# IMPLEMENTATION OF AN AD VALOREM PROPERTY TAX IN BOSNIA

# ASSESSMENT REPORT

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# INTRODUCTION

## Overview and General Findings

The Bosnia and Herzegovina (BiH) mission of USAID commissioned this Real Estate Tax Assessment to determine if the timing is right for USAID to provide technical assistance in support of reforms leading to a credible and ultimately comprehensive system of real estate taxation that will provide a stable source of public revenue to local governments and concurrently improve the property legal registry and cadastre.

The mission was also interested in determining whether the property tax offers any innovative ways to approach the seemingly intractable property ownership issues confronting BiH today. Issues of restitution, refugee rights, abandoned property, and unclear ownership combine to (i) severely limit the ability of SMEs to productively leverage their immovable assets; (ii) frustrate the development of a vibrant real estate marketplace; and (iii) disable market mechanisms leading to "best use" of property. It has been suggested, for example, that a policy of government seizure and auction of properties in response to non payment of real estate taxes could become a common method of clearing title in BiH.

Our findings are that the time does seem to be propitious for the introduction of technical assistance in support of the objectives described. Since a successful reform of this magnitude requires time, however, we would encourage an approach that recognizes that this is a long term investment that will take time to bring to fruition, and thus it is not appropriately considered as a quick-fix solution to some impending changes in revenue sources and assignments. In terms of the non-revenue potentials of introducing a property tax, we see an almost immediate benefit to municipalities in terms of identifying problems with illegal and unregistered constructions about which they can begin to take enforcement action. In the longer term, perhaps by the beginning of the next decade, there may also be the political will to begin to use tax delinquency sales as a method of clearing clouded titles, but we anticipate that the political will to exercise this tool before then, especially on residential properties, is not strong.

## Property Tax Productivity in the Balkans and Internationally

In the Balkans, taxes on property diverge widely from the notion of a recurrent tax on the value of the stock of real estate that underlies the use of property taxes in countries that rely heavily on them for local government finance. First, the use of property related taxes in the Balkans is quite low, generally being in the range of 5-10 percent. Second, and more importantly, the taxes subsumed under the property tax rubric are dominated by taxes on transactions, and thereby inhibit market liquidity, rather than being based on the entire stock of potentially taxable real estate. As Table 1 shows, the entire bundle of property related taxes raises roughly a third the fraction of government revenue in the Balkans as is done in a prototypical EU country like Poland. A comparison to the

revenue productivity of property taxes in the U.K, the USA, or other countries with a historical association with English traditions would be even more stark. As a tax on wealth, a tax associated with benefits received, and a tax that can facilitate consumer choice in the levels of taxes and benefits desired, the ad valorem property tax has much room for growth in the Balkans generally and in BiH particularly.

Internationally, the market value-based property tax is typically the primary instrument available to local governments to raise own-source revenue. The table below outlines the degree to which own-source revenues finance local government budgets in both federal and unitary governmental systems.

**Ratio of Own Source Revenue to "Own" Current Expenditures**

| **Federal Countries** | |
|---|---|
| Australia | 83% |
| Brazil | 28% |
| Canada | 53% |
| Germany | 75% |
| Spain | 74% |
| USA | 66% |
| | |
| **Unitary Governments** | |
| Austria | 90% |
| Denmark | 57% |
| France | 64% |
| Netherlands | 26% |
| Sweden | 76% |
| UK | 45% |

*Source: Table From "Financing Decentralized Expenditures" E. Ahmad Editor. 1997*

In each of these countries, local governments have the freedom to establish their own tax bases, set tax rates and retain the revenue collected within the structure of a national framework. By contrast, municipalities in Bosnia do not have the freedom to establish the tax base and set rates. Taxes that are traditionally own-source, such as property taxes, are administered by the Entities and Cantons and are subject to arbitrary revenue-sharing arrangements decided solely by the Cantons in the FBH and the Entity in the RS that may change from year to year.

## MOTIVATION FOR PROPERTY TAX REFORM

Bosnia is currently undergoing a major overhaul of its public finance system and tax administration. In addition to personal and corporate income taxes that will be levied by Entity-level governments in 2006, a value-added tax will also come into force. The VAT will primarily finance the State-level government as well as the debt obligations of Republika Srbska (RS) and the Federation of Bosnia and Herzegovina (FBH). As a result, the myriad of sales taxes that constitute a significant portion of municipal budgets must be eliminated.

It is well understood that tax bases should be diversified. The benefits of a diversified system of taxation include revenue stability, buoyancy with respect to the overall economy, and improved equity in the overall tax burden shouldered by taxpayers. The three pillars forming the tax bases of every successful market economy include income, consumption and wealth. Income and consumption taxes scheduled for implementation in 2006 will account for the bulk of tax revenues. Properly enough, the administration of these taxes will be the responsibility of the State and Entity level governments.

The third pillar, taxation of wealth, the basis for taxes on property and inheritance, is not well developed. At the same time, existing sources of municipal revenue seem to be approaching the limits of their capacity. Demand for municipal services is ever increasing while the RS Entity and the FBH Cantonal authorities have the right to assign responsibilities for service delivery to municipalities without granting the corresponding financial resources to effectively fulfill those obligations.

A market value-based property tax in Bosnia will achieve multiple objectives, including:

- Improve the fairness of tax burden allocation among taxpayers – horizontal and vertical equity is greatly improved
- Enhance decentralization and municipal fiscal autonomy by giving local governments an easy to administer, stable, own-source revenue stream
- Diversify the tax bases on which the financing of municipal public services depends
- Provide a consistent measure of municipal creditworthiness
- Improve land use efficiency by sending signals to the market where land is scarce and serve as an incentive for people to recycle properties and relocate activities according to “highest and best” use
- Improve the position of local governments in Bosnia by increasing the financial capacity of local governments
- Improve the municipal business climate. The existence of a modern broad-based tax reduces the incentives to unduly focus revenue efforts on businesses.

While the implementation of a property tax will not instantaneously replenish the coffers of municipalities, it will provide an instrument for significant revenue in the future, provide an impetus for the improvement of land and cadastre records and spur property

registration. It will also begin to address impediments to the development of a more vibrant real estate market, the reorganization of mortgage lending and a more sophisticated appraisal profession, among other problems of longstanding note.

## Municipal Finance

Municipalities are in constant competition for scarce financial resources with Cantons and Entity-level authorities. It's hardly an even contest since municipalities in the FBH and RS do not have the authority to set their own tax rates and they are reliant upon the Entity and Canton-level tax administration for the collection and distribution of revenue. To make matters worse, there exists a mismatch of revenue and expenditure assignments. The Entity-level government in the RS and the Cantons in the FBH can delegate responsibility for service provision to the municipalities as they see fit, regardless of whether or not municipalities possess the resources to carry out those responsibilities. Higher levels of government can also change the allocation of grants and shared revenue without consultation with or warning to local governments. It seems that the adage "Finance Follows Function" is not applied in Bosnia.

Local governments are dependent upon a series of user fees and charges that are mainly targeted at the commercial sector. Public officials are quick to discuss the importance of economic development in their community and express a strong desire for businesses to locate within their jurisdiction. However, governmental fiscal policies consistently punish business through a dizzying array of taxes, fees, and permit charges required by municipalities, Entities and Cantons. It is unknown what the rate of compliance may be with respect to each tax and fee, but one must assume that businesses do not, and in many cases cannot, pay them all. It is also a fair assumption that this targeting of real estate flows arises because there are inadequate administrative resources to address stocks of wealth.

A properly designed market-based property tax has the potential to solve these problems. Capital values are in part determined by service levels and location. Therefore, as a weighting scheme, property tax assessed at market value is a good proxy for public service levels. This makes an ad valorem property tax especially suitable for helping to solve the disparity between revenue assignments and expenditure responsibilities since the potential revenue stream is partially based on the services provided. With respect to the current tax burden on business, implementing legislation should limit the ratio in tax rates between residential, commercial, industrial and agricultural properties. For example, the framework legislation could stipulate that commercial properties shall not be taxed at a rate higher than 2.5 times that of residential properties, while agricultural land shall not be taxed at less than half the rate for residences.

Many previous reports have highlighted the chaotic nature of the system of revenues in the RS, FBH and, to a lesser extent, in Brcko District. When one looks at sources of revenue in the FBH and RS, it is the sheer number of different taxes and fees that is most

striking. In 2004, there were 160 different taxes and fees in FBH, up from 139 in 2003. The RS last year levied a total of 145 taxes and fees. A great number of these are miscellaneous communal fees and charges imposed by municipalities in the FBH and RS due to the fact that municipalities do not have control over the share of sales, income and other taxes they receive each year and must make up for revenue shortfalls with new user fees. The communal fees imposed by various municipalities are for everything from inspection of sailboats to arranging music concerts in restaurants and using glass showcases for the display of goods outside business premises. Further detail on the revenue productivity of this multiplicity of taxes and fees is available in Tables 2-6 in the Appendix.

The main taxes on property in the FBH, the RS and Brcko District include the property tax, the transfer tax, the tax on gift and inheritance and the tax on rental income. While the 10 Cantons in the Federation have each imposed their own municipal finance regime, in general, these taxes are shared revenue between the Entities and the municipalities.

In terms of the amount of total revenue collected, the combined share of all taxes on property is quite small. In Brcko, all taxes on real estate accounted for 0.4% of total revenue in 2004, while the share of property-related taxes in the FBH was just under 2% and in the RS, just over 1%.

They are somewhat more significant to municipal budgets. According to the USAID Governance Accountability Project (GAP), in 2003, property taxes accounted for approximately 15% of total municipal revenue in the Federation and 7% in Republika Srbska. However, municipalities are not able to grow the current taxes on property themselves in order to have them account for a greater amount of total revenue because (i) municipalities lack the authority to set their own tax rates; (ii) these taxes are subject to revenue sharing arrangements; (iii) the primary engine behind taxes on property, the transfer tax, is reliant upon the number of registered sales in a given year – in addition, the tax rate is already extremely high; and, (iv) the property tax is based on a set of normative coefficients multiplied by the size of the property without any consideration for the value of the real estate.

Sales taxes, on the other hand, account for a far greater proportion of total tax revenues. In 2004, the Republika Srbska collected over 431 million KM in sales taxes, accounting for 23% of the total 1.85 billion KM collected. Sales taxes are even more significant in the Federation, with over 1.35 billion KM collected in 2004, accounting for 35% of the total amount collected of 3.8 billion KM. Finally, in Brcko District, sales taxes accounted for nearly 31% of the total revenue collected in 2004.

Sales taxes are a major source of funding for municipal budgets in both Entities and for the Cantons in the FBH. In the FBH, approximately 70% of Cantonal revenue and 21% of municipal revenue is derived from sales taxes. In the RS, 52% of local government revenue comes from sales taxes. In the near-term, the State-level government will

hopefully share VAT revenue with the Entities and municipalities at a level comparable to 2004 amounts so as to soften the impact of the loss of sales tax revenue. The USAID GAP is currently working on grant and equalization formulae for this purpose.

In many Western countries, own-source revenue, which primarily includes a market-based property tax, accounts for anywhere between 20% to 60% of local government revenue. Yet in Bosnia, that paradigm is reversed. Municipalities are reliant upon shared revenue – the tax base, tax rates and collection of which are determined and managed by a higher level of government.

**Improvement of Property Legal Registry and Cadastre**

An important non-fiscal benefit to the ad valorem property tax is the potential for the improvement of ownership records and the cadastre through property tax registration. The Property Tax Register database will provide a snapshot of who is living where and what structures exist at the time of registration. While the Property Tax Register presumably will not confer or denote ownership rights, this information can be used to enhance the cadastre and land register.

At the time of registration for the property tax, real estate can be cross-referenced to update information on the structures that exist on each parcel. Splits and merges of parcels can also be verified and recorded, and the declared owner of the real estate on the property tax registration form might be approached by the municipality if that person is not the formal owner in the land and building register. Once registered with the Tax Administration, owners could be required to pay for construction permits and other licenses that were not obtained previously, but would then have a clean title to their property. Municipalities may wish to consider announcing a general amnesty where the penalties for not obtaining these permits would be waived and a flat fee would be instituted in cases where multiple permits should have been obtained. Owners can then obtain a clean title to their property once this fee has been paid. A program of this sort in Brcko reportedly resulted in 4,500 properties being reported, of which 1,500 have been processed to date, with costs to property owners being on the order of 200 KM per square meter. Above all, municipalities should not let the issue of unregistered property hinder the surveying of real estate and recording of the information in the Property Tax Register.

Enforcement action taken against delinquent taxpayers is another opportunity to clear titles. Taxpayers who are severely delinquent in payment of property taxes may have their real estate seized by municipal tax authorities. The municipality can then sell the real estate at auction and the new owner will obtain a clear title to the property. However, municipal seizure of privately-owned real estate for non-payment of taxes may turn out to be a slow process in Bosnia. It will depend upon the length of time required to run through the steps outlined in the property tax legislation to seize real estate from delinquent taxpayers. It is also reasonable to assume that elected municipal officials may be reluctant to seize private homes and businesses during the first few years of

implementation. As time goes on and the tax is institutionalized, the willingness to take decisive enforcement action will increase. In the near term, the concurrent updating of the land register and cadastre during the property tax registration process has the greatest potential for capturing unregistered construction and updating ownership records.

**Support from Municipal, Canton and Entity Officials**

Municipalities are well aware of the impending revenue crunch. Each municipal official we met expressed a desire to implement a property tax in order to provide a stable, predictable revenue stream managed by municipal administrations with the revenue retained by the municipalities. It is the only significant, untapped revenue source available to fund municipal budgets. The officials with whom the assessment team met in Republika Srbska and Brcko District expressed the strongest desire to move forward with an ad valorem property tax as soon as possible. Indeed, it is the fact that this reform is being *requested* by local counterparts that makes the prospects of success so favorable.

