

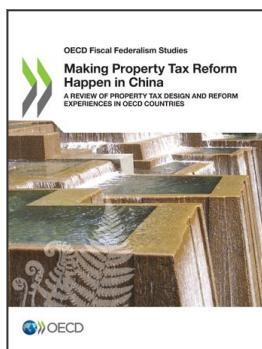
Annex C. Tax reliefs across OECD countries

Table A C.1. Tax reliefs across OECD countries

Country - Tax	Tax Rate Description
AUS	Pensioners are entitled to local government rates concessions.
AUT(LTA+LTB)	Tax abatements can be granted by most jurisdictions for newly constructed residential buildings for a certain period of time.
BEL - residential property tax	Vary by region. For instance, in the Walloon Region, the rebates of withholding tax on real estate apply to only one dwelling. The rebate for modest dwelling is still expressed as a percentage of the cadastral income. The other reductions are lump-sum reductions, applied to the global withholding tax on real estate (provincial and local surcharges included). These reductions are reduction for modest dwelling, rebate for dependents, rebate for disability and infirmity and rebate for unproductiveness. In addition, in the Brussels-Capital Region, a reduction is granted for the dwelling entirely occupied by the taxpayer himself where the non-indexed cadastral income of all real estate of the taxpayer located in Belgium does not exceed EUR 745. The standard rate of this reduction, which applies to the withholding tax on the main residence, is 25%. In the case of the construction of a new dwelling house or the acquisition of a newly built dwelling house, the reduction amounts to 50% during the first five years in which the withholding tax on that real estate is due. The taxpayer is not granted this reduction if he has received a subsidy for the construction or the acquisition of that dwelling house. The reductions are, in the Brussels-Capital Region: reduction for modest dwelling, rebate for dependents (among which children), rebate for disability and infirmity, rebate for unproductiveness.
BEL - business property tax	BXL: Rebate for unproductiveness, exemption of withholding tax for immovable property used for public services. A tax credit is granted by the Brussels-Capital Region to natural persons or legal entities liable to withholding tax on material and equipment. This tax credit is totally chargeable to the Brussels-Capital Region. This tax incentive for businesses is granted as a tax credit, so as to allow local entities and the urban area of Brussels to keep on collecting additional surtaxes on the withholding tax on real estate.
CHE (Berne)	In Berne, Switzerland, no tax is levied for buildings owned by the Canton, the commune and the churches.
CHL	A tax abatement is granted to old age owners with low incomes, when some requirements are met.
CZE	Land under buildings is exempt.
ESP	Local authorities are allowed to establish tax deductions for installed systems to use thermal or electrical energy from the sun.
EST	Local governments may exempt recipients of pensions paid on the basis of the State Pension Insurance Act and for repressed persons and persons treated as repressed persons as defined in the persons Repressed by Occupying powers Act. Owners of the land where they live will be freed of land tax liability up to 0.15 hectares in town and up to 2 hectares elsewhere.
FIN	The properties owned by non-profit organisations may be exempt from property taxes, these decisions are made at the municipal level.
GBR - residential property tax	There are a number of discounts and exemptions based on occupation/occupiers.
GBR - business property tax	The central government rating system has many various national exemptions and reliefs including exemptions for agricultural uses, certain property used for the disabled, religious worship, relief for small properties in sole ownership, relief for certain properties in small rural settlements up to a threshold, relief for empty properties in some specified circumstances and a flat relief for most types of retail properties up to a threshold. Additionally, local government has the power to grant any relief they wish.
HUN	The local government can supplement the range of exemptions, benefits and allowances specified in the Act, but only in case of the non-business properties.
IRL - LPT	Certain properties are exempt from LPT such as charities, properties situated in unfinished housing estates, nursing homes, properties vacated by their owners due to illness, diplomatic properties and property purchased, built or adapted to make it suitable for occupation by a permanently and totally incapacitated individual. A system of deferral arrangements is available where there is an inability to pay off liable owners and certain specified conditions are met.
IRL - NPPR	State Owned Properties and also Agricultural Land are not subject to Commercial Rates.

Country - Tax	Tax Rate Description
LTU	<p>1) owned by natural persons and used for:</p> <ul style="list-style-type: none"> - social welfare, agricultural activities, education endeavours; individual creative activities, located in the territory of a cemetery; - non-commercial purposes (including dwellings, garages, farms, real estate used for leisure and etc.) not exceeding EUR 150 000 (for taxpayers with 3 or more children or disabled children the non-taxable rate of real estate value is EUR 200 000). <p>2) owned by legal persons immovable property of:</p> <ul style="list-style-type: none"> - diplomatic missions and consular posts of foreign states; state or municipalities; undertakings of free economic zones; bankrupt undertaking; the Bank of Lithuania; - traditional religious communities; charity and sponsorship funds; property located in the territory of a cemetery; enterprises of the disabled persons; associations; trade unions; - science and study institutions; educational establishments; establishments providing social services; used for the provision of health care services; Artists organisations; - entities, co-operatives more than 50% of their income are earned from agricultural activities; property, used for environmental protection and fire prevention; multi-occupancy dwelling owners associations, home building societies, garages maintenance and gardeners' societies, used solely for non-commercial activities; <p>In addition, Municipal councils have the right to reduce the tax or completely exempt from payment at the expense of their budgets.</p>
ITA	Abatements for low income properties may be applied by local governments.
JPN - CPT	Tax abatements are granted for certain types of spending on property, for example, residential lands. Tax abatements to low-income property owners are left to municipalities' judgements.
NLD	Only properties in development areas under specific ruling are subjected to tax reliefs.
NOR	Tax abatement allowed for new dwellings for 20 years. Discretionary tax abatement/reduction may be granted for low-income earners.
NZL	The central government provides a subsidy (rates rebate) for low income homeowners who may have difficulty paying their rates liabilities (rates rebate scheme).
PRT	Basic exemption for one property: main residence, for a limited property, for households with income below EUR 153 300, for properties with value below EUR 125 000; tax abatements granted to low income property owners with low value properties (main residence); business exemptions for real estate funds, pension funds and retirement savings funds.
SVK	Tax administrators (municipality) have the possibility to reduce tax rate for pensioners, disabled persons and for people in material need.
SVN - DPQ	Exemptions to the property tax include buildings used for agricultural purposes; business premises used by the owner or user for business activity; cultural or historical monuments. In addition, there is a temporary exemption for ten years to taxpayers who own a newly constructed building or repaired or renovated residential property, if the value of the property has increased as a result of renovation by more than 50%. For a taxpayer with more than three family members, who live in the owner's house, the tax decreases by 10% for the fourth and every additional family member. There is also a reduction of the tax base that could be treated as a tax exemption. The tax base for the residential property, if permanently occupied by the owner or close relative, shall be reduced by an amount corresponding to the value of 160 square meter living area.
SVN - NUSZ	Exemptions are set for land and buildings, used by the army, churches, embassies and international organisations. A temporary exemption for five years is set for new or renovated residential properties. Partial or full exemption can be set for people with low incomes. Full exemption is set for building land planned for public infrastructure (health, social security, schools, culture, science, sports and public and public administration, etc.) and developed building land under public infrastructure.
TUR	If a property owner fulfils certain criteria, the property tax rate is 0% for one residence. Some tax exemptions are granted based on the type, position and owner of the property. Buildings and lands that belong to the special budget administrations, special provincial administrations, municipalities, village legal entities, universities established by law and state-owned buildings/land are exempted from tax permanently. The other permanent or temporary exemptions have generally social, economic and ecological purposes.

Source: Responses from the OECD Survey on Recurrent Taxes on Immovable Property, updated in January 2021.



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