

The Role of the StateGeoCadastre of Ukraine in Taxation - State of Play and Further Plan

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**The State Service of Ukraine for
Geodesy, Cartography and
Cadastral**

maintains the State Land Cadastre

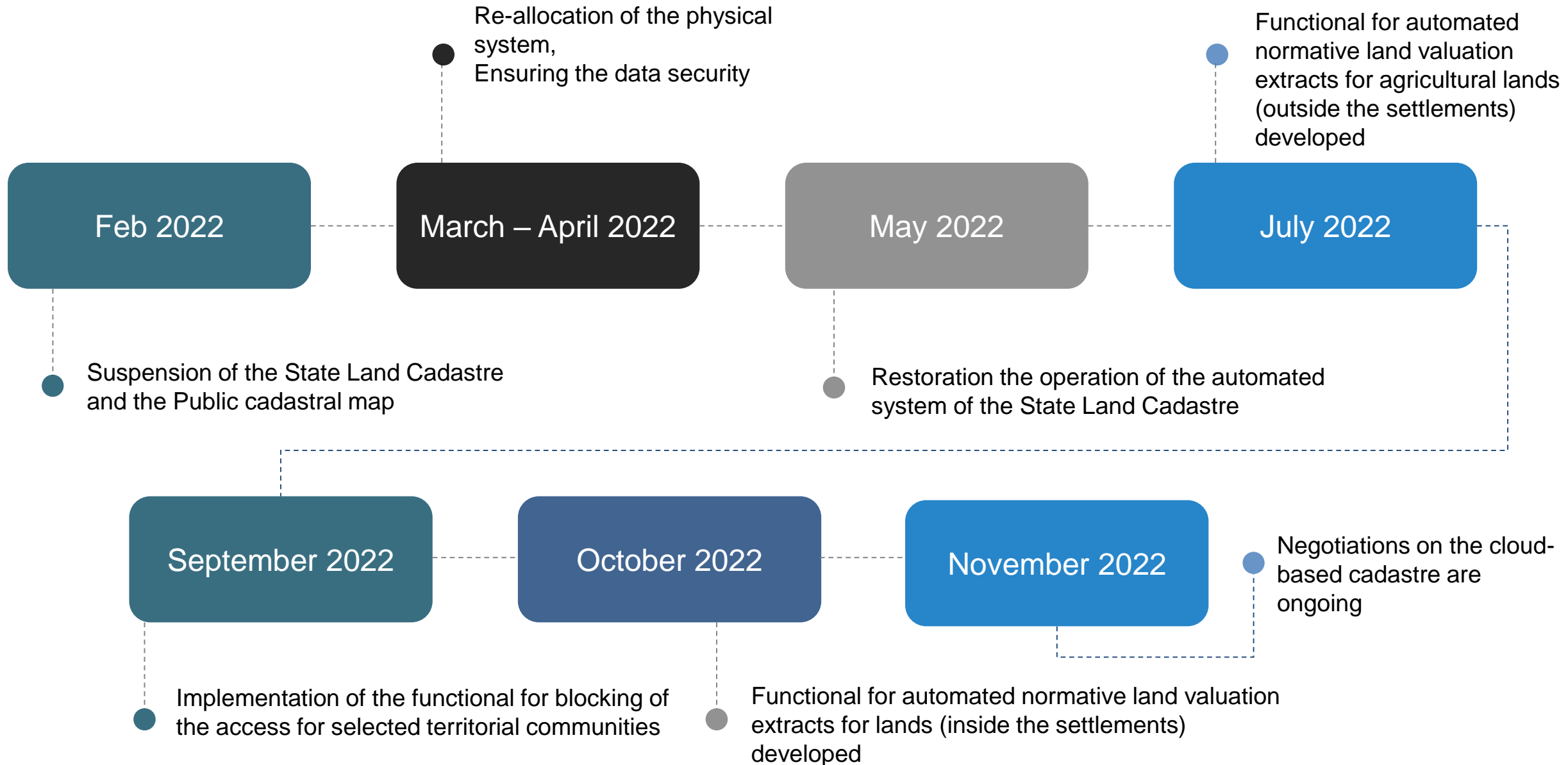
The State Land Cadastre is a source (for tax purposes):