The assessment team and USAID met with the Minister of Finance of the FBH, Mr. Dragan Vrankic, and two of his key advisors. The Minister expressed his general support for the development of an ad valorem property tax in order to provide municipalities with the resources necessary to carry out their responsibilities and reduce the need for transfers from the Entity budget. Minister Vrankic is keenly aware of the hole left in municipal budgets with the elimination of the sales tax and recognizes the need to replace this revenue stream as quickly as possible. However, he also stated his belief that real estate tax reform will be a considerable effort carried out over many years.

The assessment team also met with Ms. Milanka Milic, who is Director of the Finance Department for the Municipality of Sarajevo Centar, and Ms. Dzenana Softic, of the FBH Tax Administration Department. Both officials recognize the critical need for this reform at the local level to provide local administrations with revenue vital to carrying out their expenditure requirements. Ms. Milic noted that Slovenia has undertaken property tax reform to implement an ad valorem system and she believes that Bosnia should follow suit. Both Ms. Milic and Ms. Softic stated that the current VAT and income tax reforms have the FBH Ministry of Finance staff working at their maximum capacity. However, they believe that after full implementation in January 2006, the government will be able to turn its attention towards property tax reform. Ms. Milic stated her belief that municipal expenditure responsibilities should be reconsidered in coordination with ad valorem property tax reform. Finally, both officials noted that such a reform will not be easy nor will it provide an immediate solution to municipal budget deficits. The opined that a culture of tax compliance does not exist in Bosnia and this will have to be addressed as well.

During a visit to Banja Luka, the assessment team met with Mr. Milenko Kudic, the Assistant Minister of Finance of Republika Srbska. He stated his belief that movement towards an ad valorem property tax should have been implemented at the same time as

VAT reform. This is also the view of the Minister of Finance of the RS. He also expressed his hope that this reform would update the cadastre and land registry through the registration of current property owners and previously unregistered constructions. Additional revenue may be generated as previously undiscovered properties are registered by the tax authorities and property owners are required to pay for construction and other permits. While this action is required by law, Assistant Minister Kudic recognizes the potential hardship this may impose on taxpayers paying several fees at once. He stated that some kind of flat fee for all permits and penalties may be appropriate. Based on anecdotal experience in other countries and the fact that properties with clear title are worth more in Bosnia, it seems likely that people will be willing to pay the necessary fee to obtain a clear title. Finally, Assistant Minister Kudic expressed his desire that 100% of the revenue generated by the ad valorem property tax stay in the municipality in which it was collected, though his personal opinion is that the Entity level Tax Administration is best capable of administering the tax based on his perception that they are more immune to the vagaries of local politics.

The Director of the Revenue Agency in Brcko, Mr. Osman Osmanovic, expressed similar thoughts and even greater enthusiasm for the ad valorem property tax. Sales taxes generated nearly 65 million KM in revenue last year and accounts for about 30% of annual budget revenue. Once again, the assessment team was told by local counterparts that ad valorem property tax reform should have begun in conjunction with VAT and income tax reform.

The initial proposal for an ad valorem property tax in Brcko came from the District's Tax Administration Department after the Assistant Director of the Revenue Agency, Mr. Petar Djuric, and other key staff attended the conference "Introducing Market Value-Based Taxation of Real Property" sponsored by the Lincoln Institute of Land Policy and held in Ljubljana, Slovenia, each year. However, without outside assistance, the Tax Administration's reform effort stalled. Aid finally came from USAID TAMP and a draft law was finalized that is currently under review by the Mayor's office. It is anticipated that the law for ad valorem property taxation in Brcko District will be enacted by the legislature in October 2005. Mr. Osmanovic believes that the new market value-based property tax is likely to be implemented around 1 July 2006, provided that USAID continues to support this effort.

The USAID TAMP project has developed an initial valuation model based on data obtained from sales contracts. Based on the values generated by regression analysis and on the 0.5% tax rate prescribed by Brcko's draft property tax legislation, it is estimated that collections may be 7 to 9 million KM in the first year. While this amount may seem small in terms of the total budget, it is critical that the administrative structures be put in place now in order to ensure that the property tax will grow and become a primary revenue stream in the future.

Mr. Osmanovic outlined several specific areas for which they require practical assistance. These include:

- Development and implementation of the Property Tax Register database
- Development of property valuation methodology and formulae for mass appraisal
- Matching of gathered data with records in the Land Register and Cadastre
- Identification of relevant property characteristics
- Survey training and data gathering techniques
- Taxpayer education and public relations

Mr. Osmanovic made it quite clear that, without continued support from the international community and USAID specifically, their efforts to develop the property tax as a significant own-source revenue stream will be brought to a standstill. He stated that this is something completely new to them and while they recognize the importance of this effort, they need direction on the "nuts and bolts" of implementing an ad valorem property tax.

## RESOURCES TO SUPPORT THE REFORM

The extent to which essential resources are available critically affects the likely success of any undertaking. For the introduction of a market-value based real estate tax, the critical resources include: (1) at least a minimal real estate market, (2) records pertaining to the potentially taxable real estate objects, (3) records pertaining to the owners or holders of other rights in the potentially taxable objects, (4) records pertaining to the transaction prices at which market exchanges have taken place, (5) an institutional framework within which administrative activities can be carried out, and (6) the availability of a corps of motivated personnel with core competencies. In this section we discuss the situation in BiH in these respects.

### Real Estate Market

The real estate market in BiH appears to be surprisingly active, especially in view of the unsettled state of much of the real estate. Post-conflict issues of displaced persons; damaged-, abandoned-, and possibly-mined properties; and the social/economic hardships of much of the citizenry add a layer of complexity to the usual issues found in transitional economies of non compliance with real property development-, registry-, and related regulations. Nevertheless, evidence for a vital market is persuasive. New construction in the major urban areas and a flourishing building-supply trade are obvious to the casual observer. There are multiple small and large real estate brokers in the urban areas, although there is not yet any association of them, nor anything resembling a multiple listing service. There is also a nascent mortgage market, complete with tested legal support for lender repossession in the event of default. The legal framework within

which the market operates has been legally determined in recent years. The relevant laws we reviewed in English translation are listed in the Appendix to this report.

Real estate professionals with whom we spoke estimated that the largest majority of transactions were taking place without the benefit of brokers. To gauge the level of this activity, we tabulated the classified advertisements for the sale or rental of real estate in the local newspaper of the principal cities of the FBH, the RS, and the BD during the fourth week of July, 2005. The overall total was 6,352; with totals from the three areas being 4,289; 1,081; and 982 respectively; further detail is provided in Table 7. In addition to the evidence from listings, we also obtained evidence of completed transactions. A project supported by USAID on the modernization of tax administration (TAMP) collected data on real estate transactions during the year 2004 in Brcko District, by far the smallest of the three areas discussed here. Of about 1,700 total transactions in that year, approximately 752 provided evidence of a market value. The level of market activity indicated by these sources is more than adequate to support the introduction of a market value based property tax. Such a tax was successfully introduced by USAID in Kosovo on the basis of substantially fewer market transactions, although that tax was also introduced at tax rates substantially lower than those that should be contemplated here.

## Records of Real Property

Records available for the administration of a recurrent ad valorem tax on the stock of potentially taxable properties are inadequate in BiH in the same ways as they are in most of the surrounding countries. Only in the RS is an attempt made to tax most property annually. In the FBH and in BD, the bulk of current property taxes comes from transfers, although in FBH commercial properties and weekend houses are taxed annually (payable in four installments). In the RS, the existing tax is based on declarations filed by taxpayers, who are required to state the amount due, based on the size(s) and location(s) of their property(ies). Unfortunately, these records do not lend themselves to the institution of an in rem tax, in contrast to the legacy in personam taxes, and most officials are not accustomed to the difference. Although the tax administrations in FBH, RS, and BD all use a 13-digit taxpayer identification number for the natural and legal payers of at least some of their taxes, they unfortunately do not in general have or use an identification system to uniquely identify potentially taxable objects, which would permit the employment of quality control procedures to ensure that escaped objects do not indefinitely remain omitted from the tax rolls. Use of such numbers, and organization of records according to them, would also facilitate more efficient management of the tax base, including the development of better valuations.

The framework for the collection and management of the required data is well known, although inadequate attention is generally given to several important issues. Potentially useful identification systems for apartments and for land exist, and a rudimentary database design for the description of buildings and other improvements was promulgated long ago, at least as far back as 1989 (although largely unimplemented). At

least in urban areas, there are registries of apartments, although their organization is sub-optimal and their integrity is questionable. More useful are cadastral records, nominally of both land and buildings, although only the former are likely to prove useful. In BD the bulk of the land records are electronically managed using the widely supported AutoCAD software, and could conceptually be used to provide either base maps or full-fledged data management capabilities to the municipality as it seeks to develop a system to support the identification and description of all taxable parcels of real estate. In at least the Banja Luka municipality of the RS, information technology is also available to support the base mapping and location-identification activities of the municipalities, although the software used is completely different from that in BD and probably less easily integrated into a larger system intended to support property tax activities in addition to cadastral ones. The Banja Luka base maps, however, are entirely digitized: 100% in the form of at least pixel oriented (photograph-like) files, 90% in a vectorized form, which permits easy reproductions with changed scales, and 70% in the form of layered geographic-information system structures for easy data manipulation and analysis.

According to the German technical assistance agency, GTZ, in the populous areas of the State, at least to the extent that records survived, there are nominally cadastres with descriptions not only of land, but also of buildings, and in some areas the surviving records have been entered into computer databases. Such areas constitute about 15% of the total area of the State. GTZ has been inputting into a database the last known information from both the cadastre and the land registry. This effort is likely to be extended using World Bank funds. World Bank personnel provided the tabulation of data, reproduced in the appendix, on the status of the various cadastral record systems, compiled and supplied by the GTZ effort to modernize those systems and to improve the land registries.

The former Yugoslav system, still in use in RS in connection with the administration of the transfer tax (not the recurrent property tax), developed a system for deriving a pseudo-market value based on a schedule of "points" associated with some three dozen "building-quality" characteristics. There is some resemblance between this system and the US mass appraisal systems of the 1950s. Unfortunately, even these data are not reliably available in the cadastre. Their likely absence, together with the better known issues of obsolete ownership records and omitted improvements, calls into serious question the utility of the cadastral records of improvements except as a paradigm of how the necessary data might be collected and managed in a computerized system.

Administratively, the cadastral paradigm should generally be overturned. Currently cadastral offices operate in a mode such that no record updates are made until all the bureaucratic paperwork is complete and instructions are officially given. For example, one office pointed out records of a massive building that long ago had been demolished but was carried in the records because no one had given instructions to have the records updated. Encouragingly, some offices have adopted the practice of amending their records when requested to do so by a party of interest (which we ascertained would

include a tax administrator), together with an annotation that such updated information was not "official." The so-called "B" list, generally reserved for noting mortgages and other potential clouds on title, appears to be the table in which such entries are made. The concept of proactively seeking out and recording changes or differences between their records and "ground reality" on their own initiative, however, is completely foreign to the cadastral offices, whose role seems to be passively recording facts presented to them in their official capacities. This is completely the opposite of the perspective adopted by tax assessors where significant reliance is placed on an in rem ad valorem property tax.

The major effort of itemizing properties and their locations can potentially be supported by the cadastral records and by a major project underway to modernize them. The GTZ project to improve the cadastres and especially the land registers is likely to be significantly augmented by a $15 million loan from the World Bank. These efforts can provide opportunities for mutually beneficial interactions with a property tax reform project (a view shared by their personnel), especially if design details are tightened. Specifically, registered owners should be identified by taxpayer ID numbers in addition to names and birth dates as currently envisioned in that project. Also, agreements regarding data ownership and compensation (if any) for data exchange may need to be addressed. Presently cadastral records needed for tax administration purposes are provided without charge, but this may change as volumes increase. From the different perspectives of the cadastre and the tax administrator, it is unlikely that the same database can be used for both purposes, although it is also likely that data could be profitably exchanged between them. From the tax side, system requirements will ultimately include base maps and timely flows of information on changes to the registered right-holders of identified properties. From the cadastre/land registry side, there is a potential interest in information gathered by property tax administrators on current occupiers of properties, inasmuch as the current cadastral database design provides for maintaining such information in its so-called C lists. From both sides there should ultimately be great interest in maintaining (presumably separate layers of) information on land parcel boundaries and building locations (probably front door locations rather than building footprints) atop a unified base map of road/street, topographic, and related information. The applicability of modern best practices, which include attaching electronic photos of the street face of the building and the GPS coordinates of the main entrance of a building to records of taxable parcels, remains an open question (see below). But systematically developing an in rem database in contrast to the current in personam orientation will be an essential step in the process of implementing an ad valorem property tax with the potential to motivate the resolution of land tenure issues.

The current base maps are derived from statewide aerial photographs flown in 1987 and in 1969. There are no current plans to acquire new orthophotos. There is also no reported use of ancillary data sources, such as satellite photographs or other commercial vendors' data. Geographic information systems, while available to limited extents in some of the larger municipalities, are not widely implemented. At least one local

commercial vendor with an internet presence offers map data at a scale of 1:100,000 and 10-meter digital elevation model data. The scales of the available cadastral base maps, in contrast, range from 1:1000 in urban areas to 1:5000 in rural areas. No provider of electronic street / navigation information is known to be active in BiH. A Japanese aid project is expected to deliver 1:25,000 maps suitable for road identification within the next three months, although no funds are currently budgeted to keep them up to date. The FBH cadastral official noted that both street names and street numbering are regrettably unstable. She reported that she had registered her own property at one address only to have the information papers come back with both a different street name and street number.

