Tax Accounting: Real Estate Tax

Introduction

Taxes are a mandatory financial contribution, imposed by the government, and imposed on various sectors such as commercial and industrial activities, investments and trade between countries, which is called customs duties, and taxes on different expenses can be imposed as a commodity purchase the tax is considered as one of the most important aspects of social solidarity because of its fundamental role in it achieving public benefit to achieve social justice.

*Real estate tax:

It’s a tax imposed on real estate owners after the relevant committees have compiled a comprehensive inventory of all real estate built in Egypt, The real estate tax due on each property is paid on the basis of this estimate, And it is changed every 5 years based on price changes and inventory committees real estate tax aim is to satisfy justice.

Body

The Real Estate Tax Authority was established in 1883 and it considered as the oldest and most widespread tax institution, as the institutional construction of real estate taxes covers about 6000 villages in addition to other cities of the Republic, It can be said that the general objective of the real estate tax information system is to link the information to the location of the taxpayer and to create a kind of coordination and integration between other administrative departments in dealing with the financiers.

*The Authority is concerned with the following:

- Carrying out an inventory, estimating, linking and collecting the tax on agricultural clays and built real estate and the additional taxes and miscellaneous fees attached.
- Collection of the tax imposed on the supermarkets, amusement park and the fees attached there to in all governorates except (Cairo and Alexandria).
- Estimate and collect rents from the government, and collect the prices of what is sold in installments.
- Carrying out surveying and costing works for individuals from mud and buildings and any change that may occur to them
- Contributing to some agricultural and cooperative marketing work and deducting the dues from the eighths of cooperatively marketed crops.
- Editing the official statements of real estate ownership from the books of costs and giving official extracts of all kinds to those who request them, as well as providing copies of birth and death certificates.
- Maintaining all the books, files and documents kept in the house by photographing them with microfilm devices, as well as doing the same work for the books and documents of departments and other ministries that require this.

*Tax on built real estate:

Law No. 196 of 2008 regarding the real estate tax doesn't impose a new tax, as it's a tax that is already imposed under Law No. 56 of 1954 and the community has been known as "fare", and its provisions have been reorganized with the current law.

*Real estate tax cases:

Dr. Samia Hussien, The head of the Real Estate Tax Authority explained that the tax exemption threshold has been raised since 2013 from half a million pounds to two million pounds, saying: 'A citizen may be subjected to imposing a real estate tax because he does not submit what is beneficial to owning a housing unit, which is essentially tax-exempt, but failure to provide it Evidence of this may expose him to impose a property tax. (1)

*In charge of paying the tax:

The person charged with paying the tax is the natural or legal person who has the right to own the property, use it, or exploit it. As for the tenant, he is not considered - charged with paying the tax - but he is considered in solidarity with the taxpayer to pay the tax within the limits of the tax due to him.

*Real estate taxable to real estate tax:

This tax applies to all real estate built on the land of Egypt, except for non-taxable. Whether it is rented or the owner charged with paying the tax resides himself and whether it is full and occupied, or completely and not occupied, or occupied without completion, and this means that all existing buildings are subject to tax, whether they are built villas, buildings, buoys or chalets, whatever their location Geography.

- The tax is also imposed on the exploited space for garages - nurseries - leased lands, etc., provided that the tax is raised if the land becomes unused.
- Installations on the roofs or facades of real estate are also liable to tax if they are rented or if the installation is for a benefit or wage. What is meant by the property in the new law is every residential and non-residential unit in the building and not the entire building. (2)

*Real estate that doesn't taxable to real estate tax:

- State-built real estate designated for a public purpose.
- State-built real estate privately owned, subject to tax from the beginning of the month following the date on which it was disposed of to individuals or legal persons
- Buildings designated for religious observance or religious education.
- Buildings under construction are not taxable.

*Real estate tax-exempt:

- Buildings owned by associations registered in accordance with the law and labor organizations designated for the offices of their departments or for the purposes for

which they were established.
- Buildings of educational institutions, hospitals, clinics, shelters and not-for-profit charities.
- The premises owned by professional political parties, provided that they are used for their intended purposes.
- The buildings of youth and sports centers established in accordance with the laws regulating them.

*Tax raising cases:

- A case of destroying or destroying the property, in whole or in part, to the point where it is impossible to use the property in whole or in part.
- If the land independent from the built real estate becomes unexploited.

Will the land tax be levied?

A tax isn't imposed unless the taxpayer exploits it with any type of exploitation, whether it is urgent by buildings, independent or not fenced. (4)

Finally we should know that there are differences of opinion about whether real estate taxes are in the interest of the state, or whether it is not correct to place taxes but in my opinion it fulfils social justice because if there's no space for real estate tax and other taxes countries will not be able to provide several services.

Conclusion

Taxes vary, but real estate taxes are aimed at achieving social justice. real estate taxes represent a great income for the state and there are many countries that depend on the money that comes from taxes. In my opinion the country couldn't give away from the real estate tax and other taxes.

On this topic, we learned the answers to the following questions:

-What are taxes? -Who's responsible for paying the tax? - What is the importance of real estate tax? -What is the goal of the real estate authority? - When was the real estate tax authority established?

And we saw some cases of real estate tax issued from the head of the real Estate tax authority, all answers and cases made us convinced of the importance of existence of real estate tax authority and real estate tax history should make us feel justice.

References

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