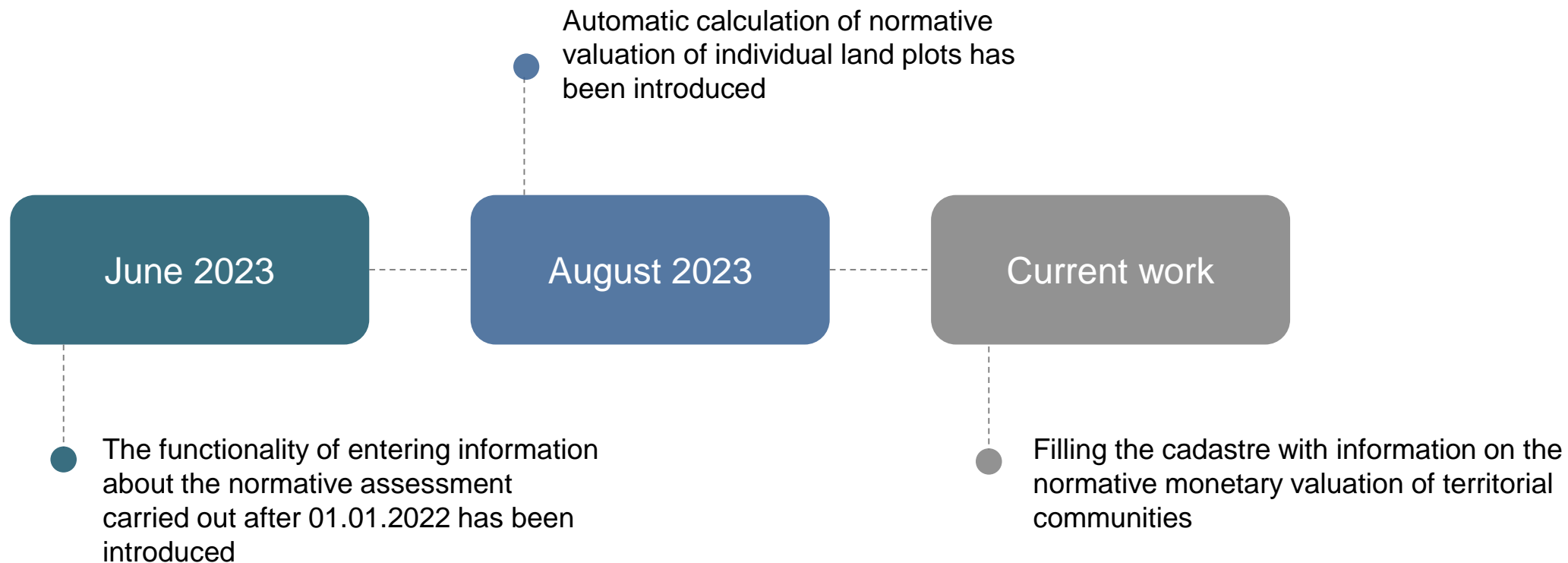
- information on the object of taxation (land plots)
- information on the normative monetary valuation of land plots (tax base)

This information is provided in the form of extracts from the State Land Cadastre