**Records of Individuals and their Rights in Real Property**

Multiple, inconsistent sources associating persons (both natural and legal) with their rights to real property are present. Recent law reforms, however, have placed responsibility for definitive determinations with the local courts, which can draw upon cadastral and other sources as they may require as custodian of the land register. The process of officially conveying property is tedious and is anecdotally reported to be getting worse. The delay between submitting completed transaction papers to the courts and receiving from them the required certification of ownership is reported to have increased from one year to eighteen months according to one real estate broker.

The administration of an ad valorem tax need not await the extremely protracted resolution of ownership rights issues, and may in fact help motivate their resolution. Property taxes in other areas have successfully been implemented on properties irrespective of their ownership status. Some occupiers with less than full rights may choose to pay the tax from a benefits-received perspective. Others may pay in anticipation that doing so may constitute some level of evidence in subsequent adverse possession proceedings. From another perspective, governments may be able to generate both revenue and momentum for resolving longstanding land tenure ambiguities by certain delinquency collection practices, viz. seizing tax delinquent properties and auctioning them, with cleared title, to successful bidders. Care to avoid the possibility of this becoming a tool for displacing disadvantaged minorities may have to be taken in designing such a program, however. In this regard it may also be advisable to run auctions in two stages: first to provisionally transfer title to the highest bidder, who is only entitled to take possession after a brief waiting period during which the owner/occupier can buy the property back from the tax purchaser (without title clarification) for the higher of the price the tax purchaser paid or the back taxes, plus a stipulated interest rate.

In order to avoid the creation of perverse incentives to delay rather than resolve ownership issues, it may be advisable to design the new ad valorem property tax so that it is based on an assumed ownership of full rights, even if occupancy is the only right of an identifiable person. The general principle of preventing owners from escaping taxation

by voluntarily alienating their rights is well established in market economies. For example, the owner of a valuable building cannot reduce his taxes by granting a long term, $1-per-year lease to another person, and thereby make his property's market value nearly zero, since it is the entire bundle of rights, ownership as well as leasehold, that is subject to taxation. Similarly, recognizing the differential between ownership and lesser rights in valuing properties for taxation purposes will constitute a disincentive to resolving those rights, which would be bad social policy. Getting such a point of view embedded in the enabling legislation may require some care.

**Records of Market Transactions and Other Appraisal Information**

There is some question about the degree to which available price information accurately reflects market values, but this need not be a major impediment to the introduction of a market value based property tax. As is pervasively the case in the area, there is a tax on real estate transfers that is so high that it creates a significant incentive to understate the true transaction price in the registration paperwork. As a result, the tax authorities have adopted measures to supplant the declared price for purposes of administering the transfer tax with a tax administrator's (or commission's) estimate of the likely actual price/true market value. As part of the introduction of the reformed property tax, the transfer tax rate should be reduced to trivial levels so that the stock of real estate can be taxed at levels high enough to equitably raise more revenues than could be raised by the current tax milieu. Encouragingly, there is local recognition of the disincentives created by the high rates on the flow. Transfer taxes, locally set as high as ten percent in past years, have trended downward recently and are now more commonly at a level of about three to five percent. Until their distortionary effect can be removed, the ad valorem property tax can presumably be perceived as legitimate if it begins by targeting the revised levels of market value generated by appraisers for tax administration and mortgage-resolution purposes.

No regulation of appraisal practice or appraiser licensing per se currently exists in BiH, although there are individuals and firms who are certified by the courts for a period of four years to estimate market values in certain circumstances. In interviews with such individuals we learned that the factors these appraisers considered in estimating values generally corresponded to standard practices elsewhere, although there was a marked lack of systematization in their approach and presentation. Assessments of real estate appraisal practices by other sources have similarly remarked the need for increased training and professional development opportunities. Officials in the Brcko district have been exposed to multiple-regression-based mass appraisal methods in connection with the previously mentioned TAMP project and appear to have found them compelling. They were also generally familiar with the income-, cost-, and sales-comparison approaches to estimating market values. The Deputy Minister of Finance in the RS also indicated a general familiarity with modern mass appraisal methods and an interest in receiving assistance in implementing them.

## Institutional Framework

To ensure the feasibility of a technical-assistance intervention, a common framework with at most a few variations is probably required. Ensuring that municipalities retain authority to set rates and perhaps some exemption/incentive provisions, within limits, is key to a successful reform project. But the establishment of an overall legislative framework for a new ad valorem, in rem tax would be most effectively done at the Entity level. In order for the Entities to monitor the fiscal capacities, tax efforts, and the needs of some municipalities for differential levels of revenue distributions, the Entities should establish oversight/coordinative bodies at the Entity level to monitor the performance of the municipalities in their property tax administrative efforts and perhaps to supply additional technical assistance to them upon request. With the imminent introduction of the VAT tax at the state level, and the abolition of sales taxes at the Entity levels, there may soon be under-employed auditors in the Entity level's tax administrations.

## Motivated, Competent Personnel

Municipal officials, with an undiluted stake in the revenue of a successfully administered tax, are the most likely to successfully complete the hard work required to implement the tax reform, although the important role of the Entities in providing oversight, support, and perhaps contracted services should not be minimized. Competencies requiring augmentation, as identified by interviewees, include basic education in the advantages of the reforms, public relations, software design and training, and valuation model building expertise.

Valuation, and especially the role of location, will be an important issue to address. Interestingly, some interviewees identified constraints on valuation accuracy as imposing constraints on the revenue capacity of the tax. If a broad zone approach is employed to capture location value, inter-taxpayer inequities resulting from relatively small differences in proximity to major boulevards or other value determinants will constrain the rates of taxes that can be imposed on two (dis)similarly situated taxpayers. On the other hand, the importance of location in value determination is not widely appreciated. Under the legacy valuation systems, differences of 10-20 percent based on location are recognized within urban areas, with a 50 percent differential between urban and rural areas. Thus it may take considerable effort to sensitize personnel to the location subtleties that can drive order-of-magnitude differences in real estate values for reasonably proximate properties and to establish the data collection and data analysis procedures necessary to support the effective use of location in the ad valorem tax reform project.

Most interviewees presumed that the tax reform could be implemented by strengthening requirements for taxpayers to file declarations of their properties, and that high-profile prosecutions of non-filers would address most data collection problems adequately. But even if taxpayer declarations could be itemized to the level of individual properties and if

taxpayers would accurately report the quality, size, and other factors that contribute importantly to determining market values (both very dubious assumptions), the issue of location would remain largely unaddressed. Taxpayers with ownership rights, of course, will know their cadastral numbers and could be required to supply them, but others would not necessarily do so or be able to, thereby frustrating the identification of their properties' locations. Since there is presently no vision among the officials we interviewed for a mass canvass of properties to capture the necessary information, some sort of rolling area-by-area audit/review may need to be implemented. This would require training in consistently capturing locational attributes such as traffic, view, proximity to amenities/nuisances, and the like, and further training in techniques for sensibly identifying and analyzing neighborhoods and larger economic areas.

Computer availability and computer literacy does not appear to be particularly problematic. The GAP project indicated that their contacts with municipal personnel had revealed computer readiness and availability in most places, and the cadastral office in Banja Luka reported that all 40 of its employees were competent to use their geographic information systems. The GTZ land registry and cadastral office, in contrast, found it necessary to invest in computer based training on the subject of computer usage. Fiber optic and other high speed communications-technology infrastructure, while not universally available, is available in the larger offices we visited. We also found general information technology support and support from the major database vendors to be similarly available.

### Summary

There appear to be no insurmountable problems from a resources point of view that would tend to prevent the successful introduction of an ad valorem property tax over a time horizon of several years. There also seem to be no advantages to delaying action in this area to await better circumstances, and some reasons, including potential synergies with the cadastral modernization project and responsiveness to client interest, to move forward expeditiously.

## IMPLEMENTING AN AD VALOREM PROPERTY TAX

The assessment team has found evidence that modern methods of mass valuation can be put in place in Bosnia since the real estate market is sufficiently active and the sales data and rudimentary appraisal knowledge is already available. Modern methods of management are also available that allow for the development of the fiscal cadastre based on inexpensive database technology. Computer assisted valuation methodology can be employed to reduce the cost of valuing properties and updating values over time.

## Phasing

A phased introduction of the reform, starting with the largest, most competent municipalities, seems likeliest to succeed, presumably with concurrent assistance to Entity-level bodies in their roles both as overseers and as potential contractors to less well endowed municipalities. In a nod to private enterprise, it may also be advisable for the implementing legislation to contemplate that private contractors could play a role in administering the property tax, including performing field canvasses and developing valuation models, subject to municipal audit. Municipalities, in turn, should be subject to Entity-level audits. As infrastructure develops, the higher-risk municipalities may wish to assume responsibility for their own property tax administration. The head of the USAID GAP project, which provides assistance to municipalities in budgeting and related areas, opined that administering a property tax reform project was within the technical capacities of all the municipalities he works with, large and small. Experience elsewhere, however, suggests that a pilot project that is initially aimed at municipalities of diverse technical capacities may inappropriately dilute assistance efforts.

## Changes to the Legal Framework

Before a market-based property tax can be implemented, a new law must be passed by the Entities to give municipalities the legal authority to tax real estate based on its market value. The draft legislation should clearly outline the responsibilities of local governments in administering the tax and establish a certification procedure whereby the Ministry of Finance at the Entity level authorizes local governments to begin collecting property taxes once they have instituted the necessary administrative bodies and procedures to adequately support tax assessment, collection, and enforcement. The certification procedure should consist of an objective checklist of yes/no questions. Subjective determinations must be avoided in order to prevent the Entity-level Ministry of Finance from abusing its authority.

Other than certifying that each municipality or grouping of municipalities is ready to administer ad valorem property taxes and ensuring that the property tax is administered in accordance with the law, the Ministry of Finance would allow the municipalities to assess and collect property taxes without interference.

The property tax legislation should address the following issues:

- Ensuring that 100% of property tax revenue is reserved for the municipality in which it was raised.

- Making the property tax a general purpose tax and allowing local governments to spend the revenue as they see fit.

- Establishing realistic tax rates and constraining the ratio between business and residential tax rates so that the commercial sector does not bear an undue share of the tax burden.

- Ensuring that municipal authorities have the right to comprehensively collect data on land, buildings, occupiers and their rights and compelling property owners/occupiers to provide necessary information to tax administrators when requested to do so.

- Establishing a common tax base for the entire country and limiting exemptions.

- Standardizing the classification of property across the country and establishing common administrative procedures.

- Giving local governments the ability to enforce tax delinquency collections, including the power to place a tax lien on real estate and sell property at auction for non-payment of property taxes.

- Establishing a reasonable system for non-judicial appeal of taxpayer grievances.

**Valuation Policy Considerations**

Although the property tax should be fundamentally based on ad valorem principles, the possibility of negative values should be addressed in a policy-sensible way. Some properties, such as wrecks and those suspected of still being mined, may actually have a negative value (i.e. the cost of preparing them for their highest and best use would detract from their total value if the land were clear). This is nonsensical from the perspective of ad valorem taxation – the municipality cannot collect negative taxes and should not send a subsidy to their owners. Therefore some reasonable positive value should be assigned to the property on the tax roll to serve as an incentive for the owner of such affected property to rectify the situation and diminish his tax bill.

**Technological Solutions to Data Problems**

In the absence of reliable records on the locations and characteristics of properties, an electronic photo of the front of each property (perhaps taken from the street) and a GPS point for its front door would go a long way toward eliminating many disputes and ambiguities. Although not conceptually necessary for the introduction of a property tax, these data would provide the following advantages:

- Facilitate quality control of the field data collection effort

- Increase the efficiency of the appeal review process by obviating the need for most site visits and establishing immediately/in-the-office that both parties are talking about the same property

- Increase the efficiency of the valuation model builders, who often need to check the characteristics of sold properties, but cannot afford the time to visit them

- Lend credibility to the property tax program

- Potentially augment the cadastral records and motivate greater cooperation between the two data management bodies

- Provide a ready means by which citizens may compare the equity of their assessments with those of comparable properties.

**Advisability of a Field Canvass of Properties**

The value-related location differentials embedded in the legacy appraisal systems are far too small to reflect economic reality. To reflect reality better, information on location per se and the locational attributes of particular properties is needed. Such data cannot realistically be obtained by taxpayer submissions. Therefore, for an ad valorem tax capable of raising significant amounts of revenue to be successfully implemented, a data capture and data analysis program is likely to be required. The infrastructure to support such a program entails:

- Maps for definitively locating each property
- A property and locational-attribute coding manual
- Software to manage and control the quality of such data
- The time-limited employment of a cadre of trained personnel

In addition to the data gathering and analysis activities applicable to the universe of potentially taxable properties, a similar but more intensive effort will need to be made to gather, qualify, and analyze data on properties that have recently been sold or otherwise hold promise of providing market value indicators, such as by leasing or construction activity. For at least these market-defining properties, the availability of digital photos and GPS coordinates would be particularly valuable.

**Brcko Pilot and Roll Out to RS and FBH**

Brcko District already has a draft law on market value-based property taxation under consideration that is expected to pass in October 2005. However, without additional and substantial international assistance and continued support, no action will be taken to actually implement an ad valorem property tax. The progressive thinking, solid

motivation and the initiative of the Brcko authorities provide an excellent opportunity to begin implementation activities there as early as the winter of 2005/2006. As mentioned previously in this report, Brcko requires technical assistance in all areas of implementation, including:

- Development of the Property Register
- Development of the Valuation Methodology
- Computer-Assisted Mass Appraisal Model Building
- Information Technology Procurement
- Training in Survey Techniques
- IT Technical Assistance for Interface between the Property Register, Cadastre and Land & Building Registers
- Taxpayer Education and Public Relations

The experience gained and lessons learned in Brcko can then be used to inform the implementation of the system in the Federation and Republika Srbska.

