



Press release

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Local tax rates 2.6 percent up

- **Smallest increase municipal taxes in 25 years**
- **Modest increase waste disposal tax**
- **Lower proceeds building permit fees**
- **Proceeds provincial road tax surcharge nearly 3 percent higher**
- **Water boards pay more attention to flood prevention and protection**

In 2010, provincial and municipal government authorities expect local tax proceeds to amount to 11.5 billion euro, a 2.6 percent increase on 2009. Water boards tax proceeds rise most rapidly, followed by provinces and municipalities. This is shown by the most recent figures released by Statistics Netherlands. The figures are based upon local government budgets.

Municipal authorities expect local tax proceeds to grow by 2 percent relative to last year. This is the smallest increase in the past 25 years, apart from 2006, when municipal tax proceeds dropped sharply as property tax (OZB) for users of residential units was abolished.

Proceeds from waste disposal tax will grow by 1.1 percent, a reduction by almost half relative to the increase in 2009. Proceeds from the other two important municipal taxes will also grow less rapidly in 2010 than last year. Property tax proceeds are projected to grow by 3.2 percent in 2010, i.e. 1.5 percentage points down on last year. Proceeds from sewerage charges will increase by 4.8 percent in 2010, as against 6.5 percent in 2009.

Local authorities anticipate proceeds from building permit fees to drop by 6.9 percent, predominantly as a result of the economic crisis.

Provincial authorities expect to receive more than 1.4 billion euro from road tax surcharge, an increase by nearly 3 percent on 2009.

Total proceeds from water board taxes are estimated at nearly 2.3 billion euro this year, an increase by more than 4 percent on 2009. The water system tax (earmarked for construction and maintenance of dams, waterways and watercourses) will rise most by nearly 6 percent. The increase shows that water board authorities tend to pay more attention to flood protection and prevention.