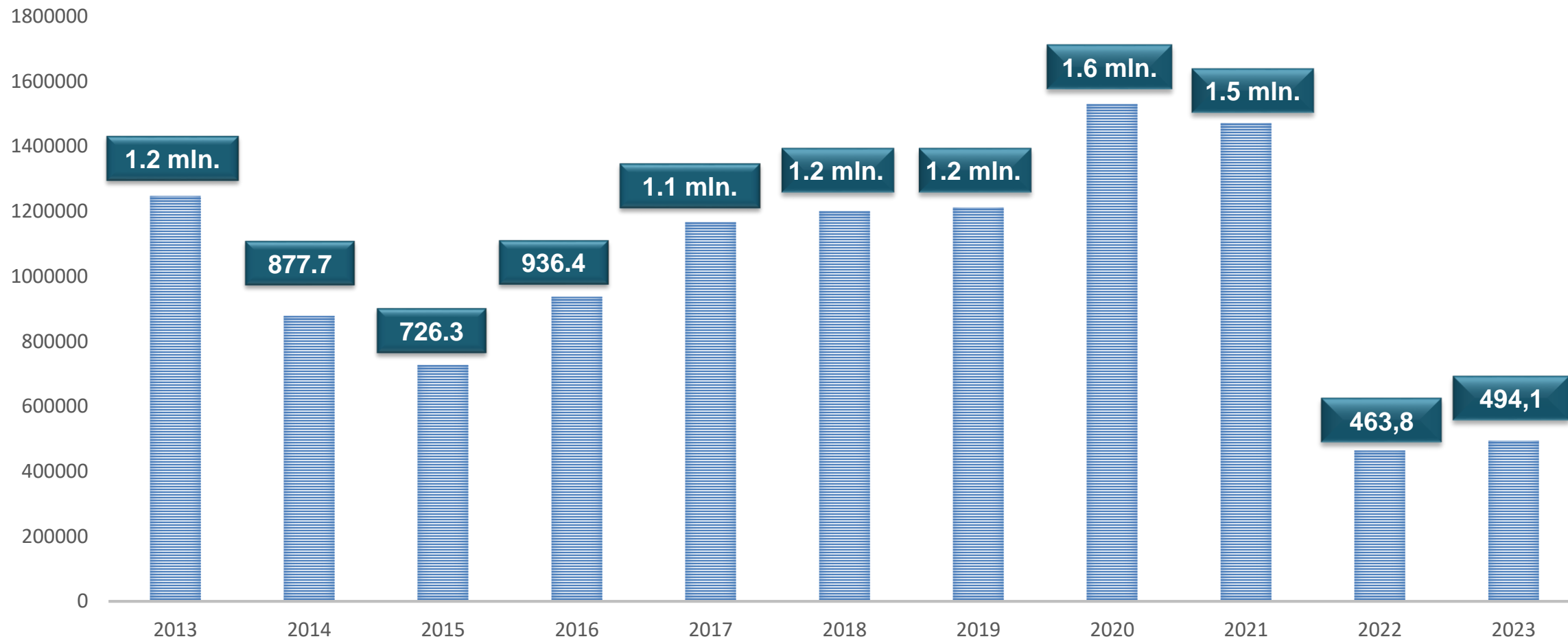
State Land Cadastre in 2022



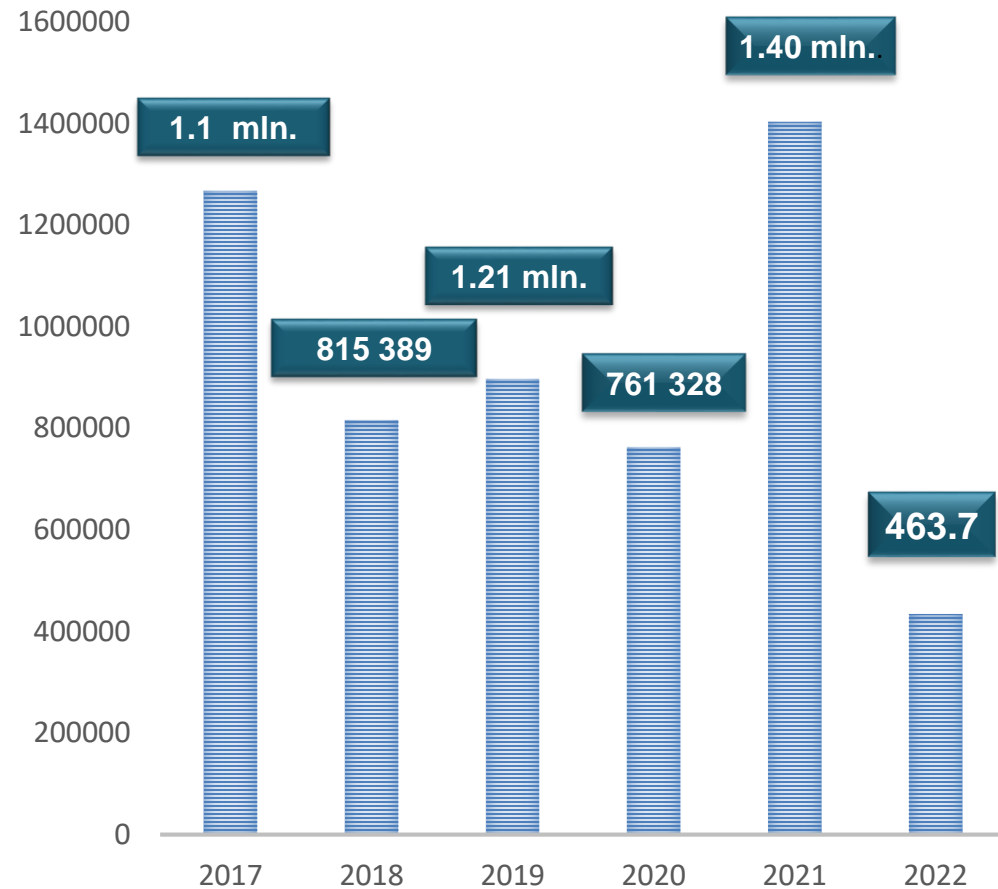




Registration of land parcels

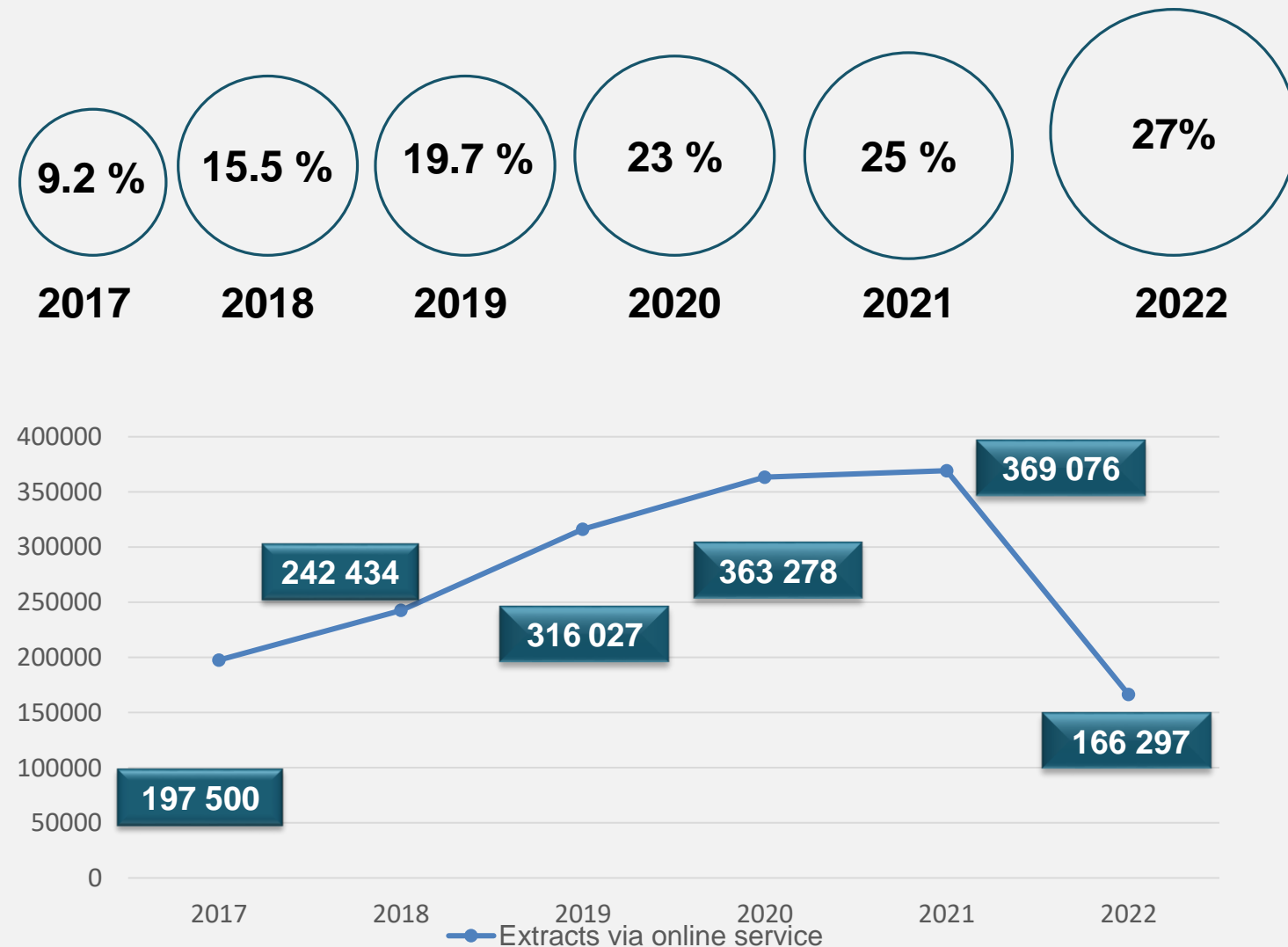