At the same time, the legal framework for ad valorem property taxation in the FBH and RS may be drafted and shepherded through their respective legislative processes. It may take some months for implementing legislation in both Entities to be passed, by which time Brcko District should have nearly completed its property inventory and will be close to issuing bills. A successful pilot in Brcko may serve to speed the passing of legislation granting municipalities in both Entities the legal authority to assess and administer property taxes.

Once the legal framework is established in the Entities, determinations must be made on which municipalities can handle assessment administration most efficiently. While each municipality has its own tax collectors, smaller, rural and less technically capable municipalities may experience difficulty administering their property tax databases and performing valuation. Groupings of municipalities should not be ruled out whereby a larger municipality with adequate IT infrastructure would maintain a neighboring municipality's property tax database and carry out property valuation functions.

Ideally, full ownership of the tax administration functions would be retained by the municipality to ensure that the property tax is managed properly and to protect municipalities from changing political fortunes at higher levels of government. Higher levels of government generally do not have the motivation to perform the tasks necessary to maintain local property taxes because all of the revenue is kept by the municipality and the Canton and Entity has no financial stake in this work. Also, surrendering assessment functions to a higher authority is additionally dangerous when the municipal, Canton and Entity governments are controlled by opposing political parties.

The roll out of the property tax nationwide will be a massive effort that will take several years. Direct technical assistance from USAID to each and every municipality in Bosnia

will presumably not be possible. It seems that the best chance for building capacity and sustainability is to institutionalize the ad valorem property tax in Brcko and a similar set of large competent municipalities in the RS and FBH. These initial sites can serve as model implementation sites that other municipalities can follow. Ministry of Finance staff in the FBH and RS responsible for certifying that municipalities are ready to implement ad valorem property taxes should be trained in its development and implementation. These staff can then be sent out to the municipalities to build capacity at the local level.

## CONCLUSION

The amount of revenue generated by taxes on real estate in Bosnia is low as a percentage of total collected tax revenue relative to EU and other norms, and the mixture of taxes on real estate is perverse. The transfer taxes that are most heavily used serve to make the market less liquid and to frustrate the development of a potentially more productive tax on the entire stock of real estate, not just the annual flow.

Ministry of Finance officials in each of the Entities were cooperative in identifying appropriate counterparts for reform assistance in this area. It is the assessment team's belief, however, that apart from establishing the legal framework and apart from training Entity personnel in oversight and supportive roles, the bulk of the effort needed to implement the new tax will have to take place at the level of municipalities. We would anticipate focusing first on Brcko, since it has already initiated steps in this regard. After resolving legislative framework issues we would anticipate that attention would next turn to the most competent municipalities in each Entity, for example, Banja Luka in the RS and either Tuzla in the FBH. The four municipal administrations governing Sarajevo add a layer of complexity that is not optimal for a pilot property tax system. Tuzla, on the other hand, has a unified city administration and its cadastre is complete. After the details had been worked out in those pilot sites the project could be rolled out to the remaining municipalities.

We perceive enthusiastic counterpart demand for reform of real estate taxation in both Brcko and the RS. Demand was also present in FBH, although the eagerness of the other two set them somewhat apart. In both Brcko and Banja Luka the reform of real estate taxation was perceived as a high priority, one, in fact, long overdue. In FBH, the prospect of such a project was also warmly received. In all cases counterparts were able in varying degrees to articulate the type of technical assistance they anticipated requiring. In FBH, where there issue of Cantonal authority complicates the introduction of a reform program, it was not possible in the time available to determine the willingness of counterparts to execute a memorandum of understanding with USAID describing respective roles and responsibilities. Nor was it possible in either of the two Entities to assess the willingness of counterparts to champion the legislation needed to implement

the reform of real estate taxation, although as previously stated this process is already underway in Brcko District.

A real estate taxation reform intervention can potentially lead to improvements in the settlement of seemingly intractable property ownership confronting BiH, although it may not be realistic to expect major results in the short term. Nevertheless, the fact of disrupting the status quo can be expected to impart some momentum to this necessary process.

We anticipate that the introduction of a broad-based, effective system of real estate taxation will stimulate both owner/occupiers and relevant government agencies to accelerate the "legalization" of illegal (unregistered/un-permitted) construction.

Officials were encouraging on the subject of whether the BiH citizenry is likely to view an ad valorem property tax as a fair tax. All recognized the need for a public relations program. Some noted the level of inequity as a constraint on revenue capacity, i.e; the closer the valuations can track market value the more money the tax will be able to raise, and conversely the more compromises necessary in approximating market value the more restricted the revenue potential of the tax will be. Others noted the important psychological effect of having citizens perceive that this is a tax associated with the delivery of goods and services they care about and can control.

The issue of whether an ad valorem property tax can be implemented in an environment of poor legal registries and cadastre can best be answered by reference to other places where it has been done. The tax should be in rem, and occupiers with uncertain title should be expected to bear the tax or (in the longer term) to face their chances in an auction where they can either lose the property to a highest bidder or obtain it with clear title, depending on their fiscal capacity.

One of the most significant obstacles to the introduction of a broad based system of real estate taxation is the lack of records on real properties, to say nothing of holders of rights to them. Base-map information is reportedly available, which can be used for locating land parcels with respect to street, hydrology, and the like, and the division of the larger blocks of land into parcels with unique identifiers (at least within cadastral municipalities) is said to be reasonably complete although inconsistencies have been noted between supposedly parallel systems. Records of buildings and other improvements to those land parcels, however, are notoriously incomplete in the land register and cadastre and are fundamentally unavailable from any other source. The ineffectual taxes on real estate now in place are characterized by citizen declarations of property information that is fundamentally unauditable. Thus an effective property tax will require the implementation of a completely new information system. Some aspects of old systems can be used, such as taxpayer identification numbers and the base maps and land parcel numbering schemes of the cadastre. But the real estate tax office will need to develop an assessor's parcel identification scheme, will have to conduct a

complete canvas of taxable properties, will have to undertake research into actual selling prices and rents, and will have to manage all this data in an environment where things haven't been done this way before. As is true everywhere, they will also have to be sensitive to external pressures to corrupt the system and to internal opportunities to do the same.

The implementation of an ad valorem property tax in Bosnia will be an enormous undertaking, but the potential benefits to municipalities in the form of a sound fiscal base and transparent own-source revenue and the rational realignment of various incentives are commensurately important.

## APPENDICES

Interviews and Meetings

Bibliography of Sources Consulted

Table 1: International Property Tax Revenue Comparisons

Table 2: Summary 2003 FBH Municipal Revenue

Table 3: Summary 2004 FBH Municipal Revenue

Table 4: Summary 2004 RS Revenue

Table 5: 2004 Revenue, Brcko District

Table 6: 2005 (First 6 Months) Revenue, Brcko District

Table 7: Market Activity Indicators in the Form of Classified Advertisements for Real Estate

Table 8 & Maps: Status of Cadastre (received from the World Bank)

## APPENDIX 1: INTERVIEWS AND MEETINGS

### International Community

1. Robert Sanders, Chief of Party, USAID/SIDA GAP
2. Slavisa Sucur, Policy/Association Advisor, USAID/SIDA GAP
3. Jasmina Djikic, Fiscal Policy Advisor, USAID/SIDA GAP
4. Mark Gallagher, Chief of Party, USAID TAMP
5. Pero Bosnić, Consultant, USAID TAMP
6. Sandra Marjanović, Junior Economist, USAID TAMP
7. Mark Campbell, Senior Fiscal Sustainability Advisor, OHR
8. Boris Maslo, Legal Advisor, USAID FILE
9. Mirsad Buljević, Implementation Manager, Land Registry Project, GTZ
10. Stephen Butler, Attorney, World Bank/Jurisconsult
11. Gerhard Muggenhuber, World Bank
12. Mirjana Karahasanovic, Operations Analyst, World Bank
13. Irina Smirnov, Research Analyst, World Bank

### Federation Bosnia and Herzegovina

1. Dragan Vrankić, Minister, Ministry of Finance F BiH
2. Dženana Softić, Advisor to Director, Tax Administration F BiH
3. Ismar Ćeremida, Volksbank Sarajevo
4. Damir Ferizović, Court Appraiser
5. Milanka Milić, Head of Finance Department, Municipality Center (Sarajevo)
6. Vera Kršlak, Director, Real Estate Agency (under Raiffeisen Insurance)
7. Antonija Sikimic, Assistant Director, Federal Geodetic Administration

### Republic of Srpska

1. Milenko Kudic, Assistant Minister, Ministry of Finance RS
2. Mira Teodorović, Director of Audit Department, Tax Administration RS
3. Miletić Nedeljko, Expert Associate, RS Cadastre
4. Ilinka Gavrilović, Assistant Director, Tax Administration RS

### District of Brcko

1. Osman Osmanović, Director of Revenue Agency, Tax Administration DB
2. Petar Djuric, Assistant Director of Revenue Agency, Tax Administration DB
3. Nikolić Radenko, Director of Sub Department for the Cadastre, DB Cadastre
4. Mersad Biberkić, Acting Director, DB Cadastre

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**Notes on Property Tax Revenue Productivity in Various Jurisdictions**

| | | | | Actual | | | Budget | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | --------- Various Currencies---------- | | | --------- Various Currencies---------- | | |
| Source | Jurisdiction | Nature of Property Tax | Year | Government Level | Property Taxes Collected | Total Revenue | Property Tax As Percentage | Property Tax Budget | Total Budget | Property Tax As Percentage |
| 1 | Croatia | TransferTax | 1995 | City | 44,353,565 | 2,381,444,331 | 1.9% | | | |
| | | TransferTax | 1995 | Muni | 16,735,409 | 413,623,294 | 4.0% | | | |
| | | TransferTax | 1995 | Total | 61,088,974 | 2,795,067,625 | 2.2% | | | |
| | | TransferTax | 1995 | State | | | | 141,756,000 | 26,505,353,000 | 0.5% |
| | | TransferTax | 1995 | Local | | | | 206,207,696 | | 0.8% |
| | | TransferTax | 1996 | City | 42,060,554 | 2,851,748,594 | 1.5% | | | |
| | | TransferTax | 1996 | Muni | 17,050,449 | 498,458,789 | 3.4% | | | |
| | | TransferTax | 1996 | Total | 59,111,003 | 3,350,207,383 | 1.8% | | | |
| | | TransferTax | 1996 | State | | | | 171,776,000 | 28,530,426,000 | 0.6% |
| | | TransferTax | 1997 | Local | | | | 250,968,799 | | 0.9% |
| | | TransferTax | 1997 | City | 51,709,749 | 3,254,176,241 | 1.6% | | | |
| | | TransferTax | 1997 | Muni | 12,349,112 | 351,271,963 | 3.5% | | | |
| | | TransferTax | 1997 | Total | 64,058,861 | 3,605,448,204 | 1.8% | | | |
| | | TransferTax | 1997 | State | | | | 242,702,000 | 31,338,173,000 | 0.8% |
| | | TransferTax | 1997 | Local | | | | 354,852,761 | | 1.1% |
| | | 10 Combined | 2003 | State | 2,426,939 | | N.A. | | | |
| | | 10 Combined | 2004 | State | 320,738 | | N.A. | | | |
| 2 | Macedonia | 3 Combined | 1999 | More detail | 174,832 | | N.A. | | | |
| | | 3 Combined | 2000 | by region/muni | 172,496 | | N.A. | | | |
| | | 3 Combined | 2001 | available, but | 147,310 | | N.A. | | | |
| | | 3 Combined | 2002 | not total revenues | 147,851 | | N.A. | | | |
| 3 | Montenegro | Property Tax | 1999 | All Municipalities | | | 5.3% | | | |
| | | Property Tax | 2000 | All Municipalities | 4,089,995 | | 7.0% | | | |
| | | Property Tax | 2000 | Central Govt | | | 0.7% | 13,652,849 | | |
| | | Property Tax | 2001 | Central Govt | | | N.A. | 5,847,649 | | |
| 4 | Montenegro | Transfer Tax | 2004 | All Municipalities | 1,849,750 | 77,568,453 | 2% | | | |
| | | Gift & Inheritance | 2004 | All Municipalities | 8,358 | 77,568,453 | 0% | | | |
| | | Real Estate Tax | 2004 | All Municipalities | 7,324,056 | 77,568,453 | 9% | | | |
| | | TOTAL | 2004 | All Municipalities | 9,182,164 | 77,568,453 | 12% | | | |
| | | Transfer Tax | 2003 | All Municipalities | 2,995,505 | 78,295,312 | 4% | | | |
| | | Gift & Inheritance | 2003 | All Municipalities | 27,125 | 78,295,312 | 0% | | | |
| | | Real Estate Tax | 2003 | All Municipalities | 4,356,145 | 78,295,312 | 6% | | | |
| | | TOTAL | 2003 | All Municipalities | 7,378,775 | 78,295,312 | 9% | | | |
| | | Transfer Tax | 2002 | All Municipalities | 2,966,582 | 58,913,634 | 5% | | | |
| | | Gift & Inheritance | 2002 | All Municipalities | 31,881 | 58,913,634 | 0% | | | |
| | | Real Estate Tax | 2002 | All Municipalities | 1,836,127 | 58,913,634 | 3% | | | |
| | | TOTAL | 2002 | All Municipalities | 4,834,590 | 58,913,634 | 8% | | | |
| 5 | Montenegro | Property Tax | 2001 | Muni: Andrijevica | 1,500 | | | | | |
| | | Property Tax | 2002 | Muni: Andrijevica | 1,500 | | | | | |
| | | Property Tax | 2003-4 | Muni: Andrijevica | 1,000 | 91,775 | 1.1% | | | |
| | | Property Tax | 2001 | Muni: Berane | 26,182 | | N.A. | | | |
| | | Property Tax | 2002 | Muni: Berane | 20,487 | | N.A. | | | |
| | | Property Tax | 2003-4 | Muni: Berane | 20,000 | 380,078 | 5.3% | | | |
| | | Property Tax | 2003-4 | Muni: Bijelo Polje | 47,832 | | N.A. | | | |
| | | Property Tax | 2001 | Muni: Plav | 33,575 | | N.A. | | | |
| | | Property Tax | 2002 | Muni: Plav | 31,657 | | N.A. | | | |
| | | Property Tax | 2003-4 | Muni: Plav | 1,080 | 747,478 | 0.1% | | | |
| | | Property Tax | 2001 | Muni: Pljevlja | 69,936 | | N.A. | | | |
| | | Property Tax | 2002 | Muni: Pljevlja | 74,679 | | N.A. | | | |
| | | Property Tax | 2003-4 | Muni: Pljevlja | 132,531 | 1,374,051 | 9.6% | | | |
| | | Property Tax | 2002 | Muni: Podgorica | 330,000 | | N.A. | | | |
| | | Property Tax | 2003-4 | Muni: Podgorica | 520,000 | | N.A. | | | |
| | | Property Tax | 2002 | Muni: Budva | 600,000 | | N.A. | | | |
| | | Property Tax | 2003-4 | Muni: Budva | 560,000 | | N.A. | | | |
| | | Property Tax | 2002 | 6 Munis with data | 1,061,193 | | N.A. | | | |
| | | Property Tax | 2003-4 | 6 Munis with data | 1,234,611 | | N.A. | | | |
| 6 | Serbia | Property Tax | 2000 | | | | 2.5% | | | |
| | | Property Tax | 2001 | | | | 1.6% | | | |
| | | Property Tax | 2002 | | | | 1.3% | | | |
| | | Property Tax | 2003 | | | | 1.0% | | | |
| 7 | Slovenia | 4 combined | 1999 | All munis | 19,640 | | 10.3% | | | |
| | | 4 combined | 2000 | All munis | 20,925 | | 9.7% | | | |
| | | 4 combined | 2001 | All munis | 23,495 | | 9.2% | | | |
| | | 4 combined | 2002 | All munis | 25,279 | | 9.8% | | | |
| | | Property Tax | 1999 | All munis | 776 | | 0.4% | | | |
| | | Property Tax | 2000 | All munis | 786 | | 0.4% | | | |
| | | Property Tax | 2001 | All munis | 599 | | 0.2% | | | |
| | | Property Tax | 2002 | All munis | 673 | | 0.3% | | | |
| 8 | Poland | Property Tax | 1991 | Local Govts | 766 | | 15.3% | | | |
| | | Property Tax | 1992 | Local Govts | 1,054 | | 16.4% | | | |
| | | Property Tax | 1993 | Local Govts | 1,428 | | 14.8% | | | |
| | | Property Tax | 1994 | Local Govts | 1,988 | | 13.4% | | | |
| | | Property Tax | 1995 | Local Govts | 2,827 | | 14.1% | | | |
| | | Property Tax | 1996 | Local Govts | 3,528 | | 11.4% | | | |
| | | Property Tax | 1997 | Local Govts | 4,427 | | 11.2% | | | |
| | | Property Tax | 1998 | Local Govts | 5,233 | | 11.4% | | | |
| | | Property Tax | 1999 | Local Govts | 5,944 | | 11.5% | | | |
| | | Property Tax | 2000 | Local Govts | 6,644 | | 11.8% | | | |
| | | Property Tax | 2001 | Local Govts | 8,505 | | 13.9% | | | |
| | | Property Tax | 2002 | Local Govts | 9,768 | | 15.4% | | | |

