THE BELGIAN CADAESTRE:

ECONOMIC IMPACT ON THE NATIONAL AND LOCAL LEVELS OF SOCIETY

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FIRST, LET'S TALK TAXES…
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:
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• 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**
CADAstral Income: Influence on the Income Tax
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.