THE BELGIAN CADASTRE:

ECONOMIC IMPACT ON THE NATIONAL AND LOCAL LEVELS OF SOCIETY

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FIRST, LET’S TALK TAXES...
REAL ESTATE INCOME

Mainly represented by taxes and duties:

- Property Tax
- Estate Duties (Registration Tax)
- Inheritance Tax
- Mortgage duties
- Tax on second properties
PROPERTY TAX

• Annual Tax on all real estate (buildings and plots of land)

• Property Tax base (Cadastral Income)
  ▪ the average annual (fictitious) rental value of the immovable property
  ▪ On the reference date 1/1/1975
  ▪ Reviewed after every material change in property
→ assessed and calculated at federal level

• Property Tax collection
  ▪ Flanders: regional level (since 1999)
  ▪ Brussels capital: regional level (since 2018)
  ▪ Wallonia: federal level
    (expected to be regionalised in 2021)
REGISTRATION TAX AND INHERITANCE TAX

• Registration Tax = Real estate transfer tax
• Change in ownership
• In case of decease
• Managed by the federal government for Wallonia and Brussels
• Managed by the Flemish region for Flanders
• Collaboration between Measurements and Assessments Department (FPS Finance), the Land Registry (FPS Finance) and the regions
NOW, LET’S TALK NUMBERS...
REAL ESTATE MARKET: NUMBERS IN 2018

• Increase of 1.6% in property transactions

• Average price of a house (villas, country mansions exl.)
  - Brussels: 452.721 EUR
  - Flandres: 277.304 EUR
  - Wallonie: 189.257 EUR
  - Belgium: 251.584 EUR
REAL ESTATE MARKET: NUMBERS IN 2018

- **Average price of an apartment**
  - Brussels: 240,250 EUR
  - Flandres: 224,331 EUR
  - Wallonie: 174,410 EUR
  - Belgium: 220,095 EUR
REAL ESTATE MARKET: NUMBERS

- Total value of residential properties: 1,2 Trillion Euros (estimated value)

- Total amount of mortgages (2018) 34 Billion Euros

- Total amount of property tax (2018) 5,5 Billion Euros
PROPERTY TAX REPARTITION

- Regions: €254,993,885.44
- Provinces: €219,257,933.25
- Municipalities: €1,101,094,827.36
- Brussels metropolitan area: €3,968,011,547.72

Total: €5,543,358,193.77
CADASTRAL INCOME: INFLUENCE ON THE INCOME TAX

Personal Income Tax

- Federal State: €7,013,774.84
- Flanders: €23,968,528.65
- Wallonia: €17,145,698.48
- Brussels Capital Region: €1,016,755.46

Total: €289,144,757.43
REGISTRATION TAX AND INHERITANCE TAX

To Wallonia and Brussels

Registration Tax: 1,978,554,000
Inheritance Tax: 232,377,000
Non-fiscal revenue: 272,776,000
Divers revenue: 1,165,977,000

Flanders: estimated income of € 4 Billion a year

In Euros

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ADDITIONAL ECONOMIC IMPACT
“DEAD HAND” INCOME

- Budget yearly reserved by the Ministry of Internal Affairs
- Income for the municipalities
- For losses in property tax
- Compensation measure for property exempt from taxation
- Total of € 127 Million
AGRICULTURAL LEASE PRICES

- Cadastral Income is binding for agricultural tenancy
- Max. price fixed in accordance to cadastral income per hectare
- Multiplied by a coefficient
  → to provide economic security in the agricultural sector
PENALTIES SYSTEM

• For late and non-declaration of changes in real estate
• Expected income of € 6 Million a year
• Increase awareness of the importance of correct cadastral information

→ To be implemented soon
THANK YOU FOR LISTENING..

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