: Brad Baer)



Space to do more
(Credit: Brad Baer)

Boca Chica Rolodex

BY MICHELLE MILLER SHOGREN

Taxes

[Property Tax](#)

[Income Tax](#)

Pets

[Pet Importation Guide](#)

[USDA Checklist](#)

Residency

[Embassy Of Panama: Immigration And Visas](#)

[Pensionado Visa Requirements](#)

Real Estate

Brad Baer (interviewed in this issue's Expat Interview)

Email: brad@panamapacificproperties.com

Brad has two properties for sale, one dockside in downtown Boca Chica and the other on Boca Brava Island.

Eric Durocher

Email: eric@chiriquicoastal.com

Eric is the co-owner of Chiriquí Coastal and an associate at Casa Solution (both real estate websites). He is very knowledgeable about local property.

Saskia Van Der Nuet

Email: info@resortsandbeachesforsalepanama.com

Saskia is extremely knowledgeable about local real estate and rentals. She owns a 5-acre property that would be great for a business or quaint housing subdivision.

Hotels

[Hotel Bocas del Mar](#)

Email: info@bocasdelmar.com

Phone: +507 6395 8757

Owner: Diego La Gache

[El Regalo Resort](#)

Email: reservations@elregaloresort.com

Phone: +507 6442 7136

Owner: Jenni Carol Lese





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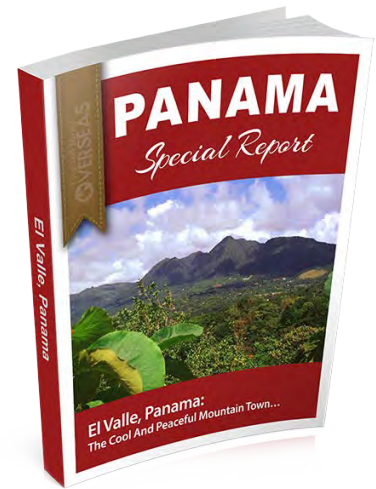
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- The Special Retirement Report on **El Cangrejo, Panama City** (a US\$9.95 value) To continue your Grand Tour of Panama, this special report features the metropolitan neighborhood of El Cangrejo. Central, eclectic, welcoming, and affordable, El Cangrejo is a popular relocation choice among young entrepreneurial expats and retirees who want a neighborhood with character and countless amenities—banks, hospitals, restaurants, casinos, and nightclubs—all within walking distance. This report provides all the essential information for establishing yourself in this trendy and very expat-friendly neighborhood, one of our favorite in all Panama City...

- The special report, **“44 Things You Must Know Before You Relocate, Retire, or Invest Offshore,”** the nuts-and-bolts support you need to plan your adventures in Panama with confidence (a US\$29 value)...

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