



# Press release

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## *Local tax proceeds 3.2 percent up*

- **Proceeds property tax considerably higher**
- **Duties on building permits down for third consecutive year**
- **Water tax increase to keep “dry feet”**

Proceeds from local government taxes are estimated at 12.2 billion euro in 2012, an increase by 3.2 percent relative to 2011. According to the latest figures released by Statistics Netherlands, taxes imposed by municipal and water boards authorities increase most.

Municipal taxes are expected to yield 3.6 percent more this year. The most important tax, the tax on property (OZB), will grow by 5.7 percent relative to last year. This is partly due to tax rate increases and area expansions.

Proceeds from sewerage charges will grow by 4.7 percent in 2012 versus 3.8 percent in 2011. This is below the level of the average increase by 6.7 percent over the past decade.

Tax revenues from building permits are anticipated to drop by 3.9 percent this year. Revenues will be lower for the third year in a row, mainly due to slumping activities in the construction sector as a result of the economic crisis.

The estimated yields of water board taxes will exceed 2.4 billion euro in 2012, a 3.6 percent increase from 2011. The tax revenue increase is predominantly due to a tax on the water system earmarked for the construction and maintenance of dikes, waterways and watercourses to prevent the Dutch population from getting “wet feet”. On average, the increase was 5 percent annually over the past 3 years.