Revenue Productivity of Property and Related Taxes in Various Countries

| | | | | | Actual | | | Budget | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | --------- Various Currencies---------- | | | --------- Various Currencies---------- | | |
| Source | Jurisdiction | Nature of Property Tax | Year | Government Level | Property Taxes Collected | Total Revenue | Property Tax As Percentage | Property Tax Budget | Total Budget | Property Tax As Percentage |
| 8 | Bosnia & Herzegovina | Property Tax | 2001 | Brcko District | 606,700 | 94,924,928 | 0.6% | | | |
| | | Property Tax | 2002 | Brcko District | 586,922 | 128,101,312 | 0.5% | | | |
| | | Property Tax | 2003 | Brcko District | 657,458 | 151,952,242 | 0.4% | | | |
| | | Property Tax | 2004 | Brcko District | 814,228 | 153,571,113 | 0.5% | | | |
| 9 | Bosnia & Herzegovina | Property Tax | 2004 | FBiH excluding munis | 5,820,378 | 3,724,780,297 | 0.2% | | | |
| | BoS Data | Property Tax | 2004 | RS excluding munis | - | 1,521,742,539 | 0.0% | | | |
| | | Property Tax | 2004 | Brcko District | 814,730 | 206,065,420 | 0.4% | | | |
| 10 | Bosnia & Herzegovina | Property Tax | 2004 | FBiH | 12,606,265 | 3,724,780,297 | 0.3% | | | |
| | | Property Tax | 2004 (1 | RS | 3,518,958 | 1,521,742,539 | 0.2% | | | |
| | | Property Tax | 2004 | Brcko District | | 206,065,420 | 0.0% | | | |
| | | Property Tax | 2003 | FBiH | 12,676,159 | | | | | |
| | | Property Tax | 2003 | RS | 4,211,994 | | | | | |
| | | Property Tax | 2003 | Brcko District | | | | | | |
| | | Property Tax | 2002 | FBiH | 10,658,764 | | | | | |
| | | Property Tax | 2002 | RS | | | | | | |
| | | Property Tax | 2002 | Brcko District | | | | | | |
| | | Property Tax | 2001 | FBiH | 6,806,400 | | | | | |
| | | Property Tax | 2001 | RS | | | | | | |
| | | Property Tax | 2001 | Brcko District | | | | | | |
| 11 | USAID TAMP Data | Gift & Inheritance | 2004 | FBiH | 823,074 | 3,724,780,297 | 0.0% | | | |
| | | Gift & Inheritance | 2004 | RS | | 1,521,742,539 | 0.0% | | | |
| | | Gift & Inheritance | 2004 | Brcko District | | 206,065,420 | 0.0% | | | |
| | | Gift & Inheritance | 2003 | FBiH | 740,342 | | | | | |
| | | Gift & Inheritance | 2003 | RS | | | | | | |
| | | Gift & Inheritance | 2003 | Brcko District | | | | | | |
| | | Gift & Inheritance | 2002 | FBiH | 753,970 | | | | | |
| | | Gift & Inheritance | 2002 | RS | | | | | | |
| | | Gift & Inheritance | 2002 | Brcko District | | | | | | |
| | | Gift & Inheritance | 2001 | FBiH | 743,100 | | | | | |
| | | Gift & Inheritance | 2001 | RS | | | | | | |
| | | Gift & Inheritance | 2001 | Brcko District | | | | | | |
| | USAID TAMP Data | Transfer | 2004 | FBiH | 40,871,073 | 3,724,780,297 | 1.1% | | | |
| | | Transfer | 2004 | RS | | 1,521,742,539 | 0.0% | | | |
| | | Transfer | 2004 | Brcko District | | 206,065,420 | 0.0% | | | |
| | | Transfer | 2003 | FBiH | 44,159,389 | | | | | |
| | | Transfer | 2003 | RS | | | | | | |
| | | Transfer | 2003 | Brcko District | | | | | | |
| | | Transfer | 2002 | FBiH | 41,453,084 | | | | | |
| | | Transfer | 2002 | RS | | | | | | |
| | | Transfer | 2002 | Brcko District | | | | | | |
| | | Transfer | 2001 | FBiH | 33,457,415 | | | | | |
| | | Transfer | 2001 | RS | | | | | | |
| | | Transfer | 2001 | Brcko District | | | | | | |
| Chad | Bosnia & Herzegovina | Ppty Related N=5 | 2004 | FBiH, Municipal | 60,354,732 | 3,825,776,571 | 1.6% | | | |
| | | Ppty # 714111 | 2004 | FBiH, Municipal | 12,672,872 | 3,825,776,571 | 0.3% | | | |
| | | Ppty Related N=5 | 2003 | FBiH, Municipal | 63,394,667 | 3,220,116,366 | 2.0% | | | |
| | | Ppty # 714111 | 2003 | FBiH, Municipal | 12,749,117 | 3,220,116,366 | 0.4% | | | |
| | | Ppty Related N=4 | 2004 | RS, Municipal | 20,541,636 | 1,848,226,551 | 1.1% | | | |
| | | Ppty # 714111 | 2004 | RS, Municipal | 4,412,186 | 1,848,226,551 | 0.2% | | | |
| | | Other Pppty Taxes | 2004 | BD, Municipal | 3,650,453 | 208,211,178 | 1.8% | | | |
| | | Ppty # 714100 | 2004 | BD, Municipal | 814,728 | 208,211,178 | 0.4% | | | |
| | | Other Pppty Taxes | 2005/1 | BD, Municipal | 1,423,238 | 50,403,107 | 2.8% | | | |
| | | Ppty # 714100 | 2005/1 | BD, Municipal | 320,757 | 50,403,107 | 0.6% | | | |

| Code # | Author | Paper/Source | Publication |
|---|---|---|---|
| 1 | Ante Pavic | The Means of Property Taxation in Croatia (page 3, qouting "Institute forr public Finance, Croatia, 2004, | My Share for My Community: Reforming Property Taxation in Southeast Europe -- FDI policy Forum, Skoje, May 27-28, 2004 |
| 2 | Svetlana Janevska | Policy Rtaionale for Legislative Changes and Lessons Learned from Municipal Property Tax Pilot Projects | My Share for My Community: Reforming Property Taxation in Southeast Europe -- FDI policy Forum, Skoje, May 27-28, 2004 |
| 3 | Carlos Loria | A Study of Property Tax in Montenegro | unpublished draft prepared for DevTech |
| 4 | Min Fim | | |
| 5 | Richard Almy | private correspondence | unpublished compilation, in progress |
| 6 | Boris Begovic | Property Taxation in Serbia (page 5) | My Share for My Community: Reforming Property Taxation in Southeast Europe -- FDI policy Forum, Skoje, May 27-28, 2004 |
| 7 | Neva Zibik & Dusan Mitrovic | Development of Real Property Appraisal and Taxation System in Slovenia | My Share for My Community: Reforming Property Taxation in Southeast Europe -- FDI policy Forum, Skoje, May 27-28, 2004 |
| 8 | Pawel Swianiewicz | Raising Share of Property Tax in Local Government Revenue | My Share for My Community: Reforming Property Taxation in Southeast Europe -- FDI policy Forum, Skoje, May 27-28, 2004 |
| 9 | Steve Rozner, Dzelila Sahinagic & Sandra Marjanovic | Revenue Performance and Tax Administration Modernization in Bosnia and Herzegovina, 2001-2004 | Tax Modernization Project (TAMP) in Bosnia and Herzegovina adminsistered by DAI as a contractor to USAID, May 2005 |
| 10 | unnknown | BH Government finance in 2004 | 1 page from unknown source |
| 11 | Pero Bosnic | USAID TAMP | Property Taxation in BiH, 2005 |

**SUMMARY - 2003 FBH REVENUE**

| | | |
|---|---|---|
| **TOTAL REVENUE COLLECTED** | **3,220,116,366** | |
| **Total Number of Taxes and Fees** | **139** | |

| | | | |
|---|---|---|---|
| | **Total Share of Property-Related Taxes** | **63,394,667** | **1.97%** |
| 714111 | Property tax | 12,749,117 | 0.40% |
| 711115 | Tax on income from property and property rights | 5,530,473 | 0.17% |
| 714121 | Tax on inheritance and gifts | 740,595 | 0.02% |
| 714131 | Tax on the sale of real estate of legal entities | 44,372,095 | 1.38% |
| 714132 | Tax on the sale of real estate of physical persons | 2,387 | 0.00% |

| | |
|---|---|
| Number of Taxes & Fees Accounting for Less Than 1% of Total Revenue | 120 |
| Share of Total Revenue of These Taxes & Fees | 13.20% |

| | | | |
|---|---|---|---|
| | **Top Ten Revenue Producers' Share of Total Revenue** | **2,335,910,749** | **72.54%** |
| 712112 | Contributions for pension and disability insurance | 722,254,557 | 22.43% |
| 712111 | Contributions for health insurance | 535,395,297 | 16.63% |
| 715141 | Sales tax on services | 213,791,553 | 6.64% |
| 715121 | Sales tax on oil and oil derivatives under Tariff #2 of sales tax on goods | 187,221,377 | 5.81% |
| 715131 | Sales tax on goods under Tariff # 1, except for items listed under 8.1 within item 1, and from item 3 to item 7 of the Order | 168,672,432 | 5.24% |
| 715122 | Sales tax on tobacco and tobacco products | 162,650,683 | 5.05% |
| 713111 | Tax on wage and other personal earnings | 103,983,831 | 3.23% |
| 722533 | Road use charges from the prices of oil derivatives | 96,412,416 | 2.99% |
| 715132 | Sales tax on goods under Tariff # 2, except for items listed under item 8.1 within item 2, and items 8 and 9 of this Order. | 74,953,260 | 2.33% |
| 715914 | Sales tax on basic agricultural products, fish and all other food products under Tariff #2 of sales tax on goods | 70,575,341 | 2.19% |

