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Attributes of EU property taxation policies: lessons for Greece and Cyprus

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ATTRIBUTES OF EU PROPERTY TAXATION POLICIES.
LESSONS FOR GREECE AND CYPRUS.

by

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Abbreviations

1. A.P.A.A.: Objective Determination of Value Property (Greek abbreviation-Αντικειμενικός Προσδιορισμός Αξίας Ακινήτων)
2. C.A.M.A.: Computer Assisted Mass Appraisal
3. C.G.E: Computable General Equilibrium
4. E9: The tax form filled by taxpayer and given to the state, covering all the properties one has in his possession.
5. E.E.T.A.: Extraordinary Special Property Tax (Greek abbreviation-Έκτακτο Ειδικό Τέλος Ακινήτων)
6. E.E.T.I.D.E.: Extraordinary Special Tax of Electrified Structured Surfaces (Greek abbreviation-Έκτακτο Ειδικό Τέλος Ηλεκτροδοτούμενων Δομημένων Επιφανειών)
7. EN.F.I.A.: Single Property Tax (Greek abbreviation-Ενιαίος Φόρος Ιδιοκτησίας Ακινήτων)
8. Eurostat: Statistical Office of the European Union
9. F.A.I.: Tax of Automatic Price Premium (Greek abbreviation-Φόρος Αυτόματου Υπερτιμήματος)
- 10.F.A.P.: Real Property Tax (Greek abbreviation-Φόρος Ακίνητης Περιουσίας)
- 11.F.M.A.P.: Large Property Tax (Greek abbreviation-Φόρος Μεγάλης Ακίνητης Περιουσίας)
12. GDP: Gross Domestic Product
13. GSIS: General Secretariat of Information Systems
14. IPT: Immovable Property Tax
15. MV: Market Value
16. T.A.P.: Annual Duty on Property (Greek abbreviation-Τέλος Ακίνητης Περιουσίας)
17. V.A.T: Value Added Tax
18. Vt: Value taxed

Summary

The objective of this research was to identify whether and where property tax is a suitable tax, identify the ways that this tax can be successful (through legislation and application), compare the property tax regimes of all EU countries and find any correlation with the GDP, identify the problems in Greece and Cyprus immovable property tax system and suggest recommendations that could improve it. European Union offers special challenges because each country has a different definition of land and property, and a different approach to local property taxation. Conducting a legislation overview and statistical data it was found that high income countries have heavier reliance on property taxes with Luxemburg being an exception. Regarding Greece and Cyprus many problems in the property tax system were identified. Among the recommendations for improvement is the reduction of transfer fees, the reduction of the multiple laws for the same subject and the better application of the laws.

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