Extracts from State Land Cadastre (paper form)



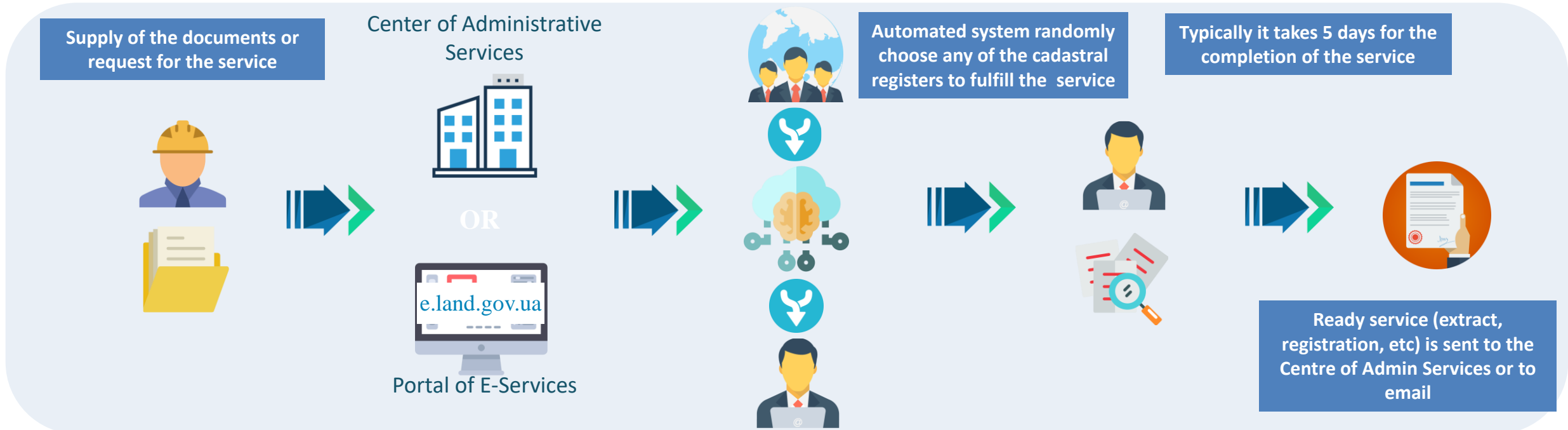
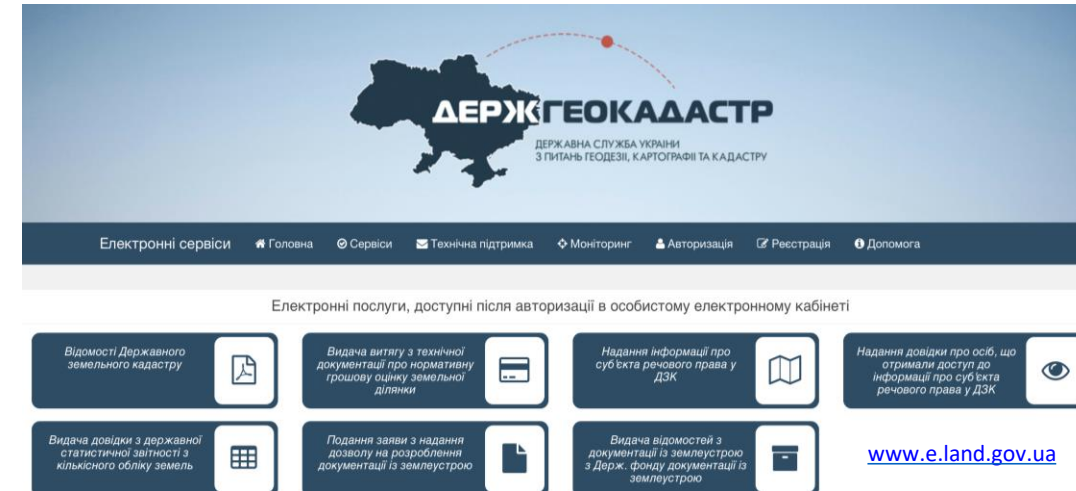
Due to closed public cadaster map the share of E-services went down

