

PR01-44 23-2-2001 9:30 AM

Local rates up by 6.4%

The rates and levies imposed by the provinces, municipalities and water authorities will increase by 1 billion guilders or 6.4% in 2001. This brings the local rates payable by the inhabitants and businesses to nearly 17 billion guilders according to the preliminary results of a budget survey conducted by Statistics Netherlands among local authorities.

Municipal rates will increase by 6.4%, in line with the average increase in total local taxes. Real estate tax will see an above average increase of 8.9%. The specific municipal taxes increase below average with 3.9%.

Average increase for municipal rates

The share of municipal taxes in local taxes is estimated at about 70% of the budget total of 11.6 billion guilders. For 2001 the growth rate will be 6.4%.

Provincial taxes, which mainly consist of motor vehicle tax, will increase by 8.8% (or 130 million guilders) according to the 2001 budget.

The water authorities will have an estimated 5.4% (or 180 million guilders) rates increase, which is slightly below the average. Because the cost of water purification grew modestly, it was possible to budget a modest increase in water pollution rates (+2.4%).

Above average increase in real estate tax

Real estate tax (OZB) is a major source of income for municipalities. The 2001 budget foresees an increase of 8.9%, bringing the revenues to almost 5.5 billion guilders or 47% of the total municipal rates.

The municipalities included a desired level of real estate tax (OZB) in their budgets. The basis for the real estate tax in 2001 is the value on 1 January 1999. This value was not yet known in many municipalities at the time the budget was written. When the set real estate value is higher than expected, the municipality may compensate by lowering the rate. If the set real estate value is lower, the rate cannot be raised, however. Later on in the year the consequences for the total revenues will be clearer.

Statistics Netherlands
Press Office

P.O. Box 4000 2270 JM Voorburg The Netherlands tel. +31 70 337 58 16 fax +31 70 337 59 71 e-mail: persdienst@cbs.nl

Statistics Netherlands is a department of the Ministry of Economic Affairs

A modest increase for specific municipal taxes

There are two categories of municipal rates: specific taxes where the revenues can only be used to finance specific services; and general taxes which can be used to maintain general services.

The specific rates will go up by a modest 3.9%. The main rates are the refuse collection rates (+2.9%) and sewage charges (+3.9%). The revenues of the general taxes will go up by 8.4% in 2001. These include real-estate tax. A remarkable development is the fact that the street advertising rates are lowered (-9%) and that tourist tax is substantially increased (+13%). However, the quantitative importance of the latter two is very small indeed.

Discounts

The municipal budgets for 2001 include a nearly 600 million guilder discount (Zalmsnip). Municipal tax waivers will involve slightly more than 200 million guilders, up 20 million (11%) on last year.

Wim de Ruiter, telephone (070) 337 45 49.