

# **Economic consequences of property transfer taxes**

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## **Abstract**

This paper examines the impact of real estate transfer taxes on the market for real estate. To this end, this work answers the following questions. What are the trends in real estate transfer taxes around the world, with a focus on OECD countries? What are the negative externalities of this tax? Are there ways to avoid these negative externalities by setting this tax appropriately? What are the alternatives to collecting this tax? To answer these questions, a scoping study of more than ninety selected foreign studies is conducted and then compiled into a systematic review. The observed impact of transfer taxes on the subject markets is divided into the effect on the price of real estate, on the volume and date of transactions, and on population mobility. On the basis of the knowledge presented in the thesis, both (in the author's opinion) the best variants of this tax in the form of a non-total introduction of this tax, which for example excludes first-time buyers and low-income households from the obligation to pay it, and its alternatives, in particular the replacement of these taxes by periodic real estate taxes, are subsequently presented.

## **Key Words:**

Taxes, real estate, taxes on immovables, taxes on property