Share of on-line extracts



Exterritorial approach – is the key principle of the E-services operation

The business process of the exterritorial service:



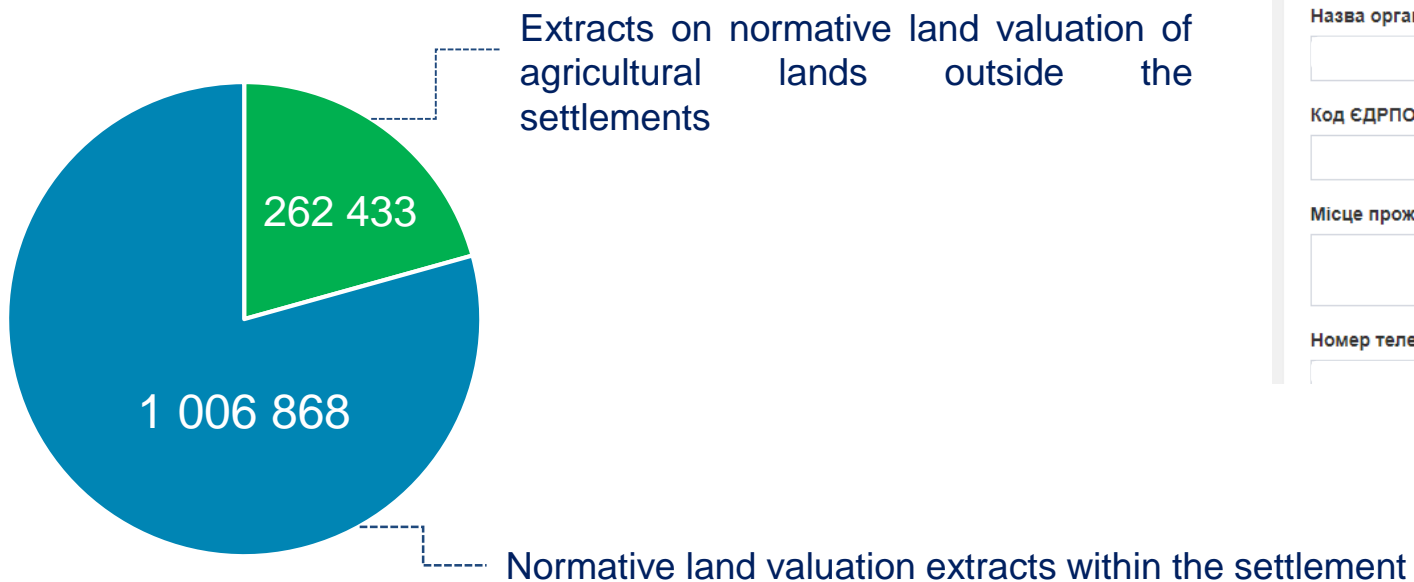
Two new fully automated services were implemented in 2022

From Oct 2022 extracts on normative land valuation

100 %

Online

In case of the information availability in the State Land Cadastre on both the land NMV of the settlement and the land plot itself



