

MODERNIZING PROPERTY TAXATION IN CEE COUNTRIES

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Ministry of Finance, Prague, Czech Republic



Ministerstvo financí
České republiky



What you will learn

Property taxes are generally considered to be good taxes for local governments and many countries have been trying to reform their local property tax revenues. In practice, however, property tax reforms have often proved to be difficult to carry out successfully and, in some places, “reform fatigue” has set in. Although major tax policy reform may not be possible in the near future, there is, nevertheless, an interest in improving the administration of the property tax. How well property taxes are administered will affect their equity and efficiency. The 2016 International Property Tax Institute (IPTI) CEE Workshop, which is being organized together with the Ministry of Finance in the Czech Republic, will focus on the efforts of countries in Central and Eastern Europe (CEE) to improve the administration of the property tax. The Workshop will cover various topics in property tax administration including: expanding the property tax base; taxpayer compliance and enforcement and the role of technology; and better ‘market calibration’ of area-based taxes.

Objectives

The objective of the Workshop is to help CEE countries modernize their current property tax regimes, as well as to facilitate international networking through sharing of experience with CEE countries and other countries around the world. The Workshop is designed to assist CEE countries in determining how to improve the administration of the property tax. Participation in the Workshop is by invitation only. The Workshop is designed for senior policy makers, tax administrators, local government officials, and academics interested in property tax issues.

Prof. Enid Slack from University of Toronto has kindly agreed to act as facilitator and moderator of the Workshop.

AGENDA

Day 1

- 8:30 – 9:00 Registration of participants
- 9:00 – 9:20 Welcome and opening of the Workshop - **Alena Schillerova**, Deputy Minister for Taxes and Customs, **Jerry Grad**, CEO IPTI
- 9:20 – 9:45 Introduction of participants and outline of the agenda - **Enid Slack**
- 9:45 – 10:10 Effective tax administration can improve the equity and efficiency of the property tax – **Jerry Grad**
- 10:10 – 10:30 *Break*
- 10:30 – 10:50 Current issues in property taxation in the Czech Republic - **Alena Holmes**
- 10:45 – 11:00 Question and Answer Period
- 11:00 – 12:00 Facilitated Discussion

Questions:

1. *What are the current issues in property tax administration in the participating countries?*
2. *What solutions have worked? What problems have arisen?*

- 12:00 – 1:00 *Lunch*
- 1:00 – 1:15 Expanding the Property Tax Base (removing exemptions, tax incentives, etc.) – **Riel Franzsen**
- 1:15- 1:30 Question and Answer Period
- 1:30 – 2:15 Small Group Discussion – facilitators: **Jan Brzeski**, **Riel Franzsen**, **Joan Youngman**

Questions:

1. *What exemptions and tax incentives are in the property tax system in participating countries?*
2. *Which exemptions/incentives should be removed and how can that be done?*

- 2:15- 2:30 *Break*

- 2:30 – 2:45 Small Group Report
- 2:45- 3:00 Towards closer ‘market calibration’ of area-based taxes – **Jan Brzeski**
- 3:00 – 3:15 Question and Answer Period
- 3:15- 4:00 Small Group Discussion
- Questions:*
1. *What models of market calibration are used/contemplated in the participating countries and how well have they worked?*
 2. *What are some suggested guidelines for participating countries?*
- 4:00- 4:15 Small Group Report
- 4:15 – 4:30 Summary of the Findings of Day 1 - **Enid Slack**

Day 2

- 9:00 – 9:15 Compliance and Enforcement and the Role of Technology – **Mihaela Spiridon**
- 9:15 – 9:30 Question and Answer Period
- 9:30 – 10:15 Small Group Discussion
- Questions:*
1. *What practices are currently being used for compliance and enforcement and what role does technology play?*
 2. *What guidelines should be suggested for compliance and enforcement?*
- 10:15- 10:30 *Break*
- 10:30 – 10:45 Small Group Report
- 10:45 – 11:45 Facilitated Discussion
- Next Steps to Improving Property Tax Administration
- Questions:*
1. *What do we need to do to implement changes in the size of the tax base, compliance and enforcement, and market calibration?*
 2. *Who should take responsibility for implementing these changes?*
 3. *How do we get politicians and taxpayers to support these changes?*
- 11:45- 12:00 Closing Remarks - **Jerry Grad and Alena Holmes**

Contact us for more information



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