| | | | |
|---|---|---|---|
| | **Next Ten Revenue Producers' Share of Total Revenue** | **488,753,507** | **15.18%** |
| 715412 | Excise tax on domestic tobacco and tobacco products | 65,304,204 | 2.03% |
| 715915 | POREZ NA PROMET OSN. PROIZVODA ZA GRAÄ EVINARSTVO IZ TAR.BROJA 2 TARIFE POREZA NA PROMET PROIZ.I POREZ NA PROMET USLUGA U GRAÄ EVINARSTVU | 64,891,613 | 2.02% |
| 712113 | Contributions for unemployment insurance | 63,737,274 | 1.98% |
| 722631 | PRIHODI OD PRUÅ½ANJA USLUGA OSTALIMA | 59,613,353 | 1.85% |
| 715913 | Sales tax on materials used for energy under Tariff #2 of sales tax on goods | 49,270,210 | 1.53% |
| 714131 | Tax on the sale of real estate of legal entities | 44,372,095 | 1.38% |
| 713113 | Tax on additional earnings | 42,229,288 | 1.31% |
| 715124 | Sales tax on non-alcohol beverages | 34,939,684 | 1.09% |
| 711211 | Profit tax on banks and other financial organizations, | 34,898,177 | 1.08% |
| 715126 | Sales tax on beer | 29,497,607 | 0.92% |

| | | | |
|---|---|---|---|
| | **Sales Tax As A Share of Total Revenue** | **1,037,657,266** | **32.22%** |
| 715121 | Sales tax on oil and oil derivatives under Tariff #2 of sales tax on goods | 187,221,377 | 5.81% |
| 715122 | Sales tax on tobacco and tobacco products | 162,650,683 | 5.05% |
| 715123 | Sales tax on alcohol and alcohol beverages | 17,699,628 | 0.55% |
| 715124 | Sales tax on non-alcohol beverages | 34,939,684 | 1.09% |
| 715125 | Sales tax on coffee | 13,813,070 | 0.43% |
| 715126 | Sales tax on beer | 29,497,607 | 0.92% |
| 715129 | Penalty interest | 2,082,262 | 0.06% |
| 715131 | Sales tax on goods under Tariff # 1, except for items listed under 8.1 within item 1, and from item 3 to item 7 of the Order | 168,672,432 | 5.24% |
| 715132 | Sales tax on goods under Tariff # 2, except for items listed under item 8.1 within item 2, and items 8 and 9 of this Order. | 74,953,260 | 2.33% |
| 715137 | Penalty interest | 4,873,845 | 0.15% |
| 715141 | Sales tax on services | 213,791,553 | 6.64% |
| 715213 | Sales tax on services from lottery and entertainment | 31,236 | 0.00% |
| 715912 | Sales tax on oil and oil derivatives under Tariff #2 of sales tax on goods | 7,585,076 | 0.24% |
| 715913 | Sales tax on materials used for energy under Tariff #2 of sales tax on goods | 49,270,210 | 1.53% |
| 715914 | Sales tax on basic agricultural products, fish and all other food products under Tariff #2 of sales tax on goods | 70,575,341 | 2.19% |

**SUMMARY - 2004 FBH REVENUE**

| | | |
|---|---|---|
| **TOTAL REVENUE COLLECTED** | **3,835,776,571** | |
| **Total Number of Taxes and Fees** | **160** | |

| | | | |
|---|---|---|---|
| **Total Share of Property-Related Taxes** | | **60,354,732** | **1.57%** |
| 714131 | Tax on the sale of real estate of legal entities | 41,330,479 | 1.08% |
| 714132 | Tax on the sale of real estate of physical persons | 0 | 0.00% |
| 714111 | Property tax | 12,672,872 | 0.33% |
| 711115 | Tax on income from property and property rights | 5,519,274 | 0.14% |
| 714121 | Tax on inheritance and gifts | 832,108 | 0.02% |

| | |
|---|---|
| Number of Taxes & Fees Accounting for Less Than 1% of Total Revenue | 139 |
| Share of Total Revenue of These Taxes & Fees | 12.57% |

| | | | |
|---|---|---|---|
| **Top Ten Revenue Producers' Share of Total Revenue** | | | **70.22%** |
| 712112 | Contributions for pension and disability insurance | 789,026,831 | 20.57% |
| 712111 | Contributions for health insurance | 571,285,340 | 14.89% |
| 715121 | Sales tax on oil and oil derivatives under Tariff #2 of sales tax on goods | 309,573,162 | 8.07% |
| 715141 | Sales tax on services | 235,352,150 | 6.14% |
| 715131 | Sales tax on goods under Tariff # 1, except for items listed under 8.1 within item 1, and from item 3 to item 7 of the Order | 197,314,831 | 5.14% |
| 715122 | Sales tax on tobacco and tobacco products | 164,491,398 | 4.29% |
| 722533 | Road use charges from the prices of oil derivatives | 147,226,984 | 3.84% |
| 713111 | Tax on wage and other personal earnings | 113,511,230 | 2.96% |
| 715132 | Sales tax on goods under Tariff # 2, except for items listed under item 8.1 within item 2, and items 8 and 9 of this Order. | 82,975,598 | 2.16% |
| 721111 | Revenues from dividends and shares in profit of state owned companies and financial institutions | 82,759,648 | 2.16% |

| | | | |
|---|---|---|---|
| **Next Ten Revenue Producers' Share of Total Revenue** | | | **16.13%** |
| 722631 | Revenues from services rendered to other persons | 81,137,529 | 2.12% |
| 715914 | Sales tax on basic agricultural products, fish and all other food products under Tariff #2 of sales tax on goods | 76,662,185 | 2.00% |
| 715915 | Sales tax on basic products of construction industry as mater heading 2 of the tariff of sales tax on production | 71,620,168 | 1.87% |
| 712113 | Contributions for unemployment insurance | 69,041,387 | 1.80% |
| 715412 | Excise tax on domestic tobacco and tobacco products | 62,422,895 | 1.63% |
| 715126 | Sales tax on beer | 56,641,983 | 1.48% |
| 721613 | PRIHODI OD PRIVATIZACIJE PREDUZEÄ†A | 52,691,288 | 1.37% |
| 715913 | Sales tax on materials used for energy under Tariff #2 of sales tax on goods | 52,220,747 | 1.36% |
| 715124 | Sales tax on non-alcohol beverages | 48,306,502 | 1.26% |
| 713113 | Tax on additional earnings | 47,942,166 | 1.25% |

| | | | |
|---|---|---|---|
| **Sales Tax As A Share of Total Revenue** | | **1,350,696,777** | **35.21%** |
| 715121 | Sales tax on oil and oil derivatives under Tariff #2 of sales tax on goods | 309,573,162 | 8.07% |
| 715122 | Sales tax on tobacco and tobacco products | 164,491,398 | 4.29% |
| 715123 | Sales tax on alcohol and alcohol beverages | 18,466,054 | 0.48% |
| 715124 | Sales tax on non-alcohol beverages | 48,306,502 | 1.26% |
| 715125 | Sales tax on coffee | 26,785,843 | 0.70% |
| 715126 | Sales tax on beer | 56,641,983 | 1.48% |
| 715129 | Penalty interest | 3,359,271 | 0.09% |
| 715131 | Sales tax on goods under Tariff # 1, except for items listed under 8.1 within item 1, and from item 3 to item 7 of the Order | 197,314,831 | 5.14% |
| 715132 | Sales tax on goods under Tariff # 2, except for items listed under item 8.1 within item 2, and items 8 and 9 of this Order. | 82,975,598 | 2.16% |
| 715137 | Penalty interest | 6,783,582 | 0.18% |
| 715141 | Sales tax on services | 235,352,150 | 6.14% |
| 715213 | Sales tax on services from lottery and entertainment games | 1,609 | 0.00% |
| 715912 | Sales tax on oil and oil derivatives under Tariff #2 of sales tax on goods | 141,693 | 0.00% |
| 715913 | Sales tax on materials used for energy under Tariff #2 of sales tax on goods | 52,220,747 | 1.36% |
| 715914 | Sales tax on basic agricultural products, fish and all | 76,662,185 | 2.00% |
| 715915 | Sales tax on basic products of construction industry as mater heading 2 of the tariff of sales tax on production | 71,620,168 | 1.87% |

**SUMMARY - 2004 RS REVENUE**

| | | |
|---|---|---|
| **TOTAL REVENUE COLLECTED** | | **1,848,226,551** |
| **Total Number of Taxes and Fees** | | **145** |

| | | | |
|---|---|---|---|
| **Total Share of Property-Related Taxes** | | **20,541,636** | **1.11%** |
| 714111 | Property tax | 4,412,186 | 0.24% |
| 714211 | Inheritance and gift tax | 1,228,077 | 0.07% |
| 714311 | Sales tax for real-estate and rights | 14,901,372 | 0.81% |
| 711315 | Flat tax for revenues from real-estate | 0 | 0.00% |

| | |
|---|---|
| Number of Taxes & Fees Accounting for Less Than 1% of Total Revenue | 128 |
| Share of Total Revenue of These Taxes & Fees | 20.71% |

| | | | |
|---|---|---|---|
| **Top Ten Revenue Producers' Share of Total Revenue** | | | **69.33%** |
| 712199 | Contributions for personal income, compensations and revenues of persons with regular insurance | 438,110,836 | 23.70% |
| 715311 | Excise for oil derivatives | 125,962,113 | 6.82% |
| 715112 | General sales tax at a lower rate | 114,070,428 | 6.17% |
| 713113 | Personal income tax | 111,899,605 | 6.05% |
| 715211 | General sales tax for services at a general rate | 99,157,232 | 5.36% |
| 716111 | Customs | 97,915,397 | 5.30% |
| 715113 | General sales tax for oil derivatives | 78,389,278 | 4.24% |
| 715111 | General sales tax at a general rate | 77,878,213 | 4.21% |
| 719111 | Special tax for regular rail-road trafficking | 77,547,040 | 4.20% |
| 722118 | Special fee for the Republic for oil derivatives | 60,446,722 | 3.27% |

| | | | |
|---|---|---|---|
| **Next Ten Revenue Producers' Share of Total Revenue** | | | 12.53% |
| 715312 | Excise for tobacco products | 41,728,176 | 2.26% |
| 715115 | General sales tax for alcohol beverages | 26,145,178 | 1.41% |
| 715313 | Excise for alcohol beverages | 26,084,364 | 1.41% |
| 715114 | General sales tax for tobacco products | 25,521,026 | 1.38% |
| 722423 | Comensation for roads paid during motor vehicle registration | 23,228,237 | 1.26% |
| 712125 | Contribution based on payments for debt from previous years | 21,809,760 | 1.18% |
| 711211 | Profit tax for legal persons resident of RS | 19,732,650 | 1.07% |
| 722411 | Compensation for landscaping of construction land | 17,452,528 | 0.94% |
| 721111 | Dividend and share revenues from profit in public companies and financial institutions | 14,938,132 | 0.81% |
| 714311 | Sales tax for real-estate and rights | 14,901,372 | 0.81% |

| | | | |
|---|---|---|---|
| **Sales Tax As A Share of Total Revenue** | | **431,547,691** | 23.35% |
| 715111 | General sales tax at a general rate | 77,878,213 | 4.21% |
| 715112 | General sales tax at a lower rate | 114,070,428 | 6.17% |
| 715113 | General sales tax for oil derivatives | 78,389,278 | 4.24% |
| 715114 | General sales tax for tobacco products | 25,521,026 | 1.38% |
| 715115 | General sales tax for alcohol beverages | 26,145,178 | 1.41% |
| 715116 | General sales tax for coffee | 4,205,394 | 0.23% |
| 715117 | General tax for heating oil trading | 3,893,321 | 0.21% |
| 715121 | General sales tax for services at a general rate | -72,096 | 0.00% |
| 715211 | General sales tax for services at a general rate | 99,157,232 | 5.36% |
| 715212 | General flat rate sales tax for services | 2,359,718 | 0.13% |

## 2004 REVENUE, BRCKO DISTRICT

| Code | Description | Amt Collected | % of Total |
|---|---|---|---|
| 715100 | SALES TAX ON GOODS & SERVICES | 64,152,788 | 30.81% |
| 715400 | LUXURY TAX | 52,142,597 | 25.04% |
| 722600 | INCOME FROM PUBLIC SERVICE PROVIDERS | 21,590,726 | 10.37% |
| 722500 | SPECIALS FEES & CHARGES (WATER, ROADS) | 14,416,312 | 6.92% |
| 716100 | IMPORT FEES | 14,040,215 | 6.74% |
| 712100 | SOCIAL CARE CONTRIBUTIONS | 13,590,592 | 6.53% |
| 713100 | WAGE TAX | 4,562,250 | 2.19% |
| 721600 | PRIVATIZATION INCOME | 4,197,939 | 2.02% |
| 721200 | OTHER PROPERTY TAXES | 3,650,453 | 1.75% |
| 722400 | OTHER BUDGETARY FEES | 2,382,313 | 1.14% |
| 711100 | INCOME TAX FROM PHYSICAL ENTITIES | 2,228,154 | 1.07% |
| 723100 | CASH PENALTIES | 2,194,898 | 1.05% |
| 722200 | COURT FEES & CHARGES | 1,818,490 | 0.87% |
| 711200 | INCOME TAX | 1,662,392 | 0.80% |
| 721100 | INCOME FROM NON-FINANCE PUBLIC COMPANIES, FINANCE PUBLIC INSTITUTIONS & OTHER ACTIVITIES | 1,481,459 | 0.71% |
| 722100 | ADMINISTRATIVE FEES | 1,301,623 | 0.63% |
| 732100 | LOCAL GRANTS | 989,597 | 0.48% |
| 714100 | PROPERTY TAXES | 814,728 | 0.39% |
| 722300 | COMMUNAL FEES | 615,257 | 0.30% |
| 715200 | SALES TAX ON SPECIAL SERVICES | 268,138 | 0.13% |
| 715300 | TAX ON USAGE, APPROVALS OR ACTIVITY OF GOODS | 107,751 | 0.05% |
| 719100 | OTHER TAXES | 2,008 | 0.00% |
| 721500 | INCOME FROM POSITIVE CURRENCY EXCHANGE | 497 | 0.00% |
| | **TOTAL** | **208,211,178** | **100.00%** |