Заява про надання відомостей з Державного земельного кадастру Інструкція

Державна служба України з питань геодезії, картографії та кадастру

Тип заяви *

Землі в межах території адміністративно-територіальної одиниці

Виберіть

- Землі в межах території адміністративно-територіальної одиниці
- Обмеження у використанні земель
- Витяг з ДЗК про земельну ділянку без даних від РРП
- Викопіювання з картографічної основи ДЗК, кадастрової карти (плану)
- Нормативна грошова оцінка земельної ділянки (землі населених пунктів)**
- Нормативна грошова оцінка земельної ділянки (с/г призначення за межами населених пунктів)

d.makarenko89@gmail.com

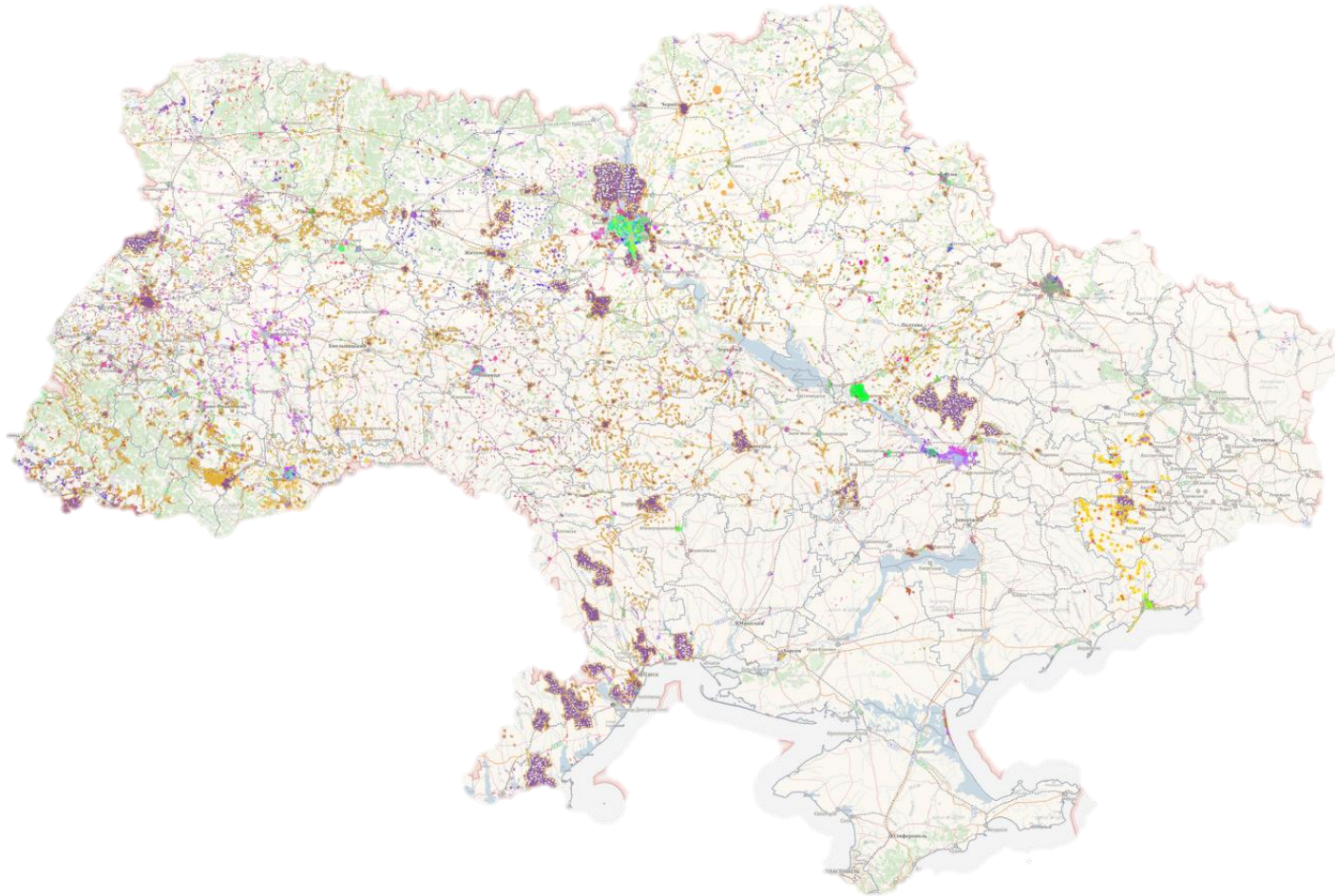
Заявник *

Назва організації *

Код ЄДРПОУ *

Місце проживання фізичної особи / Місцезнаходження юридичної особи *

Номер телефону



**100% of agricultural land
(outside settlements)**

11 216 settlements

The calculation of the
normative monetary valuation
of individual land plots in these
territories is carried out
automatically



Proper security of the national registries and data bases, mainly State Land Cadastre, NSDI and Geodetic Network








