

METHODICAL APPROACHES TO THE CLASSIFICATION OF REAL ESTATE TAXES

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Property taxes in the world practice include:

- periodic taxes (tax on net assets, real estate taxes, taxes on movable property);
- non-periodic taxes or taxes on the transfer of property (taxes on inheritance and gift, tax on sale of real estate, capital gains tax).

Real estate is a physical object with appropriate physical and economic characteristics, real estate property – real estate as an object of property with property rights and obligations. The real estate property as a land and/or improvements on it (buildings etc.) owned to companies or individuals on the rights of property is a subject of real estate tax.

All taxes on real estate are appropriate to be divided into two groups: a tax on ownership of real estate (annual taxes), taxes on real estate transactions (on transfer of property for inheritance and gift, tax on sale of real estate). The structure of the tax, which taxed on real estate as an object possession, in the world practice includes taxes on

land, buildings and taxes on the holistic land and property complexes. In many countries taxes on real estate transactions (inheritance, gift, sale) are classified as in Ukraine to the income taxation.

In domestic economic literature, the real estate tax and the wealth tax are often identified. The main difference between these taxes is the tax base. Real estate tax is applied on certain types of property (land, buildings, structures) or on the ground together with improvements on it (buildings and structures). The tax is charged on the market value of the property or its square, i.e. to “gross value of property.» Wealth tax is charged on the net value (net debts of taxable assets), movable (antiques, artwork, etc.) and real estate.

In Ukraine, according to the legislation, property taxes include tax on real property other than land, land tax and taxes on real estate transactions (inheritance and gift tax, tax on sale of real estate).