



SLOVENIA - October 2019

CALL FOR REVIEW OF PROPERTY VALUATION ACT..... 1

Call For Review of Property Valuation Act

A group of 32 MPs has requested that the Constitutional Court review the property mass valuation act. The request, distributed to the press on Tuesday by the opposition New Slovenia (NSi), says that the valuation models used for the estimates, set to serve as basis for a property tax, should have been closely defined by the act.

The models are key in determining the taxpayers' position and must thus be prescribed by the law and not by executive acts, the review request says.

The issues found unconstitutional by the Constitutional Court in 2013 still remain after the act was changed in May 2019, the request says.

The court found in 2013 that the act failed to define individual valuation models and the application of models in value estimated of different types of real estate.

The act also failed to define "actual use of buildings or parts of buildings" and did not define individual types of actual use, the request notes.

The NSi has called a press conference for tomorrow, featuring MP Iva Dimic and the NSi's farmers' branch head Janez Beja.

One of the points in the request says that the valuation system has been set up in a way that will force farmers to sell agricultural land whose purpose is classified as building land.

The act envisages that the value of this type of land be estimated based on classification by purpose, rather than actual use, which would lead to higher taxes. The request says that this will force farmers to sell the land, and to development of agricultural land.

Meanwhile, the Mapping and Surveying Authority (Geodetska uprava Republike Slovenije – GURS) released today preliminary results of mass valuation of property. The results could be used for a number of purposes, including a real estate tax.

However, Prime Minister Marjan Šarec told the MPs in a Q&A today that the government, "in its current constellation is not capable of passing a real estate tax".

International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or any opinions expressed in the articles.