



## ROMANIA – October 2022

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### Romania's Govt. to hike benchmark used for property taxation by 50%

The Romanian Government decided to increase the benchmark price per square meter used to calculate the taxes on buildings by 50% effective as of 2023, Prime Minister Nicolae Ciuca confirmed.

Anyways, the local administrations - which set, collect and use these revenues - have the freedom to decide on a property tax of between 0.8% and 2% of the value calculated based on the benchmark value, which is a broad range, the PM pointed out.

Increasing property taxation is a measure that is part of the fiscal package passed by the Executive in the summer of 2022. But calculating the taxes based on the benchmark prices of the properties used by the notaries was a criticised decision furthermore impossible to implement from a technical point of view until the end of this year. Instead, a flat 50% hike was agreed upon.

"A political agreement was reached for this decision to be postponed. Instead, an amendment is introduced for a flat 50% increase compared to the initial value. It's a decision taken in the coalition," PM Ciuca said, according to News.ro.

An apartment of about 100 square meters in Bucharest, for which the owners used to pay a property tax of some RON 200 (EUR 40) per year until now, starting in 2023 will pay RON 300 (EUR 60).