



SAUDI ARABIA - March 2017

SAUDI TO ROLL OUT WHITE LAND TAX THIS WEEK 1

Saudi to roll out white land tax this week

Saudi Arabia will start levying white land tax on undeveloped plots in the country's urban areas starting this week, a local newspaper reported on Sunday.

Arabic daily Al-Eqtisadiah said the Housing Ministry's schedule for imposition of the tax is this week in Riyadh, early next month in Jeddah and by April-end in Eastern Province.

In November 2015, Saudi Arabia's council of ministers approved a proposal to impose a 2.5 percent white land tax on all undeveloped residential and commercial plots in urban areas in order to tackle housing shortage.

Land owners will need to pay a fee of 2.5 percent of the white land's value or develop it within 12 months at most, the newspaper said, quoting Mohamad el Mudaihim, the supervising engineer for white land fees program in the Housing Ministry.

The newspaper said the ministry would apply the tax to undeveloped lands larger than 10,000 square metres after assessing the registered land assets on its electronic portal.