Hardware to ensure the security of the systems and registries



Cloud-based storage for the strategic systems' operation



Stable energy supply for the systems' operation

- 2021**  **Updating the Methodology of Normative Monetary Valuation of Land: One Territorial Community – One Technical Documentation**
-  **Analysis of information on operations in the land market in order to ensure the transition to mass land valuation**
-  **Development of the first draft of the concept of mass land valuation**
- 2022**  **Digitalization of services for the provision of information on the normative monetary valuation of land for settlements and non-agricultural purposes**
- 2023**  **Preparation for a pilot project on mass land valuation**

Tax basis for land payments

(land tax and rent for state and municipal land):

- the **normative monetary valuation of land in accordance with the established norms**
(Tax Code of Ukraine, Law of Ukraine «On Land Valuation»)

The basis for estimating the market value of land plots

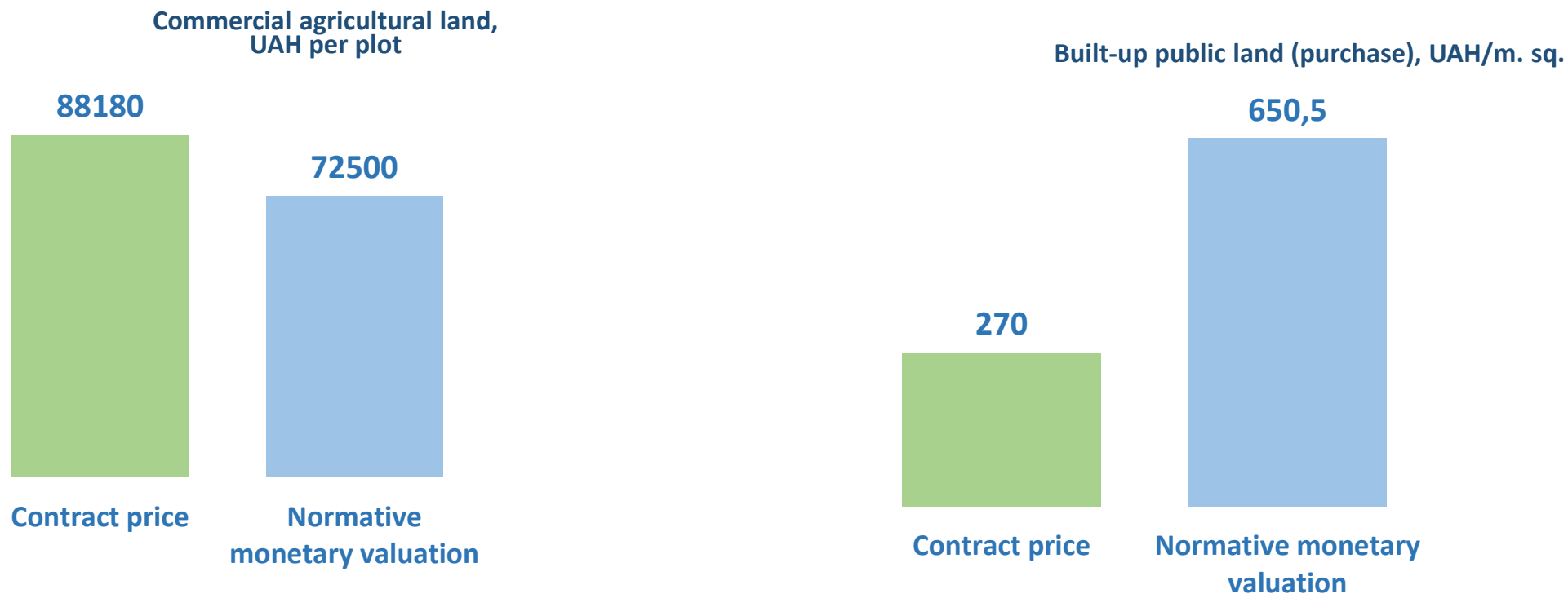
(estimating the sale price of land lots and rights to them):

- **expert monetary valuation of land plots, which is calculated according to market indicators**
(Law of Ukraine «On Land Valuation»)

The usage of different bases for calculating the amount of taxes and fees and estimating the market value of land plots leads to an economic distortion in the general concept on the value of a territory (land plot) as an object that produces profit from its utilization.

Comparison of the average sale price of land plots and their normative monetary valuation

(in the period from 01.07.2021 to 01.03.2023)



According to the State Register of Property Rights in the period from 01.07.2021 to 01.03.2023

According to monitoring of land sales (StateGeoCadastre) in the period from 01.07.2021 to 01.03.2023

The implementation of mass land valuation in Ukraine aims to overcome shortcomings and has advantages:

- **Improving the tax system:** mass land valuation will allow for more transparent estimation of tax rates and the amount of taxation of land plots, ensuring more efficient collection of taxes and fees.
- **Reducing corruption:** mass land valuation can reduce corruption risks, as the valuation procedure will be more transparent and fair.
- **Improving the investment climate:** transparent mass land valuation will boost the investment climate in Ukraine and increase the confidence of investor.
- **Harmonization with international standards:** the implementation of mass land valuation will be in line with international standards and recommendations, in particular the European Convention on the Valuation of Real Estate.