## 2005 REVENUE (1 JAN - 1 JULY), BRCKO DISTRICT

| Code | Description | Amt Collected | % of Total |
|---|---|---|---|
| 711100 | INCOME TAX FROM PHYSICAL ENTITIES | 582,703 | 1.16% |
| 711200 | INCOME TAX | 954,310 | 1.89% |
| 712100 | SOCIAL CARE CONTRIBUTIONS | 7,020,069 | 13.93% |
| 712113 | EMPLOYMENT CONTRIBUTIONS | 619,791 | 1.23% |
| 713100 | WAGE TAX | 2,360,310 | 4.68% |
| 714100 | PROPERTY TAXES | 320,757 | 0.64% |
| 715100 | SALES TAX ON GOODS & SERVICES | 17,286,793 | 34.30% |
| 715200 | SALES TAX ON SPECIAL SERVICES | 116,260 | 0.23% |
| 715300 | TAX ON USAGE, APPROVALS OR ACTIVITY OF GOODS | 327,425 | 0.65% |
| 715400 | LUXURY TAX | 1,588,304 | 3.15% |
| 716100 | IMPORT FEES | 278,409 | 0.55% |
| 719100 | OTHER TAXES | 736 | 0.00% |
| 721100 | INCOME FROM NON-FINANCE PUBLIC COMPANIES, FINANCE PUBLIC INSTITUTIONS & OTHER ACTIVITIES | 668,050 | 1.33% |
| 721200 | OTHER PROPERTY TAXES | 1,423,238 | 2.82% |
| 721500 | INCOME FROM POSITIVE CURRENCY EXCHANGE | 3,186 | 0.01% |
| 721600 | PRIVATIZATION INCOME | 878,200 | 1.74% |
| 722100 | ADMINISTRATIVE FEES | 649,228 | 1.29% |
| 722200 | COURT FEES & CHARGES | 836,429 | 1.66% |
| 722300 | COMMUNAL FEES | 112,436 | 0.22% |
| 722400 | OTHER BUDGETARY FEES | 797,360 | 1.58% |
| 722500 | SPECIALS FEES & CHARGES (WATER, ROADS) | 1,379,395 | 2.74% |
| 722600 | INCOME FROM PUBLIC SERVICE PROVIDERS | 11,228,893 | 22.28% |
| 723100 | CASH PENALTIES | 961,215 | 1.91% |
| 732100 | LOCAL GRANTS | 9,611 | 0.02% |
| | **TOTAL** | **50,403,107** | **100.00%** |

Classified Real Estate Advertisements, Exclusive of Display Advertisements,
By Property Type, Transaction Type, and Location,
In Various Newspapers Obtained in the Entities of BiH

| Property Type | Transaction Type | Newspaper Terms | Location Not Tabulated | Sarajevo kanton | Zenicko-dobojski kanton | Tuzlanski kanton | Hercegovacko-neretvanski kanton | Unsko-sanski kanton | Bosansko-podrinsjski kanton | Srenjo-bosanski kanton | Posavski kanton | Herceg-bosanski kanton | Republika Srpska | District Brcko | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **In the July 22, 2005 issue of the Oglasi Newspaper Obtained in Sarajevo, FBiH** | | | | | | | | | | | | | | | |
| Houses | for sale | kuce, prodaja | | 874 | 152 | 102 | 42 | 36 | 7 | 40 | 1 | 3 | 238 | 5 | 1,500 |
| | wanted to buy | kuce, kupovina | | 11 | 1 | | 1 | | | | | | 2 | | 15 |
| | trade/exchange | kuce, zamjena | | 26 | 5 | 1 | 1 | 4 | 1 | 1 | | 1 | 47 | | 87 |
| | for rent | Kuce, Iznajmljivanje | | 40 | 2 | 2 | | 1 | | | | | 4 | | 49 |
| | want to rent | Kuce, Unajmljivanje | | 12 | | | | | | | | | | | 12 |
| Weekend Houses | for sale | Vikendice | | 84 | 12 | 6 | 8 | 1 | 1 | 20 | | | 60 | | 192 |
| | wanted to buy | | | 1 | | | | | | 1 | | | 2 | | 4 |
| | trade/exchange | | | 5 | | 1 | | | | | | | 5 | 1 | 12 |
| Apartments | for sale | Stanovi | | 566 | 87 | 81 | 20 | 9 | 3 | 15 | | | 58 | 2 | 841 |
| | wanted to buy | | | 85 | 12 | 2 | 1 | 2 | 1 | | | | 5 | | 108 |
| | trade/exchange | | | 86 | 13 | 6 | 5 | | | 5 | | | 21 | | 136 |
| | for rent | | | 446 | 7 | 20 | 5 | | 3 | 1 | | | 3 | 2 | 487 |
| | want to rent | | | 48 | | 1 | | | | | | | | | 49 |
| Land | for sale | Zemljista | | 420 | 42 | 67 | 22 | 8 | 5 | 27 | | | 77 | 1 | 669 |
| | wanted to buy | | | 6 | 1 | | | | | | | | 1 | | 8 |
| | trade/exchange | | | 2 | | | | | | 1 | | | 8 | 1 | 12 |
| | for rent | | | 1 | | | | | | | | | | | 1 |
| Office/Commercial | for sale | Poslovni prostor | | 66 | 8 | 14 | 2 | | 1 | 4 | | 1 | 11 | | 107 |
| | for rent | | | 39 | | | | | | | | | | | 39 |
| | want to rent | | | 10 | 1 | | | | | | | | | | 11 |
| **Sub Total** | | | | **2,779** | **342** | **303** | **107** | **61** | **22** | **115** | **1** | **5** | **542** | **12** | **4,289** |
| **In the July 27, 2005 issue of Mali Oglasi Newspaper Obtained in Banja Luka, RS** | | | | | | | | | | | | | | | |
| Houses | for sale | kuce, prodaja | 271 | | | | | | | | | | | | 271 |
| | wanted to buy | kuce, kupovina | 3 | | | | | | | | | | | | 3 |
| | trade/exchange | kuce, zamjena | 16 | | | | | | | | | | | | 16 |
| | for rent | Kuce, Izdavanje | 30 | | | | | | | | | | | | 30 |
| | want to rent | Kuce, Potraznja | 1 | | | | | | | | | | | | 1 |
| Apartments | for sale | Stanovi | 119 | | | | | | | | | | | | 119 |
| | wanted to buy | | 12 | | | | | | | | | | | | 12 |
| | trade/exchange | | 240 | | | | | | | | | | | | 240 |
| | want to rent | | 9 | | | | | | | | | | | | 9 |
| Land parcels | for sale | Placevi | 211 | | | | | | | | | | | | 211 |
| | wanted to buy | | 3 | | | | | | | | | | | | 3 |
| | trade/exchange | | 3 | | | | | | | | | | | | 3 |
| | for rent | | 1 | | | | | | | | | | | | 1 |
| | offers | ponuda | 2 | | | | | | | | | | | | 2 |
| Commercial Space | for sale | Poslovni Prodaja | 37 | | | | | | | | | | | | 37 |
| | offers | Poslovni ponuda | 1 | | | | | | | | | | | | 1 |
| | trade/exchange | | 121 | | | | | | | | | | | | 121 |
| | want to rent | Potraznja | 1 | | | | | | | | | | | | 1 |
| **Sub Total** | | | **1,081** | | | | | | | | | | | | **1,081** |
| **In the July 28, 2005 issue of Oglasi Forum Newspaper Obtained in Brcko** | | | | | | | | | | | | | | | |
| Houses | offers | kuce, ponuda | 358 | | | | | | | | | | | | 358 |
| | wanted to buy | kuce, potraznja | 6 | | | | | | | | | | | | 6 |
| | trade/exchange | kuce, zamjena | 12 | | | | | | | | | | | | 12 |
| | for rent | Kuce, Iznajmljivanje | 31 | | | | | | | | | | | | 31 |
| Apartments | for sale | Stanovi | 155 | | | | | | | | | | | | 155 |
| | wanted to buy | | 14 | | | | | | | | | | | | 14 |
| | trade/exchange | | 25 | | | | | | | | | | | | 25 |
| | for rent | | 155 | | | | | | | | | | | | 155 |
| Land | for sale | Placevi | 151 | | | | | | | | | | | | 151 |
| | wanted to buy | | 1 | | | | | | | | | | | | 1 |
| Commercial Space | for sale | Poslovni Prostori | 35 | | | | | | | | | | | | 35 |
| | wanted to buy | | 1 | | | | | | | | | | | | 1 |
| | trade/exchange | | 38 | | | | | | | | | | | | 38 |
| **Sub Total** | | | **982** | | | | | | | | | | | | **982** |
| **Grand Total** | | | | | | | | | | | | | | | **6,352** |

CDMs of CRPC from wich evidece are used decision making

| Ord. num. | Cadastre database of Municipality -CDM | Type of cadastre-type of survey | Complete | Year of update | #CM LC | #CM RPC |
|---|---|---|---|---|---|---|
| 1 | BANJA LUKA | LC/RPC-New | Yes | 1991 | 74 | 24 |
| 2 | BANOVIĆI | RPC-New | **NO** | 1991 | - | 11 |
| 3 | BIJELJINA | LC-New | Yes | 1991 | 37 | - |
| | BIJELJINA(KN) | RPC-New | **NO** | 1991 | - | 19 |
| 4 | BIHAĆ | LC-New/Austr./Invent. | Yes | 1991 | 43 | - |
| 5 | BOSANSKA DUBICA | LC-New | Yes | 1989 | 65 | - |
| 6 | BOSANSKA GRADIŠKA | LC-New | Yes | 1991 | 65 | - |
| | BOSAN. GRADIŠKA(KN) | RPC-New | **NO** | 1991 | - | 1 |
| 7 | BOSANSKA KRUPA | LC-Invent/Austrian | Yes | 1991 | 42 | - |
| | BOSANSKA KRUPA/BUŽIM | RPC-New | Yes | 1991 | - | 7 |
| 8 | BOSANSKI NOVI | LC-New | Yes | 1989 | 61 | - |
| 9 | BOSANSKI PETROVAC | LC-Inventory | Yes | 1990 | 27 | - |
| 10 | BOSANSKI ŠAMAC | LC-New | Yes | 1991 | 20 | - |
| 11 | BRČKO | LC/RPC-New | Yes | 1991 | 45 | 11 |
| 12 | BREZA | LC-New | Yes | 1989 | 13 | - |
| 13 | BUGOJNO | LC-New | Yes | 1991 | 19 | - |
| 14 | BUSOVAČA | LC-New | Yes | 1988 | 10 | - |
| 15 | CAZIN | LC-New | **NE** | 1991 | 4 | - |
| 16 | CENTAR-SARAJEVO | LC-New | Yes | 1991 | 10 | - |
| 17 | ČAPLJINA | LC-New | **NE** | 1989 | 27 | - |
| 18 | ČELINAC | LC-New | Yes | 1990 | 29 | - |
| 19 | DERVENTA | LC/ RPC-New | Yes | 1990 | 44 | 5 |
| 20 | DOBOJ | LC/ RPC-New | Yes | 1990 | 58 | 12 |
| 21 | DONJI VAKUF | LC-New | Yes | 1989 | 18 | - |
| 22 | DRVAR | LC-Inventory | **NO** | 1991 | 22 | - |
| 23 | FOJNICA | RPC-New | **NO** | 1991 | - | 7 |
| 24 | FOČA | LC-New | Yes | 1989 | 61 | - |
| 25 | GLAMOČ | LC-New | Yes | 1991 | 20 | - |
| 26 | GORAŽDE | LC-New | Yes | 1991 | 17 | - |
| 27 | GRAČANICA | LC-New | Yes | 1990 | 27 | - |
| 28 | GRADAČAC | LC-New | Yes | 1991 | 40 | - |
| | GRADAČAC(KN) | RPC-New | **NO** | 1991 | - | 5 |
| 29 | HADŽIĆI | RPC-New | Yes | 1991 | - | 18 |
| 30 | ILIDŽA | LC-New | Yes | 1989 | 17 | - |
| 31 | ILIJAŠ | LC-New/Austrian | Yes | 1989 | 23 | - |
| 32 | JAJCE | LC-Inventory | **NO** | 1991 | 4 | - |
| 33 | KAKANJ | LC-New | Yes | 1991 | 40 | - |
| 34 | KALESIJA | LC-New | Yes | 1991 | 18 | - |
| 35 | KISELJAK | RPC-New | **NO** | 1991 | - | 8 |
| 36 | KLADANJ | LC-Austrian | Yes | 1991 | 21 | - |
| | KLADANJ(KN) | RPC-New | **NE** | 1991 | - | 5 |
| 37 | KLJUČ | LC-Inventory | Yes | 1989 | 50 | - |
| | KLJUČ(KN) | RPC-New | **NO** | 1991 | - | 35 |
| 38 | KONJIC | RPC-New | **NO** | 1991 | - | 56 |
| 39 | KREŠEVO | RPC-New | **NO** | 1991 | - | 2 |
| 40 | KOTOR VAROŠ | LC/ RPC-New | Yes/**NO** | 1988 | 42 | 1 |
| 41 | LAKTAŠI | LC-New | Yes | 1991 | 39 | - |
| 42 | LIVNO | RPC-New | **NO** | 1991 | - | 7 |
| 43 | LOPARE | LC-New/Austrian | Yes | 1991 | 40 | - |
| | LOPARE(KN) | RPC-New | **NO** | 1991 | - | 17 |
| 44 | LUKAVAC | LC-New | Yes | 1991 | 33 | - |
| 45 | MAGLAJ | LC-New | Yes | 1991 | 43 | - |
| 46 | MODRIČA | LC-New | Yes | 1990 | 18 | - |
| | MODRIČA(KN) | RPC-New | **NO** | 1991 | - | 1 |
| 47 | MOSTAR | LC-New/Austrian | **NO** | 1990 | 44 | - |
| 48 | MRKONJIĆGRAD | RPC-New | **NO** | 1991 | - | 21 |
| 49 | NEUM | LC-New/Austrian | Yes | 1989 | 9 | - |
| 50 | NEVESINJE | LC-New/Austrian | Yes | 1989 | 27 | - |
| 51 | NOVI GRAD-SARAJEVO | LC-New | Yes | 1991 | 8 | - |
| 52 | NOVI TRAVNIK | LC-New | Yes | 1990 | 16 | - |
| 53 | NOVO SARAJEVO | LC-New | Yes | 1991 | 8 | - |

