



ISRAEL - December 2017

ISRAEL TO RAISE PROPERTY TAX BY 2.18% 1

Israel to raise property tax by 2.18%

As average salary rises, Israel's property taxes rise to keep up.

Property tax (arnona) on residential and business buildings will rise 2.18% on January 1, 2018, Kikar Hashabat reported.

According to Mamon, the reason for the rise is that property tax rises together with both the average salary and inflation. Israel's average salary rose 3.66% during 2016 to 9385 NIS (\$2675) per month. In October, the minimum wage rose to 5300 NIS (\$1513) per month for a full-time worker.

However, in September 2016, Globes reported that Israel's median salary had risen to a mere 6,426 NIS (\$1844.91) per month by the end of 2014, with those who were self-employed earning just 4,781 NIS (\$1372.63) per month.

The increase, worth 513 million NIS (\$147,282,300), will bring Israel's property tax revenue to 24.1 billion NIS (\$6,890,400,000).

According to Israel's Chamber of Commerce, on January 1 property tax will have risen 14.7% since 2012.