STATE ANTI-CORRUPTION PROGRAM for 2023-2025

(Resolution of the Cabinet of Ministers of Ukraine dated March 4, 2023)

Challenge 2.5.5. The procedure of collecting land tax and renting state and municipal lands is accompanied by corruption risks due to the possibility of providing them for usage at a cost below the market value

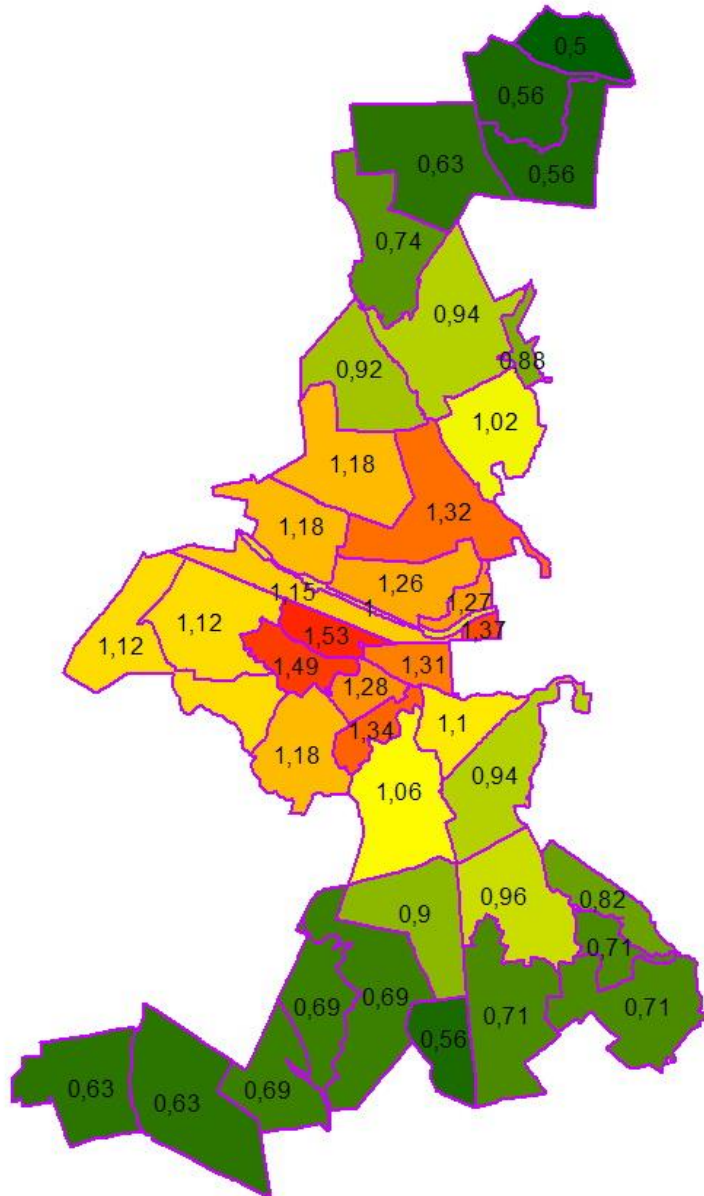
Expected strategic results:

- 1) Implementation of a pilot project to estimate the amount of land tax based on the indicators of mass land valuation, taking into account international standards of property valuation for tax purposes;
- 2) Implementation of amendments to the Tax Code of Ukraine and the Law of Ukraine «On Land Valuation» to set rental rates for state-owned and municipal land plots based on their market value

Stages of mass land valuation implementation in Ukraine

- 1. Implementation of a pilot project to estimate the amount of land tax based on the indicators of mass land valuation, taking into account international standards of property valuation for tax purposes:**
 - 1) amendments to the Law of Ukraine «On Land Valuation» (completed 08.06.2023);
 - 2) adoption of a Resolution of the Cabinet of Ministers of Ukraine defining the procedure for implementing a pilot project on mass land valuation (completed 13.10.2023);
 - 3) start of the pilot project (starts);
 - 4) putting into trial operation a geographic information system for mass land valuation as part of the State Land Cadastre software;
 - 5) putting into industrial operation a geographic information system for mass land valuation as part of the State Land Cadastre software.

- 2. Amendments to the Tax Code of Ukraine and the Law of Ukraine «On Land Valuation» regarding the usage of mass land valuation for tax purposes and the setting of land tax and rent rates for state and municipal land plots.**



1. Create zoning of the territory

Zoning of the territory based on the parameters that affect the market value of land plots ensures that market prices depend, in particular, on the degree of exploration and engineering development of the territory.

2. Create a mathematical model for calculating indicators of mass land valuation

It is necessary to choose which mathematical model we will use.

3. Create a geo-information system for mass land valuation

The geographic information system should be a component of the State Land Cadastre