| Ord. num. | Cadastre database of Municipality | Type of cadastre-type of survey | Complete | Year of update | #CM LC | #CM RPC |
|---|---|---|---|---|---|---|
| 54 | ODŽAK | LC-New | Yes | 1991 | 14 | - |
| 55 | OLOVO | RPC-New | **NO** | 1991 | - | 5 |
| 56 | ORAŠJE | LC/ RPC-New | Yes | 1990/91 | 13 | 3 |
| 57 | POSUŠJE | LC-New/Austrian | Yes | 1989 | 27 | - |
| 58 | PRIJEDOR | LC-New | Yes | 1991 | 56 | - |
| | PRIJEDOR(KN) | RPC-New | **NO** | 1991 | - | 6 |
| 59 | PRNJAVOR | LC-New | Yes | 1991 | 58 | - |
| | PRNJAVOR(KN) | RPC-New | **NO** | 1991 | - | 3 |
| 60 | ROGATICA | RPC-New | **NO** | 1991 | - | 31 |
| 61 | SANSKI MOST | LC-Austr./Invent./New | Yes | 1990 | 54 | - |
| | SANSKI MOST(KN) | RPC-New | **NO** | 1991 | - | 20 |
| 62 | SKENDER VAKUF | RPC-New | **NO** | 1991 | - | 2 |
| 63 | SOKOLAC | LC-Austrian | Yes | 1990 | 18 | - |
| | SOKOLAC(KN) | RPC-New | **NO** | 1991 | - | 26 |
| 64 | SRBAC | LC-New | Yes | 1989 | 35 | - |
| 65 | SREBRENICA | LC-Austrian | Yes | 1991 | 81 | - |
| 66 | SREBRENIK | LC-New | Yes | 1991 | 31 | - |
| 67 | STARI GRAD-SARAJEVO | LC-New | Yes | 1990 | 21 | - |
| 68 | ŠIROKI BRIJEG | LC-New | Yes | 1990 | 27 | - |
| 69 | TESLIĆ | LC-Austrian | Yes | 1991 | 33 | - |
| | TESLIĆ(KN) | RPC-New | **NO** | 1991 | - | 10 |
| 70 | TEŠANJ | LC-New | **NO** | 1991 | 27 | - |
| 71 | TRAVNIK | LC-New | Yes | 1989 | 40 | - |
| 72 | TREBINJE | LC-New/Austrian | Yes | 1990 | 69 | - |
| 73 | TRNOVO | RPC-New | Yes | 1991 | - | 14 |
| 74 | TUZLA | LC-New | Yes | 1989 | 33 | - |
| 75 | UGLJEVIK | LC-New | Yes | 1990 | 17 | - |
| 76 | VAREŠ | LC-New | Yes | 1990 | 20 | - |
| 77 | VELIKA KLADUŠA | LC-New | Yes | 1989 | 28 | - |
| 78 | VISOKO | RPC-New | Yes | 1991 | - | 29 |
| 79 | VIŠEGRAD | LC-New | Yes | 1991 | 22 | - |
| 80 | VITEZ | LC-New | Yes | 1989 | 10 | - |
| 81 | VLASENICA | LC-New | Yes | 1990 | 35 | - |
| 82 | VOGOŠĆA | LC-New | Yes | 1989 | 9 | - |
| 83 | ZAVIDOVIĆI | LC-New | Yes | 1991 | 42 | - |
| 84 | ZENICA | LC-New | Yes | 1991 | 40 | - |
| 85 | ZVORNIK | LC-New | Yes | 1989 | 26 | - |
| 86 | ŽIVINICE | LC-New | Yes | 1990 | 29 | - |
| | | | | Total: | 2313 | 422 |

**Abbreviations:**

| | | | |
|---|---|---|---|
| **CM** | Cadastral Municipality | **New** | New Survey |
| **RPC** | Real Property Cadastre | **Austrian** | Austro-Hungarian Survey |
| **LC** | Land Cadastre | **Invent** | Austro-Hungarian Survey destroyed, land inventory conducted |

TOTAL in CDBs CRPC: 2313 CMs with Land Cadastre, 422 CMs with Real Property Cadastre, 2735 CMs in total

NOTE:

- In ČAPLJINA cadastre municipalities (CM) of Višići and Zvirovići are missing.
- In MOSTAR data for cadastre municipalities of Vrdi, Rodoč, Selište, Sretnice, Zijemlje, Žitomislići, Slipčići, Vihovići, Vojno, Vrapčići, Gnojnice Gornje, Kutilivač II and Željuša are missing.
- In TEŠANJ data for CMs of Kalošević, Mrkotić, Piljužići, Tešanj I, Vitkovci Donji and Vrela are missing.
- In CAZIN only cadastre municipalities of Osredak,Ostrožac, Rujnica and Vrelo have been implemented.

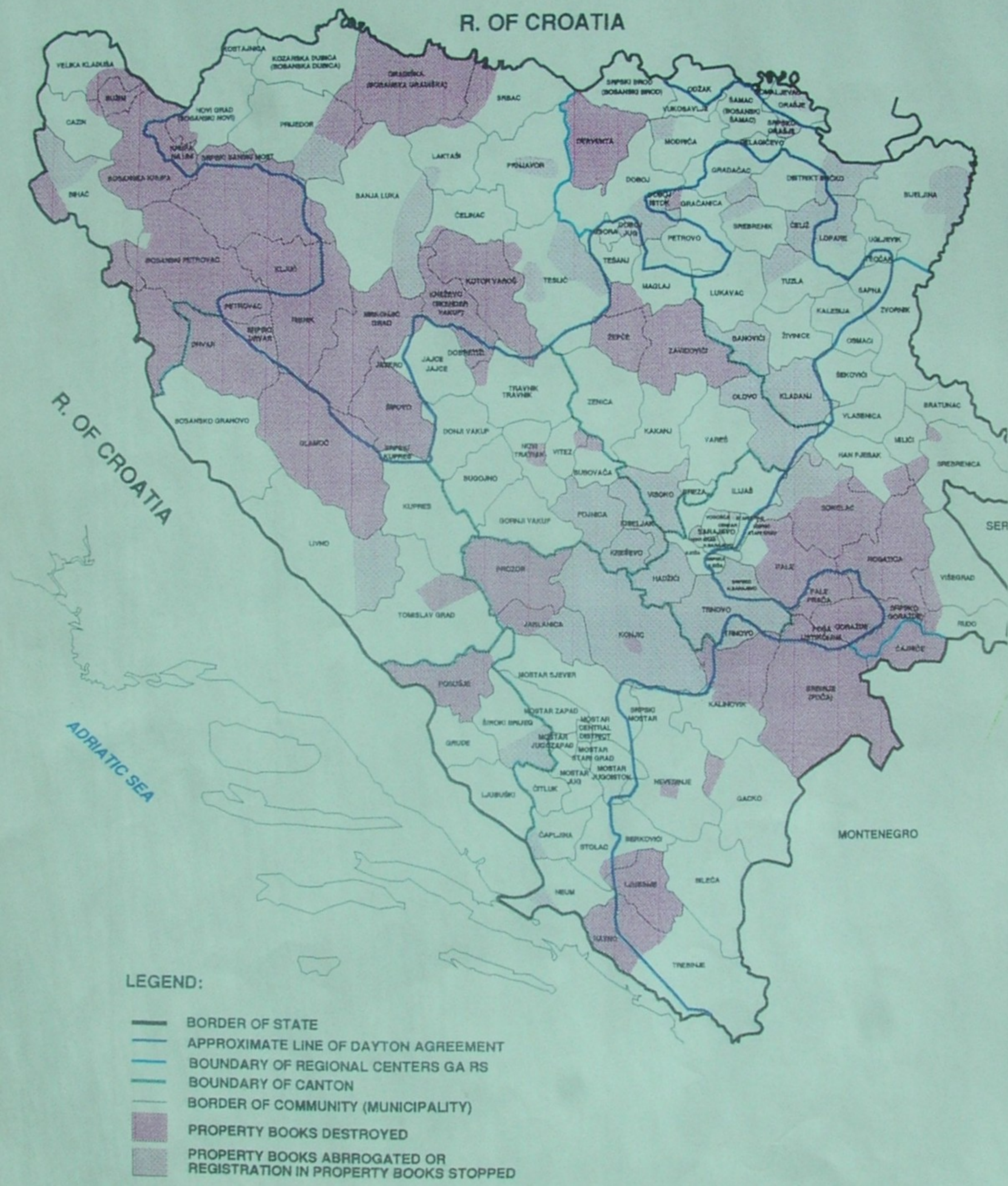
Year of last update of cadastre databases:

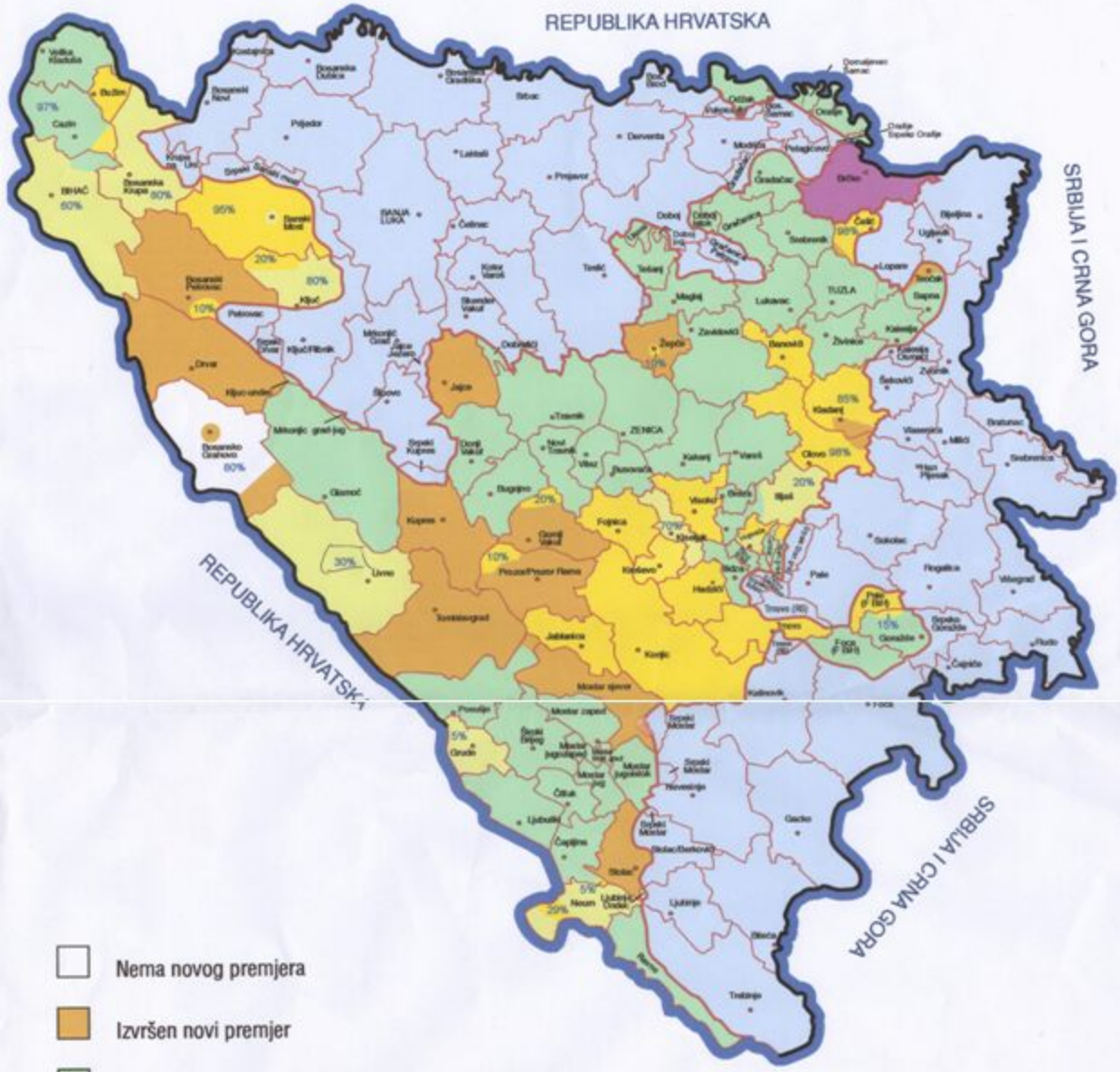
- 47 municipalities updated as of the end of **1991**, which means **54,65%** of collected databases
- 18 " **1990,** " **20,93%** "
- 19 " **1989,** " **22,09%** "
- 2 " **1988,** " **2,33%** "

**86** collected cadastre databases

Sarajevo, 23/01/2003, Kemal Arnautović, Head of Cadastre and Verification Unit

# BOSNIA AND HERZEGOVINA-STATUS OF PROPERTY BOOKS






- Nema novog premjera
- Izvršen novi premjer
- Uspostavljen katastar zemljišta
- Uspostava katastara nekretnina u toku
- Uspostavljen katastar nekretnina
- Republika Srpska
- Distrikt Brčko
- Granica općine

Sarajevo, maj 2005 god.